

# Chapter 63

# TAXICAB AGENT RULES

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*Updated August 13, 2013*

**§63-01 Scope of the Chapter**

- (a) To establish that an individual or Business Entity must be licensed by the Commission to act as an Agent.
- (b) To provide the qualifications, requirements and procedures for getting and maintaining an Agent's License.
- (c) To set forth the penalties for violating these Rules.

**§63-02 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 are shown at the end of the Rule. The penalty section also states whether the violator must attend the Hearing.

(c) *Payment of Fines.*

- (1) Fines are due within 30 days of the day the Respondent is found guilty of the violation.
- (2) If the Respondent files an appeal of the decision imposing the fines within 30 days of the date of the decision, the payment of the fines will be deferred until a decision on the appeal is made (see §68-14(d) of these Rules).

If the Respondent requests a copy of the Hearing recording (see §68-14(e) of these Rules) within 7 calendar days of the hearing, the time for either filing an appeal or paying the fines will be the later to occur of either 30

days from the date of the decision or 21 days from the date the recording is issued.

- (3) If the fine is not paid by the close of business on the date due, the Commission will notify the Respondent in writing that the Respondent's License will be suspended in ten business days of the date of the notification until the fine is paid, unless the Respondent demonstrates to the Commission, in person or in writing, that the fine has been paid.

### **§63-03 Definitions Specific to this Chapter**

- (a) *Agent* is an individual or Business Entity that has been Licensed by the Commission to operate or facilitate the operation of one or more Taxicabs on behalf of the Taxicab owner.
- (b) *Applicant* in this Chapter means an Applicant for an original or renewal License as an Agent.
- (c) *Business Entity*. In this Chapter, a Business Entity may be a sole proprietorship, a corporation, or a partnership.
- (d) *License* in this Chapter means a License to be an Agent.
- (e) *Limited Business Entity Person* shall mean all Business Entity Persons except for corporate shareholders holding less than ten percent (10%) of the stock of the corporation.
- (f) *Merchant*. An individual or Business Entity who holds a Commission License and who has agreed to do the following:
  - (1) Facilitate contracts between Taxicab Technology Service Providers and Commission-approved banks, and
  - (2) Contract to provide credit/debit card services for in-cab payment of Taxicab fares.
- (g) *Taxicab Technology Service Provider ("T-PEP Provider")* means a vendor who has been authorized by the Commission to install and maintain the Taxicab Technology System in Taxicabs.
- (h) *Taxicab Technology System ("T-PEP")* means 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

**§63-04 Licensing – Requirements**

- (a) *License Required.* An individual or Business Entity must first obtain a License from the Commission before acting as an Agent.

§63-04(a)	Fine: \$500-\$1,000	Appearance REQUIRED
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- (b) *Who May File an Application.* An application or renewal application for an Agent’s License may only be submitted by the following:
  - (1) An individual
  - (2) The Proprietor, on behalf of a sole proprietorship
  - (3) A general partner on behalf of a partnership
  - (4) An officer or director on behalf of a corporation
  - (5) A member on behalf of a limited liability company
- (c) *Certification.* The application must contain a sworn and notarized statement by the person filing the application that the information contained in the application is true.
- (d) *Fingerprinting and Background Investigations.*
  - (1) For the purpose of securing criminal history records from the New York State Division of Criminal Justice Services, an individual Applicant and all Limited Business Entity Persons of a Business Entity Applicant must be fingerprinted.
  - (2) The Applicant must pay any processing fee required by the New York State Division of Criminal Justice Services.
- (e) *Bond.*
  - (1) An Applicant for an original or renewal Agent’s License must deposit a fifty thousand (\$50,000) dollar bond payable to the City of New York with the Commission. The bond must be provided by one or more sureties approved by the Commission.

- (2) The bond must guarantee that the Applicant or Licensee will comply with the provisions of the Administrative Code, 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 with the Agent's License.
  - (3) The Agent is immediately liable for any fine or judgment as soon as the amount is determined or, in case of an appeal, when the final determination is issued.
  - (4) The bond must remain in effect for one year following the expiration or revocation of the License.
- (f) *Identify Business Entity Persons.* Upon application for a License or License renewal or upon request, an Agent must provide the Commission with the identity of all of the Agent's Business Entity Persons.
- (g) *Payment of Fines and Fees.*
- (1) An Applicant, including an applicant for a renewal License, must pay, and provide proof of payment of, any outstanding fines or fees owed by the Applicant to
    - (i) the Commission,
    - (ii) NYC Department of Finance's Parking Violations Bureau,
    - (iii) NYC Department of Finance's Red Light Camera Unit,
    - (iv) NYS DMV's Traffic Violations Bureau and
    - (v) any of their successor agencies.
  - (2) This requirement includes payment of fines and fees owed as of the date of the application by
    - (i) any Business Entity Persons of the Applicant
    - (ii) any Business Entity of which the Applicant is a Business Entity Person, and
    - (iii) any Business Entity of which a Business Entity Person of Applicant is also a Business Entity Person.
- (h) *Business Entities.* An Applicant which is a Business Entity must provide the following documents:

(1) *Partnerships*. If the Applicant is a partnership, it must file with its application a certified copy of the partnership certificate from the clerk of the county where the partnership's principal place of business is located.

(2) *Corporations*. If the Applicant is a corporation, it must file with its application:

(i) A certified copy of its certificate of incorporation

(ii) A list of officers and shareholders

(iii) A certified copy of the minutes of the meeting at which the current officers were elected.

(3) *Limited Liability Companies (LLCs)* If the Applicant is a limited liability company, it must file with its application:

(i) A copy of its articles of organization

(ii) A copy of its operating agreement

(iii) A list of the members, with the percentages of the Applicant owned by each.

(i) *Address*. An Applicant must give the Commission the Applicant's current Mailing Address and Email Address.

(j) *Fit to Hold a License*. An Applicant (including the individual Applicant and all Limited Business Entity Persons of a Business Entity Applicant) for an original License must demonstrate that they are Fit to Hold a License.

#### **§63-05 Licensing – Term**

(a) *Maximum One-Year Term*. The term of an Agent's License may be up to one year, but will expire on December 31 of the year in which it is issued or renewed, unless earlier suspended or revoked by the Commission.

(b) *No Longer Meets Requirements*. If at any time during the term of the License, the Commission learns that the Agent no longer meets the requirements for an Agent's License, the Commission may deny any renewal application, or suspend or revoke the current License, after appropriate notice and hearing.

(c) *When to File for Renewal*.

- (1) A renewing Applicant must file a completed application at least 60 days before the expiration date of the License in order to avoid a late fee.
  - (2) A renewing Applicant can file a completed application less than 60 days before the expiration date as a “late application,” if the Applicant pays a late fee of \$25.
  - (3) The postmark date is the date of filing for an application that is filed by mail. The date of submission is the date of filing for an application that is filed in person.
  - (4) The Commission will not accept a renewal application after the expiration date of the License. If the application is not filed before the expiration date, the License cannot be renewed.
- (d) *Suspended Licenses.*
- (1) If a License is suspended, the Licensee must apply for renewal as required in (c) above if the Licensee wants to renew the License. Failure to complete the renewal requirements means that the License cannot be renewed.
  - (2) A License that is suspended is not Valid and cannot be used until the suspension ends. This is true even if the Applicant has filed an application for a renewal.

#### **§63-06 Licensing – Fees**

- (a) *Annual Fee.* The fee for an Agent’s License will be five hundred dollars (\$500) annually.
- (b) *When Fee is Paid.* The fee for an original or renewal License must be paid at the time the application is filed.
- (c) *Shorter Term.* If a License is granted for a period of six months or less, the fee will be two hundred and fifty dollars (\$250).
- (d) *No Refund if Application Denied.* The Commission will not refund fees if it denies or disapproves the application.
- (e) *License Replacement Fee.* The fee to replace any lost, damaged or destroyed License is \$25.
- (f) *Late Filing Fee.* The Commission will charge an additional fee of \$25 for a late filing of a renewal application, if it allows the filing at all.

**§63-07     Licensing – Causes for Denial**

- (a) *Material Misstatement.* The Commission will deny any application if the Applicant makes a material misstatement or misrepresentation on the application.
- (b) *Unlawful Acts.* The Commission will deny any application if the Applicant commits a fraudulent or unlawful act while acting as an Agent.
- (c) *Criminal Conviction.* The Commission will deny an application, including a renewal application, if the individual Applicant, or any Limited Business Entity Person of the Applicant is convicted of a crime that under Article 23-A of the Correction Law would provide a basis for suspension or revocation of the License.
- (d) *Medallion-Owner Agent Violates Rules.* The Commission will deny an application for an Agent’s License if the Applicant owns a Medallion and has violated any Commission Rule where the penalty for that violation is revocation of the License.
- (e) *Violation of the Administrative Code.* The Commission will deny an application if the Applicant has violated any provision of §19-530 of the Administrative Code or any applicable rule of the Commission.
- (f) *Failure to Complete Application Requirements.*
  - (1) The Chairperson will deny an application for a new License if the Applicant has not completed all the requirements of an application within 90 days of the date the application is filed.
  - (2) The Chairperson will deny an application for a renewal License if the Applicant has not completed all the requirements of an application by the expiration date of the prior License.
  - (3) The Chairperson will not deny an application under this Rule if completion is delayed because the Chairperson has not issued a final decision and the Applicant has complied with any requests made by the Chairperson.
- (g) *Additional Consideration of an Application.* If a review of the application leads the Chairperson to believe that the Applicant may not be Fit to Hold a License (Authorization), the Chairperson may seek additional information from the Applicant. This request for additional information may be an in-person interview, telephone call, letter, e-mail, or other method of communication. This additional consideration may result in the denial of the application.

