

NEW YORK CITY TAXI AND LIMOUSINE COMMISSION

Notice of Promulgation of Rules

Notice is hereby given in accordance with section 1043(e) of the Charter of the City of New York (“Charter”) that the Taxi and Limousine Commission (“TLC”) hereby promulgates rules governing the taximeter business.

These rules are proposed pursuant to sections 1043 and 2303 of the Charter and section 19-503 of the Administrative Code of the City of New York.

Public hearings on these proposed rules were held by the TLC at its offices at 40 Rector Street, 5th Floor, New York, New York 10006 on January 23, 2009 at 2:30 p.m. and on July 8, 2010 at 10:00 a.m.

These rules will take effect on January 1, 2011.

Section 1. Title 35 of the Rules of the City of New York is hereby amended by adding a new chapter 14 thereto, to read as follows:

New Material is underlined.

Chapter 14

Licensing & Rules for Taximeter Businesses & Manufacturers

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§14-01 Scope of the Chapter

- (a) To establish a formal procedure for the licensing and supervision of businesses that manufacture, sell, repair, and install Taximeters for Medallion Taxicabs.
- (b) To establish comprehensive criteria for the ownership of such businesses.
- (c) To establish operating rules to protect customers and the public.
- (d) To establish appropriate penalties for the violation of these rules.

§14-02 Penalties

- (a) Unlicensed Activity.
 - (1) Unlicensed Activity is the act of providing or advertising the provision of any Commission-regulated service or business by:
 - (i) Any Licensee whose License is suspended, revoked, or expired and not yet renewed, or
 - (ii) Any person who does not hold a Valid License from the Commission for the service or business.
 - (2) Unlicensed Activity specifically includes the activities listed in §19-528 of the Administrative Code and can subject the violator to padlocking and other penalties.
- (b) Specific Penalties. If there are specific penalties for violating a Rule, they will be shown at the end of the Rule. The penalty section will also state whether the violator must attend the Hearing.
- (c) Payment of Fines.
 - (1) Fines are due within 30 days of the day the violator is found guilty of the violation.
 - (2) If fines are not paid by the close of business on the due date, the violator's License will be suspended until the fine is paid.
 - (3) If a Respondent has made a timely request for a copy of the Hearing recording (see §18-14(e) of these Rules), the time for payment of fines is extended to 21 days from the date the recording is issued.

§14-03 Definitions Specific to this Chapter

- (a) Applicant in this Chapter means an Applicant for an original or renewal Taximeter License.
- (b) Certified Taximeter Technician. A technician certified by a Licensed Taximeter Manufacturer to perform work on its Taximeters.
- (c) Licensee. When the term “Licensee” is used by itself, in this Chapter-- and in this Chapter ONLY-- it refers to a Taximeter Licensee.
- (d) Manufacturer’s Representative. An individual or Business Entity appointed by a Taximeter Manufacturer to hold a License on behalf of that manufacturer and to carry out that manufacturer’s duties and responsibilities as a Licensee under this chapter.
- (e) MTA Tax is the 50 cent tax on taxicab trips imposed by Article 29-A of the NYS Tax Law.
- (f) Taximeter. An instrument or device approved by the Commission that automatically calculates and that plainly indicates the charge to a passenger for hire of a Licensed Taxicab.
- (g) Taxicab Technology Service Provider (or T-PEP Provider). A vendor who has contracted with the Commission to install and maintain the Taxicab Technology System in Taxicabs.
- (h) Taxicab Technology System (or T-PEP). The hardware and software that provides the following four core services:
 - (1) Credit, debit and prepaid card payment
 - (2) Text messaging
 - (3) Trip data collection and transmission
 - (4) Data transmission with the passenger information monitor.
- (i) Taximeter Business. A business licensed by the Commission that sells new or used equipment or installs, repairs, adjusts, tests, seals, or calibrates Taximeters and/or Taxicab Roof Lights.
- (j) Taximeter Manufacturer. An entity that manufactures Taximeters and has been licensed by the Commission; only Taximeters made by a Licensed Taximeter Manufacturer may be installed or used in Taxicabs.

- (k) Taximeter License(e). Term used when the rule applies to both a Taximeter Business License and a Taximeter Manufacturer's License.
- (l) Wiring Harness. Any wire or collection of wires that is connected in any manner whatsoever to a Taximeter or in any way affects the operation of a Taximeter.

§14-04 Licensing – General Requirements

- (a) Licensees. An Applicant for a Taximeter License or its renewal may be an individual or a Business Entity.
- (b) Certification. Any new or renewal application for a Taximeter License must be notarized and filed on a form approved by the Chairperson. The Applicant must swear (or affirm) that the information in the Application is true, under penalty of perjury.
- (c) Proof of Identity. The individual or Business Entity Person submitting the application for a Taximeter License must provide to the Commission proof of identity with all of the following:
 - (1) A valid form of photo identification issued by the United States, a state or territory, or any political subdivision of a state or territory
 - (2) A valid, original social security card
- (d) Age. The individual or Business Entity Person applying for a Taximeter License or its renewal must be at least 18 years of age.
- (e) Proficiency in the English Language. The individual or Business Entity Person applying for a Taximeter License or its renewal must be able to speak, read, write, and understand the English language.
- (f) Good Moral Character. The individual or Business Entity Person applying for a Taximeter License or its renewal must be of good moral character, as determined in part through a review of the criminal history records from the New York State Division of Criminal Justice Services to be secured through fingerprinting of the following:
 - (1) Each of the Applicant's Business Entity Persons
 - (2) An individual or the Business Entity Persons who provide funds for the Applicant unless the provider is a licensed bank or loan company

The new Applicant must pay any processing fees required by the Commission or the Division of Criminal Justice Services.

