

Taxicab and Street Hail Livery Improvement Funds Report to City Council for 2025

June 5, 2026

Introduction

In this new era for TLC, our work is guided by three key priorities: **Driver and Passenger Dignity, Corporate Accountability, and A Transportation System that Works Together**. These priorities shape how we support the drivers who keep our city moving, protect the passengers who rely on TLC-licensed services, and work with our partners to build a safer, fairer, and more responsive transportation system.

This report reflects that commitment. It highlights the progress we are making, the challenges we are addressing, and the work ahead as we continue to deliver for drivers, passengers, and the city we serve.

Background

In 2014 the Taxi and Limousine Commission (TLC) passed rules to create the Taxicab Improvement Fund (TIF) and the Street Hail Livery Improvement Fund (SHLIF) to advance the TLC's efforts to increase taxicab accessibility. Financed through the assessment of a \$1 surcharge on every yellow and green taxicab trip, the fund provides incentives to offset higher vehicle costs and maintenance, encourage more drivers to keep WAVs in service, and to provide passengers the ability to request a WAV by phone.

After years of working towards meeting goals of 50% accessibility for yellow taxicabs and 20% for green taxicabs, in August 2024 a court ordered that the TLC modify its current 50% hack-up rule to a 100% hack-up rule to accelerate the transition of the fleet. The court mandated that 50% of all active Medallions (those Medallions currently affixed to Taxicab Vehicles and not in storage) be converted to a Wheelchair Accessible Vehicle ("WAV") by March 31, 2025, and required at least 50% of all authorized medallions to be accessible by December 31, 2028.

An analysis of the impact of the court mandate on the fund established that by the end of 2025 it would be insolvent. TLC revised its rules in Spring 2025 to eliminate driver payments except for those WAV rides requested through a call center, to reduce the ongoing operational payments, and to end the Accessible Dispatch contract so that these funds could be redirected to maintain the pace of WAV hack-ups. Additionally, TLC capped payments to vehicle owners at \$30,000 or four years after the date of successful hack-up inspection.

Collections

Starting January 1, 2015, the TLC began assessing a 30-cent surcharge paid by passengers on all taxicab trips referred to as the TIF surcharge. However, taxicab trips began drastically declining in 2020 and by

2021 total trips were down 64% compared to 2019. To keep the fund solvent, the TIF surcharge was raised to \$1 per taxicab trip in December 2022. By the end of 2023, TIF collections grew by more than \$23 million. In 2025, collections surpassed 2024 collections by more than \$16 million due to increased trip volume.

The TIF surcharge for each trip is collected by TLC licensed Technology System Providers (TSPs), who must remit the funds to TLC monthly. Table 1 below details collections from the program inception in 2015 through the end of 2025.

Table 1: Taxi Improvement Fund (TIF) and Street Hail Livery Improvement Fund (SHLIF) Collections¹

Calendar Year	TIF	SHLIF	Total
2015	\$29,333,606.00	\$3,299,594.00	\$32,633,199.00
2016	\$36,722,196.00	\$4,686,735.00	\$41,408,932.00
2017	\$34,792,471.00	\$3,510,144.00	\$38,302,615.00
2018	\$25,713,276.00	\$2,437,459.00	\$28,150,735.00
2019	\$29,051,534.00	\$2,032,459.00	\$31,083,993.00
2020	\$12,744,226.00	\$892,916.00	\$13,637,142.00
2021	\$10,700,958.00	\$514,958.00	\$11,215,916.00
2022	\$12,438,708.00	\$252,894.00	\$12,691,602.00
2023	\$35,584,620.00	\$417,606.00	\$36,002,226.00
2024	\$38,863,600.00	\$600,206.00	\$39,463,806.00
2025	\$46,233,261.39	\$587,211.25	\$46,820,472.64
Total	\$312,178,456.39	\$19,232,182.25	\$331,410,638.64

¹ Adjustments have been made to prior year’s financial data to reflect TIF Collections and Payments more accurately for those periods.

