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

RE: Fourth 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 TLC's report for the fourth and final quarter of the one-year moratorium, from May 15, 2019 through August 14, 2019.

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. During the fourth quarter, 385 new FHV licenses were issued compared to 2,846 in the previous quarter. From mid-August 2018 through mid-August 2019, 15,781 new FHV licenses were issued, over 95 percent of which were issued from open applications initiated before the pause took effect and not as a result of the limited exemptions permitted during the pause. From the time the one-year FHV license pause was in effect in August 2018 to August 2019, the total FHV fleet increased 3,000 vehicles net to over 118,000 vehicles total.

Local Law 147 allows for new license applications for wheelchair-accessible vehicles (WAVs). During the four quarters of the moratorium, TLC approved 662 applications for new WAV licenses (241 during the fourth 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 August 14, 2019, TLC has approved 238 applications under this second exemption (109 during the fourth quarter).

Renewal of Existing FHV Licenses

Despite the issuance of 15,781 new licenses during the first three quarters of the pause, there was a net gain of only 3,000 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-May and mid-August 2019, 77 percent have renewed so far. This is up from a 72-percent renewal rate in the first quarter, a 74 percent renewal rate in the second quarter, and a 75 percent renewal rate in the third quarter. TLC rules provide a grace period of 60 days after the license expiration date, so preliminary numbers included in prior reports 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 for High Volume bases (Uber, Lyft, Via, Gett), has improved while the vehicle license pause has been in effect. Trips outside of the core have grown during the four quarters of the pause compared to the same period last year across all boroughs. As shown in Table 1, in the fourth quarter from mid-May through mid-August, daily trips increased 22 percent in the Bronx, 6 percent in Brooklyn, 3 percent in Manhattan, 18 percent in Queens, and 57 percent in Staten Island, when compared to 2018. Trips to airports within the city also increased at rates of 14 and 39 percent to JFK and LaGuardia airports, respectively.

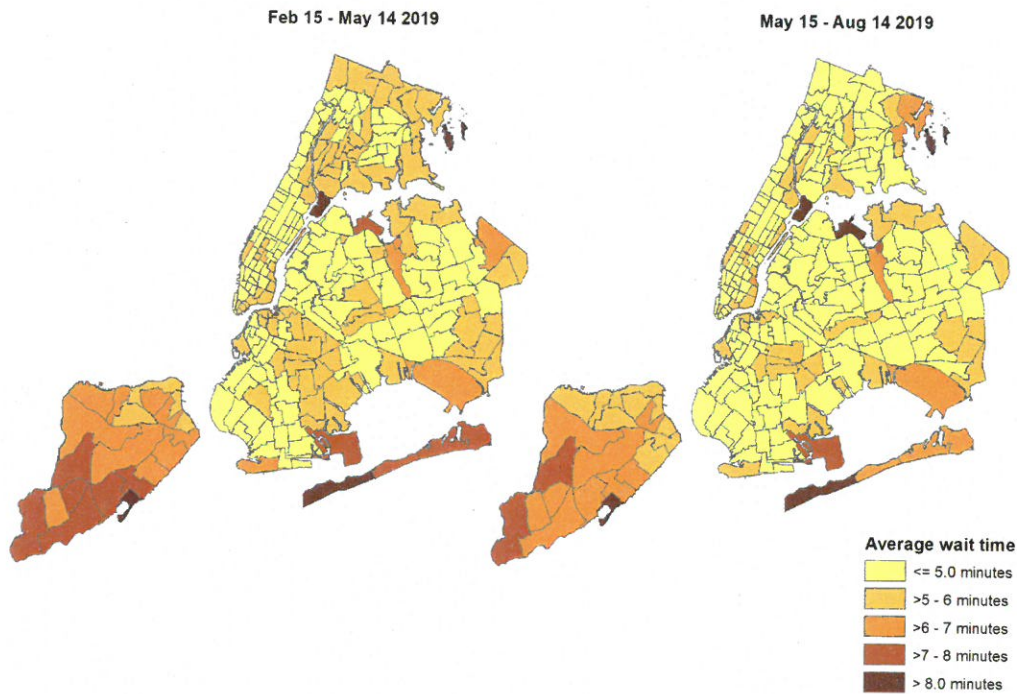
Table 1: Quarter 4 Average Daily Trip Volumes 2018-2019

Borough/Airport	2018 Trips	2019 Trips	Increase
Bronx	61,705	75,317	22%
Brooklyn	168,725	179,107	6%
Manhattan	280,581	289,037	3%
Queens	87,323	102,972	18%
Staten Island	4,812	7,538	57%
JFK	9,510	10,860	14%
LGA	8,769	12,194	39%

While the number of trips increased, wait times 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 6 minutes as of the fourth quarter of the vehicle licensing pause. Many neighborhoods within Manhattan, the Bronx, Brooklyn, and Queens now have wait times averaging below

5 minutes, while fewer neighborhoods had average wait times below 5 minutes compared to the previous quarter.

Figure 1: Average wait time February 15, 2019 - August 14, 2019



TLC and the Department of Transportation (DOT) published a final report on the study of policy options to combat FHV-related congestion mandated by Local Law 147 on June 12, 2019 (available at nyc.gov/tlcresearch). Based on the report, TLC proposed rules to continue the for-hire vehicle licensing pause for an additional year. Licensing pause rules were adopted by the TLC Board of Commissioners on August 7, 2019. TLC also proposed and adopted rules that establish a cap on cruising within the Manhattan core for High Volume for-hire services. However, these rules have been annulled by a lower court in litigation commenced by Uber and Lyft. As part of the licensing pause rules, after the first year, TLC will evaluate the need for additional for-hire vehicle licenses every six months. As required by Local Law 147, TLC will also submit to the Council annually a report on the impacts of the policy.

Sincerely,

Bill Heizen
Acting Commissioner

