

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 is considering changing its rules. The change would amend rules regulating taxicab lease caps- and the maximum dollar amount per shift for which taxis can be leased and changing some of the ways in which fares are calculated.

When and where is the Hearing? The Commission will hold a public hearing on the proposed rule. The public hearing will take place at 10:00 a.m. on Thursday, April 18, 2013. The hearing will be in the public hearing room at 33 Beaver Street, New York, New York, on the 19th Floor.

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

- **Mail.** You can mail written comments to the Taxi and Limousine Commission, Office of Legal Affairs, 33 Beaver Street – 22nd Floor, New York, New York 10014.
- **Fax.** You can fax written comments to the Taxi and Limousine Commission, Office of Legal Affairs, at 212-676-1102.
- **Email.** You can email written 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 Hearing.** Anyone who wants to comment on the proposed rule at the public hearing must sign up to speak. You can sign up before the hearing by calling 212-676-1135. You can also sign up in the hearing room before the hearing begins on April 18, 2013. You can speak for up to three minutes.

Is there a deadline to submit written comments? Yes, you must submit written comments by April 8, 2013.

Do you need assistance to participate in the Hearing? 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 Thursday, April 11, 2013.

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 City Charter and section 19-503 of the City Administrative Code authorize the Commission to make this proposed rule. This proposed rule was not included in the Commission's regulatory agenda for this Fiscal Year.

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 Proposed Rule

These rules amend the Taxi and Limousine Commission's rules governing the leasing of taxicabs and taxicab medallions. The Commission's authority to adopt these rules is found in section 2303 of the New York City Charter and section 19-503 of the New York City Administrative Code.

Following hearings held on May 31 and July 9, 2012, on July 12, 2012, the Commission approved rules changing lease caps and certain other rules pertaining to the leasing of taxicabs and taxicab medallions, as well as rules regarding taxicab rates of fare. The fare rules took effect on September 4, 2012 and the leasing rules took effect on September 30, 2012.

Following adoption of these rules, participants from the taxicab industry met with the TLC and identified a number of instances where a technical clarification or qualification to the rules passed on July 12 might be helpful. In addition, in accordance with the settlement of the lawsuit "Metropolitan Taxicab Board of Trade and JTL Management et. al. v. The New York City Taxi & Limousine Commission et. al" (Index 103849/2012), which resulted in a preliminary injunction against certain of the leasing rules, the TLC agreed to propose certain other changes to the rules. The TLC proposes these rules to address some of the comments received after adoption of the first set of changes to the rules.

The proposed rules:

- Clarify provisions regarding responsibility for service and maintenance
- Change how credit card charges are paid and implement a surcharge payable by a driver coupled with a lower lease cap
- Clarify that an agent cannot charge a surcharge in addition to the surcharge collected under the lease cap rules.
- Clarify the provisions requiring the pro-rating of lease amounts if the vehicle is unavailable.
- Allow late charges for late payments in certain instances.
- Allow owner fines for missed inspections, suspended drivers and illegal subleases to be charged to drivers in certain circumstances.
- Clarify that reasonable cancellation charges can include repossession fees.
- Modify marking specifications to reflect the recent elimination of exterior fare decals.
- Modify penalties for retaliation against complaining lessees.
- Provide a test for determining whether financing of a vehicle by a public corporation is related to a medallion lease when the lessor holds stock in the public corporation.

New material is underlined.

[Deleted material is in brackets.]

Section 1. Paragraphs (3) and (4) of subdivision (c) of section 52-04 of Title 35 of the Rules of the City of New York are amended to read as follows:

(c) *Powers and Duties with Respect to Rate-Setting*

(3) Not later than the end of April of every odd-numbered year, the Chairperson shall [prepare a report assessing] hold a public hearing to assess the adequacy of the current fares established under Section 58-26 of these Rules[. Such report may consider] and shall solicit written comment and testimony on all relevant facts including, the following:

- (i) The time and distance of travel;
- (ii) The character of the service provided;
- (iii) The gross revenues derived from operation;
- (iv) The net return derived from operation;
- (v) The expenses of operation including the income of drivers or operators;
- (vi) The return upon capital actually expended and the need to reserve some income for surplus and contingencies;
- (vii) The number of passengers transported;
- (viii) The effect of fares on the public and in relation to the fares for other forms of public transportation;
- (ix) The fares and practices with respect to similar services in other cities of the United States;
- (x) Changes in economic circumstances of drivers of Taxicabs since the previous adjustment in the rate of fare[.];
- (xi) The amount of revenue necessary to generate a fair and reasonable rate of return to a medallion owner.

