

## NEW YORK CITY TAXI AND LIMOUSINE COMMISSION

### **Notice of Public Hearing and Opportunity to Comment on Proposed Rules**

Notice is hereby given in accordance with section 1043(b) of the Charter of the City of New York ("Charter") that the Taxi and Limousine Commission ("TLC") proposes amending the provisions of Chapter 3 of Title 35 of the Rules of the City of New York to implement the provisions of Local Law 52 of 2006 by providing for vehicle retirement extensions for certain accessible and clean air vehicles, and eliminate extensions based upon a vehicle owner's personal hardship.

These rules are proposed pursuant to section 1043 of the Charter and section 19-503 of the Administrative Code of the City of New York. The proposed rules were not included in the TLC's regulatory agenda for Fiscal Year 2007 because the need for the rule change was not anticipated at the time the agenda was submitted.

A public hearing on these proposed rules will be held by the TLC at its offices at 40 Rector Street, 5<sup>th</sup> Floor, New York, New York 10006 on Thursday, March 8, 2007, at 9:30 a.m. Persons wishing to testify at the hearing may notify the TLC in advance, either in writing or by telephone to the TLC's Office of Legal Affairs at the address and telephone given below. Any request for a sign language interpreter or other form of reasonable accommodation for a disability at the hearing must be submitted to the Office of Legal Affairs in writing, by telephone, or by TTY/TDD no later than Monday, March 5, 2007.

Written comments in connection with these proposed rules should be submitted to the Office of Legal Affairs and must be received no later than Friday, March 2, 2007 to:

Charles R. Fraser  
*Deputy Commissioner for Legal Affairs/General Counsel*  
Taxi and Limousine Commission  
40 Rector Street, 5<sup>th</sup> Floor  
New York, New York 10006  
Telephone: 212-676-1117  
Fax: 212-676-1102  
TTY/TDD: 212-341-9596

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 section 3-02 of chapter 3 of Title 35 of the Rules of the City of New York be amended to read as follows:

[Deleted material is in brackets.]

New material is underscored.

Section 3-02                      Vehicle Retirement.

- (a)     The following requirements shall apply to all vehicles hacked-up on or after March 1, 1996:
- (1) A vehicle which is double-shifted and not driven by at least one long-term driver, as defined in [Rule] section 1-01 of this title, for any period of time on or after March 1, 1997, and is not in service solely as an authorized stand-by vehicle from the time the vehicle is hacked-up, must be retired from taxicab service and replaced no later than the first scheduled inspection of the vehicle occurring 36 months after the vehicle was hacked-up.
  - (2) All other vehicles must be retired from taxicab service and replaced no later than the first scheduled inspection of the vehicle occurring 60 months after the vehicle was hacked-up.
  - (3) Notwithstanding the foregoing provisions of this subdivision 3-02(a), any vehicle hacked-up on or after March 1, 1996 and before April 17, 2007 which, no later than six months after hack-up, is dedicated to operate on compressed natural gas (with a maximum reserve gas tank of five gallons) and which remains so dedicated thereafter, throughout its operation, has an extension of its retirement date by twenty-four additional months of taxicab service.
  - (4) Notwithstanding the foregoing provisions of this subdivision [§]3-02(a), the retirement date of any vehicle hacked-up on or after March 1, 1996 and before April 17, 2007, which is a minivan approved for use as a taxicab by the Commission, is extended by: (i) twelve additional months of taxicab service if double-shifted and not driven by at least one long-term driver, as defined in Rule 1-01; or (ii) eighteen additional months of taxicab service if not subject to [Rule] subparagraph [3-02(a)(4)(i)] (i) of this paragraph. A taxicab whose retirement date has been extended in accordance with the provisions of this paragraph is not eligible for any additional extensions otherwise applicable to vehicles that are accessible taxicabs or clean air taxicabs.
  - (5) Notwithstanding the foregoing provisions of this subdivision 3-02(a), the retirement date of any vehicle that is a level one or level two clean air taxicab as defined in section 3-03.3 of this chapter or an accessible taxicab as defined in section 3-03.2 of this chapter, and that is otherwise required under paragraph (1) of this subdivision) to be retired from taxicab service and replaced no later than the first scheduled inspection of the vehicle occurring thirty-six months after the vehicle was hacked-up, is extended by twelve months provided that the vehicle satisfies the provisions of subdivision (b) of this section.
  - (6) Notwithstanding the foregoing provisions of this subdivision 3-02(a), the retirement date of any vehicle that is a level one clean air taxicab as defined in