- (g) Partnership Filings. When the Applicant is a partnership, it must file with its License application a certified copy of the partnership certificate from the clerk of the county where the principal place of business is located. In addition, each partner must satisfy the requirements of identity, age, and English language proficiency, as specified in §14-04(c) – (e), above.
- (h) Corporate Filings. When the Applicant is a corporation, it must file with its License application all of the following:
 - (1) One of the following certificates:
 - (i) A certified copy(ies) of its certificate(s) of incorporation with a filing receipt issued by the secretary of state if the Applicant was incorporated less than one year from the date of the License application
 - (ii) A certificate of good standing if the Applicant was incorporated more than one year from the date of the License application
 - (iii) A copy of the certificate of incorporation, filing receipt, and authority to do business within the State of New York if the Applicant is an out-of-state corporation
 - (2) A list of its officers and shareholders, including names, residence addresses, telephone numbers, and percentage of ownership interest of each shareholder
 - (3) A certified copy of the minutes of the organizational meeting at which the current officers were elected
- (i) Uniqueness of Name. The Commission has the right to reject the proposed name of any Taximeter Business that the Commission finds to be substantially similar to any name in use by another Taximeter Business Licensee.
- (j) Manufacturer’s Agreement to Cooperate with T-PEP Providers. A taximeter manufacturer’s application must include its agreement to cooperate with any approved T-PEP Provider to bring about an interface between the Manufacturer’s Taximeters and the T-PEP.

§14-05 Licensing – Bond Required

- (a) Amount of Bond. An Applicant for a Taximeter License or renewal must deposit with the Commission a fifty thousand dollar (\$50,000) bond payable to the City of New York. The bond must be provided by one or more sureties approved by the Commission.

- (b) Bond Guarantees. The bond must guarantee that the License Applicant or Licensee will comply with all provisions of the Administrative Code of the City of New York, observe all applicable rules or regulations of the Commission, pay all fines imposed by the Commission, and pay all judgments or settlements arising from any action connected in any way with the Taximeter License.
- (c) Fines and Judgments. The Taximeter Licensee is immediately liable for the payment of any fine or judgment when the amount is determined or upon final determination of an appeal and if the fine is not paid as required by § 14-02(b), the Commission may draw upon the bond.

§14-06 Licensing – Financial Disclosure

Each individual Applicant and each Business Entity Person of a Business Entity Applicant for a new or renewal Taximeter License must file a financial disclosure statement with the Commission. This financial disclosure statement must be on a form approved by the Chairperson and must include a list of assets, liabilities and bank accounts and must specify any interest in any Licensed Medallion Taxicab and any other information requested by the Chairperson.

§14-07 Licensing – Fees and Term of License

- (a) Annual Fee. Every application for a Taximeter License must be accompanied by a non-refundable application fee of \$500 for each location to be Licensed.
- (b) Half-Year Fee. The application fee for any Taximeter License to be issued for a period of six months or less will be one-half of the annual fee.
- (c) Form of Payment. The application fee must be paid by credit card, money order, or certified check.
- (d) Term of License. The term of a Taximeter License will be one year or less and each License will expire on the 31st day of March.

§14-08 Licensing – Cause for Denial

- (a) Failure to Continuously Comply. Whenever the Commission determines that the Taximeter Licensee no longer meets the requirements for the License, the Commission may suspend or revoke the License and deny any application for renewal.
- (b) Summary Suspension. Nothing in this section limits the authority of the Commission to summarily suspend any Taximeter License when a threat to public health, safety, or welfare exists.

§14-09 General Requirements – Unlicensed Activity

- (a) Taximeter Business License Required. An individual or Business Entity must not sell, install, repair, adjust, inspect, calibrate, or maintain Taximeters or install or repair seals, wiring harnesses or other equipment relating to the operation of a Taximeter or roof light for use on any Taxicab, without a Valid Taximeter License.
- (b) Taximeter Manufacturer’s License Required. A Taximeter cannot be used in a Taxicab unless the Taximeter’s Manufacturer has been licensed by the Commission under these rules.
- (c) Authorized Taxicab Technology Service Provider Required. An individual, partnership, corporation, or other business entity cannot manufacture, sell, install, repair, adjust, calibrate, or maintain a Taxicab Technology System that is not provided by an authorized T-PEP Provider.

§14-10 General Requirements – Compliance with Applicable Law

- (a) Licenses and Permits. A Taximeter Licensee must obtain Licenses and permits required by city, state, or federal law.
- (b) Occupational Safety & Health Administration. A Taximeter Licensee must comply with all applicable Occupational Safety and Health Administration (OSHA) standards and requirements at the Licensee’s place of business, as well as all other federal, state, and local laws governing its business.
- (c) Payment of All Fines and Fees. A Taximeter Licensee must pay all fines, fees, and taxes it owes to any federal, state, or local governmental jurisdiction.
- (d) Workers’ Compensation Laws. A Taximeter Licensee must comply with all laws regarding worker’s compensation and disability benefits, as well as all federal laws regarding the withholding of taxes and payment of FICA and other withholding taxes.

<u>§14-10(a)-(d)</u>	<u>Penalty: \$500-\$1,000 fine and/or suspension until compliance</u>	<u>Appearance REQUIRED</u>
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§14-11 General Requirements – Unlawful Activities Prohibited

- (a) A Taximeter Licensee must not use or permit any other person to use his business premises or office of record for any unlawful purpose.

<u>§14-11(a)</u>	<u>Penalty: \$350-\$1,000 fine and/or suspension up to 30 days or revocation</u>	<u>Appearance REQUIRED</u>
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- (b) A Taximeter Licensee must not conceal any evidence of a crime connected with his business premises or office of record.