[Such report shall contain a recommendation as to whether the rate of fare should be adjusted, and if so shall contain a recommendation as to the range of adjustment which would be appropriate in light of the foregoing factors and other factors deemed relevant. Such report must be published in the City Record.]

- (4) Not later than the end of April of every odd-numbered year, the Chairperson shall [prepare a report] hold a public hearing to assess[ing] the adequacy of the lease caps established under section 58-21 of these Rules[. Such report shall consider] and shall solicit written comment and testimony on all relevant facts, including the following:

- (i) The expenses of operation of medallion owners and their agents;
- (ii) The amount of revenue necessary to generate a fair and reasonable rate of return to a medallion owner;
- ~~[(ii)]~~ (iii) Practices with respect to similar services in other cities in the United States;
- ~~[(iii)]~~ (iv) Retention of experienced drivers;
- ~~[(iv)]~~ (v) Changes in economic circumstances of medallion owners since the previous adjustment in the lease caps;
- (vi) The economic condition of the taxi industry including such factors as the prevailing and projected (i) real estate taxes and sewer and water rates, (ii) gross operating maintenance costs (including insurance rates, governmental fees, cost of fuel and labor), (iii) costs and availability of financing (including effective rates of interest), (iv) over-all supply of drivers and passengers;
- (vii) Relevant data from the current and projected cost of living indices for the New York-northern New Jersey-Long Island area;
- (viii) Such other data as may be made available to it [including but not limited to cost of liability insurance for vehicles, cost of no-fault insurance, cost of fire insurance, cost of liability insurance for the facility, cost of garage equipment, cost of workers' compensation insurance for employees, cost of workers' compensation insurance for non-employee drivers mandated by state statute, cost of maintenance for garage equipment, cost of routine vehicle maintenance, cost of repairing damage to vehicles, cost of dispatchers, cost of managers, cost of mechanics, cost of accountants, cost of drivers to take vehicles to inspection, cost of office support staff, cost of rent, cost of electricity, cost of cleaning, cost of building fuel (gas or oil), cost of real estate taxes, cost of water and sewer taxes, costs of city permits such as for welding or paint shops or necessary facility renovation, costs of workers compensation insurance for employees, costs of social security contribution for employees, cost of taxes, including but not limited to Commercial Motor Vehicle Tax, cost of banking fees, cost of loan maintenance and payments, cost of loan origination fees, cost of telephone and internet access, cost of security, cost of IT including computer systems and internal networks, cost of maintaining computer equipment, cost of software and programming, cost of payments to medallion owners, legal services, accounting. services, towing fees, life and medical insurance for employees, cost of processing EZ-Pass® requirements, cost of processing credit card payments, cost of office supplies, cost of garage supplies, cost of parts, including oils, washer fluid and miscellaneous items needed by mechanics, cost of vehicles, and cost of settlements for driver accidents.

Such report shall contain a recommendation as to whether the lease caps should be adjusted, and if so shall contain a recommendation as to the range of adjustment which would be appropriate in light of the foregoing factors and other factors deemed relevant. Such report must be published in the City Record].

- (5) Not later than the end of July of every odd-numbered year, the Commission shall publicly state its intention whether to change, subject to applicable rulemaking requirements, fares and/or lease caps

based on, but not limited to, testimony and written comments received at public hearings held pursuant to paragraphs (3) and (4) of this subdivision.

Section 2. Section 58-21(a)(2) of Title 35 of the Rules of the City of New York is amended to read as follows:

(2) An Owner must not authorize or allow a lessee of a Taxicab under sections 58-21(c)(1) or 58-21(c)(2) of these Rules to sublease the Taxicab to another party.

Section 3. Sections 58-21(b)(1), (2) and (3) of Title 35 of the Rules of the City of New York are amended to read as follows:

(b) *Service and Maintenance of Leased Taxicab Vehicles.*

(1) Service and maintenance of a leased Taxicab (including the vehicle) under sections 58-21(c)(1) and (c)(2) is the responsibility of the Owner/lessor, and the cost of the service and maintenance of the Vehicle cannot be charged to the Driver/lessee.

(2) The lease of a Medallion-only under Section 58-21(c)(3) or a lease under Section 58-21(c)(4) does not include, and does not require, the Medallion Owner/lessor to provide service and maintenance of the vehicle.

