

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 (the TLC) is proposing a rule which adds a provision to the existing rules governing Medallion Taxicab Licenses in Chapter 58 of Title 35 of the Rules of the City of New York. The proposed rule implements Local Law 109 of 2020 which creates an annual disclosure requirement for each person that has any interest in a taxicab medallion.

When and where is the Hearing? The Commission will hold a public hearing, at which the public and interested parties are invited to submit comments and testimony on the proposed rules, at 10:00 a.m. on April 5, 2022. The public hearing will be held online using Zoom. There will be no in person public hearing. The public hearing will be livestreamed on TLC's website at www.nyc.gov/tlc. To participate in the public hearing, please e-mail the TLC at tlcrules@tlc.nyc.gov or call TLC at 212-676-1135 by April 1, 2022. After you have signed up to speak, TLC will provide you with a Zoom URL to enter in on your computer or dial-in via phone number if you prefer to call in.

How do I comment on the proposed rules? Anyone can comment on the proposed rules by:

- **Mail.** You can mail comments to the Taxi and Limousine Commission, Office of Legal Affairs, 33 Beaver Street – 22nd Floor, New York, New York 10004.
- **Fax.** You can fax comments to the Taxi and Limousine Commission, Office of Legal Affairs, at 212-676-1102.
- **Email.** You can email 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 Hearings.** Anyone who wants to comment on the proposed rule at the public hearings must sign up to speak. You can sign up before either hearing by calling 212-676-1135 or by emailing at tlcrules@tlc.nyc.gov by April 1, 2021. You can speak for up to three minutes.

Is there a deadline to submit comments? Yes, you must submit comments by April 5, 2022.

Do you need assistance to participate in the Hearings? 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 April 1, 2022.

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 New York City Charter and section 19-503 of the Administrative Code of the City of New York authorize the Commission to make this proposed rule. This proposed rule was not included in the Commission's regulatory agenda for this Fiscal Year because the need for it was not contemplated when the Commission published the agenda.

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 RULE

The TLC is proposing a rule that would add a new section to the existing rules governing Medallion Taxicab Licenses.

On November 16, 2020, Local Law 109 of 2020 was passed by the City Council. Local Law 109 creates an annual disclosure requirement for each person that has any interest in a taxicab medallion.

The proposed rule requires that an annual disclosure statement be filed with the TLC by taxicab medallion owners and directors, shareholders, officers, members or partners of a business entity that possesses any interest in a taxicab medallion. This statement must disclose:

- Other licenses issued by the TLC in which the medallion owner possesses an interest
- gross annual income and expenses related to the operation of that taxicab medallion
- total paid liability insurance premiums for that taxicab medallion
- all interest relating to loans secured by a medallion in which the medallion owner possesses an interest
- any interest in any other taxicab, livery or for-hire business, whether or not licensed by the TLC

These changes create meaningful and consistent reporting requirements that provide transparency in the taxicab licensing process, which is necessary for the protection of the taxicab industry.

The Commission's authority for these rules is found in sections 1043 and 2303 of the New York City Charter and section 19-550 of the New York City Administrative Code.

New material is underlined.

[Deleted material is in brackets]

Section 1. Section 58-25 of Title 35 of the Rules of the City of New York is amended by adding a new subdivision (c), to read as follows:

(c) Annual Financial Reporting Requirements

(1) Any natural person who is a Medallion Owner or affiliated with a Business Entity (including a director, shareholder, officer, member or partner) that possesses any interest in a Medallion must provide annually to the Commission, in a form and manner prescribed by the Commission, a statement together with such supporting documentation as may be prescribed by the Commission, that includes but is not limited to the following:

- (i) Each TLC license in which the Medallion Owner or Business Entity Person possesses an interest,
- (ii) Gross income and expenses related to the operation of the Medallion
- (iii) Total paid liability insurance premiums for the Medallion
- (iv) Balances of all loans secured by a Medallion in which the Medallion Owner or Business Entity Person possesses an interest,
- (v) Number of Medallions in which the Medallion Owner or Business Entity Person possesses an interest that serve as collateral for a secured loan,
- (vi) Number of Medallions in which the Medallion Owner or Business Entity Person possesses an interest that do not serve as collateral for a secured loan, and
- (vii) Any other interest such Medallion Owner or Business Entity Person has in any taxicab, livery, or for-hire vehicle business, whether or not such business is licensed by the Commission.

(2) All prescribed statements and supporting documentation must be submitted to the Commission on or before the 15th of June of each year.

<u>58-25(c)(2)</u>	Fine: \$100 and suspension until compliance	<u>Appearance NOT REQUIRED</u>
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**NEW YORK CITY LAW DEPARTMENT
DIVISION OF LEGAL COUNSEL
100 CHURCH STREET
NEW YORK, NY 10007
212-356-4028**

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

RULE TITLE: Disclosure Requirements for Taxicab Medallion Owners

REFERENCE NUMBER: 2021 RG 105

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: January 14, 2022

**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: Disclosure Requirements for Taxicab Medallion Owners

REFERENCE NUMBER: TLC-123

RULEMAKING AGENCY: Taxi and Limousine Commission

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 X. Navarro
Mayor's Office of Operations

January 15, 2022
Date