

## NEW YORK CITY TAXI AND LIMOUSINE COMMISSION

### **Notice of Public Hearing and Opportunity to Comment on Proposed Rules**

Notice is hereby given in accordance with section 1043(b) of the New York City Charter (“Charter”) that the Taxi and Limousine Commission (“TLC”) proposes amending the provisions of Chapter 2 of Title 35 of the Rules of the City of New York to add rules regarding bad checks and payments.

These rules are proposed pursuant to sections 1043 and 2303 of the Charter and section 19-503 of the Administrative Code of the City of New York. The proposed rules were included in the TLC’s regulatory agenda for Fiscal Year 2011.

A public hearing on these proposed rules will be held by the TLC at its offices at 40 Rector Street, 5<sup>th</sup> Floor, New York, New York 10006 on Thursday, December 16, 2010, at 10:00 a.m. Persons wishing to testify at the hearing may notify the TLC in advance, either in writing or by telephone to the TLC’s Office of Legal Affairs at the address and telephone given below. Any request for a sign language interpreter or other form of reasonable accommodation for a disability at the hearing must be submitted to the Office of Legal Affairs in writing or by telephone no later than December 9, 2010.

Written comments in connection with these proposed rules must be received no later than December 13, 2010. Comments may be submitted through the NYC Rules website at [www.nyc.gov/nycrules](http://www.nyc.gov/nycrules), or may be submitted to the Office of Legal Affairs at:

Charles R. Fraser  
*Deputy Commissioner for Legal Affairs/General Counsel*  
Taxi and Limousine Commission  
40 Rector Street, 5<sup>th</sup> Floor  
New York, New York 10006  
Telephone: 212-676-1135  
Fax: 212-676-1102  
Email: [tlcrules@tlc.nyc.gov](mailto:tlcrules@tlc.nyc.gov)

Written comments and a transcript of the hearing will be available for public inspection at that office.

New Material is underlined.

[Material inside brackets indicates deleted material.]

**Section 1.** It is proposed to amend Chapter 2 of Title 35 of the Rules of the City of New York by adding a new Subchapter D thereto, to read as follows:

**Subchapter D: Payments**

**§2-40 Form of Payment.**

(a) In general. A person or entity can make a payment to the Commission by money order, bank check, certified check, credit card, or corporate check.

(b) Exceptions.

(1) Fines. Payment of a fine must be made in the form of either:

(i) cash,

(ii) credit card,

(iii) certified check, or

(iv) United States Postal Service money order.

(2) Medallion Auctions and Transfers. Payment in connection with a Medallion auction or a Medallion transfer must be made in the form of either:

(i) money order

(ii) bank check,

(iii) certified check, or

(iv) check issued by a Taxicab Broker or Agent licensed by the Commission.

(3) FOIL/Copying fees. Payment of a copying fee in connection with a Freedom of Information Law request, or payment of a fee related to a subpoena must be made in the form of either:

(i) personal or corporate check,

(ii) money order,

(iii) bank check, or

(iv) certified check.

(4) Bond for seized vehicles. Payment which is the posting a bond to release a vehicle seized for possible unlicensed activity must be made in the form of either:

(i) cash,

(ii) bank check,

- (iii) certified check, or
- (iv) money order.

#### **§2-41 Returned Payment Fee.**

(a) A check or money order that is returned to the Commission unpaid, or that is declined or reversed by a bank or other institution will be considered a “bad payment.”

(b) A person or entity who makes a bad payment to the Commission must pay a fee of \$20 for each bad payment. The original payment remains due until both the payment and the \$20 fee are paid.

#### (c) Fines

(i) If a bad payment is made for a fine, the Chairperson will treat the fine as unpaid until both the fine and the \$20 fee are paid.

(ii) If the bad payment is made for a fine owed by a Licensee, the License will be suspended as if the payment had not been made.

(iii) The License suspension will remain in effect until both the fine and the \$20 fee are paid.

#### (d) License and Renewal License Applications.

(i) If a bad payment is made in connection with a License application or a renewal License application, the original payment will remain due until both the payment and the \$20 fee are paid.

(ii) The Commission will treat the application or renewal application as incomplete until both the payment and the \$20 fee are paid.

(iii) The Commission can deny any application or renewal application for which a bad payment is made after giving notice of the bad payment to the Applicant. The Commission can give the Applicant a deadline to pay the original payment plus the \$20 fee before denying the Application.

(iv) If the Commission issues a License before it learns of a bad payment, the Commission can give notice to the Licensee to pay the original payment and the \$20 fee within 15 days. The License will terminate automatically unless the Licensee pays both the original payment and the \$20 bad payment fee within the 15 day period.

**§2-42 Bad Payments.**

(a) The Chairperson can send a notice to any person or entity who submits a bad payment at any time. For the period of time specified in the notice, the person or entity must make payment only in the form(s) specified in the notice. During the period covered in the notice, the Commission can return any payment made in any other form and treat the payment as unmade.

**Section 2.** It is proposed to amend Section 15-07(a)(1) of Title 35 of the Rules of the City of New York to read as follows:

(a) *Closing Deadlines.*

(i) Deposit twenty-five thousand dollars (\$25,000) in a [certified check] form of payment acceptable under § 2-41(b)(2) of these Rules for each Medallion covered by the winning bid; and

## **Statement of Basis and Purpose**

These rules implement Executive Order 45 of 2004 which authorizes City agencies to collect a \$20 fee for a bad check or money order. These rules also permit the Taxi and Limousine Commission (TLC) to give notice to payors who submit bad payments specifying acceptable forms of payment from those payors over such period of time as the TLC deems appropriate. These rules are intended to formalize bad check procedures, permit the collection of bad check fees, and permit the TLC to take action against repeat check bouncers.

In addition, these rules specify what forms of payment will be accepted by the TLC. The TLC will accept money orders, certified or bank checks, corporate checks and, for fines only, cash. These rules are intended to formalize TLC payment procedures and to clarify the forms of payment that will be accepted by the TLC for particular types of transactions. Finally, these rules modify rules pertaining to medallion auctions to provide that the second deposit may be made by money order, bank check, certified check, broker's check, or agent's check, and not just in the form of certified check. This rule amends the version of the Commission's rules that becomes effective April 1, 2011.