

**CHAPTER 12**

**TAXICAB AGENTS  
RULES**

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**3/12/09**

\* [As reads in the Official Compilation of the Rules of the City of New York.]

**§12-01 Definitions.**

**Agent.** An “agent” is an individual, partnership or corporation acting, by employment, contract or otherwise, on behalf of one or more owners to operate or provide for the operation of a taxicab in accordance with the requirement of this chapter and any rule promulgated by the Commission. The term “agent” shall not include an attorney or representative who appears on behalf of one or more owners before the Commission or an administrative tribunal, and taxicab drivers licensed pursuant to Chapter 5, Title 19 of the Administrative Code when acting in that capacity.

**Merchant.** A “merchant” is an individual or business entity licensed by the Commission that contracts with a merchant bank provider of credit/debit card services and other merchant account related services, which merchant bank provider is approved by the Commission as a subcontractor to one or more taxicab technology service providers for the purpose of providing in-cab payment of taxicab fares, surcharges, tolls and tips by credit/debit cards.

**Taxicab technology service provider.** A “taxicab technology service provider” is a vendor who has contracted with the Commission to install and maintain the taxicab technology system in taxicabs.

**Taxicab technology system.** The “taxicab technology system” is hardware and software that provides the following four core services (collectively “four core services”): (i) credit/debit card payment required by section 3-03(e)(7) of this title, (ii) text messaging required by section 3-03(e)(8) of this title, (iii) trip data collection and transmission required by section 3-06 of this title, and (iv) data transmission with the passenger information monitor required by section 3-07 of this title.

**§12-02 Agent’s License.**

- (a) No individual, partnership or corporation shall act as an agent without first obtaining a license therefor from the Commission.
- (b) An application for an agent’s license and for the renewal thereof shall be submitted on behalf of a sole proprietorship by the proprietor; on behalf of a partnership by a general partner thereof; on behalf of a corporation by an officer or director thereof; or by any other type of

business entity by the chief executive officer thereof, irrespective of organizational title. The application shall contain a sworn and notarized statement by such individual that the statements therein are true under the penalties of perjury.

- (c) An applicant for an agent's license shall be fingerprinted for the purpose of securing criminal history records from the New York State Division of Criminal Justice Services. The applicant shall pay any processing fee required by the New York State Division of Criminal Justice Services. Fingerprints shall be taken of the proprietor if the applicant is a sole proprietorship; all the general partners if the applicant is a partnership; all the officers, directors, and owners of more than ten percent of the outstanding stock of the corporation if the applicant is a corporation; and if the applicant is another type of business entity, the chief executive officer, irrespective of organizational title.
  
- (d) An applicant for an agent's license and the renewal thereof shall deposit with the Commission a bond, in the penal sum of fifty thousand (\$50,000) dollars, containing one or more sureties to be approved by the Commission. Such bond shall be payable to the City of New York and shall be conditioned on the license applicant or licensee complying with the provisions of the Administrative Code of the City of New York and applicable rules or regulations of the Commission, and payment of all fines imposed by the Commission and all judgments or settlements arising from damages occasioned to any person by reason of any misrepresentation, fraud or deceit, or any unlawful act or omission of such licensee, or his or her employee, officer, director, partner, owner of more than ten percent of the outstanding stock of the licensee or the chief executive officer of such licensee while such individual is acting on behalf of such licensee, or any other violation of §19-530 of the Administrative Code. The term judgment shall include but not be limited to an order of an Administrative Law Judge of the Commission or a recommendation of the Office of Administrative Trials and Hearings adopted by the Commission directing restitution to an aggrieved party. The agent is immediately liable for satisfaction of any fine or judgment upon determination of the amount thereof, or, if timely appeal is taken, upon final determination of the appeal. The bond shall remain in

effect for one year following the expiration or revocation of the license.

