NEW YORK CITY TAXI AND LIMOUSINE COMMISSION
Notice of Public Hearing and Opportunity to Comment on Proposed Rules

What are we proposing? The Taxi and Limousine Commission is considering changing its rules to require owners of unrestricted Taxicabs to purchase the Taxi of Tomorrow vehicle selected by the TLC or to continue to purchase alternative fuel vehicles after the Taxi of Tomorrow comes into use. These proposed rules were not included in the TLC's regulatory agenda for the current fiscal year because the need for the rule change was not anticipated at the time the agenda was submitted.

When and where is the Hearing? The Commission will hold a public hearing on the proposed rule. The public hearing will take place at 10:00 a.m. on Thursday, June 20, 2013. The hearing will be in the Commission hearing room at 33 Beaver Street, New York, New York, on the 19th Floor.

How do I comment on the proposed rules? Anyone can comment on the proposed rules by:

- **Mail.** You can mail written comments to the Taxi and Limousine Commission, Office of Legal Affairs, 33 Beaver Street – 22nd Floor, New York, New York 10014.

- **Fax.** You can fax written comments to the Taxi and Limousine Commission, Office of Legal Affairs, at 212-676-1102.

- **Email.** You can email written comments to tlcrules@tlc.nyc.gov.

- **Website.** You can submit comments to the Taxi and Limousine Commission through the NYC rules Web site at www.nyc.gov/nycrules.

- **By Speaking at the Hearing.** Anyone who wants to comment on the proposed rule at the public hearing must sign up to speak. You can sign up before the hearing by calling 212-676-1135. You can also sign up in the hearing room before the hearing begins on June 20, 2013. You can speak for up to three minutes.

Is there a deadline to submit written comments? Yes, you must submit written comments by June 19, 2013.

Do you need assistance to participate in the Hearing? You must tell the Office of Legal Affairs if you need a reasonable accommodation of a disability at the Hearing. You must tell us if you need a sign language interpreter. You can tell us by mail at the address given above. You may also tell us by telephone at 212-676-1135. You must tell us by Thursday, June 13, 2013.

Can I review the comments made on the proposed rules? A few days after the hearing, a transcript of the hearing and copies of the written comments will be available to the public at the Office of Legal Affairs.

What authorizes the Commission to make this rule? Sections 1043 and 2303 of the City Charter and sections 19-503 19-533 of the City Administrative Code authorize the Commission to make this proposed rule.

Where can I find the Commission's rules? The Commission's rules are in title 35 of the Rules of the City of New York.

What rules govern the rulemaking process? The Commission must meet the requirements of Section1043 of the City Charter when creating or changing rules. This notice is made according to the requirements of Section 1043(b) of the City Charter.

Statement of Basis and Purpose of Rule

Background

Over 600,000 people per day ride in medallion taxicabs regulated by the Taxi and Limousine Commission. Since the end of taxicab manufacture by the Checker Motors Corporation in the early 1980s, none of the vehicles used by the New York City medallion taxicab industry have been designed especially for taxicab service. Since these cars have not been designed or engineered specifically for taxi use, they have not included features and amenities that would be beneficial to taxi owners, drivers, and passengers. Nor have they incorporated the latest technologies, accessibility features for people with disabilities, or safety advances. Most important, none of the vehicles currently in use as taxicabs are designed and manufactured to meet federal safety standards in their taxi configuration. In particular, the presence of a partition installed after the vehicle is manufactured and crash-tested creates an increased risk of head and face injuries.[1]

In 2007, the City issued a Request for Information (RFI) and convened a Taxi of Tomorrow Advisory Committee (comprised of taxi drivers, passengers, medallion owners, advocates for people with disabilities, advocates for the environment, various taxi driver and owner organizations, and designers) to help ensure that the new taxicab meets the needs of diverse stakeholders.

In 2009, the City issued a Request for Proposals (RFP) seeking an exclusive provider of taxicabs to the medallion taxi industry. It sought a vehicle that offered:

- Compliance with federal safety standards even with a partition installed
- Superior passenger experience
- Superior driver comfort and amenities
- Appropriate purchase price and on-going maintenance and repair costs
- Minimal environmental impact
- Minimal physical footprint with more useable interior room
- Accessibility for all users
- Iconic design that will identify the taxi with New York City

After receipt of 7 proposals from a variety of manufacturers, and a year-long detailed evaluation process, the City selected the Nissan NV200 to be the exclusive taxicab vehicle. The NV200 taxicabs will be known as Official Taxicab Vehicle (OTV) or the Accessible Official Taxicab Vehicle (AOTV).

The City subsequently negotiated at length with Nissan North America (Nissan) to secure several important features for taxi owners, passengers and drivers.

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[1] Articles about the danger posed by partitions. http://www.nydailynews.com/news/riding-new-york-city-taxi-seat-belt-danger-health-article-1.1036853; http://www.nydailynews.com/news/didn-seat-belt-new-york-city-cab-suffered-serious-injury-crash-face-smashed-partition-article-1.1036865 and http://www.nytimes.com/1996/07/15/nyregion/metro-matters-cab-partitions-helping-driver-but-not-rider.html

The OTV will be available in both a standard and a wheelchair accessible version. Additionally, forthcoming models will meet the hybrid requirements set forth in New York City Administrative Code Section 19-533. More importantly, the 19-533 compliant version of the OTV will also be available in a wheelchair accessible version, making it New York City's first ever hybrid and wheelchair accessible taxicab.

