

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 TLC adjudications.

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.

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 November 6, 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 18 thereto, to read as follows:

New Material is underlined.

CHAPTER 18

ADJUDICATIONS

Contents

§18-01	Scope of this Chapter	5
§18-02	Penalties	5
§18-03	Definitions Specific to this Chapter	5
§18-04	Alternative Forum	6
§18-05	Service of Summonses and Notices	6
§18-06	Contents of Summons or Notice of Violation	7
§18-07	Respondent Options Based on Violation’s Appearance Requirements	8
§18-08	Failure to Prosecute by the Commission	9
§18-09	Hearings – Adjournment Requests	9
§18-10	Hearings – Who Must or Can Appear for the Respondent	10
§18-11	Hearings – Procedures	10
§18-12	Inquests –Hearing Conducted in the Absence of Respondent	11
§18-13	Inquests – Respondent’s Right to Challenge Decision	12
§18-14	Appeals – By Respondent	13
§18-15	Appeals – By Commission	14
§18-16	ALJ’s Final and Recommended Decisions	15
§18-17	Procedure for Finalizing Recommended Decisions	15
§18-18	Appeal of Chairperson’s Final Decision	16
§18-19	Special Procedures – Imposition of Revocation	17
§18-20	Special Procedures – Fitness Hearings	18
§18-21	Special Procedures – Summary Suspension Pending Revocation	18
§18-22	Special Procedures – Summary Suspension Pending Compliance	20
§18-23	Special Procedures – Seizure of Unlicensed Taxicab, Paratransit, and For-Hire Vehicles	22

§18-24_____Special Procedures – Forfeiture of Unlicensed Taxicab, Paratransit, and For-Hire Vehicles...25
§18-25_____Special Procedures – Abandoned Taxicab, Paratransit, and For-Hire Vehicles26
§18-26_____Special Procedures – Seizure of Commuter Vans.....27
§18-27_____Special Procedures – Forfeiture of Commuter Vans.....29
§18-28_____Special Procedures – Removal and Storage Fees for Seized Vehicles31

§18-01 Scope of this Chapter

- (a) To establish a Commission Adjudications Tribunal.
- (b) To establish the procedures for all Hearings and appeals conducted by the Commission.
- (c) To establish the requirements for imposing the immediate summary suspension of a License and the procedures and protections for Licensees whose Licenses have been summarily suspended.

§18-02 Penalties

- (a) *Prescribed Penalties.* Whenever a Respondent is charged with a violation of any Commission Rule or Administrative Code Section, Respondent can be subject to the civil penalties as set in the Commission Rules or the Administrative Code.
- (b) *Discretionary Penalties.* In the alternative to any of the specific penalties set in the Commission Rules, the Commission can, in its discretion, impose a penalty of License revocation, License suspension of up to six months, and/or the following fines:
 - (1) A fine, not to exceed \$10,000 for each violation, against the Owner of a Licensed Taxicab or For-Hire vehicle, Base, Commuter Van Service or vehicle, Paratransit service or vehicle, Taximeter Business, Taxicab Broker or Taxicab agent
 - (2) A fine, not to exceed \$1,000 for each violation, against a Licensed Driver

§18-03 Definitions Specific to this Chapter

- (a) *Commission Adjudications Tribunal (or Commission Tribunal)* is the judicial body that has, except as otherwise provided in these Rules, jurisdiction over:
 - (1) Violations of Title 19, Chapter 5 of the Administrative Code
 - (2) Violations of Commission Rules
 - (3) Review of the fitness of an Applicant or a Licensee to hold a License
- (b) *De Novo* is a legal term meaning “over again from the beginning.”
- (c) *Discretionary Revocation* is the imposition of the penalty of revocation when a Rule does not specify that revocation *must* be imposed; Discretionary Revocation can be sought by the Chairperson for *any* Rule violation, if the Chairperson determines that the continued licensure of the Respondent presents a threat to public health, safety, or welfare.

- (d) Fit to Hold a License means that the Applicant or Licensee is qualified (“fit”) to assume the duties and obligations of the particular TLC Licensee and meets and will continue to meet the qualifications for licensure established by applicable rule or law, and that a Licensee or Applicant for a License will comply and continue to be able to comply with such qualifications or applicable rule or law
- (e) Inquest is the presentation and consideration of evidence at a Hearing before an ALJ, when the Respondent has failed to appear.
- (f) Mandatory Revocation is the imposition of the penalty of revocation when a Rule specifies that revocation *must* be imposed.
- (g) Notice of Seizure is document served upon and mailed to an owner of a vehicle that has been seized and removed to a secure facility.
- (h) OATH is the New York City Office of Administrative Trials and Hearings.
- (i) Recommended Decision. A Recommended Decision is a writing made by an ALJ (or by OATH) following a Hearing that must be reviewed by the Chairperson, either in its entirety or for the appropriateness of the penalty being imposed, before it becomes final.
- (j) Respondent is an individual or Business Entity who has been noticed and charged with a violation of one or more of these Rules or the Administrative Code, or with being not Fit to Hold a License.
- (k) Secondary Owner is an individual or Business Entity that has a lien or mortgage or any other type of legal interest in a vehicle.
- (l) Unlicensed Activity is the provision or advertising of any Commission-regulated for-hire transportation service by any (i) Licensee whose License is suspended, revoked, or expired and not yet renewed, or by any (ii) person who does not hold a Valid License or Authorization for the vehicle, for the driver of the vehicle and, if applicable, for the service; Unlicensed Activity specifically includes these activities as specifically set forth in §19-506 and §19-529 of the Administrative Code, and can subject the violator to the seizure and possible forfeiture of his or her vehicle.

§18-04 Alternative Forum

- (a) The Commission can refer any adjudication to the New York City Office of Administrative Trials and Hearings (OATH). In this event, OATH's rules will govern the case. The determination of OATH about the penalty will be a recommendation to the Chairperson (“Recommended Decision”).