**§63-08     Proper Conduct**

- (a) An Agent must not make a material misrepresentation or omission or commit a fraudulent or unlawful act while acting as an Agent, whether Validly Licensed or not. Such acts will include but not be limited to any of the following:
- (1) Presenting a Taxicab for inspection with a vehicle identification number (“VIN”) other than the one under which the vehicle is licensed by the Commission.
  - (2) Operating a Taxicab with a vehicle identification number that has been removed and reattached, or that is different from the VIN shown on the Taxicab License.
  - (3) Presenting a document to the Commission that falsely states that the insurance requirements for the Taxicab have been met.
  - (4) Bribing or attempting to bribe any officer or employee of the Commission.

§63-08 (a)(1) – (4)	Fine: \$1,000-\$10,000 and/or revocation	Appearance REQUIRED
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- (b) *Fraud, Theft.* While performing the duties and responsibilities of a Licensee, a Licensee must not commit or attempt to commit any act of fraud, misrepresentation or theft.

§63-08(b)	Fine: \$1,000-\$5,000	Appearance REQUIRED
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- (c) *Willful Acts of 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.

§63-08(c)	Fine: \$1,000-\$5,000	Appearance REQUIRED
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- (d) *Willful Acts of Commission.* While performing the duties and responsibilities of a Licensee, a Licensee must not deliberately perform or attempt to perform, alone or with another, any act that is against the best interests of the public, although not specifically mentioned in these Rules.

§63-08(d)	Fine: \$1,000-\$5,000	Appearance REQUIRED
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- (e) *Failure to Cooperate with the Commission.*

- (1) A Licensee must truthfully answer all questions and comply with all communications, directives, and summonses issued by the Commission, its representatives or the New York City Department of Investigation.

- (2) Upon request of the Commission, a Licensee must make the Agent's business premises, books and records available for inspection.

§63-08(e)	Fine: \$500-\$1,500	Appearance REQUIRED
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- (f) *Threats, Harassment, Abuse.* While performing the duties and responsibilities of a Licensee, a Licensee must not threaten, harass, or abuse any person.

§63-08(f)	Fine: \$100-\$350 and/or suspension up to 30 days	Appearance REQUIRED
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- (g) *Use or Threat of Physical Force.* While performing the duties and responsibilities of a Licensee or any act in connection with those duties, a Licensee must not use or attempt to use any physical force against a person.

§63-08(g)	Fine: \$100-\$350 and/or suspension up to 30 days	Appearance REQUIRED
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- (h) *Death or Incompetency of Taxicab Owner.* An Agent who becomes aware of the death or incompetency of an owner of an interest in a Taxicab Medallion shall promptly inform the Commission.

§63-08(h)	Fine: \$100	Appearance NOT REQUIRED
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- (i) *Mailing and Email Address.*

- (1) An Agent must have a working Email Address at all times.
- (2) An Agent must report any change of Mailing Address or Email Address to the Commission in person or by mail within ten days.

§63-08(i)(1)-(2)	Fine: \$100	Appearance NOT REQUIRED
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- (3) Any communication from the Commission is sufficient if sent to the last Mailing Address provided by the Agent.
- (4) Any communication from the Commission, except notices and summonses for which the manner of service is specified in §68-05 of these Rules, is sufficient if sent by email to the last Email Address provided by the Agent.

### **§63-09 Personal Conduct – Unlicensed Activity**

- (a) An Agent must not dispatch a taxicab or other vehicle that is unlicensed.

§63-09(a)	Fine: \$500-\$2,000 and/or suspension up to 30 days	Appearance REQUIRED
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- (b) An Agent must not dispatch a Taxicab that does not have a current Medallion affixed to the Taxicab.

