NEW YORK CITY TAXI AND LIMOUSINE COMMISSION

Notice of Public Hearing and Opportunity to Comment on Proposed Rules

What are we proposing? The Taxi and Limousine Commission is considering changing its rules. The change will allow owners of unrestricted taxicab medallions to continue to purchase alternative fuel vehicles after the Taxi of Tomorrow comes into use.

When and where is the Hearing? The Commission will hold a public hearing on the proposed rule. The public hearing will take place at 10:00 a.m. on Thursday, May 2, 2013. The hearing will be in the Commission hearing room at 33 Beaver Street, New York, New York, on the 19th Floor.

How do I comment on the proposed rules? Anyone can comment on the proposed rules by:

- **Mail.** You can mail written comments to the Taxi and Limousine Commission, Office of Legal Affairs, 33 Beaver Street 22nd Floor, New York, New York 10014.
- **Fax.** You can fax written comments to the Taxi and Limousine Commission, Office of Legal Affairs, at 212-676-1102.
- Email. You can email written comments to <u>tlcrules@tlc.nyc.gov.</u>
- Website. You can submit comments to the Taxi and Limousine Commission through the NYC rules Web site at <u>www.nyc.gov/nycrules</u>.
- **By Speaking at the Hearing.** Anyone who wants to comment on the proposed rule at the public hearing must sign up to speak. You can sign up before the hearing by calling 212-676-1135. You can also sign up in the hearing room before the hearing begins on May 2, 2013. You can speak for up to three minutes.

Is there a deadline to submit written comments? Yes, you must submit written comments by May 6, 2013.

Do you need assistance to participate in the Hearing? You must tell the Office of Legal Affairs if you need a reasonable accommodation of a disability at the Hearing. You must tell us if you need a sign language interpreter. You can tell us by mail at the address given above. You may also tell us by telephone at 212-676-1135. You must tell us by Thursday, May 2, 2013.

Can I review the comments made on the proposed rules? A few days after the hearing, a transcript of the hearing and copies of the written comments will be available to the public at the Office of Legal Affairs.

What authorizes the Commission to make this rule? Sections 1043 and 2303 of the City Charter and section 19-503 of the City Administrative Code authorize the Commission to make this proposed rule. This proposed rule was included in the Commission's regulatory agenda for this Fiscal Year.

Where can I find the Commission's rules? The Commission's rules are in title 35 of the Rules of the City of New York.

What rules govern the rulemaking process? The Commission must meet the requirements of Section1043 of the City Charter when creating or changing rules. This notice is made according to the requirements of Section 1043(b) of the City Charter.

Statement of Basis and Purpose of Proposed Rule

On September 20, 2012, the New York City Taxi and Limousine Commission (the "TLC") approved rules to implement the new Official Taxicab Vehicle which is anticipated to go into service in late 2013. When the Official Taxicab Vehicle goes into service, owners of unrestricted Taxicab Medallions can hack up an Official Taxicab Vehicle or an Accessible Official Taxicab Vehicle. These rules were a culmination of a lengthy process to improve taxicab design and performance.

In 2007, the City issued a Request for Information (RFI) and convened a Taxi of Tomorrow Advisory Committee (including taxi drivers, passengers, medallion owners, advocates for people with disabilities, advocates for the environment, various taxi driver and owner organizations, and designers) to help insure that the new taxicab meets the needs of diverse stakeholders. Thereafter, in 2009, the City issued a Request for Proposals (RFP) seeking an exclusive provider of taxicabs to the medallion taxi industry. It sought a vehicle that offered:

- The highest safety standards
- Superior passenger experience
- Superior driver comfort and amenities
- Appropriate purchase price and on-going maintenance and repair costs
- Minimal environmental impact
- Minimal physical footprint with more useable interior room
- Accessibility for all users
- Iconic design that will identify the taxi with New York City

After reviewing several proposals that had been submitted by a variety of manufacturers, and a year-long detailed evaluation process based on criteria consistent with the above goals, the City selected Nissan North America (Nissan) to be the exclusive taxicab provider for 10 years (with an additional 5-year commitment to provide parts and service).

