



**Industry Notice #15-34  
For Immediate Release**

**July 29, 2015**

**Meera Joshi**  
*Commissioner*

**Allan J. Fromberg**  
*Public Affairs*  
[press@tlc.nyc.gov](mailto:press@tlc.nyc.gov)

**33 Beaver Street  
22nd Floor  
New York, NY 10004**

## **NEW BASE AND DISPATCH SERVICE PROVIDER (DSP) RULES ARE GOING INTO EFFECT**

The New York City Taxi and Limousine Commission (TLC) wishes to inform its licensees that the recently-approved [Dispatch Service Provider \(DSP\) Rules](#) will soon go into effect. The DSP Rules were adopted at the Commission's June 2015 meeting and do two things: 1) they introduce a new category of license for companies that work with TLC-licensed bases to match passengers and TLC-licensed drivers and vehicles; and 2) they increase service standards for all bases so that they too can take advantage of new technologies to provide for-hire service.

To offer for-hire service via an app or other passenger-facing booking tool, a smartphone app developer must soon both obtain a new DSP license and enter into an agreement(s) with a TLC-licensed base to dispatch that base's affiliated vehicles; OR obtain its own base license that complies with the new requirements. TLC is currently finalizing the processes for the new DSP licensing requirements, as well as the updates to existing requirements to hold a base license. **More information will be posted to the TLC's website in the upcoming weeks along with instructions on how dispatching companies should comply. Bases and other dispatching companies do not need to take any action until the TLC provides further instructions, however a summary of some of the new requirements that they will soon be accountable for are described below.**

### **New DSP License Requirements:**

Companies that do not have TLC-issued base licenses but work with existing TLC-licensed bases to dispatch their vehicles will soon have to get a new DSP license. This DSP license will give them the ability to dispatch vehicles affiliated with their partner-bases only. The TLC is working to finalize the licensing and application process for DSP companies, and will soon post more information on our website about how to apply. However, to prepare for these upcoming changes, non-base dispatching companies should be aware of the following new requirements that will soon be in effect:

- **Detailed Description of Dispatch App:** Under this new licensing rule, DSPs will need to provide a detailed description of their dispatching app to the TLC.
- **List of Partner Bases:** DSPs will need to provide a list of all affiliated bases.



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- **File Sample Base and Passenger Agreement:** DSPs will need to provide a sample passenger and base agreement to the TLC.
- **Privacy and Security Policies:** If a DSP collects passenger geographic location data or passenger credit card information, the DSP must establish data privacy and security policies. Copies of these policies must be filed with the TLC. The TLC will provide a list of best practices for the types of things privacy and security policies should contain on our website.
- **Fees Schedule:** DSPs will need to charge fees in line with fee schedules filed by partner bases.
- **Customer Service Information:** DSPs will need to provide a working email and customer service phone number to the TLC.

**New Requirements for Existing TLC-Licensed Bases:**

The TLC is also finalizing updates to the licensing and renewal processes to reflect the new requirements of TLC-licensed bases that operate via apps or other passenger-facing booking tools. These new requirements will need to be fulfilled as a part of a base's license renewal. The TLC will announce via Industry Notice when the changes to the licensing and renewal process will go into effect. However, to prepare for these upcoming changes, bases should be aware of the following new documentation requirements that will soon be in effect:

- **Proprietary Apps, DSPs, and Other Booking Tools:** Under the new licensing and renewal processes, bases will need to file with the TLC information about any proprietary app they are using as a passenger-facing booking tool, and/or a list of any DSPs they are working with.
- **Privacy and Security Policies:** If a base collects passenger geographic location data or passenger credit card information, the base must establish data privacy and security policies. Copies of these policies must be filed with the TLC. The TLC will provide a list of best practices for the types of things privacy and security policies should contain on our website.
- **Inclusive Rate Schedule:** Bases must file detailed and accurate rate schedules inclusive of all fees associated with DSP or proprietary app usage and any variable or "surge" pricing policies. Simple "maximum" time and distance rates are not acceptable.

For more information about how apps and other passenger-facing booking tools can be used in New York City, please visit [TLC's Smartphone Apps](#) webpage.