

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 require owners of unrestricted taxicab medallions to purchase the Taxi of Tomorrow vehicle selected by the TLC.

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, September 6, 2012. The hearing will be in the Commission hearing room at 33 Beaver Street, New York, New York, on the 19th Floor.

NOTE: This notice replaces and supersedes a previous notice that was published in the City Record on July 5, 2012 providing for a hearing on the rules regarding the Taxi of Tomorrow to be held on August 9, 2012. That hearing has been cancelled, and will be replaced by the hearing on these rules to be held on September 6, 2012. The comment period is extended as provided below.

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 tlcrules@tlc.nyc.gov.
- **Website.** You can submit comments to the Taxi and Limousine Commission through the NYC rules Web site at www.nyc.gov/nycrules.
- **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 September 6, 2012. You can speak for up to three minutes.

Is there a deadline to submit written comments? Yes, you must submit written comments by September 6, 2012.

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, August 30, 2012.

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 Section 1043 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

Over 1.2 million people per day ride in vehicles regulated by the Taxi and Limousine Commission. Since the demise of the Checker company in the early 1980's, none of the vehicles used by the New York City medallion taxicab industry have been designed especially for taxicab service, and they are often repurposed police cruisers, minivans, or passenger sedans. Since these cars have not been designed or engineered specifically for taxi use, they have not included features and amenities that would be beneficial to owners, drivers, and passengers. Nor have they incorporated the latest technologies, accessibility features for people with disabilities, or safety advances.

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.

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 receipt of 7 proposals from a variety of manufacturers, and a year-long detailed evaluation process, 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). The Taxi of Tomorrow will also be available in a wheelchair accessible version. The Taxi of Tomorrow taxicabs will be known as Official Taxicab Vehicle (OTV) or the Accessible Official Taxicab Vehicle (AOTV).

The proposed rule requires that if a medallion owner acquires a new vehicle on or after the activation date for the Taxi of Tomorrow, the owner must hack up the medallion with the Taxi of Tomorrow vehicle, to be known as the Official Taxicab Vehicle or the Accessible Official Taxicab Vehicle. The TLC anticipates the activation date for the Taxi of Tomorrow will be October 31, 2013.

Exemptions to this requirement include:

- Owners of Medallions restricted to use with Alternative Fuel Vehicles may purchase any alternative fuel taxicab which meets the specifications described in TLC Rule 67-05.

- Owners of the 231 Medallions issued prior to January 1, 2012 that are restricted to use with Wheelchair Accessible Vehicles, may purchase any accessible Taxicab which meets the accessible vehicle specifications set forth in proposed Rule 67-05.2, including the Accessible Official Taxicab Vehicle.
- Owners of Accessible Medallions issued by TLC on or after January 1, 2012 may purchase any accessible Taxicab which meets the accessible vehicle specifications set forth in Rule 67-05.2, including the Accessible Official Taxicab Vehicle.
- With TLC’s authorization, owners of up to 496 Unrestricted Medallions issued prior to January 1, 2012 who choose to use an accessible vehicle may purchase any accessible Taxicab which meets the accessible vehicle specifications set forth in proposed Rule 67-05.2, including the Accessible Official Taxicab Vehicle.

Vehicle Requirements/Options by Medallion Type

	Nissan NV200 (OTV)	Nissan/Braun NV200 Accessible (AOTV)	TLC-Approved Hybrid or CNG	TLC-Approved Wheelchair-Accessible
Unrestricted Medallion issued prior to January 1, 2012	YES	YES	NO	YES, up to 496 medallions
Restricted Alternate-Fuel Medallion issued prior to January 1, 2012	NO	NO	YES	NO
Restricted Wheelchair-Accessible Medallion issued prior to January 1,2012	NO	YES	NO	YES
2000 Restricted Medallions authorized by Street Hail Livery Law.	NO	YES	NO	YES

The proposed rule requires the TLC to provide at least 120 days notice to medallion owners prior to the date after which unrestricted medallions must be hacked-up with the Official Taxicab Vehicle. The rule also makes certain, largely technical changes, to current taxicab rules to account for the fact that the Official Taxicab Vehicle will be manufactured and delivered under specifications set by contract with the manufacturer of the vehicle.

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 for hack-up (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.