- (e) The Commission may deny an application for an agent's license or renewal of a license or, after notice and hearing, revoke or suspend any license issued, and/or impose a civil penalty of up to ten thousand dollars (\$10,000) on a licensee, if it finds that an applicant, a licensee, any officer, director, partner, or owner of more than ten percent of the outstanding stock of an applicant or licensee, or the chief executive officer of an applicant or licensee has:
  - (1) made a material misstatement or misrepresentation on an application for such a license or the renewal thereof; or
  - (2) made a material misrepresentation or omission or committed a fraudulent or unlawful act while engaged in the business or occupation of, or holding himself, or herself or itself out as an agent. Such acts shall include but not be limited to:
    - (i) presentation of a vehicle for inspection by the Commission with a vehicle identification number other than the one under which such vehicle is licensed by the Commission;
    - (ii) operation of a vehicle with a vehicle identification number which has been removed and reattached, or which is other than the one under which such vehicle is licensed by the Commission;
    - (iii) presentation of a document to the Commission which falsely states that insurance requirements with respect to a licensed vehicle have been met; and
    - (iv) conviction of bribing or attempting to bribe any officer or employee of the Commission; or
  - (3) violated any provision of §19-530 of the Administrative Code of the City of New York or any applicable rule of the Commission.

- (f) The Commission may deny an application for an agent's license or renewal of a license or, after notice and hearing, revoke or suspend any license issued, if an applicant, a licensee, any officer, director, partner, or owner of more than ten percent of the outstanding stock of an applicant or licensee, or the chief executive officer of an applicant or licensee has been found in violation of any Commission rules as a medallion owner and such party's penalty as owner is revocation or divestiture of the owner's license.
- (g) The Commission may deny an application for an agent's license or renewal of a license if the proprietor, any general partner, officer, director or owner of ten percent or more of the outstanding stock of the applicant or the chief executive of the applicant, as may be the case, has been convicted of a crime which under article twenty-three-A of the Correction Law would provide a basis for the denial of such license or renewal.
- (h) Upon application for a license or renewal of a license, or upon request of the Commission an agent shall provide the Commission with the identity of all shareholders, partners, officers and other principals of such agent.

**§12-03 Term of Agent's License.**

- (a) An agent's license shall expire on December 31 of the year in which it is issued, unless sooner suspended or revoked by the Commission.
- (b) If at any time during the term of the agent's license the Commission becomes aware of information that the agent no longer meets the requirements for an agent's license, the Commission may deny his or her renewal application, or suspend or revoke his or her license in the manner provided in the Procedures in the Event of a Violation of Commission Rules, §12-07.

**§12-04 License Fees.**

- (a) In accordance with §19-530(b) of the Administrative Code of the City of New York, the fee for an agent's license shall be five hundred dollars (\$500) annually, to be paid at the time of filing the application for issuance or renewal of such license. If a license is granted for a period of six months or less, the fee shall be two hundred and fifty dollars (\$250).

**§12-05 Agent's Business Premises.**

- (a) An agent acting on behalf of an owner, who leases or otherwise dispatches one or more taxicabs for return at the end of a shift, shall maintain business premises in a location zoned for the operation of such business, with:
  - (1) sufficient off-street space at or near its business premises to store the lesser of twenty-five vehicles or the following: fifty percent of the taxicabs leased on a daily or shift basis, plus five percent of the taxicabs leased for longer than one day;
  - (2) sufficient office space to conduct business, where all records required by the Commission, including trip sheets and driver records, are kept;
  - (3) regular basis hours, including the hours of 9:00 a.m. through 5:00 p.m. on every weekday other than legal holidays; and
  - (4) a business address and telephone number on file with the Commission.

**§12-06 Standards of Conduct.**

- (a) An agent shall not present a vehicle for inspection by the Commission with a vehicle identification number other than the one under which such vehicle is licensed by the Commission.
- (b) An agent shall not operate a vehicle with a vehicle identification number which has been removed and reattached, or which is other than the one under which such vehicle is licensed by the Commission.