<u>§14-11(b)</u>	<u>Penalty: \$350-\$1,000 fine and/or suspension up to 30 days or revocation</u>	<u>Appearance REQUIRED</u>
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- (c) A Taximeter Licensee must immediately report to the Commission and the police any attempt to use his business premises to commit a crime.

<u>§14-11(c)</u>	<u>Penalty: \$100-\$350 fine and/or suspension up to 30 days</u>	<u>Appearance REQUIRED</u>
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- (d) A Taximeter Licensee must not file with the Commission any statement that he or she knows or reasonably should know to be false, misleading, deceptive, or materially incomplete.

<u>§14-11(d)</u>	<u>Penalty: \$10,000 fine and revocation</u>	<u>Appearance REQUIRED</u>
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§14-12 General Requirements – Notice to TLC

- (a) Material Change in Information. A Taximeter Licensee must notify the Commission of any material change in the information contained in its current Taximeter License application or renewal.

<u>§14-12(a)</u>	<u>Penalty: \$500-\$1,000 fine and/or suspension up to 30 days</u>	<u>Appearance REQUIRED</u>
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- (b) Suspension or Revocation of License. A Taximeter Licensee must immediately notify the Commission in writing of any suspension or revocation of any license granted to the Licensee, or any other person acting on his or her behalf, by any agency of the City or State of New York, or the government of the United States.

<u>§14-12(b)</u>	<u>Penalty: \$500-\$1,000 fine and suspension until compliance</u>	<u>Appearance REQUIRED</u>
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§14-13 Business Requirements – Fees Charged by Licensees

- (a) Filing of Fee Schedule with TLC. A Taximeter Business must file with the Commission a schedule of current fees for all services related to the sale, repair, installation, and calibration of Taximeters, including inspections, tests, adjustments, installations, corrections, or repairs.

<u>§14-13(a)</u>	<u>Penalty: \$50 fine</u>	<u>Appearance NOT REQUIRED</u>
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- (b) Filing of Fee Changes with TLC. A Taximeter Business must file any change in fees with the Commission at least ten days before the fees are scheduled to change.

§14-13(b)	Penalty: \$50 fine	Appearance NOT REQUIRED
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- (c) Prominent Display of Fee Schedule. A Taximeter Business must not engage in any business unless a current schedule of inspection and repair charges, including hourly rates (if applicable) is displayed clearly to the public on the business premises. All fee schedules must be filed with the Commission before being displayed.

§14-13(c)	Penalty: \$50 fine	Appearance NOT REQUIRED
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- (d) Overcharges Prohibited. For any work involving Taximeters, a Taximeter Business must not charge more than the fees set by its fee schedule.

§14-13(d)	Penalty: \$50 fine	Appearance NOT REQUIRED
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§14-14 Business Requirements – Premises and Equipment

- (a) A Taximeter Business and a Taximeter Manufacturer (but not an appointed Manufacturer’s Representative) must ensure that its business premises meet the following conditions at all times:

- (1) Location within an area zoned for this business activity
- (2) Sufficient size to simultaneously accommodate at least three (3) vehicles of the type(s) and model(s) licensed by the Commission
- (3) Sufficient illumination and space in the areas used for inspection, testing, and calibration to enable proper inspections and tests required by these regulations
- (4) Sufficient waiting area and restroom facilities for customers
- (5) All signs required by law and these rules displayed

§14-14(a)	Penalty: \$500-\$1,000 fine and suspension until compliance	Appearance REQUIRED
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- (b) A Taximeter Business must operate its business only within the structures described in the certificate of occupancy for the premises. No installation,

adjustment, correction, calibration, or repairs of any type can be performed on a public street or any facility other than the Taximeter Business premises.

<u>§14-14(b)</u>	<u>Penalty: \$500-\$1,000 fine</u>	<u>Appearance REQUIRED</u>
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- (c) A Taximeter Business must be equipped with, at a minimum, the equipment the Commission requires for the repair and installation of Taximeters.

<u>§14-14(c)</u>	<u>Penalty: \$500-\$1,000 fine and suspension until compliance</u>	<u>Appearance REQUIRED</u>
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§14-15 Business Requirements – Maintenance of Required Equipment

- (a) A Taximeter Business must properly maintain all equipment required by the Commission and any other equipment required by law or regulation. Proper maintenance includes ensuring that equipment is in good working order and is maintained in such a manner that an inspection, test, or calibration can be conducted in conformity with these rules.

<u>§14-15(a)</u>	<u>Penalty: \$500-\$1,000 fine</u>	<u>Appearance REQUIRED</u>
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- (b) A Taximeter Business must not conduct any test, calibration, or installation using equipment that is not in good working order.

<u>§14-15(b)</u>	<u>Penalty: \$500-\$1,000 fine</u>	<u>Appearance REQUIRED</u>
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§14-16 Business Requirements – Signage

- (a) At all times, a Taximeter Business must maintain a sign that displays the Taximeter Business License number and the words, “**Licensed Taximeter Business**”. This sign must meet the specifications of the Commission and be hung or mounted on the outside of the premises so that it is easily visible to the public. A Taximeter Business must not display a “Licensed Taximeter Business” sign if its Taximeter Business License or any other necessary license is expired, suspended, or revoked.

- (b) Each Licensed Taximeter Business must also display, on each of its business premises, a printed sign bearing its business name, License number, and the TLC complaint number. This sign must be affixed to the inside of a front window or glass pane so that it is clearly legible from the outside. This sign is not required when the business premises do not have any front windows or glass panes.

<u>§14-16(a)-(b)</u>	<u>Penalty: \$100 fine</u>	<u>Appearance NOT REQUIRED</u>
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§14-17 Business Requirements – Mailing Address

Each Taximeter Business must designate the street address of its primary Taximeter Business location as its official mailing address for receipt of notices from the Commission, unless otherwise approved in advance by the Commission.

