

NEW YORK CITY TAXI AND LIMOUSINE COMMISSION

Notice of Opportunity to Comment

Notice is hereby given in accordance with Section 1043(b) of the Charter of the City of New York, that the Taxi and Limousine Commission (“TLC”) proposes to amend the Taxicab Owners Rules to change the rate of fare a passenger is charged for a taxicab trip, including trips from John F. Kennedy International Airport to Manhattan, and trips to Newark International Airport.

The TLC is proposing such regulations pursuant to the authority vested in the TLC under Charter Sections 2303(a), 2303(b), and 2304; and under Section 19-503(a) of the Administrative Code of the City of New York.

The NYC Taxi and Limousine Commission will hold a public hearing in connection with these proposed regulations on March 30, 2004, at 40 Rector Street, Fifth Floor, New York, NY 10006 at 9:30 a.m. Persons seeking to testify are requested to notify the Commission, either in writing at the address stated above, or by telephone: (212) 676-1117. Persons who request that a sign language interpreter or other form of reasonable accommodation for a disability be provided at the hearing are asked to notify the Commission no later than March 26, 2004.

Written comments in connection with these proposed regulations may be sent through March 29, 2004, to:

Peter M. Mazer
Deputy Commissioner for Legal Affairs/General Counsel
New York City Taxi and Limousine Commission
40 Rector Street, 5th Floor
New York, New York 10006

Written comments and a summary of all comments received at the hearing will be available for public inspection at that office.

Section 1. It is hereby proposed that Title 35 of the Rules of the City of New York (“RCNY”), Chapter 1, Taxicab Owners’ Rules, Section 1-69, Flat Rates from Kennedy Airport to Manhattan, be amended to read as follows:

Italics indicate new material.

[] Brackets indicate deleted material.

§1-69 Flat Rates from Kennedy Airport to Manhattan

(a) Notwithstanding the rate of fare set forth in Sections 1-70 (a) and (b), the fare for trips beginning at Kennedy Airport with a Manhattan destination shall be a flat rate of *Forty-five* [Thirty-five] Dollars (*\$45*) [(\$35)], plus any tolls.

- (1) The [night] surcharge set forth in Rule 1-70 (b) shall not be added to this flat rate.
- (2) The taximeter shall reflect that this trip is a flat fare.

(b) If passengers request multiple stops, the fare shall be as follows: the first stop in Manhattan is paid in accordance with subdivision (a) of this section; the meter is then turned on for a separate trip at the rate of fare as set forth in Section 1-70, and the total on the meter is paid at the last stop by the remaining passenger. (For example, if three passengers request stops at 42nd St., 18th St. and 4th St., then \$45 [\$35] will be collected at 42nd St and the meter will be turned on. When the second passenger exits at 18th St., the meter remains on, and no money is paid to the driver. The passenger dropped off at 4th St. must pay the fare shown on the meter.)

(c) All trips beginning at Kennedy Airport and ending in a borough other than Manhattan shall continue to be governed by the meter rate of fare as set forth in Section 1-70.

(d) The Chairperson [man] is authorized to suspend the enforcement of this provision at any time, if in the judgment of the Chairperson [man] such a suspension is necessary to preserve adequate levels of service from Kennedy Airport.

Section 2. It is hereby proposed that Title 35 of the Rules of the City of New York (“RCNY”), Chapter 1, Taxicab Owners’ Rules, Section 1-70, Metered Rate of Fare, be amended to read as follows:

Italics indicate new material.

[] Brackets indicate deleted material.

§1-70 Metered Rate of Fare. (a) *Metered rate of fare.* The rate of fare for taxicabs shall be as follows, regardless of the number of passengers or stops:

(1) The charge for the initial unit is [~~\$2.00~~] *\$2.50*.

(2) The charge for each additional unit is [~~\$.30~~] *\$.40*.

(3) The unit of fare is:

(i) one-fifth of a mile, when the taxicab is traveling at [~~8~~] *6* miles an hour or more; or

(ii) [~~90~~] *120* seconds (at a rate of twenty cents per minute), when the taxicab is not in motion or is traveling at less than [~~8~~] *6* miles an hour.

(4) The taximeter shall combine fractional measures of distance and time in accruing a unit of fare. Any combination of distance or time specified in paragraph (3) above shall be computed by the taximeter in accordance with Handbook 44 of the National Bureau of Standards.

(5) The fare shall include pre-assessment of the unit currently being accrued; the amount due may therefore include a full unit charge for a final, fractional unit.