§18-05 Service of Summonses and Notices

- (a) Service. A Respondent must be served with a summons, a notice, or a notice of violation specifying the nature of the violation charged or the basis for any charge that the Respondent is not Fit to Hold a License.
- (b) Licensees. Service of a summons or other notice upon a Licensee can be accomplished through any of the following methods:
- (1) By personal service;
 - (2) By USPS first class mail addressed to the last Mailing Address filed with the Commission;
 - (3) If the Licensee is a Vehicle Owner (of a Taxicab, For-Hire Vehicle, Paratransit Vehicle, or Commuter Van), by personal service upon the Driver, who must promptly forward the summons or notice to the Owner or Agent; a Driver who fails to do so will be in violation of these Rules.
 - (4) If the Licensee is any Licensee other than a Vehicle Owner or Driver (for example, owner of a Commuter Van Service, For-Hire Vehicle Base, Paratransit Base, Taxicab Agent, or Taximeter Business), by personal service upon a person of suitable age and discretion employed by or acting as an agent of the Licensee at the Licensee's place of business.
- (c) Non-Licensees. Service of a summons or other notice upon a Respondent who is not a Licensee can be accomplished through any of the following methods consistent with the requirements set in the Civil Practice Law and Rules:
- (1) By personal service.
 - (2) By USPS first class mail addressed to the address on the Respondent's state-issued driver's License or vehicle registration.
 - (3) If the Respondent is the registered owner of a vehicle, by personal service upon the driver of the vehicle.
 - (4) If the Respondent is charged with operating an unlicensed Commuter Van Service, For-Hire Vehicle Base, Paratransit Base, Taxicab Agent, or Taximeter Business, by personal service upon a person of suitable age and discretion employed by or acting as an agent of the Respondent at the Respondent's place of business.

§18-06 Contents of Summons or Notice of Violation

- (a) Required Information. A summons or notice of violation must contain, at a minimum, the following information:

- (1) The date, time, and location of the alleged violation.
 - (2) A description of the nature of the violation sufficient to inform the Respondent of the prohibited conduct, including the basis for any charge that the Respondent is not Fit to Hold a License.
 - (3) The Rule or Administrative Code Section alleged to have been violated. If there is a conflict between the Rule or Code Section cited and the description of the violation, the description controls the final resolution of the issue.
 - (4) The date, time, and location of the scheduled Hearing on the violation, or instructions to the Respondent on how to schedule a Hearing date including the deadline for responding.
 - (5) Whether the Respondent's personal appearance at the Hearing is required.
 - (6) If the rule violated includes the penalty of discretionary revocation, a specific statement that a finding of guilt could result in the revocation of the Respondent's License.
 - (7) If the rule violated includes the penalty of mandatory revocation, a specific statement that a finding of guilt will result in the revocation of the Respondent's License.
- (b) Failure of Summons to Provide Information.
- (1) If, at a Hearing, a Respondent claims that the summons or notice of violation did not provide the required information, the Commission will attempt to have the Respondent provided with the required information and the ALJ will determine if the lack of information has unfairly prejudiced the Respondent.
 - (2) The ALJ will then determine whether to:
 - (i) Proceed with the Hearing
 - (ii) Grant an adjournment, or
 - (iii) Dismiss the violation
 - (3) If the summons or notice of violation is dismissed solely because the information specified in subdivision (a) has not been provided, the Commission can issue an amended summons or notice of violation.

§18-07 Respondent Options Based on Violation's Appearance Requirements

- (a) Options When Attendance Is Not Required. For violations where the Respondent's personal appearance is not required, the Respondent can choose from the following options:
- (1) The Respondent can plead guilty and pay the scheduled fine in person or by mail (or in any other manner approved by the Commission) prior to the scheduled Hearing or deadline. By pleading guilty, the Respondent admits the charges contained in the summons or notice of violation and waives any right to appeal the ALJ's determination or assessment of penalties.
 - (2) The Respondent can choose, instead, to appear for a Hearing at the location, date, and time indicated on the summons or notice of violation. If no Hearing date is scheduled, the Respondent can request a Hearing by pleading not guilty to the summons or by following the instructions contained in the notice from the Commission.
 - (3) The Respondent's failure to enter a plea in a timely manner will constitute a default to the charges, and the Respondent will be subject to penalties that can include License suspension or revocation.
- (b) Options When Appearance is Required. If the summons or violation requires a personal appearance, the Respondent must appear for a Hearing at the location, date, and time indicated on the summons or notice of violation. Failure to appear will constitute a default to the charges and the Respondent will be subject to penalties that can include License suspension or revocation.

§18-08 Failure to Prosecute by the Commission

- (a) If without any delay or default on the part of the Respondent, the Commission fails to act within one year from the date of the summons or notice of violation, the charges will be dismissed.

§18-09 Hearings – Adjournment Requests

- (a) A Respondent who is unable to appear at a scheduled Hearing must:
- (1) Notify the Commission at least five business days in advance of the Hearing; and
 - (2) Show why Respondent is unable to attend.
- (b) A Respondent will be entitled to only one adjournment.
- (c) If a Respondent requests an Adjournment less than five business before the Hearing, he or she must make the request in person. An ALJ must decide whether to grant the adjournment on the day the request is made.

§18-10 Hearings – Who Must or Can Appear for the Respondent

- (a) *Licenses.* A Respondent who is a Licensee can be represented at a Hearing by an attorney or by an authorized non-attorney Representative.
- (b) *Corporations.* If the Respondent is a corporation, it can also be represented by an officer, director, or employee of the Respondent corporation designated as an agent for the Respondent.
- (c) *Partnerships.* If the Respondent is a partnership, it can also be represented by any partner.
- (d) *Non-Licenses.* A Respondent who is not a Licensee must appear personally and can be accompanied and represented by an attorney or an authorized non-attorney Representative.
- (e) *Non-License Business Entity.* If the non-Licensee Respondent is a corporation or partnership, an officer, director, employee, or partner must appear.
- (f) *Proof of Relationship to Respondent.* Any individual appearing who is not a Respondent must provide proof of his or her relationship to the Respondent.
- (g) The Commission can, for cause, deny any non-attorney (other than an authorized Representative or the Respondent) the opportunity to appear at a Hearing.

§18-11 Hearings – Procedures

- (a) *Identification Required.* A Respondent must provide the ALJ with a Valid government-issued photo ID prior to the Hearing.
- (b) *Hearings Conducted in English.* All Hearings must be conducted in English.
- (c) *Right to Bring Translator.* Except for a Licensed Taxicab Driver, any Respondent who does not speak or understand English can appear at a Hearing with a translator who is not a party, a representative of the Respondent, or a witness to the proceeding.
- (d) *Right to Present Witnesses.* A Respondent is entitled to be present throughout the entire Hearing and can present witnesses. However, witnesses will be excluded from the Hearing room except while they are actually testifying.
- (e) *Right to Confront Witnesses.*
 - (1) The Commission will produce a complaining witness, if there is one, to testify in person where the witness's credibility is relevant. The Respondent will have the opportunity to confront a complaining witness, if the witness is produced.