section 3-03.3 of this chapter or an accessible taxicab as defined in section 3-03.2 of this chapter, and that is otherwise required under paragraph (2) of this subdivision to be retired from taxicab service and replaced no later than the first scheduled inspection of the vehicle occurring sixty months after the vehicle was hacked-up, is extended by twenty-four months provided that the vehicle satisfies the provisions of subdivision (b) of this section.

(7) Notwithstanding the foregoing provisions of this subdivision 3-02(a), the retirement date of any vehicle that is a level two clean air taxicab as defined in section 3-03.3 of this chapter and that is otherwise required under paragraph (2) of this subdivision to be retired from taxicab service and replaced no later than the first scheduled inspection of the vehicle occurring sixty months after the vehicle was hacked-up, is extended by twelve months provided that the vehicle satisfies the provisions of subdivision (b) of this section.

[(b) The following requirements apply to a vehicle which is in taxicab service prior to March 1, 1996. Such a vehicle must be retired from service and replaced with another vehicle no later than as follows:

- (1) Vehicles of model year 1989 or prior model years must be replaced no later than the scheduled inspection occurring on April 1, 1997, or next occurring after that date.
- (2) Vehicles of model year 1990 or 1991 must be replaced no later than the scheduled inspection occurring on August 1, 1997, or next occurring after that date.
- (3) Vehicles of model year 1992 must be replaced no later than the scheduled inspection occurring on April 1, 1998, or next occurring after that date.
- (4) Vehicles of model year 1993 must be replaced no later than the scheduled inspection occurring on April 1, 1999, or next occurring after that date.
- (5) Vehicles of model year 1994 must be replaced no later than the scheduled inspection occurring on April 1, 2000, or next occurring after that date.
- (6) Vehicles of model year 1995 must be replaced no later than the scheduled inspection occurring on April 1, 2001, or next occurring after that date.
- (7) Vehicles of model year 1996 must be replaced no later than the scheduled inspection occurring on December 1, 2001, or next occurring after that date.]

[(c)Notwithstanding the foregoing provisions of subdivision 3-02(b), if any such vehicle of model years 1995 or 1996 is dedicated to operate on compressed natural gas (with a maximum reserve gas tank of five gallons) no later than April 1, 1997 and remains so dedicated throughout its operation, the vehicle must be retired from service and replaced with another vehicle no later than the scheduled inspection occurring on December 1, 2003, or next occurring after that date.]

[(d)The Chairperson may in his or her discretion extend the retirement date for vintage cars that have been in service as taxicabs for more than 20 years, or for other models that have exceptional aesthetic, historical, or other interest as the

Chairperson may determine, provided that such vehicles are in service as taxicabs as of March 1, 1996.

(e)]

(b) In order for a vehicle hacked-up as a taxicab to be eligible for an extension of its retirement date as provided for in paragraphs (5) through (7) of subdivision (a) of this section, the vehicle must pass at least two of the inspections, not including reinspections, conducted at the Commission's inspection facility pursuant to section 19-504 of the New York City Administrative Code during the twelve-month period immediately preceding the time at which such vehicle would otherwise be required to be retired pursuant to subdivision (a) of this section, and such vehicle must pass all inspections conducted at the Commission's inspection facility pursuant to section 19-504 of such Code after the time at which such vehicle would otherwise be required to be retired pursuant to subdivision (a) of this section. A vehicle which is granted an extension and later fails an inspection conducted at the Commission's inspection facility must be retired and replaced no later than the next scheduled inspection.