Amendments to Shift Leases

Some unrestricted medallion holders have hacked up hybrid vehicles and charged a \$3 higher hybrid lease cap to drivers who lease their medallions. When the ToT becomes available these medallion owners will no longer be permitted to hack up with hybrid vehicles. Therefore, to help maintain these medallion owners' business model and maintain the balance of costs and revenues for both owners and drivers, the TLC will increase by \$3 the optional gas surcharge available to unrestricted medallion holders who list on a daily or weekly shift basis .

The proposed amendments will:

- On the date when the ToT first becomes available for use as a taxi (OTV Activation Date), increase the optional fuel surcharge by \$3 per shift for all vehicles that are not hybrid vehicles.¹
- Permit all medallion owners (except for those already charging the hybrid lease rate)--including those operating ToT vehicles and those still operating other vehicles--to apply the increased optional fuel surcharge on the OTV Activation Date.

Amendments to DOV Leases

The TLC proposes amending the rules governing leases of medallions to drivers who own or lease their vehicles (DOV leases) to account for the fact that many medallion owners who currently lease their medallions to DOV operators are able to benefit from the driver's operating a hybrid vehicle by charging the driver the hybrid lease cap. The proposed change will enable these medallion owners to earn the same revenues with ToT that they earned without ToT.

- As ToT vehicles are placed into service:
 - Owners leasing medallions and medallion and vehicle packages to operators of ToT vehicles will be permitted to charge hybrid lease rates.
 - Medallion owners whose vehicles are required to be hybrids (i.e., restricted alternative fuel medallions) will continue to be able to lease these vehicles at hybrid lease rates.

New material is underlined.

[Deleted material is in brackets.]

¹ This \$3 per shift fuel surcharge increase will not apply to medallion owners leasing hybrid vehicles; however, these medallion owners will continue to be able to charge the higher hybrid lease rate.

Section 1. Chapter 51 of the Rules of the City of New York is amended to add new definitions of “Accessible Official Taxicab Vehicle,” “Official Taxicab Vehicle,” and “Official Taxicab Vehicle Activation Date”, and the definitions of “Taxicab Model” and “Unrestricted Medallion” are amended to read as follows:

Accessible Official Taxicab Vehicle (“Accessible OTV”) is the OTV modified in a manner that is consistent with the City’s contract with Nissan North America and meets the specifications of §67-05.2 of these Rules.

Official Taxicab Vehicle (“OTV”) is the vehicle that meets the standard specifications of Rule 67-05.1B and is the purpose built taxicab for model years 2014 – 2024, manufactured pursuant to the City’s contract with Nissan North America. All references to OTV include Accessible OTV unless otherwise specified.

Official Taxicab Vehicle Activation Date (“OTV Activation Date”) is the date on or after which the Official Taxicab Vehicle is required to be used in the Hack-up of any Unrestricted Medallion. The Commission will post notice of the Official Taxicab Vehicle Activation Date on its Web site at least 120 days prior to such Official Taxicab Vehicle Activation Date.

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 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 or 67-05.2.

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

(c) *Rate Rules.*

- (1) *Standard Lease Cap Rates.* An Owner of a Taxicab can charge a lease rate to a Driver that is not greater than the following Standard Lease Caps:
 - (i) The Standard Lease Cap for a Medallion and vehicle for one shift will not exceed:
 - A. \$115, for all 12-hour day shifts
 - B. \$125, for the 12-hour night shift on Sunday, Monday and Tuesday
 - C. \$130, for the 12-hour night shift on Wednesday
 - D. \$139, for the 12-hour night shifts on Thursday, Friday and Saturday
 - E. \$690, for any one-week day shift for one week or longer
 - F. \$797 for any one week night shift for one week or longer.
 - (ii) No driver leasing a medallion and vehicle under this paragraph 58-21(c)(1)(i) can be charged more than a total of
 - A. \$690 for six or more day shifts in any seven consecutive day period
 - B. \$797 for six or more evening shifts or combination of day and evening shifts in any seven consecutive day period.
 - (iii) The lease of a medallion and vehicle under this paragraph 58-21(c)(1) includes service and maintenance. Service and maintenance of the vehicle is the responsibility of the lessor and the lessor and his or her Agent must not charge the lessee for service and maintenance costs for the vehicle.