Safety: The City negotiated with Nissan to ensure that all versions of the OTV have the following safety features:

- Crash-tested with the partition installed;
- Equipped with side passenger airbags designed to deploy without interference from the partition;
- Sliding doors to prevent crashes with cyclists and other vehicles;
- Illuminated lights on the rear exterior to inform cyclists and other drivers that doors are opening;
- Front end of the vehicle is designed to reduce severity of injuries to pedestrians in case of an accident;
- Seatbelts and seatbelt connectors are highlighted with color to encourage seatbelt use; and
- Backup cameras for drivers

Passenger amenities include:

- Suspension and ride quality engineered for rear passenger comfort
- More knee room
- Rear HVAC controls with separate climate control for passenger
- Entry and exit step with grab handles and completely flat floor
- Sliding doors that are easier to open than sliding doors in current taxis
- Transparent skyroof with passenger controlled shade
- Extra room for luggage
- Passenger controlled reading lights
- Floor lighting to assist in locating lost objects
- USB and 12 volt charging ports
- Intercom for easy communication with driver
- Hearing loop to facilitate communication with driver for those with compatible hearing aids
- Odor-absorbing roof panel and seats with antimicrobial components
- Low annoyance horn and exterior horn light to identify over-honking

Driver amenities include:

- Driver's seat that is adjustable even with the partition installed
- Breathable seat fabric
- Built-in navigation system
- Front passenger seat folds to become driver workspace

- Tray in the partition is ergonomically designed to pass currency and receipts back and forth through the partition so the driver does not have to twist his or her arm around

The Rule

The proposed rule requires that if a medallion owner acquires a new vehicle on or after the activation date for the Taxi of Tomorrow, the owner must hack up the medallion with the Taxi of Tomorrow vehicle, to be known as the Official Taxicab Vehicle or the Accessible Official Taxicab Vehicle. The rule requires the TLC to provide at least 120 days notice to medallion owners prior to the date after which unrestricted medallions must be hacked-up with the Official Taxicab Vehicle. The rule also makes certain, largely technical changes, to current taxicab rules to account for the fact that the Official Taxicab Vehicle will be manufactured and delivered under specifications set by contract with the manufacturer of the vehicle.

Hybrid Specifications

To ensure compliance with New York City Administrative Code Section 19-533, which provides that "one or more hybrid electric vehicle models . . . shall be eligible for immediate use by all current and future medallion owners," the rule also provides that from the activation date until an OTV meets the requirements of section 19-533, a medallion owner may choose to hack up his or her medallion with a vehicle that is a hybrid electric vehicle, provided that the vehicle meets specifications included in this rulemaking (the "Hybrid Specifications"). The Hybrid Specifications do not require that the vehicle be crash-tested with a partition installed, in recognition of the fact that, at present, no commercially available hybrid electric vehicle is crash-tested with a partition installed. The TLC acknowledges that passengers in those vehicles will not have all the safety benefits of the OTV and the AOTV.

However, the Hybrid Specifications do include requirements for interior volume and for passenger-operated climate control that are designed to ensure that taxi passengers traveling in hybrid electric taxis other than the OTV receive a passenger experience comparable to that afforded by the OTV and the AOTV.

Passenger Survey

The TLC prioritized comfort amenities based on customer survey responses, passenger experience, and input received at a City Council hearing. In a passenger survey conducted by the TLC in 2010, over 66 percent of respondents indicated that more storage room or a larger trunk would be an important improvement. Further highlighting the need for luggage space, over 50 percent of respondents answered that they commonly use taxicabs when they travel or when they have luggage. Twenty-nine percent of passengers surveyed responded that the passenger compartment of taxis is too small or uncomfortable.

The proposed rule also takes into account the needs of passengers who use taxis to get to airports. With over 50 million people visiting New York City last year, many of them use

taxicabs as a reliable means of transportation to and from the airports. In 2012, taxis made over 9.6 million total trips to or from the airports. This averages out to over two airport trips per cab each day, making airport trips an integral part of daily taxi operations. Given this, ensuring that a certain amount of luggage space exists in all taxicabs is an important objective for passengers.

Another problem indicated by passengers is interior air quality. In 2012, the TLC received over 100 passenger complaints about air quality, ventilation, odors, or temperature inside the cab. In some cases, the passenger complained that the driver refused to use or adjust the temperature or ventilation. At a City Council hearing on March 5th 2013, Council Member David Greenfield complained about the odor and lack of ventilation in some taxicabs and asked the Commission to address this issue.

Exceptions

The proposed rule includes certain exceptions to the requirement that medallion owners must hack up their medallions with either the OTV or the AOTV:

- From the activation date until an OTV meets the requirements of section 19-533, owners of medallions restricted to use with alternative fuel vehicles may not hack up their vehicles with an OTV or AOTV, but rather must hack up with vehicles meeting the Hybrid Specifications.

- Owners of medallions that are restricted to use with Wheelchair Accessible Vehicles, including 231 such medallions that have already been issued and any medallions that will be issued in the future, may purchase either an AOTV or any accessible taxicab which meets the accessible vehicle specifications set forth in Rule 67-05.2.

- With TLC's authorization, owners of up to 496 unrestricted medallions issued prior to January 1, 2012 who choose to use an accessible vehicle may purchase any accessible Taxicab which meets the accessible vehicle specifications set forth in Rule 67-05.2.

- Until the Commissioner certifies that there is a hybrid version of the OTV, owners of unrestricted medallions may purchase any hybrid vehicle meeting the requirements of Rule 67-05.1C

Retirement Deadlines and Public Hearing

A public hearing on the rules as proposed was held by the TLC on September 6, 2012. Among the public comments received as testimony were several suggestions that the TLC consider granting retirement extensions to owners of vehicles retiring before the OTV activation date to facilitate a smooth roll out of the ToT vehicle and to allow some owners to wait to buy a ToT vehicle rather than being forced to buy a non-ToT vehicle before the OTV activation date. The staff considered this suggestion and agreed, proposing to amend vehicle retirement requirements for certain vehicles as follows:

- Taxicabs currently scheduled to retire beginning November 1, 2012 through May 31, 2013 will receive an extension through December 1, 2013 or such earlier date on which the owner elects to hack up a TOT vehicle.

- Taxicabs currently scheduled to retire beginning June 1, 2013 through September 30, 2013 will receive an extension of six months, or such earlier date on which the owner elects to hack up a TOT vehicle.

- To obtain an extension, an owner must file an election form with the TLC and specify the date by which they intend to hack up a TOT vehicle. The hack up date becomes the new scheduled retirement date.

- Owners electing to participate and obtain an extension must acquire a TOT vehicle at the retirement of the existing vehicle.

- Owners will obtain the extension will not be permitted to hack up a different vehicle before the newly elected scheduled retirement date unless a TOT vehicle is hacked up.

- Owners will not be permitted to hack up another vehicle before the TOT vehicle becomes available. The TLC can grant exemptions to this requirement for good cause.