Distributions

Starting January 1, 2016, the TLC began distributing monies from the TIF to yellow taxi drivers who operated wheelchair accessible taxicabs and enrolled in the program. Yellow taxi drivers were initially paid \$0.50 per trip completed in an accessible vehicle, but this amount was increased to \$1.00 per trip in May 2018 to further incentivize drivers to drive a WAV. In October 2018, the program expanded to include \$1.00 payments to drivers who complete trips in accessible green taxicabs. As of April 2025, the \$1 per WAV trip to drivers was sunset so that the funding could be reallocated to hack up incentives. In mid-2025, TLC launched a new \$10 bonus program for drivers for WAV trips originating from E-Hail call centers.

As of December 31, 2025, the cumulative total of drivers enrolled in TIF was over 15,000, of which over 11,000 have received at least one payment. In 2025 there were 4,001 individual drivers who participated in the program.

During most of calendar year 2025, medallion owners who purchased an accessible taxicab became eligible to receive a \$20,000 hack up incentive to offset the added cost associated with purchasing a wheelchair accessible vehicle (WAV). They are also eligible for a quarterly operational payment of \$625 if they complete at least 750 trips in that quarter and pass their regular inspections. Table 2 below details distributions to drivers, owners, and the accessible dispatch program vendor since program inception in 2015 through the end of 2025.

Table 2: TIF, SHLIF, and Accessible Dispatch Distributions

Calendar Year	Driver Payments	Owner Payments	Accessible Dispatch Costs	Total
2015	\$0.00	\$0.00	\$699,752.60	\$699,752.60
2016	\$1,219,151.00	\$10,470,879.00	\$3,348,562.75	\$15,038,592.75
2017	\$3,538,057.50	\$18,846,504.00	\$3,883,803.67	\$26,268,365.17
2018	\$9,213,480.50	\$15,443,471.00	\$4,166,804.96	\$28,823,756.46
2019	\$14,019,561.00	\$18,992,446.00	\$8,278,804.39	\$41,290,811.39
2020	\$5,544,076.00	\$13,687,000.00	\$6,171,345.12	\$25,402,421.12
2021	\$7,640,541.00	\$12,517,000.00	\$5,233,934.29	\$25,391,475.29
2022	\$10,641,878.00	\$18,616,000.00	\$4,562,861.77	\$33,820,739.77
2023	\$11,212,911.00	\$22,650,011.00	\$4,471,101.00	\$38,334,023.00
2024	\$10,575,216.00	\$23,313,008.16	\$5,524,382.00	\$39,412,606.16
2025	\$4,016,154.00	\$43,849,000.00	\$5,310,720.35	\$53,175,874.35
Total	\$77,621,026.00	\$198,385,319.16	\$51,652,072.90	\$327,658,418.06

As of December 31, 2025, there was a marked decrease in driver expenditures due to the original driver program of \$1 per trip being sunset as of April 2025 as stated above.

TIF disbursements in 2025 nearly doubled the average of the previous decade, reaching a record high of \$53 million. This growth was driven by a surge in WAV hack-ups and the increase in the hack-up incentive by \$6,000, reflected in an \$11 million rise in owner payments in 2025. That year, owner payments were nearly twice the average of the prior nine years. Payments will continue until owners either accumulate \$30,000 or reach the fourth anniversary of their hack-up.

Accessible Dispatch disbursements declined slightly due to the elimination of the driver payments that were processed by the vendor administering the program.

Recommendations and Analysis

Should TLC investigate other methods of distributing TIF incentive funding to drivers and owners?

In 2024, TLC projected TIF collections and disbursements through the end of 2029. The analysis found that the program would need \$6 million to remain solvent through December 2025, with funding requirements expected to grow rapidly in subsequent years, exceeding \$100 million by the end of

2029. To maintain solvency, significant program changes were necessary. TLC prioritized adjustments that would continue expanding the number of WAVs in service without increasing the TIF surcharge on passengers and while preserving customers' ability to request a WAV by telephone. As outlined earlier in this report, the \$1 per-trip incentive for drivers was eliminated, quarterly operational incentives to owners were reduced, and the single TIF-funded call center contract was discontinued, with services now provided by multiple TLC-licensed e-hail app providers. These changes generate savings of tens of millions of dollars annually, which can be reallocated to support thousands of WAV hack-up incentives.

Should the current surcharge be lowered, raised, or kept the same?

Significant program changes have allowed TIF to remain self-sustainable by the current \$1 surcharge. No change to the surcharge is required at this time.

Are there possible alternate sources of funding for TIF or SHLIF other than the surcharge?

No other funding sources for TIF or SHLIF have been identified.