- (iv) The lessee of a medallion and vehicle under this paragraph 58-21(c)(1) is not responsible for payment of any Commercial Motor Vehicle Tax.
- (v) For a driver with a weekly lease under 58-21(c)(1)(i)(E), or 58-21(c)(1)(i)(F), if the vehicle is unavailable for use for any reason that is not the lessee's responsibility during any part of any week, the payment of the Lease Cap must be pro-rated.
- (vi) For a driver with a weekly lease under 58-21(c)(1)(i)(E) or 58-21(c)(1)(i)(F), the lease includes costs for collision and other damage coverage, including repairs of physical damage to the vehicle.

(2) *Cost Adjustments for the Lease of Hybrid Electric and Diesel-Fueled Vehicles.*

- (i) The Standard Lease Cap for Hybrid Electric Taxicabs and Diesel-Fueled Taxicabs that are hacked-up under §67-05 of these Rules are raised by \$3 per shift (\$21 per week), so that the lease amount for one shift must not now exceed:
 - A. \$118 for all 12-hour day shifts
 - B. \$128, for the 12-hour night shift on Sunday, Monday and Tuesday
 - C. \$133, for the 12-hour night shift on Wednesday
 - D. \$141, for the 12-hour night shifts on Thursday, Friday and Saturday
 - E. \$708, for any one-week day shift for one week or longer
 - F. \$812 for any one week night shift for one week or longer.
- (ii) No driver leasing a medallion and vehicle under this paragraph 58-21(c)(2) can be charged more than a total of
 - A. \$708 for six or more day shifts in any seven consecutive day period
 - B. \$812 for six or more evening shifts or combination of day and evening shifts in any seven consecutive day period.

- (iii) The lease of a medallion and vehicle under this paragraph 58-21(c)(2) includes service and maintenance. Service and maintenance of the vehicle is the responsibility of the lessor and the lessor and his or her Agent must not charge the lessee for service and maintenance costs for the vehicle.
- (iv) The lessee of a medallion and vehicle under this paragraph 58-21(c)(2) is not responsible for payment of any Commercial Motor Vehicle Tax.
- (v) For a driver with a weekly lease under 58-21(c)(2)(i)(E) or 58-21(c)(2)(i)(F), if the vehicle is unavailable for use for any reason that is not the lessee's responsibility during any part of any week, the payment of the Lease Cap must be pro-rated.
- (vi) For a driver with a weekly lease under 58-21(c)(2)(i)(E) or 58-21(c)(2)(i)(F), the lease includes costs for collision and other damage coverage, including repairs of physical damage to the vehicle.

(3) *The Standard Lease Cap:*

- (i) For a *Medallion-only* Hybrid Taxicab, Hacked-up under §67-05 is \$1114 weekly.
- (ii) For all other *Medallion-only* Taxicabs, (including Accessible Taxicabs), is \$1072
- (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, is \$1114 weekly.

([i]iv[i]) A medallion lessor or Agent of a lessor must not require a medallion lessee to obtain service, repairs or maintenance of the vehicle from any particular provider, including, but not limited to, a lessor or an Agent of a lessor.

([i]v) A lease, and payment of the Lease Cap under this section includes (and all of the following must be provided to the lessee):

- A. Use of the medallion;
- B. All applicable TLC fees except for TLC vehicle inspection fees (but the lessor is not required to provide vehicle registration or payment of the Commercial Motor Vehicle Tax);
- C. Insurance required by Section 58-13;

- D. Credit card fees or charges;
- E. Up to 3 drivers on a lease at the request of the drivers, which request cannot be unreasonably denied.

A lessor must not accept any other payment from a lessee for the purchase or lease of a vehicle. A Medallion lessor or Agent can agree with a driver to provide services or accommodations on an arms-length basis outside the lease. A Medallion lessor or Agent who provides services or accommodations outside the lease to a leasing driver must keep records of all transactions with that driver and such records must be available for inspection by the Chairperson.

(vi) The gasoline surcharge option provided in paragraph 58-21(c)(6) is not available to Owners/lessors leasing a Medallion-only under this Section 58-21(c)(3)

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

- (i) A Lease is covered by this paragraph 58-21(c)(4) if it includes all of the following:
 - A. The lease of a Medallion
 - B. The conditional purchase agreement for a vehicle; and
 - C. The vehicle is being conditionally sold to the driver/lessee by any of
 - 1. The Owner of the Medallion or any employee of the Owner, and/or
 - 2. The Owner's Agent or any employee of the Agent, and/or
 - 3. Any Business Entity of which a Business Entity Person of the Owner or Agent, or an employee of Owner or Agent, is a Business Entity Person
- (ii) The Standard Lease Cap under this section for a Taxicab Medallion and vehicle is
 - A. \$1389 weekly if the vehicle complies with the requirements of Section 67-05 of these Rules or
 - B. \$1347 weekly if the vehicle complies with the requirements of Sections 67-05.1A or 67-05.2 of these Rules