(3) A Medallion-only lessor under Section 58-21(c)(3) or a lessor under Section 58-21(c)(4) must not require the lessee to obtain service and maintenance from any particular provider, including, but not limited to, the Medallion Owner or any agent of the Medallion Owner. A Medallion lessor or Agent who provides services or accommodations outside the lease to a leasing driver must keep records of all transactions with that driver and such records must be available for inspection by the Chairperson.

Section 4. Section 58-21(c)(1)(i) of Title 35 of the Rules of the City of New York is amended to read as follows

- (i) The Standard Lease Cap for a Medallion and vehicle for one shift will not exceed:
 - A. \$[115]105, for all 12-hour day shifts
 - B. \$[125]115, for the 12-hour night shift on Sunday, Monday and Tuesday
 - C. \$[130]120, for the 12-hour night shift on Wednesday
 - D. \$[139]129, for the 12-hour night shifts on Thursday, Friday and Saturday
 - E. \$[690] 630, for any one-week day shift for one week or longer
 - F. \$[797] 737, for any one week night shift for one week or longer.

Section 5. Section 58-21(c)(1)(ii) of Title 35 of the Rules of the City of New York is amended to read as follows:

(ii)Except for a driver who meets all of the following:

(A) the driver pays for the lease on a daily or shift basis and is not required to pay for more than one shift in advance;

(B) the driver is required to return the vehicle to the owner or operator's business premises or other mutually agreed upon location at the conclusion of each shift; and

(C) the driver is not required to pay for any shift for which he provides the owner or operator with timely notice that he will not lease the vehicle, so the owner can lease the vehicle to another daily shift driver, n[N]o driver leasing a medallion and vehicle under this paragraph 58-21(c)(1) can be charged more than a total of

A. \$[690] 630, for six or more day shifts in any seven consecutive day period

B. \$[797] 737, for six or more evening shifts or combination of day and evening shifts in any seven consecutive day period.

C. A Driver who meets all the requirements of (ii)(A)-(C) can be charged for seven shifts if the Driver leases seven shifts.

Section 6. Section 58-21(c)(1)(vi) of Title 35 of the Rules of the City of New York is amended to read as follows:

(vi) For a driver with a weekly lease under 58-21(c)(1)(i)(E) or 58-21(c)(1)(i)(F), the lease includes costs for collision and other damage coverage, including repairs of physical damage to the vehicle, except that it shall not be considered an overcharge prohibited under these Rules if the Owner of a Taxicab or his or her Agent and the driver agree in writing that the driver will make payments for damage to the vehicle caused by the driver's negligence and such agreement will remain in effect for only so long as the driver is leasing a medallion from the Owner or the Agent, provided that the lease contains language informing the driver that he or she will be responsible for physical damage to the vehicle caused by his or her negligence if such damage was in fact caused by the negligence of the driver. If the Owner receives compensation for damages to the vehicle incurred from an entity other than the driver, any amount previously paid by the driver as compensation for damages, must be refunded to the driver.

Section 7. Section 58-21(c)(2)(i) of Title 35 of the Rules of the City of New York is amended to read as follows:

(i) The Standard Lease Cap for Hybrid Electric Taxicabs and Diesel-Fueled Taxicabs that are hacked-up under §67-05 of these Rules [are] is raised by \$3 per shift (\$21 per week), so that the lease amount for one shift must not now exceed:

- A. \$[118]108, for all 12-hour day shifts
- B. \$[128]118, for the 12-hour night shift on Sunday, Monday and Tuesday
- C. \$[133] 123, for the 12-hour night shift on Wednesday
- D. \$[141] 132, for the 12-hour night shifts on Thursday, Friday and Saturday.
- E. \$[708] 648, for any one-week day shift for one week or longer
- F. \$[812] 755, for any one week night shift for one week or longer.

Section 8. Section 58-21(c)(2)(ii) of Title 35 of the Rules of the City of New York is amended to read as follows:

(ii)Except for a driver who meets all of the following:

(A) the driver pays for the lease on a daily or shift basis and is not required to pay for more than one shift in advance;

(B) the driver is required to return the vehicle to the owner or operator’s business premises or other mutually agreed upon location at the conclusion of each shift; and

(C) the driver is not required to pay for any shift for which he provides the owner or operator with timely notice that he will not lease the vehicle, so the owner can lease the vehicle to another daily shift driver, n[N]o driver leasing a medallion and vehicle under this paragraph 58-21(c)(2) can be charged more than a total of

A. \$[708] 648, for six or more day shifts in any seven consecutive day period

B. \$[812] 755, for six or more evening shifts or combination of day and evening shifts in any seven consecutive day period.