- (2) If the witness does not personally appear, the Commission will make reasonable efforts to have the witness available by videoconferencing or teleconferencing at the Hearing.
 - (3) If the Commission is unable to produce the witness in person or by video or teleconference, it will provide the ALJ with a statement outlining its efforts to produce the witness.
 - (4) If the ALJ determines that the Commission's efforts were not adequate, the ALJ shall dismiss the notice of violation.
- (f) Conduct of Hearing.
- (1) All Hearings must be conducted before an ALJ.
 - (2) The ALJ must consider all relevant testimony and review documentary evidence submitted at the Hearing.
 - (3) Evidence at a Hearing can include affidavits or affirmations submitted under penalties of perjury. Evidence can also include records maintained by the Commission or by another governmental body in its regular course of business.
 - (4) If the Respondent fails to produce any document that the Commission has requested or that Respondent is required by Commission Rules to maintain, the Commission will presume that the document, if produced, would have been adverse to the Respondent.
 - (5) Although the formal rules of evidence do not apply, all witnesses must testify under oath or affirmation.
 - (6) At the conclusion of the Hearing, the ALJ must issue a decision that includes findings of fact and conclusions of law.
- (g) Recordings. All Hearings shall be recorded. The record of the Hearing and the written decision of the ALJ will constitute the only official record of the Hearing. No individual can record or photograph the Hearing without prior written permission from the Commission.
- (h) Findings of Guilt. If the ALJ finds that a violation has been committed, the ALJ must impose the appropriate penalties, which can include a fine, points, and a suspension or revocation of the Respondent's License. If a suspension for a specified period of time is imposed, the suspension period will not include any period of time during which the Respondent's License is not in the possession of the Commission.

§18-12 Inquests –Hearing Conducted in the Absence of Respondent

- (a) Failure to Appear. If a Respondent fails to appear at a scheduled Hearing, the Commission will conduct an Inquest on or after the Hearing date.
- (b) Inquest Proceedings. At the Inquest, the ALJ will conduct the Hearing and review the evidence and impose any penalties deemed appropriate, including additional penalties for the failure to appear at the Hearing.
- (c) Notification of Results.
 - (1) The Commission will mail a copy of the ALJ's decision by regular, USPS first class mail to the Respondent at the address on file with the Commission.
 - (2) The Commission will record the time and date this notification is mailed and the name of the person who mailed it. This record of information will be available to the Respondent upon request.
- (d) Imposition of Penalties.
 - (1) Suspension. All suspension penalties imposed at an Inquest will begin 10 days from the date the ALJ's decision is mailed to the Respondent.
 - (2) Fines. Fines are due within 30 days of the day the violator is found guilty of the violation. If a respondent has made a timely request for a copy of the Hearing recording under §18-14(e) of these Rules, the time for payment of fines is extended to 21 days from the date the recording is issued. If the fine is not paid by the close of business on the date due, the violator's License will be suspended until the fine is paid.
 - (3) Penalties for Persistent Driver Violators. Penalties imposed as a result of the Program for Persistent Violators will be assessed 10 days from the date the ALJ's decision is mailed to Respondent unless a timely motion to vacate, as provided in §18-13 below, is filed.

§18-13 Inquests – Respondent's Right to Challenge Decision

- (a) Motion to Vacate. A Respondent can move to vacate the Inquest determination by filing a written motion to vacate within two years from the date of the Inquest.
- (b) Content of Motion. A Respondent's motion to vacate must present written evidence on the following:
 - (1) The reasons for his or her failure to appear at the Hearing
 - (2) A defense to the charge which, if established and proved at a Hearing, would result in the dismissal of the summons

- (c) Granting of Motion to Vacate. If the ALJ determines that the Respondent has established both a valid excuse for his or her failure to appear at the Hearing and a defense to the violation that, if proven, would be legally sufficient:
- (1) The Inquest determination must be vacated and the Respondent must be entitled to a new Hearing.
 - (2) Any suspension, revocation or Persistent Violator penalties imposed at the Inquest must be vacated.
 - (3) Any fines paid will be refunded.
- (d) Denial of Motion to Vacate. If the ALJ denies the motion to vacate, the penalties imposed at the Inquest will remain in force.

§18-14 Appeals – By Respondent

- (a) Time for Appeal. The Respondent can appeal a final decision of the ALJ within 30 calendar days from the date of the decision, unless extended as provided by subdivision (f) below.
- (b) Expedited Appeal. If the ALJ's decision resulted in the suspension or revocation of a License, the determination of the appeal will be expedited.
- (c) Filing of Appeal. The appeal must be directed to the Deputy Commissioner for Legal Affairs/General Counsel and accompanied by a copy of the ALJ decision.
- (d) Payment of Fines Deferred.
- (1) If the Respondent files a timely appeal, any fines imposed by the ALJ will be deferred until a decision on the appeal is made.
 - (2) The Commission will not be required to refund any fines paid before Respondent filed the appeal, unless the appeal is successful.
- (e) Requests for Copy of Recording.
- (1) The Respondent can request a copy of the recording of the Hearing within seven calendar days from the ALJ's determination. The request must be made in writing on a form supplied by the Commission.
 - (2) The Commission will provide Respondent with a copy of the recording within 30 days after receipt of the request.
 - (3) If the Commission cannot produce the recording to the Respondent within 30 days, the determination being appealed will be dismissed without prejudice.

which means that the Commission is entitled to re-issue the violation and rehear the case as a new case.

- (f) Extension of Time for Appeal. If the Respondent requests a copy of the recording of the Hearing, his or her time to respond to the notice of appeal will be the *later* to occur of the following:
 - (1) The original 30 calendar days from the date of the decision being appealed
 - (2) Twenty-one calendar days from the date the Commission issues the requested copy of the recording of the Hearing to the Respondent.
- (g) Issues of Law on Appeal. A Respondent's appeal of an ALJ's decision must be limited to the issues of law raised in the determination being appealed.
- (h) Results of Appeal. On appeal, the determination of the ALJ can be affirmed, reversed in whole or in part, or modified.
- (i) Temporary License.
 - (1) If the ALJ's decision results in the suspension of the Respondent's License, the Deputy Commissioner for Legal Affairs/General Counsel or his designee can, in his or her discretion, issue a temporary license, which will remain in effect pending the determination of the appeal.
 - (2) In deciding whether or not to issue a temporary license, the following factors can be considered: the Respondent's record, the seriousness of the charges, the likelihood of the success of the appeal, and the significance of the issues raised on appeal.