This proposed rule clarifies that, until an Official Taxicab Vehicle meets the requirements of section 19-533 of the New York City Administrative Code, the owner of an unrestricted Taxicab Medallion can (and the owner of an Alternative Fuel Medallion must) hack up their Medallions with a vehicle, other than the Official Taxicab Vehicle, meeting new specifications for alternative fuel vehicles included in this rulemaking. These new specifications improve comfort for passengers of alternative fuel taxicabs, and apply until such time as the TLC's Chairperson certifies that a version of the Official Taxicab Vehicle meets the requirement of Administrative Code section 19-533.

To ensure that alternative fuel vehicles can be hacked up as taxicabs while this proposed rule applies, not all of the features required in the Official Taxicab Vehicle will be required in alternative fuel vehicles. The features that will be required for alternative fuel vehicles by the proposed rule to address passenger concerns regarding comfort and compartment size are:

1. An increase in the minimum dimensions for interior volume and

2. A rear ventilation system with separate fan speed, temperature controls and vents that can be operated by passengers in the rear compartment.

The TLC prioritized these two comfort amenities based on customer survey responses, passenger experience, and input received at a City Council hearing. In a passenger survey conducted by the TLC in 2010, over 66 percent of respondents indicated that more storage room or a larger trunk would be an important improvement. Further highlighting the need for luggage space, over 50 percent of respondents answered that they commonly use taxicabs when they travel or when they have luggage. Twenty-nine percent of passengers surveyed responded that the passenger compartment of taxis is too small or uncomfortable.

The proposed rule also takes into account the needs of passengers who use taxis to get to airports. With over 50 million people visiting New York City last year, many of them use taxicabs as a reliable means of transportation to and from the airports. In 2012, taxis made over 9.6 million total trips to or from the airports. This averages out to over two airport trips per cab each day, making airport trips an integral part of daily taxi operations. Given this, ensuring that a certain amount of luggage space exists in all taxicabs is an important objective for passengers.

Another problem indicated by passengers is interior air quality. In 2012, the TLC received over 100 passenger complaints about air quality, ventilation, odors, or temperature inside the cab. In some cases, the passenger complained that the driver refused to use or adjust the temperature or ventilation. At a City Council hearing on March 5th 2013, Council Member David Greenfield complained about the odor and lack of ventilation in some taxicabs and asked the Commission to address this issue.

The Commission's authority for this rules change is found in section 2303 of the New York City Charter and section 19-503 of the New York City Administrative Code.

In addition, these rules amend TLC rules governing the leasing of taxicabs or taxicab medallions to reflect the implementation of the Taxi of Tomorrow and will take effect once the Taxi of Tomorrow (ToT) is available (the OTV Activation Date). These changes conform to recently proposed changes for leases for vehicles prior to the OTV Activation Date. The Commission's authority to adopt these rules is found in section 2303 of the New York City Charter and section 19-503 of the New York City Administrative Code.

New material is underlined. [Deleted material is in brackets.]

Section 1. The definitions of "Alternative Fuel Medallion", "Taxicab Model" and "Unrestricted Medallion" set forth in section 51-03 of Chapter 51 of the Rules of the City of New York are amended to read as follows:

Alternative Fuel Medallion is a Restricted Medallion valid for use only with a vehicle powered by compressed natural gas or a hybrid electric vehicle that complies with section 67-05 of these rules. <u>Provided, that, after the OTV Activation Date, and until</u> such time, if any, as an Official Taxicab Vehicle meets the requirements of §19-533 of the Administrative Code, as certified by the Chairperson, an Alternative Fuel Medallion must be used with a Taxicab Model meeting the specifications set forth in §67-05.1C of this Chapter.

Taxicab Model is

(1) until the Official Taxicab Vehicle Activation Date, a Taxicab Candidate that has been verified by the Commission as complying with the standard specifications set forth in §67-05, §67-05.1A, or §67-05.2 of these Rules;

(2) on [or] <u>and</u> after the OTV Activation Date, a Taxicab candidate that has been verified by the Commission as complying with the specifications set forth in [67.05] <u>67-05</u>; [67.05.1B] <u>67-05.1B</u>, <u>67-05.1C</u> or 67-05.2 <u>of these Rules</u>.

Unrestricted Medallion is

(1) Before the OTV Activation Date a Medallion Taxicab License that is not restricted to use with a particular type of vehicle and is valid for use with any vehicle that complies with §67-05, §67-05.1A, or §67-05.2 of these Rules.