C.A Driver who meets all the requirements of (ii)(A)-(C) can be charged for seven shifts if the Driver leases seven shifts.

Section 9. Section 58-21(c)(2)(vi) of Title 35 of the Rules of the City of New York is amended to read as follows:

(vi) For a driver with a weekly lease under 58-21(c)(2)(i)(E) or 58-21(c)(2)(i)(F), the lease includes costs for collision and other damage coverage, including repairs of physical damage to the vehicle, except that it shall not be considered an overcharge prohibited under these Rules if the Owner of a Taxicab or his or her Agent and the driver agree in writing that the driver will make payments for

damage to the vehicle caused by the driver's negligence and such agreement will remain in effect for only so long as the driver is leasing a medallion from the Owner or the Agent, provided that the lease contains language informing the driver that he or she will be responsible for physical damage to the vehicle caused by his or her negligence if such damage was in fact caused by the negligence of the driver. If the Owner receives compensation for damages to the vehicle incurred from an entity other than the driver, any amount previously paid by the driver as compensation for damages, must be refunded to the driver.

Section 10. Sections 58-21(c)(3)(i) and (ii) of Title 35 of the Rules of the City of New York are amended to read as follows:

- (i) For a *Medallion-only* Hybrid Taxicab hacked up under §67-05 is [\$1114] \$994 weekly.
- (ii) For all other *Medallion-only* Taxicabs (including Accessible Taxicabs) is [1072] \$952 weekly.

Section 11. Section 58-21(c)(3)(iv) of Title 35 of the Rules of the City of New York is amended to read as follows:

(iv) A lease, and payment of the Lease Cap under this [section] paragraph includes (and all of the following must be provided to the lessee):

A. Use of the medallion;

B. All applicable TLC fees except for TLC vehicle inspection fees (but the lessor is not required to provide vehicle registration or payment of the Commercial Motor Vehicle Tax);

C. Insurance required by Section 58-13;

D. Credit card fees or charges;

E. Up to 3 drivers on a lease at the request of the drivers, which request cannot be unreasonably denied.

A lessor must not accept any [other] payment from a lessee for the purchase or lease of a vehicle. A Medallion lessor or Agent can agree with a driver to provide services or accommodations on an arms-length basis outside the lease. A Medallion lessor or Agent who provides services or accommodations outside the lease to a leasing driver must keep records of all transactions with that driver and such records must be available for inspection by the Chairperson. A Medallion lessor may not enter into a lease with any person or entity under this paragraph if such Medallion lessor holds more than 2% of shares in a publicly held corporation that sells, leases or finances vehicles and has accepted a payment from such person or entity related to the sale, lease or finance of the Vehicle of such person or entity.

Section 12. Section 58-21(c)(4)(i)C is amended to add new item 4 to read as follows:

4. For purposes of this paragraph, an individual, business entity or business entity person covered by subitems one through three of this item C who is leasing a Medallion to a lessee and who holds more than 2% of the shares in a publicly held corporation that sells, leases or finances vehicles and has accepted a payment from such lessee related to the sale, lease or finance of such lessee's vehicle is deemed to be a party to the vehicle financing arrangement. Accordingly, the total amount charged to the lessee for both the lease of the Medallion and for the sale, lease, or financing of the vehicle cannot exceed the amount of the Standard Lease Cap set forth in subparagraph (ii) of this paragraph.

Section 13. Sections 58-21(c)(4)(ii)A and B of Title 35 of the Rules of the City of New York are amended to read as follows:

A. [\$1,389] \$1,269 weekly if the vehicle complies with the requirements of Section 67-05 of these Rules; or

B. [\$1,347] \$1,227 weekly if the vehicle complies with the requirements of Sections 67-05.1 or 67-05.2 of these Rules.

Section 14. Section 58-21(c)(4)(v) of Title 35 of the Rules of the City of New York is amended to read as follows:

(v) A lease, and payment of the Lease Cap under this section includes (and the following must be provided to the lessee, except that items G and H are optional):