- (c) An agent shall not present a document to the Commission which falsely states that insurance requirements with respect to a licensed vehicle have been met.
- (d) An agent shall not bribe or attempt to bribe any officer or employee of the Commission.
- (e) An agent, while performing his or her duties and responsibilities as an agent, shall not commit or attempt to commit, alone or in concert with another, any act of fraud, material misrepresentation, dishonesty or larceny or perform any willful act of omission or commission which is in violation of any applicable provision of law.
- (f) An agent shall promptly respond to and comply with all inquiries, directives, summonses and other communications from the Commission or from the New York City Department of Investigation, and shall make their business premises and books and records available upon request for inspection by employees or designees of the Commission.
- (g) An agent shall provide the Commission with a list of all taxicabs operated by the agent, annually and upon request.
- (h) An agent, while performing his or her duties and responsibilities as a taxicab agent, shall not threaten, harass or abuse any Commission or other governmental representative, public servant or other person.
- (i) An agent, while performing his or her duties and responsibilities as a taxicab agent, shall not use any physical force against any Commission or other governmental representative, public servant or other person.
- (j) An agent shall not dispatch a taxicab which is unlicensed.
- (k) An agent shall not dispatch a taxicab which does not have a current medallion affixed thereto.
- (l) An agent shall dispatch taxicabs in accordance with the double shift requirements of Owners Rule 1-09(a), which requires that fleet and

minifleet taxicabs be operated for a minimum of two shifts of nine hours each day including weekends and holidays.

- (m) An agent shall not dispatch a taxicab unless all equipment, including brakes, tires, lights and signals are in good working order and meet all requirements of the New York State Vehicle and Traffic Law, the Commission, section 3-03 and/or 3-03.1 and 3-03.2 of this title and these rules.
- (n) An agent shall not dispatch a taxicab which is not equipped with a partition which isolates the driver from the rear seat passengers or all passengers of the taxicab, in accordance with section 1-17 of this title and meets the specifications set forth in section 3-03(e)(3)(i) of this title, unless the taxicab is exempt pursuant to section 1-17 of this title from the partition requirements and is equipped with an in-vehicle camera system in accordance with section 1-17 of this title in addition to the trouble light required by section 1-18(a) of this title.
- (o) An agent shall not dispatch a taxicab which is not equipped with a help or distress signaling light system, in accordance with Owners Rule 1-18.
- (p) An agent shall not dispatch a taxicab which is not equipped with a taximeter in accordance with Owners Rule 1-20.
- (q) An agent shall not tamper with, alter, repair or attempt to repair a taximeter or any seal affixed thereto by a licensed taximeter repair shop or another authorized facility, or the taxicab technology system as defined in section 12-01 of this chapter, or alter, repair or attempt to repair any cable mechanism or electrical wiring of a taximeter or taxicab technology system, or make any change in a vehicle's mechanism or its tires which would affect the operation of the taximeter or of the taxicab technology system.
- (r) An agent shall not dispatch a taxicab unless the following are present in the taxicab:
  - (1) the driver's written trip record, also known as a "trip sheet" until the taxicab is required to be equipped with the taxicab technology system as defined in section 12-01 of this chapter,



and thereafter whenever the taxicab technology system is inoperable for not more than forty-eight (48) hours following the filing of an incident report with the authorized taxicab technology service provider, as set forth in subdivision (u) of this section;

- (2) the taxicab driver's license;
  - (3) the rate card in the frame alongside the frame for the taxicab driver's license;
  - (4) an insurance card or photostat thereof, unless the owner is self insured and has noted this fact on the rate card along with any other information required by the Commission; and
  - (5) all notices required to be posted in the taxicab.
- (s) An agent shall not authorize or allow a driver to operate a taxicab unless either the driver's name has been or entered on the rate card by the Commission and such driver, if operating the vehicle by lease arrangement, is not operating beyond the lease expiration date entered on the rate card, or "Unspecified Drivers" has been entered on the rate card by the Commission.
- (t) An agent shall not authorize or allow a driver to operate a taxicab unless the driver possesses a current valid driver's license and a current, valid taxicab driver's license.
- (u) Responsibilities of agent with regard to the taxicab technology system.
- (1) (i) For any taxicab that is required to be equipped with the taxicab technology system, such equipment shall at all times be in good working order and each of the four core services shall at all times be functioning. (ii) In the event of any malfunction or failure to operate of such taxicab technology system, the agent shall file an incident report with the authorized taxicab technology service provider promptly and in no event more than two (2) hours following the agent's discovery of such malfunction or failure to operate or such time as the agent reasonably should have known of such malfunction

or failure to operate. If the driver or taxicab owner previously filed a timely incident report regarding such malfunction or failure to operate, the agent shall not be required to file a separate incident report but shall obtain an incident report number from the driver, owner or taxicab technology service provider. Upon instruction from the owner, the agent shall meet the appointment for repair scheduled by the authorized taxicab technology service provider following the filing of an incident report with such authorized taxicab technology service provider. A taxicab in which any of the four core services of the taxicab technology system, or any part thereof, are not functioning shall not operate more than forty-eight (48) hours following the timely filing of an incident report by the owner, driver or agent.