(c) A vehicle which cannot pass inspection must be replaced, regardless of whether its retirement date has been reached. A vehicle which has reached its retirement date, including any extensions provided for in this section, must be retired, regardless of whether it may still pass inspection.

**Section 2.** It is hereby proposed that subdivision 3-03.1(d) of chapter 3 of Title 35 of the Rules of the City of New York, relating to the retirement date for hybrid electric vehicles hacked up as taxicabs, be REPEALED.

**Section 3.** It is hereby proposed that subdivision 3-03.2(e) of chapter 3 of Title 35 of the Rules of the City of New York, relating to the retirement date for accessible vehicles hacked up as taxicabs, be REPEALED.

**Section 4.** It is hereby proposed that chapter 3 of Title 35 of the Rules of the City of New York be amended by adding a new section, 3-03.3, entitled Clean Air Taxicab Specifications, to read as follows:

New material is underscored.

Section 3-03.3            Clean Air Taxicab Specifications.

As used in this chapter, the term "clean air taxicab" shall mean any vehicle that is either a level one or a level two clean air taxicab, as follows:

(a) “Level one clean air taxicab” shall mean any vehicle approved for use by the Commission as a taxicab that receives an air pollution score of 9.5 or higher from the United States Environmental Protection Agency (“EPA”) or its successor agency and is estimated to emit 5.0 tons or less of equivalent carbon dioxide per year by the United States Department of Energy (“DOE”) or its successor agency; provided that such vehicle is powered by the fuel for which such vehicle meets the above-specified standards.

(b) “Level two clean air taxicab” shall mean any vehicle approved for use by the Commission as a taxicab that receives an air pollution score of 9.0 or higher from the EPA or its successor agency and is estimated to emit 6.4 tons or less of equivalent carbon dioxide per year by the DOE or its successor agency and that does not meet the definition of a level one clean air taxicab; provided that such vehicle is powered by the fuel for which such vehicle meets the above-specified standards.

**Section 5.** It is hereby proposed that subdivision 3-01(f) of chapter 3 of Title 35 of the Rules of the City of New York, relating to certain applications for extension of the retirement date of a taxicab, be REPEALED.

### **Statement of Basis and Purpose of Proposed Rules**

The proposed rule would amend existing taxicab specification rules to comply with Local Law 52 of 2006, by providing vehicle retirement extensions for eligible clean air and accessible taxicabs. The rule would apply to taxicabs hacked up on or after April 17, 2007, as well as clean air and accessible taxicabs in service as of that date.

As mandated by Local Law 52 of 2006, the proposed rules would create incentives for taxicab owners to use accessible and clean air taxicabs. In addition, in order to increase the value and maximize the impact of these incentives on the taxicab industry, the proposed rules would repeal retirement extensions other than those for accessible and clean air taxicabs.

The proposed rules eliminate the extensions for CNG-powered vehicles and minivans hacked up on or after April 17, 2007. The CNG extension had been established ten years ago to encourage the use of clean air vehicles as taxicabs. The proposed rules are much more effective by targeting incentives based upon actual vehicle cleanliness, rather than simply fuel type. CNG vehicles currently in use as taxicabs would not qualify as Level 1 or Level 2 clean air taxicabs as defined by Local Law 52 and these proposed rules. The minivan extension had been established to encourage the use of a new type of vehicle as a taxicab. Minivans now make up more than ten percent of the taxicab fleet and therefore these incentives are no longer required.

It is appropriate at this time to eliminate the one-year extension created for “owner hardship.” The hardship extension was created shortly after September 11, 2001, at a time when taxicab ridership had decreased and independent medallion owners and long-term drivers claimed that it was economically difficult to afford a new vehicle. Five years later, the medallion taxicab industry is economically healthy, as evidenced by major increases in medallion sales prices, substantial drops in foreclosures of medallions loans, and driver earnings. The Commission believes in order to best serve the riding public it is appropriate to grant vehicle retirement extensions based solely upon the condition and quality of the vehicle and the services offered to passengers, not the personal circumstances of the vehicle owner.

Finally, sections regarding taxicabs that are no longer in service would be deleted as obsolete.