(2) After the OTV Activation Date, a medallion issued prior to January 1, 2012 that was not restricted when issued can be used with an OTV [or], an AOTV. *Exception:* After the OTV Activation Date, and until such time, if any, as an Official Taxicab Vehicle meets the requirements of §19-533 of the Administrative Code, as certified by the Chairperson, an Unrestricted Medallion may be used with a Taxicab Model meeting the specifications set forth in §67-05.1C of this Chapter. If at any time after the OTV Activation Date such medallion is restricted by law or rule of the Commission to use with an Accessible Vehicle, the owner of such medallion must purchase an AOTV or lease such medallion for use with an AOTV. Provided, however, that with the Chairperson's approval, up to 496 Unrestricted Medallion owners in good standing may at any time purchase for Hack-up any accessible vehicle which meets the accessible vehicle specifications set forth in Rule 67-05.2, or lease their medallions for use with such a vehicle.

(3) Any vehicle approved for use with an Unrestricted Medallion and Hacked-up prior to the Official Taxicab Vehicle Activation Date can remain in use as a Taxicab until its scheduled retirement as set forth in §67-18 of this Chapter, as may be modified by §67-19.

Section 2. The introductory material Section 58-21(c)(2)(i) of Title 35 of the Rules of the City of New York is amended to read as follows:

(i) The Standard Lease Cap for Hybrid Electric Taxicabs and Diesel-Fueled Taxicabs that are hacked-up under <u>§</u>§67-05 <u>and 67-05.1C</u> of these Rules is raised by \$3 per shift (\$21 per week), so that the lease amount for one shift must not now exceed:

Section 3. Section 58-21(c)(3)(iii) of Title 35 of the Rules of the City of New York is amended to read as follows:

(c) *Rate Rules*.

(iii) For all *Medallion-only* Taxicabs (including Accessible Taxicabs) with vehicles that are placed into service on or after the OTV Activation Date and which vehicles are either Official Taxicab Vehicles or Accessible Taxicabs or which meet the specifications of §67-05.1C, is \$[1114]994 weekly.

Section 4. Section 58-21(c)(4)(ii)C of Title 35 of the Rules of the City of New York is amended to read as follows:

(4) Standard Medallion Lease Cap including Long Term Vehicle Lease/Conditional Purchase

C \$[1389]<u>1269</u> weekly for vehicles placed into service on or after the OTV Activation Date if such vehicles are either Official Taxicab Vehicles or Accessible Taxicabs <u>or which meet the specifications of \$67-05.1C.</u>

Section 5. Subdivisions (o) and (p) of section 67-03 of Title 35 of the Rules of the City of New York are amended to read as follows:

(o) **Taxicab Model** is

(1) until the Official Taxicab Vehicle Activation Date, a Taxicab Candidate that has been verified by the Commission as complying with the standard specifications set forth in §67-05, §67-05.1A, or §67-05.2 of these Rules; or

(2) on or after the OTV Activation Date, a Taxicab candidate that has been verified by the Commission as complying with the specifications set forth in 67.05; 67.05.1B, <u>67-05.1C</u> or 67-05.2 of these Rules.

(p) Unrestricted Medallion is

(1) Before the OTV Activation Date, a Medallion Taxicab License that is not restricted to use with a particular type of vehicle and is valid for use with any vehicle that complies with §67-05, §67-05.1A, or §67-05.2 of these Rules.

(2) After the OTV Activation Date, a medallion issued prior to January 1, 2012 that was not restricted when issued can be used with an OTV or an AOTV. <u>Exception: After the OTV</u> Activation Date, and until such time, if any, as an Official Taxicab Vehicle meets the requirements of §19-533 of the Administrative Code, as certified by the Chairperson, an Unrestricted Medallion may be used with a Taxicab Model meeting the specifications in §67-05.1C of this Chapter. If at any time after the OTV Activation Date such medallion is restricted by law or rule of the Commission to use with an Accessible Vehicle, the owner of such medallion must purchase an AOTV or lease such medallion for use with an AOTV. Provided, however, that with the Chairperson's approval, up to 496 Unrestricted Medallion owners in good standing may at any time purchase for Hack-up any accessible vehicle which meets the accessible vehicle specifications set forth in Rule 67-05.2, or lease their medallions for use with such a vehicle.

(3) Any vehicle valid for use with an Unrestricted Medallion and Hacked-up prior to the Official Taxicab Vehicle Activation Date can remain in use as a Taxicab until its scheduled retirement as set forth in §67-18 of this Chapter, as may be modified by §67-19.