The Commission's authority for this rules change is found in section 2303 of the New York City Charter and section 19-503 and 19-533 of the New York City Administrative Code.

New material is underlined.
[Deleted material is in brackets.]

"Shall" and "must" denote mandatory requirements and may be used interchangeably in the rules of this department, unless otherwise specified or unless the context clearly indicates otherwise.

Section 1. Chapter 51 of the Rules of the City of New York is amended to add new definitions of "Accessible Official Taxicab Vehicle," "Official Taxicab Vehicle," and "Official Taxicab Vehicle Activation Date," and the definitions of "Alternative Fuel Medallion," "Taxicab Model" and "Unrestricted Medallion" are amended to read as follows:

Accessible Official Taxicab Vehicle ("Accessible OTV") is the OTV modified in a manner that is consistent with the City's contract with Nissan North America.

Alternative Fuel Medallion is a Restricted Medallion valid for use only with a vehicle powered by compressed natural gas or a hybrid electric vehicle that complies with section 67-05 of these rules. Provided, that, after the OTV Activation Date, and until such time, if any, as an Official Taxicab Vehicle meets the requirements of §19-533 of the Administrative Code, as certified by the Chairperson, an Alternative Fuel Medallion must be used with a Taxicab Model meeting the specifications set forth in §67-05.1C of this Chapter.

Official Taxicab Vehicle ("OTV") is the vehicle that meets the standard specifications of Rule 67-05.1B and is the purpose built taxicab for model years 2014 – 2024, manufactured pursuant to the City's contract with Nissan North America. All references to OTV include Accessible OTV unless otherwise specified.

Official Taxicab Vehicle Activation Date ("OTV Activation Date") is the date on or after which the Official Taxicab Vehicle is required to be used in the Hack-up of any Unrestricted Medallion (unless otherwise provided in these Rules). The Commission will post notice of the Official Taxicab Vehicle Activation Date on its Web site at least 120 days prior to such Official Taxicab Vehicle Activation Date.

Taxicab Model is

(1) until the Official Taxicab Vehicle Activation Date, a Taxicab Candidate that has been verified by the Commission as complying with the standard specifications set forth in §67-05, §67-05.1A, or §67-05.2 of these Rules;

(2) on and after the OTV Activation Date, a Taxicab candidate that has been verified by the Commission as complying with the specifications set forth in 67-05; 67-05.1B, 67-05.1C or 67-05.2 of these Rules.

Unrestricted Medallion is

(1) Before the OTV Activation Date a Medallion Taxicab License that is not restricted to use with a particular type of vehicle and is valid for use with any vehicle that complies with §67-05, §67-05.1A, or §67-05.2 of these Rules.

(2) After the OTV Activation Date, a medallion issued prior to January 1, 2012 that was not restricted when issued can be used with an OTV or, an AOTV. *Exception:* After the OTV Activation Date, and until such time, if any, as an Official Taxicab Vehicle meets the requirements of §19-533 of the Administrative Code, as certified by the Chairperson, an Unrestricted Medallion may be used with a Taxicab Model meeting the specifications set forth in §67-05.1C of this Chapter. If at any time after the OTV Activation Date such medallion is restricted by law or rule of the Commission to use with an Accessible Vehicle, the owner of such medallion must purchase an AOTV or lease such medallion for use with an AOTV. Provided, however, that with the Chairperson's approval, up to 496 Unrestricted Medallion owners in good standing may at any time purchase for Hack-up any accessible vehicle which meets the accessible vehicle specifications set forth in Rule 67-05.2, or lease their medallions for use with such a vehicle.

(3) Any vehicle approved for use with an Unrestricted Medallion and Hacked-up prior to the Official Taxicab Vehicle Activation Date can remain in use as a Taxicab until its scheduled retirement as set forth in §67-18 of this Chapter, as may be modified by §67-19.

Section 2. Section 58-21(c) of Title 35 of the Rules of the City of New York is amended to read as follows:

(c) *Rate Rules***.**

(1) *Standard Lease Cap Rates.* An Owner of a Taxicab can charge a lease rate to a Driver that is not greater than the following Standard Lease Caps:

(i) The Standard Lease Cap for a Medallion and vehicle for one shift will not exceed:

A. $115, for all 12-hour day shifts

B. $125, for the 12-hour night shift on Sunday, Monday and Tuesday

C. $130, for the 12-hour night shift on Wednesday

D. $139, for the 12-hour night shifts on Thursday, Friday and Saturday

E. $690, for any one-week day shift for one week or longer

F. $797 for any one week night shift for one week or longer.

(ii) No driver leasing a medallion and vehicle under this paragraph 58-21(c)(1)(i) can be charged more than a total of

A. $690 for six or more day shifts in any seven consecutive day period

B. $797 for six or more evening shifts or combination of day and evening shifts in any seven consecutive day period.

(iii) The lease of a medallion and vehicle under this paragraph 58-21(c)(1) includes service and maintenance. Service and maintenance of the vehicle is the responsibility of the lessor and the lessor and his or her Agent must not charge the lessee for service and maintenance costs for the vehicle.

(iv) The lessee of a medallion and vehicle under this paragraph 58-21(c)(1) is not responsible for payment of any Commercial Motor Vehicle Tax.

(v) For a driver with a weekly lease under 58-21(c)(1)(i)(E), or 58-21(c)(1)(i)(F), if the vehicle is unavailable for use for any reason that is not the lessee's responsibility during any part of any week, the payment of the Lease Cap must be pro-rated.

(vi) For a driver with a weekly lease under 58-21(c)(1)(i)(E) or 58-21(c)(1)(i)(F), the lease includes costs for collision and other damage coverage, including repairs of physical damage to the vehicle.