§14-18 Business Requirements – General Record-Keeping and Reporting Requirements

- (a) A Taximeter Business must comply with all record-keeping procedures established by the Commission. All records required to be kept by the Commission must be in the form and manner prescribed by the Commission and must be maintained for a period of five (5) years.
- (b) A Taximeter Business must account for all certification stickers procured and issued by the Taximeter Business Licensee.
- (c) A Taximeter Business must account for all new or used Taximeters that the Taximeter Business Licensee buys, loans, rents, exchanges, or accepts in trade, and report all sales, trades and exchanges to the Commission within seven days of the transaction.
- (d) A Taximeter Business must keep records of all sales, installations, inspections, re-inspections, calibrations, and repairs, as well as their results.

<u>§14-18(d)</u>	<u>Penalty: \$500-\$1,000 fine and/or suspension up to 60 days or revocation</u>	<u>Appearance REQUIRED</u>
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- (e) A Taximeter Business must allow agents of the Commission or other authorized law enforcement officers to examine all the records the official Taximeter Business is required to keep at any time.

<u>§14-18(e)</u>	<u>Penalty: \$500 fine and suspension until compliance</u>	<u>Appearance REQUIRED</u>
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- (f) A Taximeter Business must allow any agent of the Commission or any law enforcement official to inspect any portion of its business premises at any time.

<u>§14-18(f)</u>	<u>Penalty: \$500-\$1,000 fine and suspension</u>	<u>Appearance REQUIRED</u>
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§14-19 Business Requirements – Notifications to TLC of unauthorized or illegal activity

- (a) A Taximeter Business must notify the Commission immediately by telephone and in writing within 24 hours when any of the following occurs:

- (1) A Taximeter has been presented for installation, repair, adjustment or calibration, which the Taximeter Business knows or has reason to know has been reported to the Commission as lost or stolen.
 - (2) A T-PEP has been presented for installation, repair, adjustment or calibration that the Taximeter Business knows or has reason to know has not been provided by a T-PEP Provider.
 - (3) A Taximeter is discovered with one or more seals removed, damaged, broken, or tampered with.
 - (4) A person has requested that the Taximeter Business engage in any activity prohibited by these rules.
 - (5) Any unauthorized person whom the Taximeter Business knows or should have known to be a Licensee of the Commission or to be acting on behalf of a Licensee has attempted to repair any Taximeter, seal, cable connection, or electrical wiring, and the repair may have affected the operation of a Taximeter.
 - (6) Any person has attempted to connect any unauthorized device to any Taximeter, seal, cable connection, or electrical wiring, and the attempt may have affected the operation of a Taximeter.
 - (7) The Taximeter Business discovers the existence of any intervening connections, splices, “Y” connections, or direct or indirect interruptions or connections of any kind whatsoever.
- (b) Any notice required by the Commission must contain, at a minimum, the following information:
- (1) The Taxicab Medallion number
 - (2) The Driver’s License number, if any, of the driver or drivers who presented the vehicle to the Taximeter Business
 - (3) The date of the inspection or repair
 - (4) A detailed description of any items, evidence, or occurrences as described in subdivision (a) of this section
 - (5) The names and Driver’s License numbers of each individual listed as a Driver on the Rate Card.

§14-19(a)-(b)	Penalty: \$500-\$1,500 and/or suspension up to 60 days or revocation (If the failure	No reference to appearance
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	to report relates to a medallion in which the Taximeter Business has a financial or other interest, the penalty may include fine or revocation of the medallion or loss of medallion owner's privileges as provided in the Commission's rules)	
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§14-20 Business Requirements – Taximeter Business Liability for Conduct of Employees

- (a) Liability for Employee Conduct. A Taximeter Business must supervise and be responsible for the conduct of all its employees, contractors, or agents, for activities related to the sale, installation, inspection, testing, and calibration of Taximeters.
- (b) Familiarizing Employees with Rules and Regulations. A Taximeter Business must ensure that all its employees are fully familiar with all pertinent regulatory agency rules and regulations.
- (c) Employment of Certified Taximeter Technicians. A Taximeter Business must employ only certified Taximeter Technicians to perform any installation, testing, repair, or calibration of Taximeters.
- (d) Responsibility for Maintenance of Records. The Certified Taximeter Technician must be responsible for maintaining all records required by the Commission and must place his or her signature on all inspection, testing, repair, or other reports he or she prepares.
- (e) Compliance with Laws. A Taximeter Business must ensure that all its employees perform their duties in compliance with all relevant federal, state, and city laws, rules, and regulations.
- (f) List of Certified Taximeter Technicians. A Taximeter Business must provide to the Commission, upon licensing or renewal, the names of all Certified Taximeter Technicians it employs. The Taximeter Business must also notify the Commission in writing of any changes in the employment of certified Taximeter Technicians.

§14-20(a)-(f)	Penalty: \$500-\$1,500 fine and/or suspension up to 60 days or revocation	Appearance REQUIRED
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§14-21 Business Requirements – Sale of Taximeters

All of the following conditions must be met for a Taximeter Business to sell a Taximeter for use in a Medallion Taxicab:

- (a) The Taximeter must be manufactured by a Taximeter Manufacturer and approved by the New York State Commissioner of Agriculture and Markets and the Commission.
- (b) The Medallion must be attached to the vehicle.
- (c) The Taximeter Business must also perform the installation, testing, and certification of the Taximeter/vehicle assembly.
- (d) The Taximeter Business must inform all purchasers in writing before the sale takes place of all restrictions imposed by the Taximeter manufacturer or Taximeter Business Licensee regarding the testing, repairs, calibration, and installation of the Taximeter.
- (e) The Taximeter Business must remove, deface, or otherwise void the validity of the certification sticker when it receives a Taximeter that has been purchased, exchanged, or accepted in trade by the Taximeter Business Licensee. The Taximeter Business must report such decertification to the Commission.
- (f) The certification sticker must conform to all specifications established by the Commission and bear the name of the Chairperson of the Commission.
- (g) The Taximeter must be installed in accordance with specifications filed with and approved by the Commission.
- (h) No change in the method of installation can be made unless the installation method has been filed with and approved by the Commission.