Section 6. The introductory paragraph of section 67-04(b) of Title 35 of the Rules of the City of New York is amended to read as follows:

(b) *Meet all Specifications—After OTV Activation Date.* A taxicab Candidate must meet the technical specifications in §67-05, §67-05.1A, <u>§67-05.1C</u> or §67-05.2 of these Rules including all relevant Federal Motor Vehicle Safety Standards ("FMVSS") and other applicable National Highway Traffic Safety Administration ("NHTSA") safety regulations and:

Section 7. The introductory material of Section 67-05 of Title 35 of the Rules of the City of New York is amended to read as follows:

An Alternative Fuel Medallion can be used with a vehicle that complies with this rule and is a Hybrid Electric Vehicle or is powered by compressed natural gas <u>until the OTV</u> Activation Date. After the OTV Activation Date, an Alternative Fuel Medallion must be used with an Official Taxicab Vehicle. *Exception:* After the OTV Activation Date, and until such time, if any, as an Official Taxicab Vehicle meets the requirements of §19-533 of the Administrative Code, as certified by the Chairperson, an Alternative Fuel Medallion must be used with a Taxicab Model meeting the specifications set forth in §67-05.1C of this Chapter. Notwithstanding these restrictions, a vehicle valid for use with an Alternative Fuel Medallion and Hacked-up prior to the OTV Activation Date can remain in use as a Taxicab until its scheduled retirement as set forth in §67-18 of this Chapter, as may be modified by §67-19.

Section 8. Subdivision (g) of section 67-05 of Title 35 of the Rules of the City of New York, relating to the use of diesel-powered vehicles with Alternative Fuel Medallions, is REPEALED, and subdivisions (h) and (i) are relettered subdivisions (g) and (h).

Section 9. Section 67-05.1B(b) of Title 35 of the Rules of the City of New York is amended to read as follows:

(b) On or after the OTV Activation Date, an Unrestricted Medallion can be Hacked-up ONLY with

(1) the Official Taxicab Vehicle designated by the Commission under this section; or

(2) After the OTV Activation Date, a medallion issued prior to January 1, 2012 that was not restricted when issued can be used with an OTV or an AOTV. *Exception:* After the OTV Activation Date, and until such time, if any, as an Official Taxicab Vehicle meets the requirements of §19-533 of the Administrative Code, as certified by the Chairperson, an Unrestricted Medallion can be used with a Taxicab Model meeting the specifications set forth in §67-05.1C of this Chapter. If at any time after the OTV Activation Date such medallion is restricted by law or rule of the Commission to use with an Accessible Vehicle, the owner of such medallion must purchase an AOTV or lease such medallion for use with an AOTV. Provided, however, that with the Chairperson's approval, up to 496 Unrestricted Medallion owners in good standing may at any time purchase for Hack-up any accessible vehicle which meets the accessible vehicle specifications set forth in Rule 67-05.2, or lease their medallions for use with such a vehicle.

Section 10. Chapter 67 of Title 35 of the Rules of the City of New York is amended by adding a new Section 67-05.1C, to read as follows:

<u>§67-05.1C Specifications for Vehicles for use with Unrestricted Medallions or</u> <u>Alternative Fuel Medallions After the OTV Activation Date.</u>

On and after the OTV Activation Date an Unrestricted Medallion or an Alternative Fuel Medallion must be hacked up with an Official Taxicab Vehicle. *Exception:* On and after the OTV Activation Date and until such time, if any, that an Official Taxicab Vehicle meets the requirements of §19-533 of the Administrative Code, as certified by the Chairperson, an Unrestricted Medallion can, and an Alternative Fuel Medallion must, be used with a vehicle that is a Hybrid Electric Vehicle or is powered by compressed natural gas and that meets all the requirements of this section.

