

## Reference Guide: February 2020 Changes to Agent Rules

This document serves as a guide to highlight changes to the Taxicab Agent Rules (Rules of the City of New York, Title 35, Chapter 63) that were approved by the New York City Taxi and Limousine Commission (TLC) in February of 2020. These changes establish or revise:

- the qualifications, requirements, prohibitions, and procedures for getting and maintaining an Agent's License;
- protections for Agents' clients against unfair business practices; and
- penalties for violations.

**Disclaimer:** This document is for informational purposes only. It is not a substitute for the full TLC Rules and should not be relied on as a complete statement of the requirements of the Rules. Agents must only rely on a complete copy of the TLC Rules, including the Taxicab Agent Rules, as the Rules may change from time to time. TLC may make changes to documents and materials available on its website. It is the responsibility of Agents to ensure that documents submitted are the current versions available on TLC's website.

This document, TLC Rules, a current list of Agent licensees, and more information relating to Agents are available on TLC's website at [www1.nyc.gov/site/tlc/businesses/medallion-agents](http://www1.nyc.gov/site/tlc/businesses/medallion-agents).

Questions can be directed to [TaxicabAgents@tlc.nyc.gov](mailto:TaxicabAgents@tlc.nyc.gov).

Failure to comply with TLC Rules may result in up to \$10,000 fine as well as suspension and/or revocation of a license.

**Table of Contents**

RULES VIOLATIONS ..... 3  
    Medallion-Owner Agent Violates Rules ..... 3

RETALIATION ..... 3  
    Retaliation Prohibited ..... 3  
    Broad Interpretation of Retaliation ..... 3

VEHICLE DISPATCH ..... 3  
    Dispatch Taxicabs with Valid Registration ..... 3

UNLICENSED DRIVERS ..... 3  
    No Unlicensed Drivers..... 3  
    Exceptions for Unlicensed Drivers ..... 3  
    List of Valid TLC Driver Licenses ..... 4

HOURS OF OPERATION ..... 4  
    Maximum Driving Hours ..... 4

PAYMENT OF COLLECTED FUNDS ..... 4  
    Agent’s Responsibility to Pay Collected Funds ..... 4

SAFETY ..... 4  
    Vehicle Safety Equipment ..... 4

TAXICAB PASSENGER ENHANCEMENT PROGRAMS (TPEP) ..... 4  
    No Driver Lease Payments through TPEP ..... 4

LEASING OF MEDALLIONS FROM MEDALLION OWNERS..... 5  
    All Leases Must be in Writing..... 5  
    Terms of the Lease Must be in Clear Language ..... 5  
    Timely Payments..... 6  
    No Overcharges..... 6  
    Limited Medallion Rights ..... 6  
    Owner Receipts ..... 6  
    Annual Accounting..... 6  
    Maintenance of Records ..... 6

## **RULES VIOLATIONS**

### **Medallion-Owner Agent Violates Rules**

(Section 63-07(d) of the Rules)

TLC will deny an application for an Agent's License if the Applicant owns or manages a Medallion and has violated any TLC Rule where the penalty for that violation is revocation of the Agent's License.

## **RETALIATION**

### **Retaliation Prohibited**

(Section 63-08(j)(1) of the Rules)

Agents **cannot**, for any reason retaliate against any Drivers or Medallion Owners for making a good faith complaint against any Agent.

### **Broad Interpretation of Retaliation**

(Section 63-08(j)(2) of the Rules)

Retaliation will be broadly interpreted. Retaliation will include Agents imposing any unfavorable condition or consequence on Drivers or Medallion Owners, or Agents withholding or withdrawing any beneficial condition or consequence from Drivers or Medallion Owners.

## **VEHICLE DISPATCH**

### **Dispatch Taxicabs with Valid Registration**

(Section 63-09(c) of the Rules)

Agents **cannot** dispatch a Taxicab or other vehicle unless the DMV registration of such Taxicab or other vehicle is Valid.

## **UNLICENSED DRIVERS**

### **No Unlicensed Drivers**

(Section 63-11(c)(1) of the Rules)

Agents **cannot** allow a Taxicab to be operated for hire unless the Driver has in his or her possession a Valid TLC Driver License and DMV License.

### **Exceptions for Unlicensed Drivers**

(Section 63-11(c)(2)(i-v) of the Rules)

Agents can allow a person who does not possess a TLC Driver License to drive the vehicle only when **all** of the following limited circumstances are met:

- The vehicle is being driven to or from TLC's Taxicab inspection facility or a repair facility;
- The Driver has entered the appropriate off-duty code in the Technology System;
- A current Trip Record (written or electronically printed out) is in the Taxicab, indicating the vehicle is "Off-Duty" and why;

- The rear doors are locked; and
- The person driving the vehicle is licensed to drive a motor vehicle.

### **List of Valid TLC Driver Licenses**

(Section 63-11(c)(3) of the Rules)

TLC will post on its website a list of Drivers holding Valid TLC Driver Licenses.