§18-15 Appeals – By Commission

- (a) Appeal by the Commission. The Commission can appeal a final decision by an ALJ if the determination has raised issues of law that require review.
- (b) Filing of the Appeal. The appeal must be filed with the Deputy Commissioner for Legal Affairs/General Counsel within 30 calendar days from the date of the determination.
- (c) Basis for Appeal. The appeal will include a written statement describing the basis for the appeal.
- (d) Rights of the Respondent.
 - (1) The Respondent has the right to receive by mail a written statement setting forth the basis for the appeal, and information as to when and how Respondent can respond to the appeal.

- (2) The Respondent must respond to the Commission's appeal within 21 calendar days from the mailing of the appeal.
- (3) The Respondent can request a copy of the recording of the Hearing within seven calendar days from the notice of appeal. The request must be in writing on the form supplied by the Commission.
- (4) If a Respondent requests a copy of the recording of the Hearing, his or her time to respond to the notice of appeal is extended until 21 calendar days from the issuance of the requested copy by the Commission, whether by mailing or otherwise.
- (e) Issues of Law on Appeal. A Commission appeal of an ALJ's decision must be limited to the issues of law raised in the determination being appealed.
- (f) Results of Appeal. On appeal, the determination of the ALJ can be affirmed, reversed in whole or in part, or modified.
 - (1) If a decision appealed by the Commission results in the reversal of a decision by an ALJ to dismiss a summons, the matter must be remanded to the Commission Adjudications Tribunal for a new Hearing.
 - (2) If a decision appealed by the Commission affirms a determination of guilt by an ALJ but modifies a penalty that had been incorrectly imposed, the decision can correct the penalty without remand for a new Hearing.

§18-16 ALJ's Final and Recommended Decisions

- (a) ALJs of the Commission Adjudications Tribunal will render final decisions that include findings of fact and conclusions of law, as well as penalties to be assessed.
- (b) ALJ decisions will be final except for the following, which shall be Recommended Decisions:
 - (1) ALJ findings and penalty determinations as to the fitness of Licensees or License Applicants
 - (2) ALJ penalty determinations in padlocking or proceedings under §19-528(b) of the Administrative Code
 - (3) ALJ findings and penalty determinations in Summary Suspension proceedings pending revocation.

§18-17 Procedure for Finalizing Recommended Decisions

- (a) Respondent's Opportunity to Respond. When a Recommended Decision is issued, the Respondent must be given an opportunity to provide a written response. The response must be limited to the record of the Hearing and the determination of the ALJ with respect to penalty only.
- (b) Submission to Chairperson. The Recommended Decision must include the findings of fact, conclusions of law and recommended penalties. This will be submitted to the Chairperson along with any written comments submitted by the Respondent.
- (c) Final Decision by Chairperson. The Chairperson will determine whether to accept, modify, or reject the Recommendation of the ALJ and will issue a Final Decision. Alternatively, the Chairperson can remand the matter to the ALJ for further consideration.

§18-18 Appeal of Chairperson's Final Decision

- (a) The only Chairperson's Final Decision that can be appealed is a decision regarding the imposition of Discretionary Revocation (see §18-19).
- (b) The Chairperson's Final Decision on the imposition of discretionary revocation can be appealed to the Commissioners following these rules:
 - (1) The Respondent must file a written appeal with the Deputy Commissioner for Legal Affairs/General Counsel within 30 calendar days from the date of the Chairperson's final decision.
 - (2) The filing must describe the basis for the appeal and must include all supporting statements and arguments.
 - (3) The Chairperson can prescribe the form for the conduct and filing of these appeals.
 - (4) A review of the Chairperson's decision must be limited to the issues of law raised in the appeal submitted and whether the decision of the Chairperson and the Recommended Decision of the ALJ are supported by substantial evidence. The Commissioners can not review findings of fact or determinations of credibility by an ALJ.
 - (5) The Commission can submit a written response to any appeal filed by the Respondent.
 - (6) The Respondent must be given the opportunity to respond in writing to the Commission's written submission.

- (7) The Commissioners must each receive a copy of the ALJ's Recommended Decision, the Chairperson's Final Decision, the Respondent's appeal, and any responses filed by the Commission or the Respondent.
- (8) Acting in its quasi-judicial capacity, the Commission must affirm, reject, modify, or remand the Chairperson's Final Decision. A minimum of five votes is required to reject, modify or remand the Final Decision; the absence of five votes to change the Final Decision constitutes an affirmance. The Chairperson can not vote on these appeals.
- (9) The results of the vote and the action taken by the Commission must be communicated at a public meeting.

§18-19 Special Procedures – Imposition of Revocation

- (a) Mandatory Revocation. Mandatory License revocation will be imposed when a Respondent is found liable for a violation in which mandatory revocation is specified.
- (b) Discretionary Revocation. If the Commission seeks Discretionary Revocation, the following procedure must be followed.
 - (1) The Chairperson must determine that the continued licensure of the Respondent presents a threat to public health, safety, or welfare.
 - (2) The proceeding must be commenced before the Office of Administrative Trials and Hearings (OATH).
 - (3) The Commission must notify the Respondent of the proceeding by serving a written summons or notice detailing the charged misconduct and warning the Respondent that a finding of guilt could result in the revocation of his License.
 - (4) The Respondent must be served with charges according to the procedures adopted by OATH.
 - (5) The charges must inform the Respondent of the location, date, and time of any scheduled Hearing.
 - (6) The Hearing will be conducted by an OATH ALJ and governed by OATH procedures. The affirmative defenses in subdivision b of §19-512.1 of the Administrative Code can be available in the Hearing.
 - (7) The OATH ALJ must issue a Recommended Decision to the Chairperson containing findings of fact, conclusions of law, and recommended penalties. These penalties can include License revocation, License suspension for a period up to six months, and a fine not to exceed \$10,000 for each offense for which a Taxicab owner, base owner, taximeter business owner, Taxicab broker, or

Taxicab agent is found guilty or a fine not to exceed \$1,000 for each offense for which any other Licensee is found guilty.

§18-20 Special Procedures – Fitness Hearings

- (a) The Chairperson will notify the Applicant or Licensee to appear as Respondent for a fitness Hearing if the Chairperson believes that a Licensee or Applicant for a License is not Fit to Hold a License including, but not limited to, as a result of:
 - (1) A criminal conviction.
 - (2) A failed drug test as a result of illegal drug use or a sample which cannot be tested.
- (b) The Notice to Respondent and the conduct of the Hearing will be governed by the rules and procedures established in this Chapter.
- (c) At the conclusion of the Hearing, the ALJ must issue a Recommended Decision that must include a determination as to the Respondent's fitness to possess a License.
- (d) If the Respondent is or has ever been a Licensee, the Recommended Decision will be issued to the Chairperson.
- (e) If the Respondent is an Applicant who has never held a License issued by the Commission, the Recommended Decision will be issued to the Chairperson.
- (f) The Chairperson can accept, reject, or modify the Recommended Decision. The decision of the Chairperson will constitute the final, determination of the Commission.
- (g) The License of a Licensee who is found to be not Fit to Hold a License will be revoked.