§63-09(b)	Fine: \$500-\$2,000 and/or suspension up to 30 days	Appearance REQUIRED
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**§63-10 Agent’s Business Premises**

An Agent who operates one or more Taxicabs that are returned at the end of a shift must maintain business premises in an appropriately-zoned location. The location must allow or provide for, and the Agent must provide or maintain, all of the following:

- (a) Sufficient off-street parking space at or near the business premises to store the lesser of:
- (1) Twenty-five (25) vehicles, or
  - (2) Fifty percent (50%) of the Taxicabs leased on a daily or shift basis, plus five percent (5%) of the Taxicabs leased for longer than one day
- (b) Sufficient office space to conduct business and keep all records required by the Commission, including trip sheets and Driver records.
- (c) Regular business hours, including the hours of 9:00 a.m. through 5:00 p.m. every weekday other than legal holidays.
- (d) A business address and telephone number on file with the Commission.

§63-10(a)-(d)	Fine: \$500-\$1,000 and suspension until compliance	Appearance REQUIRED
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- (e) “Driver’s Bill of Rights” sign must be posted in a form and format prescribed by the Commission.

(i) The Commission will post the proper form and format on its Web site.

(ii) The “Driver’s Bill of Rights” sign must be:

- conspicuously posted, such as next to a payment window or other place where drivers regularly conduct business within the Business Premises, and,
- free of other signage in the immediate area.

§63-10(e)	Fine: \$250 if plead guilty before a hearing; \$500 if found guilty following a hearing.	Appearance NOT REQUIRED
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**§63-11 Vehicle Operation**

- (a) *Provide a List of Taxicabs Being Operated by Agent.* An Agent must provide the Commission with a list of all Taxicabs operated by the Agent, annually and upon request.

§63-11(a)	Fine: \$250 and suspension until compliance	Appearance REQUIRED
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- (b) *Double Shift Requirement.* An Agent must ensure that Fleet and Minifleet Taxicabs are operated for a minimum of two shifts of nine hours each day including weekends and holidays. This double shift requirement is established in §58-20(a)(1) of The Taxicab Owners Chapter.

- (c) *Safety.* An Agent must not dispatch a Taxicab unless all equipment, including brakes, tires, lights, signals and trouble lights are in good working order. The Taxicab must meet all requirements and specifications of the New York State Vehicle and Traffic Law and Chapter 67 of these Rules.

§63-11(c)	Fine: \$100	Appearance NOT Required
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- (d) *Drivers.*

- (1) An Agent must not authorize or allow a Driver to operate a Taxicab unless either:

- (i) The Driver’s name has been entered on the Rate Card by the Commission, and the Driver’s Vehicle lease (if any) has not expired, or
- (ii) “Unspecified Drivers” has been entered on the rate card by the Commission.

§63-11(d)(1)(i)-(ii)	Fine: \$350	Appearance NOT Required
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- (2) An Agent must not authorize or allow a driver to operate a Taxicab unless the driver possesses a Valid Driver’s license and a Valid Taxicab Driver’s License.

§63-11(d)(2)	\$500-\$2,000 and/or suspension up to 30 days	Appearance REQUIRED
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- (e) *Owner-Must-Drive Compliance.*

- (1) An Agent must ensure that each Independent Medallion acquired by an Owner on or after January 7, 1990 must comply with the service requirements which that Medallion must follow under Section 58-20(a) of

these Rules in each calendar year or partial calendar year that the Agent manages that Medallion.

§63-11(e)(1)	Fine: \$1,000 -\$10,000 per medallion and/or suspension until compliance	Appearance REQUIRED
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- (2) In addition to any penalties the Commission can impose for a violation of this Rule, the Commission can also issue a Stop-Use Directive preventing an Agent from continuing to manage non-complying Independent Medallions.
- (3) The Commission will post on its Web site a list of Independent Medallions currently subject to the service requirements of Section 58-20(a) of these Rules.

(f) *Agent Responsibility for Accessible Taxicab Operation.*

- (1) An Agent must allow only Licensed Approved Taxicab Drivers to operate an Owner’s Accessible Taxicab. The License of a Driver who is not an Approved Driver is not Valid for operation of an Accessible Taxicab.

§63-11(f)(1)	Fine: \$400 and/or suspension up to 30 days	Appearance REQUIRED
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- (2) *Dispatch Fee.* An Agent which is processing payment of Dispatch Fees to Drivers must
  - (i) Pay to each Driver of the Taxicab, in cash, on a weekly basis, an amount equal to the sum of all Dispatch Fees earned by each Driver and paid by the Accessible Taxi Dispatcher on behalf of each Driver, and
  - (ii) Provide to each Driver an itemized receipt for all Dispatch Fees earned and paid.
  - (iii) An Agent is not permitted to make any deductions from Dispatch Fees.