(2) *Cost Adjustments for the Lease of Hybrid Electric and Diesel-Fueled Vehicles.*

(i) The Standard Lease Cap for Hybrid Electric Taxicabs and Diesel-Fueled Taxicabs that are hacked-up under §§67-05 or 67-05.1C of these Rules and for Taxicabs that are hacked-up under §67-05.1B of these Rules and that meet the requirements of Section 19-533 of the Administrative Code are raised by $3 per shift ($21 per week), so that the lease amount for one shift must not now exceed:

A. $118 for all 12-hour day shifts

B. $128, for the 12-hour night shift on Sunday, Monday and Tuesday

C. $133, for the 12-hour night shift on Wednesday

D. $141, for the 12-hour night shifts on Thursday, Friday and Saturday

E. $708, for any one-week day shift for one week or longer

F. $812 for any one week night shift for one week or longer.

(ii) No driver leasing a medallion and vehicle under this paragraph 58-21(c)(2) can be charged more than a total of

A. $708 for six or more day shifts in any seven consecutive day period

B. $812 for six or more evening shifts or combination of day and evening shifts in any seven consecutive day period.

(iii) The lease of a medallion and vehicle under this paragraph 58-21(c)(2) includes service and maintenance. Service and maintenance of the vehicle is the responsibility of the lessor and the lessor and his or her Agent must not charge the lessee for service and maintenance costs for the vehicle.

(iv) The lessee of a medallion and vehicle under this paragraph 58-21(c)(2) is not responsible for payment of any Commercial Motor Vehicle Tax.

(v) For a driver with a weekly lease under 58-21(c)(2)(i)(E) or 58-21(c)(2)(i)(F), if the vehicle is unavailable for use for any reason that is not the lessee's responsibility during any part of any week, the payment of the Lease Cap must be pro-rated.

(vi) For a driver with a weekly lease under 58-21(c)(2)(i)(E) or 58-21(c)(2)(i)(F), the lease includes costs for collision and other damage coverage, including repairs of physical damage to the vehicle.

(3) *The Standard Lease Cap*:

(i) For a *Medallion-only* Hybrid Taxicab, Hacked-up under §§67-05 or 67-05.1C of these Rules and for Taxicabs that are hacked-up under §67-05.1B of these Rules and that meet the requirements of Section 19-533 of the Administrative Code is $1114 weekly.

(ii) For all other *Medallion-only* Taxicabs, (including Accessible Taxicabs), is $1072

([i]iv[i]) A medallion lessor or Agent of a lessor must not require a medallion lessee to obtain service, repairs or maintenance of the vehicle from any particular provider, including, but not limited to, a lessor or an Agent of a lessor.

([i]v) A lease, and payment of the Lease Cap under this section includes (and all of the following must be provided to the lessee):

A. Use of the medallion;

B. All applicable TLC fees except for TLC vehicle inspection fees (but the lessor is not required to provide vehicle registration or payment of the Commercial Motor Vehicle Tax);

C. Insurance required by Section 58-13;

D. Credit card fees or charges;

E. Up to 3 drivers on a lease at the request of the drivers, which request cannot be unreasonably denied.

A lessor must not accept any other payment from a lessee for the purchase or lease of a vehicle. A Medallion lessor or Agent can agree with a driver to provide services or accommodations on an arms-length basis outside the lease. A Medallion lessor or Agent who provides services or accommodations outside the lease to a leasing driver must keep records of all transactions with that driver and such records must be available for inspection by the Chairperson.

(vi) The gasoline surcharge option provided in paragraph 58-21(c)(6) is not available to Owners/lessors leasing a Medallion-only under this Section 58-21(c)(3)

(4) *Standard Medallion Lease Cap including Long Term Vehicle Lease/Conditional Purchase*

(i) A Lease is covered by this paragraph 58-21(c)(4) if it includes all of the following:

A. The lease of a Medallion

B. The conditional purchase agreement for a vehicle; and

C. The vehicle is being conditionally sold to the driver/lessee by any of

1. The Owner of the Medallion or any employee of the Owner, and/or
2. The Owner's Agent or any employee of the Agent, and/or
3. Any Business Entity of which a Business Entity Person of the Owner or Agent, or an employee of Owner or Agent, is a Business Entity Person

(ii) The Standard Lease Cap under this section for a Taxicab Medallion and vehicle is

A. $1389 weekly if the vehicle complies with the requirements of §§67-05 or 67-05.1C of these Rules and for Taxicabs that are hacked-up under §67-05.1B of these Rules and that meet the requirements of Section 19-533 of the Administrative Code ; or

B. $1347 weekly if the vehicle complies with the requirements of Sections 67-05.1A or 67-05.2 of these Rules

C. This Standard Lease Cap can be charged for a lease related to any one vehicle for up to 156 weeks, however it cannot be charged at any time after title to the vehicle passes (or could have passed) to the lessee.

(iii) Title to the leased vehicle must pass to one or more of the lessees, if the lessees request, after 156 weeks, or after all vehicle financing costs have been paid, whichever is sooner. The conditional seller is not required to transfer title if the lessees have failed to pay all payments due for the vehicle purchase and lease until all such payments have been made.

(iv) The lease of a Medallion together with a vehicle under this paragraph 58-21(c)(4) includes within the payment to the lessor the amount due by the Vehicle owner for the Commercial Motor Vehicle Tax.

(v) A lease, and payment of the Lease Cap under this section includes (and the following must be provided to the lessee):

A. Use of the medallion;

B. All applicable TLC and NYS DMV fees except for TLC vehicle inspection fees;

C. Insurance required by Section 58-13;

D. Credit card fees or charges;

E. All Vehicle purchase and/or finance costs and vehicle sales tax and related costs;

F. Up to 3 drivers on a lease at the request of the drivers, which request cannot be unreasonably denied.

A lessor can offer coverage for collisions and physical damage to the vehicle to the lessee/purchasers in an amount not to exceed $50 per week, but cannot require that the lessee/purchasers purchase such coverage. . A Medallion lessor or Agent can agree with a driver to provide services or accommodations on an arms-length basis outside the lease. A Medallion lessor or Agent who provides services or accommodations outside the lease to a leasing driver must keep records of all transactions with that driver and such records must be available for inspection by the Chairperson

(vi) (reserved)

(vii) The gasoline surcharge option provided in Section 58-21(c)(6) is not available to Owners/lessors leasing a Taxicab and vehicle under this Section 58-21(c)(4).

(viii) If the vehicle is unavailable for use for any reason that is not the lessee's responsibility during any part of any week, the lessees payment of the Lease Cap must be pro-rated.