§18-21 Special Procedures – Summary Suspension Pending Revocation

- (a) Summary Suspension.
 - (1) The Chairperson can summarily suspend a License if the Chairperson believes that continued licensure would constitute a direct and substantial threat to public health or safety, pending revocation proceedings.
 - (2) Any Licensee subjected to a Summary Suspension is entitled to a Summary Suspension Hearing or a Revocation Hearing as established below.
 - (3) The Commission will notify the Licensee either by personal service or by USPS first class mail of the Summary Suspension, within five days of the suspension.

- (b) Summary Suspension or Revocation Hearing (other than Suspensions resulting from Criminal Charges). If the Commission does not schedule a revocation Hearing to be held within 15 days from the suspension:
- (1) The Respondent can request a Hearing on the Summary Suspension within ten calendar days from receiving the notice of suspension.
 - (2) Upon receipt of a request for a Hearing, the Commission must schedule a Suspension Hearing within ten calendar days of the receipt of the request, unless the Chairperson determines that the Hearing will harm any ongoing civil or criminal investigation.
 - (3) No Summary Suspension Hearing will be required where the Commission schedules the revocation Hearing within 15 calendar days of the suspension.
- (c) Conduct of Summary Suspension Hearing.
- (1) A summary suspension Hearing must be held before an ALJ who must consider relevant evidence and testimony under oath, according to the Hearing procedures established in this Chapter.
 - (2) Where applicable, the affirmative defenses will include those provided in §19-512.1(b) of the Administrative Code.
 - (3) At the end of the Summary Suspension Hearing, the ALJ must issue a written Recommended Decision to the Chairperson, who can accept, reject, or modify the recommendation.
 - (4) The decision of the Chairperson is the final determination of the Commission with respect to the summary suspension.
 - (5) If the Chairperson does not render a decision within 60 calendar days from the end of the suspension Hearing, the suspension must be lifted until the decision is rendered.
- (d) Summary Suspension for Criminal Charges.
- (1) The Chairperson can summarily suspend a License based upon an arrest on criminal charges if the Chairperson believes that the charges, if true, would demonstrate that continued licensure would constitute a direct and substantial threat to public health or safety.
 - (2) The Chairperson need not commence revocation proceedings while the criminal charges are pending. However, the Respondent is entitled to request a Suspension Hearing.

- (3) At the Summary Suspension Hearing, the issue will be whether the charges underlying the Licensee's arrest, if true, demonstrate that the continuation of the License while awaiting a decision on the criminal charges would pose a direct and substantial threat to the health or safety of the public.
- (4) Within five calendar days from the date the Commission receives from the Licensee a certificate of disposition of the criminal charges, the Chairperson must either lift the suspension or commence revocation proceedings.

§18-22 Special Procedures – Summary Suspension Pending Compliance

- (a) Summary Suspension. If the Chairperson finds that the Licensee is not in compliance with a rule in this title that provides for “summary suspension until compliance,” the Licensee’s TLC-issued License can be summarily suspended until compliance pending an opportunity to be heard.
- (b) Notice to Licensee. The Commission will send a notice to the Licensee (now, Respondent) by personal service or by USPS first class mail to the Respondent’s current Mailing Address with the following information:
 - (1) That the Respondent’s TLC-issued License is being suspended for a violation of the Commission’s rules or applicable Administrative Code section
 - (2) A description of the nature of the violation
 - (3) That the Respondent’s License will be suspended based on one of the following options, whichever applies:
 - (i) Immediately upon service of the notice if made by personal service
 - (ii) Five days from the date of the mailing if the notice was sent by USPS first class mail to the Respondent’s current Mailing Address
 - (4) That the Respondent has the right to be heard by following the instructions contained in the notice and responding:
 - (i) Within ten calendar days from receiving the notice, if notice was given by personal service
 - (ii) Within 15 calendar days from the mailing of the notice of suspension, if the notice was mailed
- (c) Respondent’s Right to Expedited Hearing.
 - (1) Except as set forth in §18-22(d) below, any Licensee subjected to a summary

suspension is entitled to an expedited Hearing provided the Licensee or Respondent timely requests an expedited Hearing.

- (2) *Scheduling a Summary Suspension Hearing.*
 - (i) Upon receipt of a request for a Hearing, the Commission must schedule a Suspension Hearing (or a Hearing on the underlying violation), which must be held within ten calendar days from the receipt of the request.
 - (ii) A Summary Suspension Hearing must be held before an ALJ who will consider relevant evidence and testimony under oath according to the Hearing procedures established in this Chapter.
- (3) *Failure to Request a Hearing on the Suspension.* If a Respondent does not request an expedited Hearing within the timeframe given in §18-22(b)(4) above, then the Respondent is deemed to have waived the opportunity to be heard on an expedited basis. The Respondent will be scheduled for a Hearing on the underlying violation in accordance with the normal procedures set forth in this Chapter. The Summary Suspension will be continued until lifted by the ALJ in the Hearing on the underlying violation or until the Licensee furnishes proof of compliance satisfactory to the Chairperson.
- (d) *Respondent's Right to be Heard Through Written Documentation.*
 - (1) *Violation of Drug-Testing Rules.* A Taxicab or For-Hire Vehicle Driver who fails to be timely tested for drug use, in accordance with §4-14(d) or §5-15(e) of these Rules, and whose License is then summarily suspended, is not entitled to a Hearing, but can provide the Commission with a single submission of written documentation refuting the suspension of his or her License.
 - (2) *ALJ Review of Documentation.* The documentation submitted by a Licensee refuting the Summary Suspension will be reviewed by an ALJ who will then issue a decision including findings of fact and conclusions of law. This decision can be appealed in accordance with the process established in §18-14 of this Chapter.
 - (3) *Failure to Submit Documentation.* If the Driver does not timely submit written documentation refuting the Summary Suspension, the opportunity to be heard is waived and the Driver will be deemed to be guilty of the violation.
- (e) *Continuation of a Suspension.* The suspension of TLC-issued Licenses provided by this section must continue until any fines assessed are paid and until compliance with the underlying Commission rule or Administrative Code section has been shown to the satisfaction of the Chairperson or his or her designee.
- (f) *Lifting of Suspension.* At any time after being notified of a suspension, a Respondent can pay any applicable fines, comply with the underlying Commission rule or Administrative

Code section, and furnish proof of such compliance to the satisfaction of the Chairperson or his or her designee. Upon such payment and submission of proof of compliance, the suspension of the TLC-issued License will be lifted.

