

NEW YORK CITY TAXI & LIMOUSINE COMMISSION

Updated Notice of Public Hearing on Proposed Rules

The public hearing on the New York City Taxi and Limousine Commission's proposed amendment to its rules relating to the issuance of grants under the Medallion Relief Program, noticed in the City Record on August 29, 2022, previously scheduled for 10:00 am on September 28, 2022, **will now be held at 9:30 am on September 28, 2022.**

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 ("TLC") is proposing to amend its rules relating to the issuance of grants under the Medallion Relief Program.

When and where is the Hearing? TLC will hold a public hearing on the proposed rule. The public hearing will take place at 10:00 am on September 28, 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 September 26, 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:

- **Website.** You can submit comments to the Taxi and Limousine Commission through the NYC rules website at www.nyc.gov/nycrules.
- **Email.** You can email comments to tlcrules@tlc.nyc.gov.
- **Mail.** You can mail comments to the Taxi and Limousine Commission, Office of Legal Affairs, 33 Beaver Street – 22nd Floor, New York, NY 10004.
- **Fax.** You can fax comments to the TLC at 212-676-1102.
- **By speaking at the hearing.** To sign up to speak and provide testimony, you must e-mail the TLC at tlcrules@tlc.nyc.gov or call 212-676-1135 by 5:00 p.m. on September 26, 2022. Speakers will not be able to sign up to testify the day of the hearing. Those who did not sign-up in advance to testify are welcome to view the live-stream of the meeting on TLC's website

Is there a deadline to submit written comments? Yes, you must submit written comments by September 28, 2022.

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 September 26, 2022. This location has the following accessibility option(s) available: Simultaneous transcription for people who are deaf or hard of hearing and audio only access.

Can I review the comments made on the proposed rules? You can review the comments made online on the proposed rules by going to the website at www.nyc.gov/nycrules. A few days after the hearing, copies of all comments submitted online, copies of all written comments, and a summary of oral comments concerning the proposed rule 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 New York City Administrative Code authorize the Commission to make this proposed rule. This proposed rule was not included in TLC's regulatory agenda for fiscal year 2023 because 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? TLC 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 of the City Charter.

Statement of Basis and Purpose

On March 17, 2022 the Commission adopted rules establishing the eligibility criteria for applying for a supplemental loan deficiency guaranty through the Medallion Relief Program ("MRP"). The goal of the MRP is to support the recovery of the yellow taxicab industry in New York City by helping medallion owners restructure their outstanding debt to more sustainable levels on more favorable terms.

These proposed rules increase the number of loans eligible for a supplemental loan deficiency guaranty by adjusting the application criteria to include loans that have been restructured so that the fixed interest rate is 7.3 percent or less and fully amortized over 25 years, and the remaining principal balance is \$170,000 or less.

The proposed rules would also prevent a medallion owner who defaults on the loan guaranty from acquiring another medallion for a period of five years. The Commission wants to

discourage owners from deliberating taking advantage of the MRP by defaulting on a loan and then purchasing a new medallion when it is advantageous to the buyer to do so.

The Commission's authority to promulgate this rule is found in sections 2303 and 2304 of the New York City Charter and section 19-503 of the New York City Administrative Code. The rules that the Commission is seeking to amend are contained within Chapters 58 and 82 of Title 35 of the Rules of the City of New York.

New material is underlined.

[Deleted material is in brackets.]

Section 1. Subdivision (e) of section 58-51 of Title 35 of the Rules of the City of New York is amended to read as follows:

- (e) *Supplemental Loan Deficiency Guaranty Eligibility Criteria:* To be eligible for Supplemental Loan Deficiency Guaranty, an Applicant must satisfy the following criteria:
- (1) Applicant must be [the recipient of or be] eligible to receive a Grant provided in accordance with subdivision (b) of this section, meeting the criteria established in paragraphs (1) through (5) of that subdivision; and
 - (2) Applicant's Application must contain a Loan Restructure that meets the following minimum standards:
 - (i) Remaining principal balance of \$170,000 or less,
 - (ii) A fixed interest rate of [5%] 7.3% or less,
 - (iii) Fully amortized over [20] 25 years, and
 - (iv) Does not contain balloon payments, personal guaranties, or guaranties other than the Supplemental Loan Deficiency Guaranty.
 - (3) Any recipient of a Supplemental Loan Deficiency Guaranty who fails to make payments in accordance with the Loan Restructure will be prohibited from acquiring an interest in a medallion for a period of five years from the date of default.

Section 2. Section 58-04 of Title 35 of the Rules of the City of New York is amended by adding new subdivision (j), to read as follows:

- (j) An Applicant who, as an individual or as a Business Entity failed to make payments in accordance with a Loan Restructure under Rule 58-51, Medallion Relief Program, may not acquire an interest in a taxicab license for a period of five years from the date of default.

**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: Amendment of Rules Relating to Medallion Relief Program

REFERENCE NUMBER: 2022 RG 070

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
Senior Counsel

Date: August 19, 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: Amendment of Rules Relating to Medallion Relief Program

REFERENCE NUMBER: TLC-129

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

August 20, 2022
Date