§63-11(f)(2)	Fine: \$500 and suspension until compliance	Appearance REQUIRED
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**§63-12 Vehicle – Equipment**

- (a) *Partition.* An Agent must not dispatch a Taxicab unless it is equipped with a partition that isolates the Driver from the rear seat passengers in accordance with the specifications in §67-10 of the Hackup Chapter unless the Taxicab is exempt

from the partition requirements under the general provisions of §58-35(b) of the Taxicab Owners Chapter.

- (b) *Distress Signal.* An Agent must not dispatch a Taxicab that is not equipped with a help or distress signaling light system, as required in §58-34(d) and in accordance with specifications established in §67-11.
- (c) *Taximeter.*
  - (1) An Agent must not dispatch a Taxicab unless it is equipped with a Taximeter as required in §58-37 and in accordance with the specifications established in §67-09.
  - (2) An Agent must not tamper with, alter, repair or attempt to repair any of the following:
    - (i) A Taximeter
    - (ii) Any Seal affixed to the taximeter by a licensed Taximeter repair shop or other authorized facility
    - (iii) The Taxicab Technology System
    - (iv) Any cable mechanism or electrical wiring of a Taximeter or Taxicab Technology System
  - (3) An Agent must not make any change in a vehicle's mechanism or its tires that would affect the operation of the Taximeter or of the Taxicab Technology System.

§63-12(c)(1)-(2)	Fine: \$250-\$1,500 and/or suspension up to 30 days	Appearance REQUIRED
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### **§63-13 Vehicle Equipment – Trip Sheet**

An Agent must not dispatch a Taxicab unless all of the following are present in the Taxicab:

- (a) An electronic or hand written trip record (also known as a “trip sheet”) or an operable Taxicab Technology System.
- (b) The Taxicab Driver’s License.
- (c) The Rate Card, in a frame next to the frame for the Taxicab Driver’s License.
- (d) An insurance card or copy, unless the owner is self-insured and has noted this fact on the Rate Card.

- (e) All notices required to be posted in the Taxicab.

**§63-14 Vehicle Equipment – Taxicab Technology System**

- (a) *Equip Taxicabs with T-PEP.* An Agent must ensure that each of Agent’s Taxicabs is equipped with the Taxicab Technology System by the compliance date established in §58-40(b), unless exempt from the requirement under §58-40(c). The T-PEP must comply with the specifications established in §67-15.

§63-14(a)	Fine: \$1,000 and suspension until compliance	Appearance REQUIRED
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- (b) *Good Working Order.* For any Taxicab that is required to be equipped with the Taxicab Technology System, the equipment must be in good working order at all times and each of the four core services must be functioning at all times.

§63-14(b)	Fine: \$250 and suspension until compliance	Appearance REQUIRED
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- (c) *Malfunction or Failure to Operate.*

- (1) If the T-PEP malfunctions or fails to operate, the Agent must file an incident report with the authorized T-PEP Provider within two hours following the discovery of the malfunction or as soon as the Agent reasonably should have known of such malfunction.
- (2) If the Driver or Taxicab owner previously filed an incident report, the Agent will not be required to file a separate incident report. The Agent must verify that the report has been filed by obtaining the incident report number from the Driver, owner or T-PEP Provider.
- (3) Upon instruction from the owner the Agent must meet the appointment for repair scheduled by the T-PEP Provider following the incident report.

§63-14(c)(1)-(3)	Fine: \$250 and suspension until compliance	Appearance REQUIRED
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- (d) *48-Hour Repair Deadline.* An Agent must not allow a Taxicab in which any of the four core services of the Taxicab Technology System (or any material feature of a core service) is not functioning to be operated more than 48 hours following the timely filing of an incident report.

§63-14(d)	Fine: \$250 and suspension until compliance	Appearance REQUIRED
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- (e) *Inspection upon Multiple T-PEP Malfunctions.* An Agent for any Taxicab requiring six or more repairs of a vehicle’s Taxicab Technology System in any 30-day period must promptly take that vehicle for inspection or schedule an inspection with the Commission’s Safety and Emissions Facility. This

requirement will not apply to the Agent if compliance is made by the owner or Driver of the vehicle.

§63-14(e)	Fine: \$250	Appearance NOT Required
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