(5) *Limits on Additional Charges.* In addition to a lease amount no greater than the Standard Lease Cap (as adjusted), an Owner/lessor (as well as any agent or employee of the Owner/lessor) must not request of or accept from any lessee (of a Taxicab or Medallion-only) any money or other thing of value, except for the following (this means an Owner/lessor must not charge any tip, tax, surcharge or other fee of any kind above the Standard Lease Cap (as adjusted) except for the following):

(i) A gas surcharge of $21 per shift (or $126 for drivers leasing under 58-21(c)(1)(i) E or F and 58-21(c)(2)(i) E or F (with such surcharge to be adjusted as provided below) provided that the Owner/lessor or his or her agent is providing gasoline to the lessee as provided in section 58-21(c)(6);

(ii) A security deposit and deductions from the security deposit no greater than allowed under subdivision (e) below;

(iii) The discount toll amount for use of the Owner's *EZ-Pass*® as described in §58-27 of this Chapter;

(iv) A late charge not to exceed $25 for any shift for the late return of a vehicle;

(v) A reasonable cancellation charge, subject to the provisions of subdivision (i)(5) below;

(vi) Parking tickets and red light violations permitted to be deducted from the security deposit described in subdivision (e) below, provided that the Driver/lessee is allowed to challenge any ticket or violation; and

(vii) If the Owner (or Owner's Agent) is a Taxpayer, the Taxpayer can collect the MTA Tax collected by the lessee/Driver from the lessee/Driver. The MTA Tax must be collected in the following order:

A. The MTA Tax must first be deducted from any credit card reimbursements due as required in subdivision (f) below.

B. The MTA Tax must next be deducted from the security deposit permitted in subdivision (e) below.

C. If not fully paid, then the MTA Tax must be collected from the lessee/Driver.

(viii) In addition to these charges, an Owner can deduct from credit card receipts payable to the Driver amounts charged by the T-PEP Provider, pursuant to the T-PEP Provider's contract with the Commission, provided that

A. such amounts are provided for by contract between the T-PEP Provider and the Commission or by rule of the Commission;
B. such amounts are dedicated for the purpose of providing healthcare services and disability coverage for drivers; and
C. such amounts do not exceed $0.06 per trip.

(ix) State and local sales and rental taxes on vehicle rentals.

(6) *Optional Gasoline Surcharge:* An Owner/lessor, or his or her Agent leasing a Taxicab under Section 58-21(c)(1) or 58-21(c)(2) , may chose to provide gasoline to a lessee and charge a gas surcharge in an amount as specified in this section in addition to the Lease Cap provided in Section 58-21(c)(1) or 58-21(c)(2) , provided that

(i) Gasoline is provided to the lessee for the entire shift at no additional cost to the lessee.

(ii) The surcharge will be $126 per week (or $21 per shift) until December 31, 2012

(iii) After that date the surcharge will be reset based on the trailing 6 month average as of the date the surcharge is calculated of the New York City Gasoline Price Index issued by U.S. Energy Information Agency and published at www.eia.gov.

(iv) The surcharge will be calculated as of June 30 and November 30 of each year beginning November 30, 2012.

(v) The Commission will post the new surcharge on its Web site by July 15 and December 15 of each year

(vi) The new surcharge will take effect on July 31 and December 31 of each year beginning December 31, 2012. If the Commission has not posted a new surcharge, the prior surcharge will remain in effect.

(vii) Based on the index, the surcharge will be as follows:

When the Index is:	**The surcharge will be :**
$2.49 or less	$13 per shift (or $78 per week)
$2.50 to $2.99	$16 per shift (or $96 per week)
$3.00 to $3.49	$18 per shift (or $108 per week)
$3.50 to $3.99	$21 per shift (or $126 per week)
$4.00 to $4.49	$23 per shift (or 138 per week)
$4.50 to $4.99	$26 per shift (or $156 per week)
$5.00 or more	$28 per shift (or $168 per week)

§58-21(c)	Fine: First violation: $500 Second and subsequent violations; $1,000 and/or suspension of the Medallion for up to 30 days. In addition to the penalty payable to the Commission, the ALJ can order the Owner to pay restitution to the Driver, equal to the excess that was charged to the Driver or the extra fuel the driver had to pay for.	Appearance REQUIRED

(7) *Collective Bargaining Exception to the Standard Lease Cap***.** The provisions of this section do not apply to Owners and lease Drivers whose business

relationship is governed by the terms of a collective bargaining agreement that regulates the subject of lease prices.

Section 3. Section 58-31(d) of Title 35 of the Rules of the City of New York is amended to read as follows:

(d) *No Alterations.* An Owner will make no structural change in a Taxicab or in an OTV that deviates from the Taxicab specifications set forth in Chapter 67 of these Rules without the Commission's written approval.

Section 4. Section 58-34(d) of Title 35 of the Rules of the City of New York is amended to read as follows:

(d) *Trouble Lights.* An Owner must [equip] ensure that all Taxicabs bearing such Owner's Medallion(s) are equipped with a help or distress signaling light system meeting the requirements of §67-11.

Section 5. Section 58-35 of Title 35 of the Rules of the City of New York is amended to read as follows:

(a) *Partition Required.* (1) A Taxicab must be equipped with a partition unless exempt from the requirement.

(2) An Owner must [equip] ensure that all Taxicabs, except as provided in subdivision (b) of this section, are equipped with a partition that meets the specifications set forth in §67-10 of these Rules, and with provision for air conditioning for the rear passenger compartment, as set forth in §67-14.

§58-35(a)	Fine: $300 and suspension until the condition is corrected	Appearance REQUIRED

(b) *Owner-Drives Exemption from Partition Requirement*. [NOTE: This Exemption is NOT available to the Owner of a Taxicab Hacked-up with an Official Taxicab Vehicle.] An Owner of an Independent Medallion Taxicab or a Business Entity owning one or more Medallions will be exempt from the provisions of subdivision (a) of this Section provided all of the following five conditions are met:

(1) The Taxicab is driven only by the Owner(s) of the Medallion (including a Business Entity Person of a Business Entity Owner).

(2) The Rate Card lists only the persons named above in paragraph (1) as Named Driver(s).

(3) The Taxicab is equipped with the following:

(i) The required Trouble Lights

(ii) A cellular telephone with an emergency dialing feature.