A. Use of the medallion;

B. All applicable TLC and NYS DMV fees except for TLC vehicle inspection fees;

C. Insurance required by Section 58-13;

D. Credit card fees or charges;

E. All Vehicle purchase and/or finance costs and vehicle sales tax and related costs;

F. Up to 3 drivers on a lease at the request of the drivers, which request cannot be unreasonably denied.

G. A Medallion lessor or Agent can offer coverage for collisions and physical damage to the vehicle to the lessee/purchasers in an amount not to exceed \$50 per week, but cannot require that the lessee/purchasers purchase such coverage.

i. The Medallion lessor or Agent can require that a deductible of up to \$250 per incident be met before covering or reimbursing costs identified in item G.

ii. For any incident for which a driver has paid a deductible amount authorized under this subsection, if the Medallion lessor or Agent of the taxicab which is the subject of the damages claim receives insurance claim proceeds, litigation proceeds or other proceeds to cover the cost of repair, the lessor must reimburse the driver for the amount previously remitted as a deductible.

H. A Medallion lessor or Agent can agree with a driver to provide services or accommodations on an arm's-length basis outside the lease. A Medallion lessor or Agent who provides services or accommodations outside the lease to a leasing driver must keep records of all transactions with that driver and such records must be available for inspection by the Chairperson or his or her designee.

Section 15. Subparagraph (vii) of Section 58-21(c)(4) of Title 35 of the Rules of the City of New York is renumbered subparagraph (vi), and subparagraph (viii) is amended to read as follows:

[(viii)] vii If the vehicle is unavailable for use for any reason that is not the lessee's responsibility during any part of any week, the lessee's payment of the Lease Cap must be prorated. As an example, a vehicle is not unavailable for purposes of this rule if the vehicle is undergoing required maintenance, undergoing repairs as a result of not being properly maintained, or required to appear for inspection at the TLC.

Section 16. The first unnumbered paragraph of Section 58-21(c)(5) of Title 35 of the Rules of the City of New York is amended to read as follows:

(5) *Limits on Additional Charges.* In addition to a lease amount no greater than the Standard Lease Cap (as adjusted), an Owner/lessor (as well as any agent or employee of the Owner/lessor) must not request of or accept from any lessee [(of a Taxicab or Medallion-only)] any money or other thing of value, except for the following (this means an Owner/lessor must not charge any tip, tax, surcharge or other fee of any kind above the Standard Lease Cap (as adjusted)[, except for the following]:

Section 17. Section 58-21(c)(5)(iv) of Title 35 of the Rules of the City of New York is amended to read as follows:

(iv) Late Charges

[A] A. For any vehicle leased pursuant 58-21(c)(1) or 58-21(c)(2), a late charge not to exceed \$25.00 [for any shift] per hour for the late return of a vehicle[;]. The total late charge for the late return of a vehicle from any one shift may not exceed the cost of one shift.

B. For any vehicle leased pursuant to 58-21(c)(3) or 58-21(c)(4) a late charge not to exceed \$50.00 for each weekly lease payment paid late. A late charge can be imposed only if the weekly lease payment is not received within 24 hours of the date and time on which it is due.

Section 18. Section 58-21(c)(5) of Title 35 of the Rules of the City of New York is amended by adding new subparagraphs (x) and (xi), to read as follows:

(x) If contained in the lease, a provision for the recovery of reasonable damages for a breach of the lease contract, including attorneys' fees and costs. Fines paid to the Commission by an Owner or Agent cannot be recovered from a driver as reasonable damages, except for

A.fines incurred as a result of a sublease prohibited by Rule 58-21(a)(2), or,

B for drivers leasing under 58-21(c)(3) or (c)(4), fines incurred as a result of unauthorized operation by a suspended or revoked driver, or

C. fines imposed on the owner for violation of Rule 58-29(b), provided that such fine was assessed because of the conduct of the driver and provided the owner is able to show that the driver had notice of the inspection date.

(xi) Credit Card Processing Surcharge for Leases entered into pursuant to 58-21(c)(1), 58-21(c)(2), 58-21(c)(3), or 58-21(c)(4) of these Rules:

A. For daily leases under 58-21(c)(1) and 58-21(c)(2), an Owner of a Taxicab can charge a \$10 surcharge per shift for credit card processing.

B. For weekly leases under 58-21(c)(1) and 58-21(c)(2), an Owner of a Taxicab can charge a \$60 surcharge per week for credit card processing.