<u>§14-21(a)-(h)</u>	<u>Penalty: \$500-\$1,500 fine and/or suspension up to 60 days or revocation for each subdivision violated</u>	<u>Appearance REQUIRED</u>
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§14-22 Business Requirements – Change in Business Ownership

- (a) Approval for Transfer of Ownership. A Taximeter Business owner must not transfer any interest in a Taximeter Business without the prior consent of the Commission. This prohibition covers the transfer of any ownership interest or any agreement to transfer an ownership interest in the future.

<u>§14-22(a)</u>	<u>Penalty: \$1,000-\$5,000 fine and suspension until consent of Commission is obtained or change in business ownership is withdrawn, or revocation</u>	<u>Appearance REQUIRED</u>
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- (b) Approval for Change to Application Information. A Taximeter Business must obtain the Commission’s approval before making any change in its location.

mailing address, corporate name, trade name, corporate officers, or any other material deviation from the description of the Taximeter Business as stated in the original or renewal application.

§14-22(b)	Penalty: \$500-\$1,000 fine	Appearance REQUIRED
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§14-23 Technical Requirements – Liability for Tampering or Alteration

- (a) Strict Liability. By installing a seal on a Taximeter, the Taximeter Business certifies that the Taximeter has been tested and calibrated in accordance with these Rules. A Taximeter Business will be strictly liable for the tampering of a meter that is sealed with an unbroken seal issued by the Taximeter Business.
- (b) Certification of Accuracy. By testing, installing, or calibrating a Taximeter, the Taximeter Business certifies that at the time of the installation, testing, or calibration, it conducted an examination and found the wiring harness leading from the Taximeter to the speed sensor is of one-piece construction with no intervening connectors, splices, “Y” connections, or direct or indirect interruptions of any kind whatsoever.

§14-23(a)-(b)	Penalty: \$500-\$1,500 fine and/or suspension up to 60 days or revocation	Appearance REQUIRED
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§14-24 Technical Requirements – Seals

- (a) Installation. The installation of a Taximeter includes affixing security seals to the Taximeter as required by the Commission. A Taximeter Business must use seals authorized and approved by the Commission. The security seals must be installed in the manner prescribed by the Commission so that the security seals self-destruct when the Taximeter or sealed part of the vehicle is disassembled.
- (b) Record Keeping. The Taximeter Business must number each seal, keep a record of each seal used, use seals in consecutive numerical order, and account for any unused seal. The record of seals must be available for inspection by the Commission as provided in this section. The record must contain, at a minimum, the following information:
 - (1) The seal number
 - (2) The number of the Taximeter in which the seal was installed
 - (3) The Medallion number of the Taxicab in which the Taximeter was installed
 - (4) The date the seal was installed

- (5) The date and seal number of any seal removed
- (6) The reason for installing any new seal
- (c) Removal. A Taximeter Business must remove all seals installed by another meter shop, whether or not the seal is broken, before installing a seal on a Taximeter.
- (d) Storage. Each Taximeter Business must store seals and Taximeter repair records on its business premises either in a fireproof safe secured to the floor of the establishment or in a locked room secured by an alarm connected to a centralized monitoring facility.
- (e) Security Procedures. Each Taximeter Business must maintain and file with the Commission a description of the procedures it uses to prevent the loss, theft, destruction, or misuse of Taximeter seals.

<u>§14-24(a)-(e)</u>	<u>Penalty: \$500-\$1,500 fine and/or suspension up to 60 days or revocation</u>	<u>Appearance REQUIRED</u>
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§14-25 Technical Requirements – Inspection of Taximeters

- (a) A Taximeter must be inspected by the Taximeter Business whenever it is installed, repaired, or calibrated. Inspection must include an examination of the Taximeter installation and operation to verify compliance with all of the following:
 - (1) The Taximeter specifications, type approvals, tolerances, and all other requirements of the Commission, including, but not limited to a measured mile run test
 - (2) The rate of fare established by the Commission
 - (3) The standards established in the sections of the Taxicab owners’ rules regarding Taximeters
 - (4) All other applicable federal, state, and city regulations and guidelines
- (b) This section does not apply to repairs made exclusively to the printing mechanism or the resetting of the date or time on the printer receipt.

<u>§14-25(a)-(b)</u>	<u>Penalty: \$500-\$1,500 fine and/or suspension up to 60 days or revocation</u>	<u>Appearance REQUIRED</u>
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§14-26 Technical Requirements – Other Repair Limitations

A Taximeter Business must not perform any work on a Taximeter, including inspection, testing, calibration, or repair if any of the following conditions exist:

- (a) No valid Taxicab License is presented, unless the Taximeter is not for use in a taxicab licensed by the Commission.
- (b) The Taximeter serial number is deleted, defaced, or otherwise altered.
- (c) The Taximeter (or the Taximeter Manufacturer) has not been approved for use by the Commission.
- (d) The Taximeter Business knows or should know that the Taximeter was reported lost or stolen to the Commission or any other law enforcement agency.
- (e) The Taximeter Business has not received written consent from the owner or driver of the vehicle or his agent to perform any work on the Taximeter.