## **HOURS OF OPERATION**

### **Maximum Driving Hours**

(Section 63-11(d) of the Rules)

Agents **cannot** require a Driver to operate one or more Taxicabs for more than 12 consecutive hours.

## **PAYMENT OF COLLECTED FUNDS**

### **Agent's Responsibility to Pay Collected Funds**

(Section 63-11(g) of the Rules)

Agents must pay the appropriate parties all taxes and surcharges collected on behalf of a Medallion Owner. An Agent's responsibility for taxes and surcharges owed with respect to a Medallion is limited to such periods that such Medallion is managed by the Agent.

## **SAFETY**

### **Vehicle Safety Equipment**

(Section 63-12(a) of the Rules)

Agents **cannot** dispatch a Taxicab unless it is equipped with a divider that isolates the Driver from the rear seat passengers, unless the Taxicab is exempt from the divider requirement due to compliance with Section 58-35(b) of the TLC Rules.

## **TAXICAB PASSENGER ENHANCEMENT PROGRAMS (TPEP)**

### **No Driver Lease Payments through TPEP**

(Section 63-14(f) of the Rules)

Agents **cannot** require a Driver to make a lease payment pursuant to Section 58-21 of the Rules utilizing the TPEP system.

## **LEASING OF MEDALLIONS FROM MEDALLION OWNERS**

### **All Leases Must be in Writing**

(Section 63-16(a)(1-2) of the Rules)

Agents are required to ensure that:

- All lease agreements between Agents and Medallion Owners, including any changes to such leases, must be in writing and signed by the Agent and Medallion or Taxicab Owner. Electronic signatures are allowed for electronic leases; and
- A copy of the fully executed lease must be provided to the Medallion or Taxicab Owner upon lease execution and upon the Owner's request.

### **Terms of the Lease Must be in Clear Language**

(Section 63-16(b)(1-4) of the Rules)

Each lease between an Agent and a Medallion Owner must provide:

- The amount and frequency of lease payments.
- All costs and fees that may or will be charged to the Medallion Owner by the Agent.
  - For each cost and fee that will be charged, the lease must provide in clear language an explanation of the cost or fee;
  - For each cost and fee that may be charged, the lease must provide in clear language an explanation of the conditions that will result in the imposition of such cost or fee; and
  - If a cancellation fee is included in the lease, the cancellation fee must be reasonable and the lease must specify the minimum prior notice that must be provided by the owner to avoid the cancellation fee.
- All leases must include the following provisions:
  - The Agent is responsible for paying to New York City and New York State agencies all taxes and surcharges collected on behalf of a Medallion Owner during the periods that such Medallion is leased by the Agent. Failure to pay any taxes or surcharges collected by the Agent should be reported by the Medallion Owner to TLC;
  - TLC rules prohibit Agents from retaliating against Owners for complaints filed with the TLC. Any retaliation should be reported to the TLC; and
  - TLC rules prohibit Agents from charging any fees to Owners unless specifically provided in the written lease between the Agent and the Medallion Owner. Any charges not specified in such lease should be reported to the TLC.
- If the lease allows the Agent to change the lease payment amount, the agreement must include the following:
  - The Agent must provide the Owner with no less than 60 days' notice before changing the lease payment amount;
  - Such notice must be sent by certified US Mail to the Owner; and
  - The Owner may terminate the lease agreement at any time during the 60-day notice period without any fee or penalty.

## **Timely Payments**

(Section 63-16(c) of the Rules)

Agents must make all lease payments as required by the lease agreement.

## **No Overcharges**

(Section 63-16(d) of the Rules)

Agents **cannot** charge or request any additional payment or any fee more than the amount set forth in the lease agreement.

## **Limited Medallion Rights**

(Section 63-16(e) of the Rules)

A lease agreement **cannot** grant Agents any rights in or to a Medallion other than the dispatch and operation of the Taxicab to which the Medallion is affixed for the period specified. A lease agreement **cannot** grant Agents a right or option to purchase.

## **Owner Receipts**

(Section 63-16(f) of the Rules)

Agents must provide Medallion Owners with receipts for all payments, deductions, and charges, with the applicable lease provision cited for any deduction or charge.

## **Annual Accounting**

(Section 63-16(g) of the Rules)

Agents must provide to Medallion Owners an annual accounting of all taxes, fees, insurance, and other costs paid or remitted on behalf of the Medallion Owner.

## **Maintenance of Records**

(Section 63-16(h) of the Rules)

Agents must maintain the following items for three years from the date of a lease agreement with the Medallion Owner expires or is cancelled:

- A copy of the executed lease and any lease amendments;
- Records of all itemized lease payments paid to Medallion Owners;
- Records of all itemized payments received from Medallion Owners; and
- Copies of all annual accountings prepared by the Agent for the Medallion Owner(s).