(iii) A camera approved by the Commission

(4) The Owner has not previously been found in violation of this rule with respect to the subject Medallion.

(5) The Owner has applied for and received a certification of exemption from the Commission.

(c) *Exception to Exemption.* Even if the Owner meets all the conditions for an exemption, if a partition is the only approved location for display of the Rate Card and Driver License in a particular model of automobile, then a partition is required.

(d) *Curtain Airbags Modification (Not Applicable to Official Taxicab Vehicles or Accessible Official Taxicab Vehicles).*

(1) A Taxicab that is equipped with factory installed curtain airbags will be equipped with a modified partition that does not extend the full width of the interior of the Taxicab.

(2) The modified partition instead must allow a space of six inches at each side, sufficient to permit proper deployment of the curtain airbags.

(3) The modified partition must conform in all other respects with the applicable requirements of §67-10 of these Rules.

§58-35(d)	Fine: $300 and suspension until the condition is corrected	Appearance REQUIRED

Section 6. The definitions of "Taxicab Model" and "Unrestricted Medallion set forth in section 67-03(l) of Title 35 of the Rules of the City of New York are amended to read as follows.

Taxicab Model is

(1) until the Official Taxicab Vehicle Activation Date, a Taxicab Candidate that has been verified by the Commission as complying with the standard specifications set forth in §67-05, §67-05.1A, or §67-05.2 of these Rules; or

(2) on or after the OTV Activation Date, a Taxicab candidate that has been verified by the Commission as complying with the specifications set forth in 67.05; 67.05.1B, 67-05.1C or 67-05.2 of these Rules.

Unrestricted Medallion is

(1) Before the OTV Activation Date, a Medallion Taxicab License that is not restricted to use with a particular type of vehicle and is valid for use with any vehicle that complies with §67-05, §67-05.1A, or §67-05.2 of these Rules.

(2) After the OTV Activation Date, a medallion issued prior to January 1, 2012 that was not restricted when issued can be used with an OTV or an AOTV. *Exception:* After the OTV Activation Date, and until such time, if any, as an Official Taxicab Vehicle meets the requirements of §19-533 of the Administrative Code, as certified by the Chairperson, an Unrestricted Medallion may be used with a Taxicab Model meeting the specifications in §67-05.1C of this Chapter. If at any time after the OTV Activation Date such medallion is restricted by law or rule of the Commission to use with an Accessible Vehicle, the owner of such medallion must purchase an AOTV or lease such medallion for use with an AOTV. Provided, however, that with the Chairperson's approval, up to 496 Unrestricted Medallion owners in good standing may at any time purchase for Hack-up any accessible vehicle which meets the accessible vehicle specifications set forth in Rule 67-05.2, or lease their medallions for use with such a vehicle.

(3) Any vehicle valid for use with an Unrestricted Medallion and Hacked-up prior to the Official Taxicab Vehicle Activation Date can remain in use as a Taxicab until its scheduled retirement as set forth in §67-18 of this Chapter, as may be modified by §67-19.

Section 7. Section 67-03 of Title 35 of the Rules of the City of New York is amended by re-lettering subdivisions (a) through (f) as (b) through (g) and adding new subdivisions (a), (h) and (i), to read as follows:

(a) Accessible Official Taxicab Vehicle ("Accessible OTV") is the OTV modified in a manner that is consistent with the City's contract with Nissan North America.

(h) Official Taxicab Vehicle ("OTV") the OTV meets the standard specifications of Rule 67-05.1B and is the purpose built taxicab for model years 2014 – 2024 manufactured, pursuant to the City's contract with Nissan North America. All references to OTV include Accessible OTV unless otherwise specified.

(i) Official Taxicab Vehicle Activation Date ("OTV Activation Date") is the date on or after which the Official Taxicab Vehicle is required to be used in the Hack-up of any Unrestricted Medallion (unless otherwise provided in these Rules). The Commission will post notice of the Official Taxicab Vehicle Activation Date on its Web site at least 120 days prior to such Official Taxicab Vehicle Activation Date.

Section 8. Section 67-04 of Title 35 of the Rules of the City of New York is amended to read as follows:

(a) *Meet All Specifications—Prior to OTV Activation Date*. A Taxicab Candidate must meet the technical specifications in §67-05, §67-05.1A,[67-05.1] or §67-05.2 of these Rules, as well as all applicable federal and New York State motor vehicle standards and requirements, in order to become a Taxicab Model

(b) *Meet all Specifications—After OTV Activation Date.* A Taxicab Candidate must meet the applicable technical specifications in §67-05, §67-05.1A,[67-05.1] §67-05.1B §67-05.1C or §67-05.2 of these Rules including all relevant Federal Motor Vehicle Safety Standards ("FMVSS") and other applicable National Highway Traffic Safety Administration ("NHTSA") safety regulations and for Accessible Taxicabs and Taxicabs hacked up under §67-05.1B in addition to the applicable specifications, the Taxicab Candidate must be crash tested with a partition, approved by the commission, installed.

Section 9. The introductory material of Section 67-05 of Title 35 of the Rules of the City of New York is amended to read as follows:

An Alternative Fuel Medallion can be used with a vehicle that complies with this rule and is a Hybrid Electric Vehicle or is powered by compressed natural gas until the OTV Activation Date. After the OTV Activation Date, an Alternative Fuel Medallion must be used with an Official Taxicab Vehicle. *Exception:* After the OTV Activation Date, and until such time, if any, as an Official Taxicab Vehicle meets the requirements of §19-533 of the Administrative Code, as certified by the Chairperson, an Alternative Fuel

Medallion must be used with a Taxicab Model meeting the specifications set forth in §67-05.1C of this Chapter. Notwithstanding these restrictions, a vehicle valid for use with an Alternative Fuel Medallion and Hacked-up prior to the OTV Activation Date can remain in use as a Taxicab until its scheduled retirement as set forth in §67-18 of this Chapter, as may be modified by §67-19.

Section 10. Subdivision (g) of section 67-05 of Title 35 of the Rules of the City of New York, relating to the use of diesel-powered vehicles with Alternative Fuel Medallions, is REPEALED, and subdivisions (h) and (i) are relettered subdivisions (g) and (h).