§18-23 Special Procedures – Seizure of Unlicensed Taxicab, Paratransit, and For-Hire Vehicles

(a) Seizure.

- (1) The Commission and/or a police officer is entitled to seize any vehicle where probable cause exists to believe that the vehicle is operated or engaged in any Unlicensed Activity set forth in §19-506(b) or (c) of the Administrative Code.
- (2) A vehicle seized under subdivision (1) above will be removed to a designated secured facility.

(b) Summons and Notice of Seizure.

- (1) The officer or representative of the Commission seizing the vehicle will serve a summons for Unlicensed Activity upon the owner of the vehicle, by service upon the owner or any person who uses the vehicle with the permission of the owner, express or implied.
- (2) The officer or representative of the Commission seizing the vehicle will also serve a Notice of Seizure upon the owner of the vehicle in the same manner permitted in paragraph (b)(1) above. The Notice of Seizure will include, but not be limited to, the following information:
 - (i) Identification of the seized vehicle
 - (ii) Information concerning these regulations, and
 - (iii) The designated secured facility to which the vehicle was or will be taken.
- (3) An officer or representative of the Commission will also mail a Notice of Seizure to the owner of the vehicle. Any defect in delivery or mailing of a Notice of Seizure will not affect the validity of service of a summons upon the owner described in subdivision (b)(1) above.

(c) Expedited Hearing. The summons will set a date and time for a Hearing, no later than:

- (1) Seven calendar days (rolling forward to the next business day if the seventh day is not a business day) for seizure of a paratransit vehicle; or
- (2) Fourteen days for seizure of a for-hire vehicle or Taxicab.

(d) Release of Vehicle Prior to the Scheduled Hearing.

(1) Eligibility for Early Release.

- (i) An owner of a vehicle is eligible to obtain the release of a seized vehicle prior to the scheduled hearing if the owner has not been found in violation two or more times of §19-506(b) or (c) of the Administrative Code within the previous thirty-six month period.
- (ii) An owner who has already been found guilty of engaging in Unlicensed Activity two or more times within the previous thirty six months is subject to having the vehicle forfeited, and is *not* eligible for early release.

(2) Process. To obtain the release of a seized vehicle, an eligible owner must personally bring the notice of violation to the Commission Tribunal, on or before the scheduled hearing date, and either:

- (i) Plead guilty, whereupon:
 - A. The Commission must verify that the owner meets the eligibility requirements;
 - B. An ALJ will determine the amount of the civil penalty;
 - C. The Commission will determine the amount of removal and storage fees;
 - D. The owner must pay in full the civil penalty and removal and storage fees;
 - E. Upon receiving payment, the Commission will issue an order to release the vehicle;
 - F. The owner or his agent can present the order at the designated secured facility to obtain the vehicle.
- (ii) Post a Bond, whereupon:
 - A. The Commission must verify that the owner meets the eligibility requirements.
 - B. The owner must post a bond in the amount of the maximum civil penalty, plus removal and storage fees.
 - C. Upon the bond being posted, the Commission will issue an order to release the vehicle.

- D. The owner or his agent can present the order at the designated secured facility to obtain the vehicle.
- (iii) If the owner does not obtain the vehicle by the date specified in the order of release, the owner will be responsible for any further storage fees, and payment of such fees must be made before the release of the vehicle.
- (e) Decisions at the Expedited Hearing.
- (1) Dismissal. If the ALJ dismisses the summons, he or she will then issue an order for release of the seized vehicle without removal and storage fees.
- (2) Liable for Violation. If the ALJ finds that the owner is guilty, the ALJ will assess a civil penalty. The owner must pay the civil penalty as well as any remaining removal and storage fees in order to obtain an order for release of the seized vehicle.
- (3) Potential for Forfeiture. If the ALJ finds that the owner is guilty and that this was the owner's third or subsequent conviction of engaging in Unlicensed Activity within a thirty-six month period, the ALJ will:
- (i) Set a civil penalty, and
- (ii) Issue a notice to the owner and to the Chairperson that the vehicle is subject to forfeiture upon a judicial determination.
- (f) Inquest Review. If the owner of the seized vehicle fails to appear for the Hearing, an Inquest hearing will be held, and the following process will be followed:
- (1) An ALJ will make a determination in accordance with subdivision (e) above.
- (2) The Commission will notify the owner/Respondent of the Inquest determination by first class mail, and will include the provisions of §18-25 concerning Abandoned Vehicles.
- (3) The owner/Respondent can appear at the Commission offices within seven calendar [business] days of the notice to comply with the Inquest determination or to move to vacate the determination.
- (4) If the Inquest determination is vacated, the owner/Respondent will be entitled to a hearing De Novo on the original summons.
- (5) Such hearing will be scheduled within seven calendar days of the order vacating the Inquest determination, or, if the seventh day is a Saturday, Sunday or City government holiday, no later than on the business day next following the seventh

day.

(g) Appeals.

- (1) If the owner has been found guilty of Unlicensed Activity, he or she must pay the civil penalty together with removal and storage fees in order to appeal.
- (2) If the owner has been found liable for Unlicensed Activity three or more times within a 36-month period and therefore subject to having the vehicle forfeited, the owner must pay only the civil penalty in order to appeal.
- (3) If upon appeal the decision is reversed in whole or part, the relevant civil penalty and fees will be refunded to the owner.

§18-24 Special Procedures – Forfeiture of Unlicensed Taxicab, Paratransit, and For-Hire Vehicles

(a) Forfeiture. If an owner of a vehicle is found to be guilty of Unlicensed Activity three or more times within a thirty-six month period, the interest of the owner in the vehicle used to commit the most recent violation will be subject to forfeiture after notice and judicial determination.

(b) Determination to Pursue Forfeiture.

- (1) The Chairperson will determine whether to pursue the remedy of forfeiture.
- (2) If the Chairperson determines not to pursue the remedy of forfeiture, the owner will be notified by first class mail.
- (3) The owner can get an order to release the vehicle by paying the civil penalty already assessed along with all removal and storage fees.
- (4) If the Chairperson determines to pursue a remedy of forfeiture, the owner will be served proper summons and other papers required under the provisions of the civil practice law and rules.