- C. \$1389 weekly for vehicles placed into service on or after the OTV Activation Date if such vehicles are either Official Taxicab Vehicles or Accessible Taxicabs
 - D. This Standard Lease Cap can be charged for a lease related to any one vehicle for up to 156 weeks, however it cannot be charged at any time after title to the vehicle passes (or could have passed) to the lessee.
- (iii) Title to the leased vehicle must pass to one or more of the lessees, if the lessees request, after 156 weeks, or after all vehicle financing costs have been paid, whichever is sooner. The conditional seller is not required to transfer title if the lessees have failed to pay all payments due for the vehicle purchase and lease until all such payments have been made.
 - (iv) The lease of a Medallion together with a vehicle under this paragraph 58-21(c)(4) includes within the payment to the lessor the amount due by the Vehicle owner for the Commercial Motor Vehicle Tax.
 - (v) A lease, and payment of the Lease Cap under this section includes (and the following must be provided to the lessee):
 - A. Use of the medallion;
 - B. All applicable TLC and NYS DMV fees except for TLC vehicle inspection fees;
 - C. Insurance required by Section 58-13;
 - D. Credit card fees or charges;
 - E. All Vehicle purchase and/or finance costs and vehicle sales tax and related costs;
 - F. Up to 3 drivers on a lease at the request of the drivers, which request cannot be unreasonably denied.

A lessor can offer coverage for collisions and physical damage to the vehicle to the lessee/purchasers in an amount not to exceed \$50 per week, but cannot require that the lessee/purchasers purchase such coverage. . A Medallion lessor or Agent can agree with a driver to provide services or accommodations on an arms-length basis outside the lease. A Medallion lessor or Agent who provides services or accommodations outside the lease to a leasing driver must keep records of all transactions with that driver and such records must be available for inspection by the Chairperson

- (vi) (reserved)
 - (vii) The gasoline surcharge option provided in Section 58-21(c)(6) is not available to Owners/lessors leasing a Taxicab and vehicle under this Section 58-21(c)(4).
 - (viii) If the vehicle is unavailable for use for any reason that is not the lessee's responsibility during any part of any week, the lessee's payment of the Lease Cap must be pro-rated.
- (5) *Limits on Additional Charges.* In addition to a lease amount no greater than the Standard Lease Cap (as adjusted), an Owner/lessor (as well as any agent or employee of the Owner/lessor) must not request of or accept from any lessee (of a Taxicab or Medallion-only) any money or other thing of value, except for the following (this means an Owner/lessor must not charge any tip, tax, surcharge or other fee of any kind above the Standard Lease Cap (as adjusted) except for the following):
- (i) A gas surcharge of \$21 per shift (or \$126 for drivers leasing under 58-21(c)(1)(i) E or F and 58-21(c)(2)(i) E or F (with such surcharge to be adjusted as provided below) provided that the Owner/lessor or his or her agent is providing gasoline to the lessee as provided in section 58-21(c)(6);
 - (ii) A security deposit and deductions from the security deposit no greater than allowed under subdivision (e) below;
 - (iii) The discount toll amount for use of the Owner's *EZ-Pass*® as described in §58-27 of this Chapter;
 - (iv) A late charge not to exceed \$25 for any shift for the late return of a vehicle;
 - (v) A reasonable cancellation charge, subject to the provisions of subdivision (i)(5) below;
 - (vi) Parking tickets and red light violations permitted to be deducted from the security deposit described in subdivision (e) below, provided that the Driver/lessee is allowed to challenge any ticket or violation; and
 - (vii) If the Owner (or Owner's Agent) is a Taxpayer, the Taxpayer can collect the MTA Tax collected by the lessee/Driver from the lessee/Driver. The MTA Tax must be collected in the following order:

- A. The MTA Tax must first be deducted from any credit card reimbursements due as required in subdivision (f) below.
 - B. The MTA Tax must next be deducted from the security deposit permitted in subdivision (e) below.
 - C. If not fully paid, then the MTA Tax must be collected from the lessee/Driver.
- (viii) In addition to these charges, an Owner can deduct from credit card receipts payable to the Driver amounts charged by the T-PEP Provider, pursuant to the T-PEP Provider's contract with the Commission, provided that
- A. such amounts are provided for by contract between the T-PEP Provider and the Commission or by rule of the Commission;
 - B. such amounts are dedicated for the purpose of providing healthcare services and disability coverage for drivers; and
 - C. such amounts do not exceed \$0.06 per trip.
- (ix) State and local sales and rental taxes on vehicle rentals.
- (6) *Optional Gasoline Surcharge:* An Owner/lessor, or his or her Agent leasing a Taxicab under Section 58-21(c)(1) or 58-21(c)(2) , may chose to provide gasoline to a lessee and charge a gas surcharge in an amount as specified in this section in addition to the Lease Cap provided in Section 58-21(c)(1) or 58-21(c)(2) , provided that
- (i) Gasoline is provided to the lessee for the entire shift at no additional cost to the lessee.
 - (ii) The surcharge will be \$126 per week (or \$21 per shift) until December 31, 2012
 - (iii) After that date the surcharge will be reset based on the trailing 6 month average as of the date the surcharge is calculated of the New York City Gasoline Price Index issued by U.S. Energy Information Agency and published at www.eia.gov.

- (iv) The surcharge will be calculated as of June 30 and November 30 of each year beginning November 30, 2012.
- (v) The Commission will post the new surcharge on its Web site by July 15 and December 15 of each year
- (vi) The new surcharge will take effect on July 31 and December 31 of each year beginning December 31, 2012. If the Commission has not posted a new surcharge, the prior surcharge will remain in effect.
- (vii) On the Official Taxicab Vehicle Activation Date, the surcharge will also increase, based on the Index in effect on the OTV Activation Date. This increase will apply ONLY to vehicles that are NOT Hybrid Electric Taxicabs or Diesel-Fueled Taxicabs that are subject to the Lease Cap set forth in Section 58-21(c)(2) of these Rules.
- (viii) Based on the index, the surcharge will be as follows:

UNTIL THE OTV ACTIVATION DATE:

When the Index is:	The surcharge will be :
\$2.49 or less	\$13 per shift (or \$78 per week)
\$2.50 to \$2.99	\$16 per shift (or \$96 per week)
\$3.00 to \$3.49	\$18 per shift (or \$108 per week)
\$3.50 to \$3.99	\$21 per shift (or \$126 per week)
\$4.00 to \$4.49	\$23 per shift (or 138 per week)
\$4.50 to \$4.99	\$26 per shift (or \$156 per week)
\$5.00 or more	\$28 per shift (or \$168 per week)

ON AND AFTER THE OTV ACTIVATION DATE:

<u>When the Index is:</u>	<u>The surcharge for Hybrid Electric and Diesel-Fueled taxicabs will be :</u>	<u>The surcharge for all other taxicabs will be</u>
<u>\$2.49 or less</u>	<u>\$13 per shift (or \$78 per week)</u>	<u>\$16 per shift (or \$96 per week)</u>
<u>\$2.50 to \$2.99</u>	<u>\$16 per shift (or \$96 per week)</u>	<u>\$19 per shift (or \$114 per week)</u>
<u>\$3.00 to \$3.49</u>	<u>\$18 per shift (or \$108 per week)</u>	<u>\$21 per shift (or \$126 per week)</u>
<u>\$3.50 to \$3.99</u>	<u>\$21 per shift (or \$126 per week)</u>	<u>\$24 per shift (or \$144 per week)</u>

<u>\$4.00 to \$4.49</u>	<u>\$23 per shift (or 138 per week)</u>	<u>\$26 per shift (or \$156 per week)</u>
<u>\$4.50 to \$4.99</u>	<u>\$26 per shift (or \$156 per week)</u>	<u>\$29 per shift (or \$174 per week)</u>
<u>\$5.00 or more</u>	<u>\$28 per shift (or \$168 per week)</u>	<u>\$31 per shift (or \$186 per week)</u>

§58-21(c)	Fine: First violation: \$500 Second and subsequent violations; \$1,000 and/or suspension of the Medallion for up to 30 days. In addition to the penalty payable to the Commission, the ALJ can order the Owner to pay restitution to the Driver, equal to the excess that was charged to the Driver or the extra fuel the driver had to pay for.	Appearance REQUIRED
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- (7) *Collective Bargaining Exception to the Standard Lease Cap.* The provisions of this section do not apply to Owners and lease Drivers whose business relationship is governed by the terms of a collective bargaining agreement that regulates the subject of lease prices.