Section 11. Section 67-05.1 is renumbered as section 67-05.1A.

Section 12. The title of section 67-05.1 of Title 35 of the Rules of the City of New York is amended to read as follows:

§67-05.1A Standard Specification for Other Taxicab Models *Effective Until Official Taxicab Vehicle Activation Date.*

Section 13. Chapter 67 of Title 35 of the Rules of the City of New York is amended to add new Section 67-05.1B to read as follows:

§67-05.1B Official Taxicab Vehicle for use with Unrestricted Medallions *Effective On Official Taxicab Vehicle Activation Date.*

(a) Official Taxicab Vehicle Activation Date ("OTV Activation Date") is the date on or after which Official Taxicab Vehicle is required to be used in the Hack-up of any Unrestricted Medallion (unless otherwise provided in these Rules). The Commission will post notice of the Official Taxicab Vehicle Activation Date on its Web site at least 120 days prior to such Official Taxicab Vehicle Activation Date.

(b) On or after the OTV Activation Date, an Unrestricted Medallion can be Hacked-up ONLY with

(1) the Official Taxicab Vehicle designated by the Commission under this section; or

(2) After the OTV Activation Date, a medallion issued prior to January 1, 2012 that was not restricted when issued can be used with an OTV or an AOTV. *Exception:* After the OTV Activation Date, and until such time, if any, as an Official Taxicab Vehicle meets the requirements of §19-533 of the Administrative Code, as certified by the Chairperson, an Unrestricted Medallion can be used with a Taxicab Model meeting the specifications set forth in §67-05.1C of this Chapter. If at any time after the OTV Activation Date such medallion is restricted by law or rule of the Commission to use with an Accessible Vehicle, the owner of such

medallion must purchase an AOTV or lease such medallion for use with an AOTV. Provided, however, that with the Chairperson's approval, up to 496 Unrestricted Medallion owners in good standing may at any time purchase for Hack-up any accessible vehicle which meets the accessible vehicle specifications set forth in Rule 67-05.2, or lease their medallions for use with such a vehicle.

(c) Any vehicle valid for use with an Unrestricted Medallion and Hacked-up prior to the OTV Activation Date can remain in use as a Taxicab until its scheduled retirement as set forth in §67-18 of this Chapter, as may be modified by §67-19.

(d) An Official Taxicab Vehicle is delivered to a purchaser complete with certain equipment and finishes specified by the City's contract with vendor. Therefore, an Official Taxicab Vehicle at Hack-up is not required to separately meet the requirements of the following sections of this chapter:

(1) Section 67-07, relating to paint, finish and lighting.

(2) Section 67-08, relating to occupant accommodation.

(3) Section 67-10, relating to partitions.

(4) Section 67-11, relating to distress signal lights.

(5) Section 67-12, relating to in-vehicle camera systems.

(6) Section 67-13, relating to credential holders.

(7) Section 67-14, relating to air conditioning.

§67-05.1C Specifications for Vehicles for use with Unrestricted Medallions or Alternative Fuel Medallions After the OTV Activation Date.

On and after the OTV Activation Date an Unrestricted Medallion or an Alternative Fuel Medallion must be hacked up with an Official Taxicab Vehicle. *Exception:* On and after the OTV Activation Date and until such time, if any, that an Official Taxicab Vehicle meets the requirements of §19-533 of the Administrative Code, as certified by the Chairperson, an Unrestricted Medallion can, and an Alternative Fuel Medallion must, be used with a vehicle that is a Hybrid Electric Vehicle or is powered by compressed natural gas and that meets all the requirements of this section.

(a) *Type of Vehicle*. The vehicle must be a four-door model of one of the following types, and must meet all of the other requirements in this section:

(1) A compact or larger sedan; or

(2) A sport utility vehicle equipped with running boards. To qualify as a Taxicab Model, a sport utility vehicle must include the manufacturer or dealer option that provides the greatest degree of light transmittance available in the rear and side rear windows, and in no case less than 20 percent light transmittance. A sport utility vehicle will be designated as a sport utility vehicle by either the manufacturer or the National Highway Traffic Safety Administration; or

(3) A multipurpose vehicle. A multipurpose vehicle will be designated as a multipurpose vehicle by either the manufacturer or the National Highway Traffic Safety Administration.

(b) *Interior Size*. The vehicle must have an EPA interior volume index of at least 138 cubic feet. The interior volume index is calculated as described in 40 CFR § 600.315-82(b)(2), and includes luggage capacity.

(c) *Rear Compartment*. The rear compartment of any vehicle approved for use as a Taxicab Model must meet the following dimensions as defined by the Society of Automotive Engineers:

(1) Effective legroom (L51) must be at least 34.6 inches

(2) Effective headroom (H63) must be at least 36.8 inches

(3) Seat depth (L16) must be at least 18 inches

(d) *Front Compartment*. The front compartment of any vehicle approved for use as a Taxicab Model must meet the following dimensions:

(1) Effective headroom (H61) must be at least 37 inches

(2) Effective legroom (L34) must be at least 40.5 inches

(3) Total legroom (the sum of L34 and L51) must be at least 75.1 inches

(e) *Temperature Controls*. Commencing with model year 2014 and all model years thereafter, the vehicle must be equipped with a factory installed HVAC (heating, ventilating and air conditioning) system. The HVAC system must include rear ventilation with separate fan speed, temperature controls and vents. Such controls must be available to be operated by passengers seated in the rear compartment.

(f) *Engine Size*. The vehicle may not be equipped with an engine in which the maximum horsepower exceeds 295. The horsepower of a hybrid-electric vehicle is determined by combining the electric power and the internal combustion power of the vehicle's engine.

(g) *Windows*. All windows must have a light transmittance of 70 percent or more, except for the upper 6 inches of the front windshield.

(h) *Manufactured for Commercial or Consumer Market.* Any Hybrid Electric Vehicle or a vehicle that is powered by compressed natural gas that is manufactured by an original equipment manufacturer (OEM) for the general commercial or consumer market may be approved for Hack-up, provided the vehicle meets all of the standard specifications for vehicle Hack-up of this §67-05.1C.

