



Bill Heinzen
Acting Commissioner
tlccommissioner@tlc.nyc.gov

33 Beaver Street
22nd Floor
New York, NY 10004

+1 212 676 1003 tel
+1 212 676 1100 fax

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The Honorable Corey Johnson
New York City Council
City Hall
New York, NY 10007

RE: Third Quarter Report on Impact of Local Law 147

Dear Speaker Johnson:

Section 1(a) of Local Law 147 of 2018 (Local Law 147) requires the Taxi & Limousine Commission (TLC) to report to the Council quarterly on the impact of the year-long moratorium on the issuance of new for-hire vehicle (FHV) licenses on vehicle ridership throughout the city. This is our report for the third quarter of the moratorium, from February 15, 2018 through May 14, 2019. TLC and the Department of Transportation (DOT) have also published a final report on the study of policy options to combat FHV-related congestion mandated by Local Law 147, which was released on June 12, 2019. In the report, informed in part by the trends reported below, TLC and DOT recommend a cap on cruising for high-volume for-hire services and a continuation of the FHV vehicle moratorium for an additional year. The full report is available at nyc.gov/tlcresearch.

FHV Licensing Volumes After Enactment

Pursuant to Local Law 147, TLC stopped accepting new FHV license applications in August 2018, with two exceptions, outlined below. From the time the temporary FHV license pause went into effect in August 2018 to May 2019, the total FHV fleet increased by 5,000 to over 120,000 vehicles. From mid-August 2018 through mid-May 2019, 15,396 new FHV licenses were issued, over 96% of which were issued from open applications initiated before the pause took effect and not a result of the limited exemptions permitted during the pause.

Local Law 147 allows for new license applications for wheelchair-accessible vehicles (WAVs). During the first three quarters of the moratorium, TLC approved 421 applications for new WAV licenses (215 during the third quarter alone). The second exception to the moratorium is for those drivers who have been leasing a vehicle under a conditional purchase agreement in place before August 14, 2018, and who subsequently take title to the vehicle pursuant to the terms of the agreement. Because FHV licenses are not transferrable, when title to the vehicle is passed from the lessor to the driver, the driver must obtain a new FHV license to continue operating the vehicle for hire. Since the moratorium began and through May 14, 2019, TLC has approved 481 applications under this exemption. (78 during the third quarter).

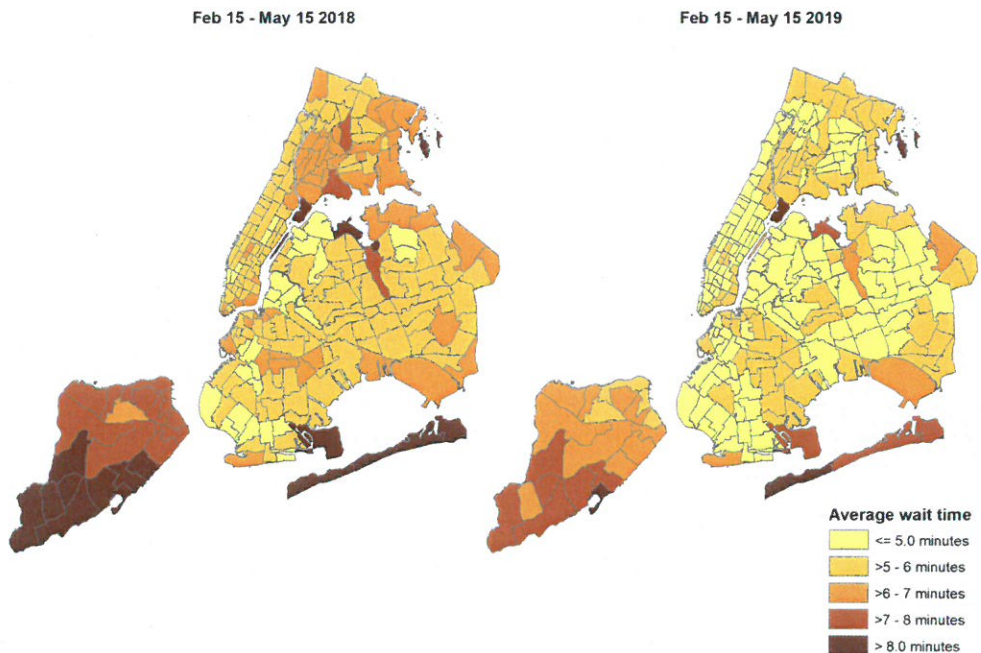
Renewal of Existing FHV Licenses

Despite the issuance of 15,396 new licenses during the first three quarters of the pause, there was a net gain of only 5,000 current vehicles due to vehicle license attrition, which occurs as licenses are not renewed by existing owners at the end of the two-year license cycle. Prior to the enactment of Local Law 147, an average of roughly two-thirds of licensees with FHV licenses up for renewal decided to renew (e.g., 68 percent in July 2018). For owners with licenses up for renewal between mid-February and mid-May 2019, 75 percent have renewed so far. This is up from a 72-percent renewal rate in the first quarter and slightly up from a 74-percent renewal rate in the second quarter. TLC rules provide a grace period of 60 days after the license expiration date, so preliminary numbers reported earlier have slightly increased over time.

Ridership Before and After Enactment

Service availability outside of the Manhattan core, as measured by total trip volume and passenger wait times, has improved while the vehicle license pause has been in effect. Trips outside of the core have grown during the first three quarters of the pause compared to the same period last year across all boroughs. In the most recent quarter from mid-February through mid-May, daily trips increased 43% in the Bronx, 15% in Brooklyn, 21% in Manhattan (outside of the core), 29% in Queens, and 62% in Staten Island, when compared to 2018. Trips have also grown each quarter of the pause compared to previous quarters. At the same time, wait times have decreased across each borough. As shown in Figure 1, nearly all neighborhoods now have average wait times below 8 minutes, and most neighborhoods have average wait times below 7 minutes as of the third quarter of the vehicle licensing pause. Many neighborhoods within Manhattan, the Bronx, Brooklyn, and Queens now have wait times averaging below 5 minutes, while very few neighborhoods had average wait times below 5 minutes over the same period in 2018.

Figure 1. Average Daily FHV Trips, July 2018 – February 2019, according to geographies in graphic below





**Taxi & Limousine
Commission**

Based on these factors, as well as the study conducted by TLC and DOT, TLC does not support the issuance of any additional for-hire licenses for special geographic areas at this time. As part of the continuation of the vehicle license moratorium proposed as a result of the study, TLC will continue to provide exemptions for WAVs and lease-to-own drivers, while adding an exemption for fully electric vehicles.

Sincerely,

A handwritten signature in blue ink, appearing to read "B Heizen".

Bill Heizen
Acting Commissioner