

# PROPOSED TAXICAB SMARTPHONE APP RULES

November 29, 2012

# Overview of proposed smartphone app rules

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- The proposed rules permit apps that allow:
  - ▣ Passengers to request taxi service
  - ▣ Drivers to receive requests and confirm pick-up
  - ▣ Payment of taxi fares via smartphone
- The rules require that apps:
  - ▣ Are licensed by the TLC
  - ▣ Integrate with TPEP
  - ▣ Must allow passenger to decide gratuity and the entire gratuity must go to the driver

# How smartphone apps work

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- Passengers “e-hail” a taxi from their smartphone using an approved app
- Drivers hear notification and pull over
- Drivers receive e-hails, either on smartphone or DIM, and can accept and confirm pickup of e-hails in their area
- After accepting an e-hail, the driver goes off duty and the rooflight is turned off
- Driver picks up passenger and engages the meter
- Passenger pays for the fare using cash, credit card swipe (in-taxi) or the app if it permits payment

# Potential benefits of smartphone apps

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- Reduced wait times for passengers
  - ▣ Better connects cruising taxis with passengers that are a few blocks away and not in the driver's line of sight
- More efficient cruising
- Increased service outside the Manhattan CBD
  - ▣ Drivers may be more inclined to take fares outside of the CBD knowing that apps provide an easier way to find a return fare
- More business for taxi drivers
  - ▣ Adding 1 or 2 trips during slow periods could materially affect driver earnings
- Additional payment convenience for passengers
  - ▣ In addition to cash and credit cards, apps would offer another, simple way to pay for taxi rides

# Issues raised by smartphone apps

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- ❑ Distracted driving
- ❑ Potential overcharge risks
- ❑ Need for a smartphone
- ❑ Increased risk or perception of refusals
- ❑ Potential reduction in supply to street-hail market
- ❑ Potential reduction in business for liveries and black cars

# Stakeholder Reviews

TLC staff met with the following stakeholder groups in advance of the Commission Hearing in order to review their feedback on the proposed E-Hail and T-PEP 2.0 Rules.

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Stakeholder	Date
Black Car Fund	11/8
City Council	11/14
Committee for Taxi Safety	11/8
Creative Mobile Technologies	11/21
GetTaxi	11/13
Greater New York Taxi Association	11/21
Livery Base Owners Coalition	11/20
Livery Round Table	11/9 & 11/26
Metropolitan Taxicab Board of Trade	11/20
New York Taxi Workers Alliance	11/20
Square	11/15
TaxiMagic	11/9
Uber	11/19
VeriFone	11/14 & 11/19
Windels Marx	11/19
ZabKab	11/13