Section 3. Section 58-31(d) of Title 35 of the Rules of the City of New York is amended to read as follows:

(d) *No Alterations.* An Owner will make no structural change in a Taxicab or in an OTV that deviates from the Taxicab specifications set forth in Chapter 67 of these Rules without the Commission’s written approval.

Section 4. Section 58-34(d) of Title 35 of the Rules of the City of New York is amended to read as follows:

(d) *Trouble Lights.* An Owner must [equip] ensure that all Taxicabs bearing such Owner’s Medallion(s) are equipped with a help or distress signaling light system meeting the requirements of §67-11.

Section 5. Section 58-35 of Title 35 of the Rules of the City of New York is amended to read as follows:

(a) *Partition Required.* (1) A Taxicab must be equipped with a partition unless exempt from the requirement.

(2) An Owner must [equip] ensure that all Taxicabs, except as provided in subdivision (b) of this section, are equipped with a partition that meets the specifications set forth in §67-10 of these Rules, and with provision for air conditioning for the rear passenger compartment, as set forth in §67-14.

§58-35(a)	Fine: \$300 and suspension until the condition is corrected	Appearance REQUIRED
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(b) *Owner-Drives Exemption from Partition Requirement.* [NOTE: This Exemption is NOT available to the Owner of a Taxicab Hacked-up with an Official Taxicab Vehicle.] An Owner of an Independent Medallion Taxicab or a Business Entity owning one or more Medallions will be exempt from the provisions of subdivision (a) of this Section provided all of the following five conditions are met:

- (1) The Taxicab is driven only by the Owner(s) of the Medallion (including a Business Entity Person of a Business Entity Owner).
- (2) The Rate Card lists only the persons named above in paragraph (1) as Named Driver(s).
- (3) The Taxicab is equipped with the following:
 - (i) The required Trouble Lights
 - (ii) A cellular telephone with an emergency dialing feature.
 - (iii) A camera approved by the Commission
- (4) The Owner has not previously been found in violation of this rule with respect to the subject Medallion.
- (5) The Owner has applied for and received a certification of exemption from the Commission.

(c) *Exception to Exemption.* Even if the Owner meets all the conditions for an exemption, if a partition is the only approved location for display of the Rate Card and Driver License in a particular model of automobile, then a partition is required.

(d) *Curtain Airbags Modification* (Not Applicable to Official Taxicab Vehicles or Accessible Official Taxicab Vehicles).

- (1) A Taxicab that is equipped with factory installed curtain airbags will be equipped with a modified partition that does not extend the full width of the interior of the Taxicab.

- (2) The modified partition instead must allow a space of six inches at each side, sufficient to permit proper deployment of the curtain airbags.
- (3) The modified partition must conform in all other respects with the applicable requirements of §67-10 of these Rules.

§58-35(d)	Fine: \$300 and suspension until the condition is corrected	Appearance REQUIRED
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Section 6. The definitions of “Taxicab Model” and “Unrestricted Medallion set forth in section 67-03(1) of Title 35 of the Rules of the City of New York are amended to read as follows.

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 or 67-05.2 of these Rules.

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. 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 7. Section 67-03 of Title 35 of the Rules of the City of New York is amended by re-lettering subdivisions (a) through (f) as (b) through (g) and adding new subdivisions (a), (h) and (i), to read as follows:

(a) Accessible Official Taxicab Vehicle (“Accessible OTV”) is the OTV modified in a manner that is consistent with the City’s contract with Nissan North America and meets the specifications of §67-05.2 of these Rules.

(h) Official Taxicab Vehicle (“OTV”) the OTV meets the standard specifications of Rule 67-05.1B and is the purpose built taxicab for model years 2014 – 2024 manufactured, pursuant to the City’s contract with Nissan North America. All references to OTV include Accessible OTV unless otherwise specified.

(i) Official Taxicab Vehicle Activation Date (“OTV Activation Date”) is the date on or after which the Official Taxicab Vehicle is required to be used in the Hack-up of any Unrestricted Medallion. The Commission will post notice of the Official Taxicab Vehicle Activation Date on its Web site at least 120 days prior to such Official Taxicab Vehicle Activation Date.