C. For leases under 58-21(c)(3) and 58-21(c)(4), an Owner of a Taxicab can charge a \$120 surcharge per week for credit card processing.

D. Beginning on January 1, 2013, each June and December, the TLC will review the TPEP systems' data to determine average credit card usage per shift. The TLC will review only the data for shifts at least seven hours long. Payments made by credit card shall be the entire amount paid by the passenger, as determined from the T-PEP records reviewed. If, under this review, the amount of the average credit card usage per daily shift exceeds \$200, the TLC will propose and support:

a rule seeking an adjustment to the Credit Card Surcharge for daily leases under 58-21(c)(1), 58-21(c)(2), 58-21(c)(3) and 58-21(c)(4) so that it is equivalent to 5% of the average credit card usage per shift for the preceding four months, rounded to the nearest whole dollar;

a rule seeking a similar adjustment to the Credit Card Surcharge for weekly leases under 58-21(c)(1) and 58-21(c)(2) by multiplying the per shift surcharge by six; and

a rule seeking a similar adjustment to the Credit Card Surcharge for Medallion-only and Medallion and Vehicle leases under 58-21(c)(3) and 58-21(c)(4) by multiplying the shift rate surcharge by twelve.

For example, if the average credit card usage per shift, using the criteria set forth above, is \$200, the per shift surcharge shall be \$10 (\$60 per week, \$120 per week for a lease under 58-21(c)(3) and (4)). If the average credit card usage per shift is \$240, the per shift surcharge shall be \$12 (\$72 per week, \$144 per week for a lease under 58-21(c)(3) and (4)). E. Upon enactment of any rule that changes the Credit Card Surcharge, the TLC will issue an industry notice setting forth the new Credit Card Surcharge. F. Notwithstanding the results of the review(s) above, the TLC will not adjust, propose, or seek an adjustment to Credit Card Surcharges to any amount less than \$10 for any daily lease entered into pursuant to 58-21(c)(1), 58-21(c)(2), or less than \$60 for any weekly lease entered into pursuant to 58-21(c)(1), 58-21(c)(2), or less than \$120 for any lease entered into pursuant 58-21(c)(3) and 58-21(c)(4), irrespective of the average credit card usage per shift.

Section 19. Section 58-21(c)(6) of Title 35 of the Rules of the City of New York is amended to add new subdivision (viii) to read as follows:

(viii) Nothing in paragraph 58-21(c)(6) prohibits an Owner/lessor, or his or her Agent leasing a Taxicab under Section 58-21(c)(1) or 58-21(c)(2) from selling gasoline to a lessee independent of any lease payments made under 58-21(c)(1) or 58-21(c)(2) as long as such transactions are recorded and available for inspection as required by Section 58-21(b)(3) of this Chapter.

Section 20. The penalty for violation of Section 58-21(j) of Title 35 of the Rules of the City of New York is amended to read as follows:

§58-21(j)	Fine: [10,000] \$1,000 , plus restitution to the driver for losses <u>for the first offense and a fine of \$10,000 plus restitution to the driver for the second offense within five years.</u>	Appearance NOT REQUIRED
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Section 21. Subdivision (h) of section 58-26 of Title 35 of the Rules of the City of New York is amended by adding a new paragraph (3), to read as follows:

(3) An Owner or Agent who or which is collecting the credit card surcharge authorized by 58-21(c)(5)(xi) must ensure that a Driver is not charged any additional credit card charges, or must reimburse the driver for any such additional charges, including any credit card charges imposed on the driver by the T-PEP Provider.

<u>§58-26(h) (3)</u>	<u>Fine: \$500</u>	<u>Appearance NOT REQUIRED</u>
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Section 22. Section 58-32(i) of Title 35 of the Rules of the City of New York is amended to read as follows:

(i) *Marking Specifications for Taxicabs.*

INSCRIPTION*	LOCATION	SIZE
(a) Rate of fare decals (<u>Reserved</u>) [(required). (Non-detachable type only.)]	[Both rear doors centered left to right and located in the upper half of the flat surface between the bottom edge of the door and the door handle. The base line of the rate of fare and Taxicab logo decals must be parallel and the same distance to the bottom door edge.]	[The size of the approved rate of fare decals must be determined by the Commission.]
(b) Taxicab logo decals (required) (Non-detachable type only.)	Both front doors centered left to right and located in the upper half of the flat surface between the bottom edge of the door and the door handle. The base line of the [rate of fare and] Taxicab logo decal[s]must be parallel [and the same distance]to the bottom door edge.	The size of the Taxicab logo decals must be determined by the Commission
(c) Medallion number (required)	Front and rear of roof light.	2¾" to 3" high letters ½" thick.
(d) "OFF DUTY" (required)	Each end of roof light.	1¼" high letters ¼" thick.
(e) "Owner-Driver" (optional)	Rear of taxi.	3" maximum height
(f) EMBLEMS (Optional) (1) Fleet Owner (2) Owner Association (3) Taxicab Drivers' Union insignia (4) Taxicab manufacturer	On rear baggage compartment in lower right corner of deck lid. Consult the Commission if contour of lid requires another location on the lid.	2" high letters ¼" thick. Avoid overcrowding
(g) Medallion number, interior (required). Can be one-piece decal or a stencil. The number must be of a color contrasting with the seat, to provide for easy legibility.	On the back of the front seat. The top of the number must be located not more than two inches below the top of the front seat.	Numbers and letter must be 3" minimum in height.
(h) Passenger Information Sign. (required) Must contain the information required by the Chairman or his designee.	On the back of the front seat or on a safety partition, displayed in a manner that is clearly visible to the passengers in the back seat.	Approximately 12" wide by 6" high.

INSCRIPTION*	LOCATION	SIZE
	If the taxi is equipped with a safety partition, the passenger information sign can be placed on the partition behind the Driver's head, but no higher than a headrest would be.	
(i) "Drivers Wanted" sign. Can include the telephone number of the Owner. (Optional)	Rear of taxi.	No more than 24" wide by 3" high.
(j) "If this taxi is parked for over 24 hours, please call Owner at (telephone number)..." (Optional)	Rear of taxi or horizontal on dashboard.	No more than 24" wide by 3" high.
(k) Telephone available, or similar language or symbol (optional)	Exterior, on a door or a side window.	4" by 6", or smaller.
(l) Brand name of passenger information monitor manufacturer or Taxicab Technology Service Provider	On the bezel of the frame of the passenger information monitor	Not to exceed 11/4" in height and 4" in length
(m) "This vehicle is equipped with camera security. YOU WILL BE PHOTOGRAPHED." (Non-detachable decals only)	On rear passenger window	Letters must be at least one-half inch high.
(n) Medallion number decals (required). (Non-detachable decals only.)	<p>[Immediately before the checkerboard stripe decal so that the two decals appear to be one stripe.]</p> <p>The decals must be applied to both rear quarter panels, just below the rear windows or following the line created by the bottom edge of the windows[, such that the number and checkerboard are aligned and appear to be one stripe].</p> <p>On some vehicles, such as minivans, the Medallion number can be placed at the rear of the sliding door[, but must still align with the checkerboard stripe].</p>	The size of the Medallion number decals must be determined by the Commission.
(o) Checkerboard stripe decals (Reserved) [(required). (Non-detachable decals only.)]	<p>[Immediately behind the Medallion number decal so that the two decals appear to be one stripe.]</p> <p>The decals must be applied to both rear quarter panels, just below the rear windows or following the line created by the bottom edge of the windows, such that the number and checkerboard are aligned and appear to be one stripe.</p> <p>The tailing end of the checkerboard can be shortened, if necessary, on vehicles with short quarter panels.]</p>	[The size of the checkerboard stripe decals must be determined by the Commission.]
(p) "Drivers are not allowed to use cell phones or handheld electronics." Decal or sticker shall be issued by the Commission	Interior of passenger compartment in a location plainly visible to passengers	As issued by the Commission

*Detachable signs suspended from door frames are not permitted

Section 23. Section 63-14(f) of Title 35 of the Rules of the City of New York, relating to an Agent charging a credit card mark-up to a Driver, is repealed.

**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: Amendment of Leasecap Rules

REFERENCE NUMBER: TLC-44

RULEMAKING AGENCY: TLC

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 rule violations arise from completed events, the consequences of which are immediate, which makes a cure period impracticable under the circumstances.

/s/ Francisco Navarro
Mayor's Office of Operations

February 27, 2013
Date

**NEW YORK CITY LAW DEPARTMENT
100 CHURCH STREET
NEW YORK, NY 10007
212-788-1087**

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

RULE TITLE: Amendment of Leasecap Rules

REFERENCE NUMBER: 2013 RG 004

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: February 26, 2013