(c) Public Sale Pursuant to Forfeiture.

- (1) A public sale of the forfeited vehicle can be held no sooner than 30 days after the owner is served notice of the forfeiture.
- (2) Prior to a public sale, at least five days notice of the sale:
 - (i) Must be published in the City Record or in a newspaper of general circulation, and

(ii) Must be mailed to any Secondary Owner shown in the records of the jurisdiction that issued the number license plates on the vehicle.

(d) Rights of Secondary Owners.

(1) Any person who can establish a right of ownership in the vehicle (other than the owner whose interest has been forfeited) can recover the vehicle, provided the person:

(i) Redeems the ownership interest which was subject to forfeiture, by paying the city the value of that interest;

(ii) Pays the reasonable expenses for the safekeeping of the vehicle between the time of seizure and redemption;

(iii) Proves that he or she has not expressly or impliedly permitted the actions that led to the seizure and forfeiture.

(2) A person wishing to assert an ownership claim in the vehicle must either:

(i) File a claim and participate in the forfeiture proceedings or

(ii) Submit a claim in writing within 30 days after the determination of forfeiture.

(3) If the Secondary Owner submits the claim after the forfeiture hearing (but within 30 days of the forfeiture determination), the Commission will hold a separate administrative adjudication, and will:

(i) Schedule a Hearing;

(ii) Mail notice to the claimant at least ten business days in advance of the Hearing, and

(iii) Determine whether the violations upon which the forfeiture was predicated were expressly or impliedly permitted by the claimant;

(iv) If the ALJ finds that there was such permission by the claimant, the claim will be denied.

§18-25 Special Procedures – Abandoned Taxicab, Paratransit, and For-Hire Vehicles

(a) Declaration of Abandonment. A vehicle will be declared Abandoned by the Commission, if an owner does not:

(1) Remove the vehicle from storage within five days of obtaining an order of

release; or

- (2) Pay the civil penalty and removal and storage fees within five days after the Hearing in which a determination of violation was made; or
 - (3) Pay the civil penalty and removal and storage fees, within seven days after a notice that the Commission will not pursue the remedy of forfeiture was mailed to the owner; or
 - (4) Within seven days after notice of an inquest determination of violation is mailed to the owner:
 - (i) Pay the civil penalty and removal and storage fees, or
 - (ii) Obtain an order vacating the Inquest determination of violation and setting a hearing De Novo.
- (b) Disposition of the Vehicle. In the event that a vehicle has been deemed Abandoned, the Commission will:
- (1) Mail notice to the owner and any Secondary Owners that the vehicle has been declared Abandoned and that, unless claimed within 10 days of the mailing date of the letter, the vehicle will become the property of the Commission and will be sold.
 - (2) The owner or any Secondary Owner can claim the vehicle by paying the removal and storage fees due and, in the case of the owner, the civil penalty claimed that is now a lien on the vehicle.
 - (3) If the vehicle is not claimed within the allotted time, the Commission can sell the vehicle by public auction or by bid.
- (c) Disposition of the Proceeds from the Sale of the Vehicle.
- (1) Proceeds from any sale, minus expenses incurred for removal, storage and sale of the vehicle and minus the civil penalty lien will be held without interest for the benefit of the former owner of the vehicle for one year.
 - (2) If these funds are not claimed within the one year period, they will be paid into the Commission's general fund.

§18-26 Special Procedures – Seizure of Commuter Vans

- (a) Right to Seize Vehicle.
- (1) The Commission and/or any police officer is entitled to seize any vehicle where

reasonable cause exists to believe that the vehicle is operated or engaged in any Unlicensed Activity set forth in §19-529.2 of the Administrative Code.

- (2) All passengers and the driver in a vehicle that has been seized will be left in or transported to a location that is readily accessible to other means of public transportation.
- (3) Any vehicle that has been seized will be taken to a designated secured facility.

(b) Procedure after Seizure.

(1) Notice of Seizure.

- (i) Within one business day after the seizure, notice of the seizure and a copy of the notice of violation will be mailed to the owner of the vehicle.
- (ii) The notices will be mailed to the address listed for the owner in the records of the Department of Motor Vehicles (or equivalent agency) in the state in which the vehicle is registered.

(2) Hearing.

- (i) A Hearing to adjudicate Unlicensed Activity will be held before the Commission Tribunal within five business days after the date of the seizure.
- (ii) The Hearing will be conducted according to the procedures set forth in this Chapter 18 of the Rules.
- (iii) Where the procedures in this section are inconsistent with procedures in other sections of this Chapter, the procedures established in this section will govern seizure and forfeiture Hearings.

(c) Release of Vehicle Prior to Hearing.

- (1) An owner will be eligible to obtain release of the vehicle prior to a Hearing if the owner has not previously been found liable for Unlicensed Activity under §19-529(2) within a five-year period prior to the violation resulting in the seizure.
- (2) To obtain release of the vehicle, an eligible owner must post a bond (in a form satisfactory to the Commission) in an amount equal to:
 - (i) The maximum civil penalty that could be imposed for the violation, plus
 - (ii) All reasonable costs for removal and storage of the vehicle.

(d) Hearing Decision.

- (1) Timely Decision. The Commission Tribunal will render a determination within one business day of the conclusion of the hearing, with a finding as to whether the vehicle has been engaged in Unlicensed Activity of a commuter van or a commuter van service.
- (2) Guilty Finding. If the Administrative Tribunal of the Commission finds that the vehicle has been engaged in Unlicensed Activity:
 - (i) If the vehicle's owner has not engaged in Unlicensed Activity within the past five years, the vehicle is not subject to forfeiture and the Commission will release the vehicle to the owner upon payment of the applicable civil penalties and all reasonable removal and storage costs;
 - (ii) If the vehicle's owner has previously engaged in Unlicensed Activity within the past five years, the vehicle is subject to forfeiture and the Commission can either:
 - A. Release the vehicle to an owner upon payment of the applicable civil penalties and all reasonable removal and storage costs, or
 - B. Commence a forfeiture action within ten days after the owner's written demand for such vehicle (see §18-27).
- (3) Not Guilty Finding. Where the Commission Tribunal finds that the charge of Unlicensed Activity has not been sustained, the vehicle will be released to the owner.

(e) Declaration of Abandonment.