Section 14. Section 67-05.2 of Title 35 of the Rules of the City of New York is amended to add introductory material following the title, to read as follows:

An Accessible Medallion can be used only with a Taxicab Model that meets the specifications of this Section.

1. The 231 Medallions restricted to use with Wheelchair Accessible Vehicles, issued prior to January 1, 2012, may purchase for Hack-up any accessible vehicle which meets the accessible vehicle specifications set forth in Rule 67-05.2, or the Accessible Official Taxicab Vehicle.
2. Except as provided in Rule 67-05.1B(b)(2), owners of Unrestricted Medallions who choose to Hack-up an accessible vehicle may purchase only the Accessible Official Taxicab Vehicle.
3. Owners of Accessible Medallions issued by TLC on or after January 1, 2012 can purchase for Hack-up any accessible vehicle which meets the accessible vehicle specifications set forth in Rule 67-05.2, or the Accessible Official Taxicab Vehicle.

Section 15. Section 67-05.2 of Title 35 of the Rules of the City of New York is amended by adding a new subdivision (d), to read as follows:

(d) Accessible Official Taxicab Vehicle ("Accessible OTV") is the OTV modified in a manner that is consistent with the City's contract with Nissan North America.

Section 16. Chapter 67-19 of Title 35 of the Rules of the City of New York is amended to add a new subdivision (f) to read as follows:

(f) *Special Extension in anticipation of the OTV*

(1) A Medallion Owner can elect to extend the Vehicle's Scheduled Retirement Date (calculated based on Sections 67-18 and 67-19(a) through (d) of this Chapter) as follows:

If the Scheduled Retirement Date calculated based on Sections 67-18 and 67-19(a) through (d) is	**The new Scheduled Retirement Date following the election is**
Beginning November 1, 2012 through May 31, 2013	December 1, 2013, or such earlier date on which Medallion Owner elects to hack up an OTV.
Beginning June 1, 2013 through September 30, 2013	6 months from the Scheduled Retirement Date as calculated under Sections 67-18 and 67-19(a) through (d), or such earlier date on which Medallion Owner elects to hack up an OTV
For Accessible Medallion Owners, beginning November 1, 2012 through the date on which an AOTV is available for hack up.	The date on which the AOTV is available for hack up

2. (i) A Medallion Owner qualifying for the extension of the Scheduled Retirement Date under this Section must make the election by filing the form required by the Chairperson in the manner required by the Chairperson.

(ii) In making the election to obtain an extension, a Medallion Owner must specify the date by which the Medallion Owner intends to hack up an OTV. Such date will be the new Scheduled Retirement Date for the vehicle.

(iii) The Chairperson will make the form and instructions available on the TLC's Web site.

(iv) A Medallion Owner must elect to take the extension of the Scheduled Retirement Date on or before 60 days before the Scheduled Retirement Date for the vehicle as calculated under Sections 67-18 and 67-19(a) through (d) of this Chapter. *Exception*: A Medallion Owner with a vehicle with a Scheduled Retirement Date beginning November 1, 2012 through January 15, 2013 must file an election by November 15, 2012.

(v) The election for the extension of the Scheduled Retirement Date can be made by the Medallion Owner or, with the Medallion Owner's consent, the Owner's Agent or a Long Term Driver of the vehicle.

3. In electing to extend a vehicle's Scheduled Retirement Date under this section, a Medallion Owner must agree that the next vehicle hacked up with the Owner's Medallion after the present vehicle which has received the extension will be an OTV.

4. A Medallion Owner electing to extend a vehicle's Scheduled Retirement Date under this section will NOT be permitted to hack up the Owner's Medallion with a vehicle other than an OTV after making the election.

(i) If a vehicle must be removed from service after the Medallion Owner has made the election, but before the Medallion Owner's new Scheduled Retirement Date as calculated in this subdivision (f), the Medallion Owner can hack up an OTV.

(ii) If the vehicle must be removed from service after the Medallion Owner makes the election, but before the OTV is available, the Medallion Owner (or an Agent or a Long Term Driver with the Medallion Owner's consent) can request that the Chairperson authorize the hack up of a Taxicab Model that is not an OTV.

(iii) If the Medallion Owner requests authorization to hack up a vehicle other than an OTV, the Chairperson can, but is not required, to approve the request if Medallion Owner demonstrates good cause.

NEW YORK CITY LAW DEPARTMENT
100 CHURCH STREET
NEW YORK, NY 10007
212-788-1087

CERTIFICATION PURSUANT TO

CHARTER §1043(d)

RULE TITLE: Consolidated Taxi of Tomorrow Rule

REFERENCE NUMBER: 2013 RG 043

RULEMAKING AGENCY: Taxi and Limousine Commission

I certify that this office has reviewed the above-referenced proposed rule as required by section 1043(d) of the New York City Charter, and that the above-referenced proposed rule:

(i) is drafted so as to accomplish the purpose of the authorizing provisions of law;

(ii) is not in conflict with other applicable rules;

(iii) to the extent practicable and appropriate, is narrowly drawn to achieve its stated purpose; and

(iv) to the extent practicable and appropriate, contains a statement of basis and purpose that provides a clear explanation of the rule and the requirements imposed by the rule.

/s/ STEVEN GOULDEN Date: May 17, 2013
Acting Corporation Counsel

NEW YORK CITY MAYOR'S OFFICE OF OPERATIONS
253 BROADWAY, 10th FLOOR
NEW YORK, NY 10007
212-788-1400

CERTIFICATION / ANALYSIS
PURSUANT TO CHARTER SECTION 1043(d)

RULE TITLE: Consolidated Taxi of Tomorrow Rule

REFERENCE NUMBER: TLC-49

RULEMAKING AGENCY: TLC

I certify that this office has analyzed the proposed rule referenced above as required by Section 1043(d) of the New York City Charter, and that the proposed rule referenced above:

(i) Is understandable and written in plain language for the discrete regulated community or communities;

(ii) Minimizes compliance costs for the discrete regulated community or communities consistent with achieving the stated purpose of the rule; and

(iii) Does not provide a cure period because it does not establish a violation, modification of a violation, or modification of the penalties associated with a violation.

/s/ Ruby B. Choi — *May 17, 2013*
Mayor's Office of Operations — Date