(b) [~~Night~~] [~~s~~] *Surcharge.* In addition to the rate of fare set forth in §1-70(a), all taxicabs shall charge [~~Fifty Cents (\$.50)~~] *One Dollar (\$1.00)* for all trips beginning after [~~8:00~~] *4:00* p.m. and before [~~6:00 a.m.~~] *8:00 p.m.*, *weekdays, excluding legal holidays.*

Section 3. It is hereby proposed that Title 35 of the Rules of the City of New York (“RCNY”), Chapter 1, Taxicab Owners’ Rules, Section 1-73(c), Trips Beyond the City, be amended to read as follows:

Italics indicate new material.

[] Brackets indicate deleted material.

§1-73 Trips Beyond the City.

(c) For a trip to Newark Airport the fare shall be:

(1) the amount shown on the taximeter plus a surcharge of [\$10.00] *\$15.00*; and

(2) all necessary tolls to and from the destination shall be paid by the passenger.

Statement of Basis and Purpose

The regulations proposed herein by the New York City Taxi and Limousine Commission (“TLC”) are authorized under Section 2303(a) of the Charter of the City of New York, which empowers the TLC to regulate and supervise the business and industry of transportation of persons by licensed vehicles for-hire in the City, under Section 2303(b)(1) of such Charter, authorizing the TLC to adopt rules and regulations relating to taxicab fares, and Section 2304 of said Charter, which authorizes the TLC to establish rates of fare for taxicabs.

On December 19, 2003, the TLC accepted for consideration two rulemaking petitions relating to amending the rules setting forth the rate of fare that may be charged by taxicab owners. One petition, filed by the Metropolitan Taxicab Board of Trade (MTBOT), requested that taxicab fares be increased as follows:

- The initial “drop” be increased from \$2.00 to \$2.50;
- Mileage charge be increased from \$.30 per 1/5 mile to \$.30 per 1/6 mile;
- Waiting time be increased from \$.30 per 90 seconds to \$.30 per 60 seconds.

The MTBOT proposal also requested that the flat fare for trips from JFK Airport to Manhattan be increased from \$35 to \$49.

On the same date, the TLC accepted for consideration a rulemaking petition from the Taxi Workers' Alliance (TWA) which requested that taxicab fares be increased as follows:

- Mileage charge be increased from \$.30 per 1/5 mile to \$.40 per 1/5 mile;
- Waiting time be increased from \$.30 per 90 seconds to \$.40 per 45 seconds.

The TWA made no request for an increase in the initial drop, but requested that the flat fare for trips from JFK to Manhattan be increased from \$35 to \$45.

Each petitioner supplied certain income, expense and other data which was used to evaluate the fare increase proposals. The TLC also reviewed other data, including, but not limited to, taxicab fares in other cities, comparable fares for other modes of public transportation, return on investment, ridership data, income and expense data, and projections with respect to industry conditions that may occur after a fare increase is implemented. Such criteria are set forth in the New York City Charter as factors which may be considered by the Commissioners. After careful review of all of the data submitted herein, the TLC is proposing for consideration adjustments to the rate of fare which could restore the relationship between taxicab fares with other modes of transportation; provide drivers with incomes that are comparable with similar occupations; and create relationships between the different industry segments that facilitate the delivery of the desired quality and quantity of taxicab service.

Both the MTBOT and the TWA have requested that the Commission adjust the existing maximum rates that may be charged to drivers who lease their taxicabs. The TWA has requested that maximum lease rates be lowered, while the MTBOT has requested that lease rates be increased. A review of such data shows that most drivers lease vehicles at rates below the present lease cap. Accordingly, the free market presently dictates lease rates charged to most drivers during non-peak shifts. At this time, the TLC is proposing adjustments to various shift and weekly lease rates to reflect market conditions and demand for services.

At the same time these rules have been proposed, the TLC has initiated rulemaking to mandate that certain improvements be made to taxicab service, such as the requirement that new, clear partitions be installed, and that taxicabs be equipped with electronic locator information and data collection and transmission systems, and the ability to accept credit cards. The TLC has considered the cost of these improvements when making its proposal with respect to a rate of fare.

Finally, although both petitioners have requested that the fare calculated for waiting time, or time when the vehicle is in heavy traffic, be increased, the TLC has proposed that no adjustment be made to waiting time. Rather, the TLC has proposed a \$1.00 per trip surcharge for the evening rush hours, from 4:00 p.m. to 8:00 p.m. During these hours, there is often an imbalance between supply and demand. The imposition of a surcharge during these hours seeks to reestablish a balance between supply and demand by providing an incentive for drivers to work during these hours. TLC also proposes that the night surcharge be eliminated since there is no longer a shortage of taxicabs or drivers