- (a) <u>Type of Vehicle</u>. The vehicle must be a four-door model of one of the following types, and must meet all of the other requirements in this section:
 - (1) <u>A compact or larger sedan; or</u>
 - (2) <u>A sport utility vehicle equipped with running boards. To qualify as a Taxicab Model, a sport utility vehicle must include the manufacturer or dealer option that provides the greatest degree of light transmittance available in the rear and side rear windows, and in no case less than 20 percent light transmittance. A sport utility vehicle will be designated as a sport utility vehicle by either the manufacturer or the National Highway Traffic Safety Administration; or</u>
 - (3) <u>A multipurpose vehicle. A multipurpose vehicle will be designated as a</u> <u>multipurpose vehicle by either the manufacturer or the National Highway Traffic</u> <u>Safety Administration.</u>
- (b) <u>Interior Size</u>. The vehicle must have an EPA interior volume index of at least 138 cubic feet. The interior volume index is calculated as described in 40 CFR § 600.315-82(b)(2), and includes luggage capacity.
- (c) <u>*Rear Compartment*</u>. The rear compartment of any vehicle approved for use as a Taxicab Model must meet the following dimensions as defined by the Society of Automotive Engineers:
 - (1) Effective legroom (L51) must be at least 34.6 inches
 - (2) Effective headroom (H63) must be at least 36.8 inches
 - (3) <u>Seat depth (L16) must be at least 18 inches</u>

- (d) *Front Compartment*. The front compartment of any vehicle approved for use as a Taxicab Model must meet the following dimensions:
 - (1) Effective headroom (H61) must be at least 37 inches
 - (2) <u>Effective legroom (L34) must be at least 40.5 inches</u>
 - (3) Total legroom (the sum of L34 and L51) must be at least 75.1 inches
- (e) <u>Temperature Controls.</u> Commencing with model year 2014 and all model years thereafter, the vehicle must be equipped with a factory installed HVAC (heating, ventilating and air conditioning) system. The HVAC system must include rear ventilation with separate fan speed, temperature controls and vents. Such controls must be available to be operated by passengers seated in the rear compartment.
- (f) <u>Engine Size</u>. The vehicle may not be equipped with an engine in which the maximum horsepower exceeds 295. The horsepower of a hybrid-electric vehicle is determined by combining the electric power and the internal combustion power of the vehicle's engine.
- (g) <u>Windows</u>. All windows must have a light transmittance of 70 percent or more, except for the upper 6 inches of the front windshield.
- (h) <u>Manufactured for Commercial or Consumer Market</u>. Any Hybrid Electric Vehicle or a vehicle that is powered by compressed natural gas that is manufactured by an original equipment manufacturer (OEM) for the general commercial or consumer market may be approved for Hack-up, provided the vehicle meets all of the standard specifications for vehicle Hack-up of this §67-05.1C.

NEW YORK CITY MAYOR'S OFFICE OF OPERATIONS 253 BROADWAY, 10th FLOOR NEW YORK, NY 10007 212-788-1400

CERTIFICATION / ANALYSIS PURSUANT TO CHARTER SECTION 1043(d)

RULE TITLE: Amendment of Alternative Fuel Vehicle Specifications REFERENCE NUMBER: TLC-48 RULEMAKING AGENCY: TLC

I certify that this office has analyzed the proposed rule referenced above as required by Section 1043(d) of the New York City Charter, and that the proposed rule referenced above:

- (i) Is understandable and written in plain language for the discrete regulated community or communities;
- (ii) Minimizes compliance costs for the discrete regulated community or communities consistent with achieving the stated purpose of the rule; and
- (iii) Does not provide a cure period because it does not establish a violation, modification of a violation, or modification of the penalties associated with a violation.

/s/ Francisco Navarro Mayor's Office of Operations <u>March 28, 2013</u> Date

NEW YORK CITY LAW DEPARTMENT 100 CHURCH STREET NEW YORK, NY 10007 212-788-1087

CERTIFICATION PURSUANT TO

CHARTER §1043(d)

RULE TITLE: Amendment of Alternative Fuel Vehicle Specifications

REFERENCE NUMBER: 2013 RG 024

RULEMAKING AGENCY: Taxi and Limousine Commission

I certify that this office has reviewed the above-referenced proposed rule as required by section 1043(d) of the New York City Charter, and that the above-referenced proposed rule:

- (i) is drafted so as to accomplish the purpose of the authorizing provisions of law;
- (ii) is not in conflict with other applicable rules;
- (iii) to the extent practicable and appropriate, is narrowly drawn to achieve its stated purpose; and
- (iv) to the extent practicable and appropriate, contains a statement of basis and purpose that provides a clear explanation of the rule and the requirements imposed by the rule.

/s/ STEVEN GOULDEN Acting Corporation Counsel Date: March 28, 2013