(2) The agent for any taxicab that is required to be equipped with the taxicab technology system shall equip such taxicab, except as provided in section 1-11(g) of this title, with a taxicab technology system as set forth in sections 3-03(e)(7) and (8), 3-06 and 3-07 of this title.

(3) An agent for any taxicab requiring six (6) or more repairs of the taxicab technology system in any thirty (30) day period shall promptly take such vehicle for inspection to or schedule an inspection with the Commission's Safety and Emissions Facility. Such requirement shall not apply to the agent if compliance is made by the owner or driver of such vehicle.

(4) A merchant who is an agent may charge a mark-up to a driver licensed by the Commission of not more than five percent (5%) of the total credit/debit card charges incurred during the driver's shift.

(v) An agent who becomes aware of the death or incompetency of an owner of an interest in a taxicab license shall promptly inform the Commission thereof.

**§12-07      Procedures in the Event of a Violation of Commission Rules.  
[Repealed]**

**§12-08 Penalties for Violation of Rules Governing Agents.**

(a)

| <b><u>RULE NO.</u></b> | <b><u>PENALTY</u></b>  | <b><u>PERSONAL APPEARANCE REQUIRED</u></b> |
|------------------------|--|--|
|                        | All fines listed below also include a separate license suspension, to run concurrent with any underlying suspension, until such fine is paid, unless such fine is paid by the close of business on the day assessed. |  |
| 12-02(a)               | \$500-1,000  | Yes  |
| 12-02(e)               | \$500-10,000 and/or revocation   | Yes  |
| 12-02(f)               | suspension or revocation   | Yes  |
| 12-05(a)               | \$500-1,000 and suspension until compliance  | Yes  |
| 12-06(a)               | \$1,000-10,000 and/or revocation   | Yes  |
| 12-06(b)               | \$1,000-10,000 and/or revocation   | Yes  |
| 12-06(c)               | \$1,000-10,000 and/or revocation   | Yes  |
| 12-06(d)               | \$1,000-10,000 and/or revocation   | Yes  |
| 12-06(e)               | \$1,000-5,000  | Yes  |
| 12-06(f)               | \$500-1,500  | Yes  |
| 12-06(g)               | \$250 and suspension until compliance  | Yes  |
| 12-06(h)               | \$100-350 and/or suspension up to 30 days  | Yes  |
| 12-06(i)               | \$100-350 and/or suspension up to 30 days  | Yes  |
| 12-06(j)               | \$500-2,000 and/or suspension up to 30 days  | Yes  |
| 12-06(k)               | \$500-2,000 and/or suspension up to 30 days  | Yes  |
| 12-06(m)               | \$100  | No   |
| 12-06(q)               | \$250-1,500 and/or suspension up to 30 days  | Yes  |
| 12-06(s)               | \$350  | No   |
| 12-06(t)               | \$500-2,000 and/or suspension up to 30 days  | Yes  |
| 12-06(u)(1)(i)         | \$250 and suspension until compliance  | Yes  |

|                 |   |     |
|-----------------|---|-----|
| 12-06(u)(1)(ii) | \$250 and suspension until compliance   | Yes |
| 12-06(u)(2)     | \$1,000 and suspension until compliance   | Yes |
| 12-06(u)(3)     | \$250   | No  |
| 12-06(u)(4)     | First violation: \$200.<br>Second violation: \$300.<br>Third violation: \$500.<br>In addition to the penalty payable to the Commission, the administrative law judge may order the agent to pay restitution to the driver, equal to the excess amount that was charged to the driver. | Yes |
| 12-06(v)        | \$100   | No  |

(b) A penalty of \$75-350 and/or suspension shall be imposed for default.