<u>§14-26(a)-(e)</u>	<u>Penalty: \$500-\$1,500 fine and/or suspension up to 60 days or revocation</u>	<u>Appearance REQUIRED</u>
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§14-27 Technical Requirements – Recording the Results of Taximeter Tests

- (a) *Record of Results.* The Taximeter Business must record the results of any inspections or tests, as well as the Taximeter make, model, and serial number on the form prescribed by the Commission. The Taximeter Business Licensee must submit the record of results to the Commission within seven (7) days of the inspection.

<u>§14-27(a)</u>	<u>Penalty: \$500 fine and suspension until compliance</u>	<u>Appearance REQUIRED</u>
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- (b) *Certification Sticker.* Once the Taximeter has passed an inspection, the Taximeter Business, in addition to complying with subdivision (a), must affix to the Taximeter a certification sticker prescribed and approved by the Commission. Once removed, a certification sticker may not be re-affixed to the Taximeter.

<u>§14-27(b)</u>	<u>Penalty: \$500-\$1,500 fine and/or suspension up to 60 days or revocation</u>	<u>Appearance REQUIRED</u>
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- (c) *Security of Certification Stickers.* A Taximeter Business must provide for the safekeeping of certification stickers, control their sequence of issuance, and ensure that the stickers are placed only on Taximeters in accordance with these regulations.

§14-27(c)	Penalty: \$500-\$1,500 fine and/or suspension up to 60 days or revocation	Appearance REQUIRED
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(d) Taxicab Hack-Up Installations. When a Taximeter is installed in preparation for “hack-up,” the Taximeter Business, in addition to complying with subdivisions (a) and (b), must do the following:

- (1) Prepare a vehicle “hack up” certification form approved by the Commission at the completion of the preparatory work for vehicle “hack-up”
- (2) Submit to the Commission, within 24 hours, all documents relating to the installation and inspection of the Taximeter
- (3) Provide the vehicle owner with an itemized list of all work performed in preparation for “hack-up”

§14-27(d)	Penalty: \$500 fine and suspension until compliance	Appearance REQUIRED
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§14-28 Technical Requirements – Failure of Tests

- (a) No Precondition to Perform Repairs. A Taximeter Business must not require that repair work based on the results of a test or inspection be performed by that Taximeter Business as a condition of performing any test or inspection.
- (b) Who May Perform Repair Work. The Taximeter Business must inform the Taxicab owner or Driver that any needed work or repairs can be performed by any Licensed Taximeter Business.
- (c) No Mandated Referrals. The Taximeter Business must not direct a Taxicab owner or Driver to use a particular Taximeter Business to perform the needed repair work.

§14-28(a)-(c)	Penalty: \$500 fine	Appearance REQUIRED
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§14-29 Technical Requirements – Roof Light Installation and Repair

- (a) Approved Roof Lights. A Taximeter Business can install Roof Lights only in a Medallion Taxicab. The Roof Lights must be of a type or model approved by the Commission.
- (b) Limitation on Use of Directional Appendages. A Taximeter Business must install Roof Light directional appendages so that they can be used for directional or emergency uses ONLY.

- (c) Emergency or Trouble Lights. When an emergency or trouble light is installed, the Taximeter Business must install only a type or model that has been approved by the Commission and that complies with the Commission’s specifications.
- (d) Emergency/Trouble Light Switch. When an emergency or trouble light is installed, the Taximeter Business must install a switch that has no other function than to operate the emergency or trouble light and that is not connected to any other equipment.
- (e) Interrelationship of Operation. The Taximeter Business must install the Roof Light, the trouble light, the Taximeter, and the Rate Card/Taxicab Driver License holder light so that the operation of any of these mechanisms is not controlled or affected by the dashboard light dimmer switch or any other device controlled by the driver.
- (f) Specifications for Switches and Wiring. The Taximeter Business must only use switches and wiring that meet specifications of the Society of Automotive Engineers, where such specifications are applicable.
- (g) Unauthorized Switches, Wiring or Connections. The Taximeter Business can only install switches for functions approved by the Commission. No additional switches, wiring, or connections may be installed.

<u>§14-29(a)-(g)</u>	<u>Penalty: \$500 fine for each subdivision violated</u>	<u>Appearance NOT REQUIRED</u>
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§14-30 Taximeter Manufacturers – Licensing and General Requirements

- (a) Approval Required. Before they are eligible for use in the State of New York, all Taximeters must be approved by the New York Department of Agriculture and Markets.
- (b) Licensing of Taximeter Manufacturer. No Taximeter can be used in a Taxicab unless the manufacturer has a Valid Taximeter Manufacturer’s License.
- (c) General Requirements. All Licensing Requirements (§14-04 through §14-08), General Requirements (§14-09 through 14-12) and Conduct requirements (§14-33 through §14-40) will govern and apply to Taximeter Manufacturers in addition to the specific requirements established in §14-31 and §14-32.

§14-31 Taximeter Manufacturers – Requirements

- (a) Cooperation with T-PEP Providers. No Taximeter can be used with any Taxicab Technology System unless the Taximeter’s manufacturer has agreed to interface its Taximeter with the Taxicab Technology Systems of all T-PEP Providers that have chosen that Taximeter.