Section 8. Section 67-04 of Title 35 of the Rules of the City of New York is amended to read as follows:

(a) Meet All Specifications—Prior to OTV Activation Date. A Taxicab Candidate must meet the technical specifications in §67-05, §67-05.1A, [67-05.1] or §67-05.2 of these Rules, as well as all applicable federal and New York State motor vehicle standards and requirements, in order to become a Taxicab Model

(b) Meet all Specifications—After OTV Activation Date. A taxicab Candidate must meet the technical specifications in §67-05, §67-05.1A, [67-05.1] 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:

1. **For Accessible Taxicabs – In addition to the specifications set forth in 67-05.2, all safety regulations must be met with all required taxicab equipment installed, including a partition that meets TLC specifications; or, in the case of the meter or the T-PEP equipment, with representative equipment of similar size and mass installed or an approved taximeter and T-PEP system. All wheelchair accessibility and securement equipment must be installed when conducting the testing.**

2. For standard Taxicabs – In addition to the technical specifications in §67-05.1B all safety regulations must be met with all required taxicab equipment installed, including a partition that meets TLC specifications; or, in the case of the meter or the T-PEP equipment, with representative equipment of similar size and mass installed or an approved taximeter and T-PEP system.

Section 9. Section 67-05.1 is renumbered as section 67-05.1A.

Section 10. The title of section 67-05.1 of Title 35 of the Rules of the City of New York is amended to read as follows:

§67-05.1A Standard Specification for Other Taxicab Models *Effective Until Official Taxicab Vehicle Activation Date.*

Section 11. Chapter 67 of Title 35 of the Rules of the City of New York is amended to add new Section 67-05.1B to read as follows:

§67-05.1B Official Taxicab Vehicle for use with Unrestricted Medallions *Effective On Official Taxicab Vehicle Activation Date.*

(a) Official Taxicab Vehicle Activation Date (“OTV Activation Date”) is the date on or after which Official Taxicab Vehicle is required to be used in the Hack-up of any Unrestricted Medallion. The Commission will post notice of the Official Taxicab Vehicle Activation Date on its Web site at least 120 days prior to such Official Taxicab Vehicle Activation Date.

(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. 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.

(c) Any vehicle valid for use with an Unrestricted 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.

(d) An Official Taxicab Vehicle is delivered to a purchaser complete with certain equipment and finishes specified by the City's contract with vendor. Therefore, an Official Taxicab Vehicle at Hack-up is not required to separately meet the requirements of the following sections of this chapter:

(1) Section 67-07, relating to paint, finish and lighting.

(2) Section 67-08, relating to occupant accommodation.

(3) Section 67-10, relating to partitions.

(4) Section 67-11, relating to distress signal lights.

(5) Section 67-12, relating to in-vehicle camera systems.

(6) Section 67-13, relating to credential holders.

(7) Section 67-14, relating to air conditioning.

Section 12. Section 67-05.2 of Title 35 of the Rules of the City of New York is amended to add introductory material following the title, to read as follows:

An Accessible Medallion can be used only with a Taxicab Model that meets the specifications of this Section.

1. The 231 Medallions restricted to use with Wheelchair Accessible Vehicles, issued prior to January 1, 2012, may purchase for Hack-up any accessible vehicle, including the Accessible Official Taxicab Vehicle, which meets the accessible vehicle specifications set forth in Rule 67-05.2.
2. Except as provided in Rule 67-05.1B(b)(2), owners of Unrestricted Medallions who choose to Hack-up an accessible vehicle may purchase only the Accessible Official Taxicab Vehicle.
3. Owners of Accessible Medallions issued by TLC on or after January 1, 2012 can purchase for Hack-up any accessible vehicle, including the Accessible Official Taxicab Vehicle, which meets the accessible vehicle specifications set forth in Rule 67-05.2.

Section 13. Section 67-05.2 of Title 35 of the Rules of the City of New York is amended by adding a new subdivision (d), to read as follows:

(d) Accessible Official Taxicab Vehicle (“Accessible OTV”) is the OTV modified in a manner that is consistent with the City’s contract with Nissan North America and meets the specifications of §67-05.2 of these Rules.

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

**CERTIFICATION PURSUANT TO
CHARTER §1043(d)**

RULE TITLE: Taxi of Tomorrow Rules

REFERENCE NUMBER: 2012 RG 06

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: August 2, 2012

**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: Taxi of Tomorrow Rules

REFERENCE NUMBER: TLC-37

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

August 2, 2012
Date