- (1) If an owner has not tried to reclaim a seized vehicle within thirty days after the Commission mails the owner a notice that the Commission Tribunal has made its final determination regarding the violation underlying the seizure, the vehicle will be declared abandoned, regardless of whether the owner was found guilty or not guilty of the violation.
- (2) An abandoned vehicle will be disposed of by the City according to §1224 of the NYS Vehicle and Traffic Law; provided, however, that, if an owner seeks to reclaim the abandoned vehicle under §1224, nothing in this §18-26(e) will apply to prevent the owner from making the claim and the Commission will take whichever action is authorized by subdivision (d) of this section.

§18-27 Special Procedures – Forfeiture of Commuter Vans

(a) Forfeiture.

- (1) If an owner of a vehicle is found to be in violation of §19-529.2 of the Administrative Code two or more times within a five-year period, all rights, title and interest in the vehicle is subject to forfeiture of the vehicle after notice and judicial determination.
 - (2) A vehicle which is the subject of such an action will remain in the custody of the City pending the final determination of the forfeiture action.
- (b) Commencing an Action for Forfeiture. A forfeiture action is commenced by the filing of a summons with notice or a summons and complaint according to the New York Civil Practice Law and Rules.
- (c) Who Must Be Served and How. Service of a summons with notice (or a summons and complaint) will be made:
- (1) By personal service (according to the New York Civil Practice Law and Rules) upon all owners listed in the records of the Department of Motor Vehicles (or equivalent agency) in the state in which the vehicle is registered.
 - (2) By first class mail upon all individuals who have notified the Commission Tribunal that they are an owner of the vehicle; and
 - (3) By first class mail upon all persons holding a Valid security interest, filed with the Department of Motor Vehicles (or equivalent agency) in the state in which the vehicle is registered, at the address shown in the filing.
- (d) Asserting a Claim. Any owner or Secondary Owner who receives notice of the forfeiture action and who claims an interest in the vehicle must assert a claim for the recovery of the vehicle or their interest in the vehicle by intervening in the forfeiture action (in accordance with the New York Civil Practice Law and Rules).
- (e) Affirmative Defenses Required to Sustain a Claim. In order to sustain his or her claim in the vehicle, a claimant must plead and prove that he or she was not in any way a party to allowing the actions that constituted the violation, by showing that:
- (1) The claimant had no knowledge of the actions; or
 - (2) If the claimant had knowledge of the actions, claimant took all reasonable steps to prevent the use of the vehicle for the unlawful conduct and did not knowingly obtain his or her interest in the vehicle in order to avoid forfeiture of the vehicle; or
 - (3) The vehicle was unlawfully in the possession of another person who committed the actions that constituted the violation.

- (f) Disposition of Vehicle. The City, after judicial determination of forfeiture, can either:
- (1) Retain the vehicle for the official use of the City; or
 - (2) Sell the vehicle at public sale after at least a 20-day public notice, and pay the net proceeds into the general fund of the City.
- (g) Rights of Secondary Owners Unaware of Forfeiture Proceedings.
- (1) Any Secondary Owner who did not receive notice of the forfeiture action and who did not otherwise receive actual notice of the action may assert a claim within six months after the forfeiture.
 - (2) The claim must be one that could have been asserted in the original forfeiture action, and must be adjudicated before the Justice of the Supreme Court who presided at the original forfeiture action.
 - (3) The court can grant the relief sought upon such terms and conditions as it deems reasonable and just if the claimant:
 - (i) Establishes that he or she was not sent notice of the commencement of the forfeiture action and was without actual knowledge of the forfeiture action, and
 - (ii) Proves one of the affirmative defenses set forth in subdivision (e) of this section.
- (h) Total Claims May Not Exceed Value of Vehicle at Sale.
- (1) In any forfeiture action, including a subsequent action initiated under subdivision (g) of this section, where the court awards a sum of money to one or more persons in satisfaction of claims in the forfeited vehicle, the total amount awarded to satisfy all interests must not exceed the amount of the net proceeds of the sale of the forfeited vehicle.
 - (2) The net proceeds is the amount remaining after deduction of the lawful expenses incurred by the City, including the reasonable costs of removal and storage of the vehicle between the time of seizure and the date of sale.

§18-28 Special Procedures – Removal and Storage Fees for Seized Vehicles

- (a) Removal Fee. The removal fee for all vehicles is one hundred eighty-five dollars (\$185).
- (b) Storage Fee.
- (1) The storage fee for vehicles seized for unlicensed Taxicab, Paratransit, or For-

Hire activity will be as set by the New York City Police Department or such other agency as may store the vehicles. .

- (2) The storage fee for vehicles seized for unlicensed Commuter-Van activity is fifteen dollars (\$15) per day.

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. Except as noted below, 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 proposed here are as follows:

Current Rule Chapters revised in this rule-making	New Rule Chapters
Chapter 8, Adjudications	Chapter 18, Adjudications

The promulgated rules make several substantive changes to the provisions of current rules governing Adjudications. Specifically, the promulgated rules:

- Consistent with local law, add provisions reflecting that taxicabs can be seized and forfeited for unlicensed operation, just as other vehicles operating for hire may be.
- Update vehicle towing and storage fees to reflect current practice.
- Streamline the fitness hearing procedure to provide that all recommended decisions be issued to the Chairperson, which includes the Chairperson’s designee. The TLC intends to continue its current practice of referring to the Deputy Commissioner for Licensing, as the Chairperson’s designee, recommendations regarding applicants who have never held a TLC license.

- Clarify, consistent with practice, that an ALJ's recommendations as to both findings of fact and penalties are recommended decisions in fitness hearings and in summary suspension proceedings.
- To fully incorporate the provisions of Local Law 16 of 2008, provisions regarding suspensions and persistent violator penalties will begin ten days after the mailing of the decision and fines will be due 30 days from the date of the guilty finding, as may be extended by the filing of appeals or motions to vacate, as may be applicable.
- To fully incorporate the provisions of Local Law 16 of 2008, provisions regarding a respondent's time to vacate an Inquest have been modified to 2 years.

Supplemental Statement

A public hearing on these rules was held on November 6, 2009. Following that hearing the TLC voted at a public meeting on November 19, 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, which occurred on July 15, 2010.

After the conditional TLC approval of this rules chapter (and before final approval), 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:

- The failure to prosecute provisions of section 18-08 were corrected to more closely track the current rule, based on a staff comment.
- The provisions regarding drug tests in section 18-20 were amended to reflect that both a positive test and a sample that cannot be tested may lead to a referral for a fitness hearing. This change resulted from a staff comment.
- Certain language regarding the subject of appeals was clarified, based upon a staff comment.