- (b) Options for System Installation. When notified that one of its Taximeters has been selected by a T-PEP Provider, the Taximeter Manufacturer must choose one of the following options for system installation:
- (1) System Installation By T-PEP Provider
- (i) The Taximeter Manufacturer must provide to the T-PEP Provider all information on the design and inner operation of the Taximeter that is necessary for the T-PEP Provider to establish an interface and communication of data between the T-PEP and the Taximeter.
- (ii) Before providing the information on the design and inner operation of a Taximeter, a Taximeter Business can require a T-PEP Provider to execute a non-disclosure agreement that is substantially similar in form to the non-disclosure agreement attached to the agreement between the Commission and T-PEP Providers or in a form agreed to by the parties.
- (2) System Installation By Taximeter Manufacturer
- (i) Within five days of notification of selection, the Taximeter Manufacturer must execute a non-disclosure agreement with the T-PEP Provider in a form substantially similar to the non-disclosure agreement attached to the agreement between the Commission and T-PEP Providers or in a form agreed to by the parties.
- (ii) When the non-disclosure agreement is executed, the T-PEP Provider must provide to the Taximeter Manufacturer all information on the design and inner operation of the provider's T-PEP that is necessary for the Taximeter Manufacturer to establish an interface and communication of data between its Taximeter and the Taxicab Technology System.
- (iii) The Taximeter Manufacturer must then perform the work of establishing an interface and communication of data between its Taximeter and the Taxicab Technology System.
- (iv) The Taximeter Manufacturer must ensure that when the Taxicab Technology System is installed, the interface and communication of data are and will continue to be effective.
- (v) The Taximeter Manufacturer must submit to the Commission on an annual basis a signed certification that it has established and continues to establish an interface and communication of data between the Taxicab Technology System and its Taximeter.

- (c) Separate Violations. Each failure on the part of a Taximeter Manufacturer to cooperate with a T-PEP Provider as provided in subdivisions (a) and (b) of this section will constitute a separate violation of this rule.

<u>§14-31(a)-(c)</u>	<u>Penalty: \$10,000 for first violation; revocation of License for second violation</u>	<u>Appearance REQUIRED</u>
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§14-32 Taximeter Manufacturers – Appointment of Manufacturer’s Representative

- (a) A manufacturer required to be licensed by the Commission under this chapter can appoint a Manufacturer’s Representative to hold that License.
- (b) A Taximeter Manufacturer that wishes to use a Manufacturer’s representative must appoint and authorize the Manufacturer’s representative to act on its behalf, in writing. The Taximeter Manufacturer will be bound by the actions of the Manufacturer’s Representative.
- (c) In the event a Taximeter Manufacturer chooses to appoint a Manufacturer’s Representative to hold a License, the following provisions apply:
- (1) The Manufacturer’s Representative must have the ability to fulfill the requirements and obligations of a Taximeter Manufacturer under this chapter, including the ability to cooperate with T-PEP Providers, as required in §14-31(a) and (b), and will be held jointly responsible with the Taximeter Manufacturer for fulfilling these duties and responsibilities. The Taximeter Manufacturer’s appointment of a Manufacturer’s Representative will not relieve it of responsibility for compliance.
 - (2) The Taximeter Manufacturer must inform the Commission of the appointment of a Manufacturer’s Representative by providing a copy of the appointment together with the name, address, and License numbers, if any, of the Manufacturer’s Representative, and must resubmit this information, as updated, with every renewal application as long as the Manufacturer’s Representative’s appointment continues.
 - (3) Each Manufacturer’s Representative appointed under this subdivision must apply to hold a License under this chapter and must meet all applicable standards, criteria, and conditions of licensure. When a Manufacturer’s Representative applies for a License or its renewal, he or she must also include in his or her application an acceptance of his or her appointment as Manufacturer’s Representative and of the responsibilities imposed on the manufacturer by this chapter.

§14-32(a)-(c)	Penalty: \$10,000 fine and revocation if the Taximeter Business License is suspended	Appearance REQUIRED
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§14-33 Comply with Laws – Conduct Rules

- (a) Acceptance of Gift or Gratuity. A Taximeter Licensee or any person acting on his or her behalf must not accept any gift, gratuity, or thing of value from an owner or driver of any vehicle licensed by the Commission or from anyone acting on behalf of an owner or driver for the purpose of violating any of these rules through acts of commission or omission.
- (b) Reporting on Requests for Gift or Gratuity. A Taximeter Licensee, any person acting on the business owner’s behalf, or any of the Licensee’s employees must immediately report to the Commission and the NYC Department of Investigation any request or demand for a gift, gratuity, or thing of value by any employee, representative, or member of the Commission or by any public servant.
- (c) Offer of Gifts and Gratuities. A Taximeter Licensee or any person acting on his or her behalf must not offer or give any gift, gratuity, or thing of value to any employee, representative, or member of the Commission or to any other public servant.

§14-33(a)-(c)	Penalty: \$10,000 fine and revocation	Appearance REQUIRED
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- (d) Reporting on Offers of Gift or Gratuity. A Taximeter Licensee must notify the Commission immediately by telephone and in writing within 24 hours after receiving any offer of a gift or gratuity prohibited by §14-33(a)
- (e) Fraud, Misrepresentation & Larceny. A Taximeter Licensee, while performing his or her duties and responsibilities as a Taximeter Licensee, must not commit or attempt to commit, alone or in concert with another, any act of fraud, misrepresentation, or larceny. Examples of fraud, larceny, or misrepresentation include, but are not limited to, calibration of a fare other than that set by the Commission; adjustment of the tire size, driving axle, transducer, wiring, or other equipment for the purpose of generating an inaccurate signal of time or distance into the Taximeter or the Taxicab Technology System; the manufacture, sale or installation of any device that is either designed to or does generate a false or inaccurate signal into the Taximeter or the Taxicab Technology System; or falsification of Taxicab Technology System records.

§14-33(e)	Penalty: \$10,000 fine and revocation	Appearance REQUIRED
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- (f) Willful Acts of Omission and Commission.

- (1) Omission. While performing the duties and responsibilities of a Licensee, a Licensee must not deliberately fail to perform, alone or with another, any act where this failure is against the best interests of the public, although not specifically mentioned in these Rules.
- (2) Commission. While performing the duties and responsibilities of a Licensee, a Licensee must not deliberately perform, alone or with another, any act that is against the best interests of the public, although not specifically mentioned in these Rules.

<u>§14-33(f)</u>	<u>Penalty: \$150-\$350 and/or suspension up to 30 days or revocation</u>	<u>Appearance REQUIRED</u>
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(g) Notice of Criminal Conviction.

- (1) A Taximeter Licensee must notify the Commission in writing within fifteen (15) days after any criminal conviction of the Licensee or any of the Licensee’s Business Entity Persons.
- (2) Notification must be in writing and must be accompanied by a certified copy of the certificate of disposition of the conviction issued by the clerk of the court.

<u>§14-33(g)</u>	<u>Penalty: \$500-\$1,000 and/or suspension up to 30 days</u>	<u>Appearance REQUIRED</u>
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(h) Threats, Harassment, Abuse. A Taximeter Licensee must not threaten, harass, or abuse any governmental or Commission representative, public servant, or other person while performing his or her duties and responsibilities as a Licensee.

<u>§14-33(h)</u>	<u>Penalty: \$350-\$1,000 and/or suspension up to 30 days or revocation</u>	<u>Appearance REQUIRED</u>
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(i) Use or Threat of Physical Force. A Taximeter Licensee must not use or attempt to use any physical force against a Commission representative, public servant, or other person while performing his or her duties and responsibilities as a Licensee.

<u>§14-33(i)</u>	<u>Penalty: \$500-\$1,500 and/or suspension up to 60 days or revocation</u>	<u>Appearance REQUIRED</u>
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(j) Failure to Cooperate with Law Enforcement. A Taximeter Licensee must cooperate with all law enforcement officers and representatives of the Commission at all times.

<u>§14-33(j)</u>	<u>Penalty: \$250 fine</u>	<u>Appearance NOT REQUIRED</u>
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- (k) Failure to Cooperate with the Commission. A Taximeter Licensee must answer and comply as directed with all questions, communications, notices, directives, and summonses from the Commission or its representatives. A Licensee must produce his or her Commission License and other documents whenever the Commission requires.

<u>§14-33(k)</u>	<u>Penalty: \$250 fine and suspension until compliance</u>	<u>Appearance REQUIRED</u>
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- (l) MTA Tax. A Taximeter Licensee must adjust the Taximeter in any Taxicab to add the MTA Tax to the fare. The MTA Tax must be charged on any trip that starts in New York City and ends in any of:

1. New York City.
2. Dutchess County.
3. Nassau County.
4. Orange County.
5. Putnam County.
6. Rockland County.
7. Suffolk County.
8. Westchester County.

Statement of Basis and Purpose of Rules

These rules are promulgated pursuant to sections 1043 and 2303 of the Charter and section 19-503 of the Administrative Code of the City of New York. The rules are part of a project undertaken by the Taxi and Limousine Commission (“TLC”) to revise its existing rule book. The first phase of this project consisted of reorganizing and redrafting TLC’s rules, to enhance their clarity and accessibility without significant substantive change. Accordingly, these rules are not intended to make any changes to TLC’s current policies, procedures or operations.

During this first phase of the rules revision project, all of TLC’s existing rules were redrafted, then posted on a chapter-by-chapter basis on the TLC Web site for review and discussion by interested members of the public. Each chapter was revised based on that discussion, then published for public comment and public hearing pursuant to the City Administrative Procedure Act (CAPA). Because this phase of the rules revision was intended to involve no substantive changes to the rules, and as announced at the Commission meeting held on August 7, 2008, public hearings were held separately from monthly stated Commission meetings.

When this process had been completed for all TLC rules, the complete set of rules was presented to the Commission for promulgation simultaneously with repeal of the current set of TLC rules. The revised rules will replace the existing rules compiled in chapter 35 of the Rules of the City of New York. Following promulgation of these rules, the rules will become effective and the repeal of the current rules will occur on January 1, 2011.

After the first phase of its rules revision is completed, TLC will move to the second phase, which will involve the assessment of its rules for more substantive changes.

The rules promulgated here are as follows:

Current Rule Chapters revised in this rule-making	New Rule Chapters
Chapter 15, Taximeter Business Rules	Chapter 14, Licensing & Rules for Taximeter Businesses & Manufacturers

The rule as initially proposed made one substantive change. To fully incorporate the provisions of Local Law 16 of 2008, the penalty provisions have been amended to reflect that fines are stayed pending decision of a timely-filed appeal.

Supplemental Statement

A public hearing on these rules was held on January 23, 2009. Following that hearing the TLC voted at a public meeting on February 12, 2009 to conditionally approve these rules, subject to a further vote of approval after all 19 revised rules chapters have been conditionally approved. All 19 chapters having been conditionally approved by the TLC,

the 19 chapters were republished for additional public comment, another hearing and final approval by the TLC.

After the conditional TLC approval of this rules chapter (and before the final hearing), the following additional substantive changes were made to this chapter as a result of public comment and testimony previously received and considered and staff comments:

- Technical changes were made to conform certain definitions to those proposed in Chapter 1, Definitions, as a result of staff comment.
- The general penalty and fines section was amended to include the subject of unlicensed activity and to align payment of fines terms with those of other chapters. These changes were made as a result of staff comment based on further drafting refinements made by the consultant.
- The provisions of section 14-33 regarding acts of commission and omission were modified based on staff comment to reflect further refinements to this language by the consultant and the staff, including following public comment to similar provisions in Chapter 4.
- Provisions were added governing the collection of the MTA taxi surcharge to track rules passed by the TLC.