

# 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 considering changing its rules to specify certain information required to be listed on vehicle insurance policies.

**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, June 19, 2014. The hearing will be in the Commission hearing room at 33 Beaver Street, 19<sup>th</sup> Floor, New York, NY 10004.

**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 – 22<sup>nd</sup> Floor, New York, New York 10004.
- **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](mailto: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](http://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 June 19, 2014 at 10:00 a.m. You can speak for up to three minutes.

**Is there a deadline to submit written comments?** Yes, you must submit written comments by June 12, 2014.

**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, June 12, 2014.

**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 at 33 Beaver Street, 22<sup>nd</sup> Floor, New York, NY 10004.

**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 because the need for the proposed rule was not anticipated.

**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**

This proposed rule amends the Taxi and Limousine Commission’s insurance requirements to specify that vehicle insurance policies must include on their declaration pages the level of insurance provided for personal injury protection and for bodily injury or death. These changes

are being made because sometimes insurers are unclear about the level of coverage they are providing to meet the requirements of the Taxi and Limousine Commission. When this happens, Commission staff must conduct a detailed analysis to determine if coverage is being provided at the required levels. In certain instances, various insurers, using identical policy forms, have provided conflicting information about the amount of coverage provided by their policies. In addition, the Commission will no longer accept policies that do not state clearly on their declaration pages the levels of coverage that are being provided as required.

Specifically, the proposed rule requires the declaration page to include:

- The level of insurance provided for personal injury protection
- The level of insurance provided for bodily injury or death
- The name of the registered vehicle owner (that must be the Licensee) as named insured
- Effective dates of coverage and ending dates of coverage that coincide with the ending date of coverage listed on the certificate of insurance
- A policy number that is the same policy number on the certificate of insurance
- If a Schedule of Vehicle Identification for more than one vehicle is provided, the name of the insured must be the same as the name of the insured on the certificate of insurance

This proposed rule also amends the Taxi and Limousine Commission's insurance requirements by requiring that:

- The insurer must be authorized to write automobile insurance in New York State by the NYS Department of Financial Services
- The policy holder's declaration must be signed by an authorized underwriter acknowledging the conditions of the insuring agreement, including coverage limitations
- Each Schedule of Vehicles must list the vehicle identification number for each vehicle insured and must contain a symbol describing the type of insurance provided for each vehicle
- If the registered vehicle owner is submitting a policy for more than one vehicle and a Schedule of Vehicle Identification Number(s) is provided, it will be accepted only if the same name of the insured is both on the certificate of insurance and on the declaration page, and the declaration page and the certificate of insurance have the same policy number

The Commission's authority for this rules change is found in section 2303 of the New York City Charter and section 19-503 of the New York City Administrative Code.

New material is underlined.

[Material inside brackets indicates deleted material.]

Section 1. Section 58-13(d)(1) of Title 35 of the Rules of the City of New York is amended by adding new subparagraphs (iii) and (iv), to read as follows:

(iii) The amounts of coverage required by subparagraphs (i) and (ii) of this paragraph must be clearly indicated on the insurance policy's declaration page. Only policies that have Combined Single Limits (CSL) for liability coverage, and meet the requirements of subparagraphs (i) and (ii) are exempt. The Chairperson will reject any policy if the required coverage limits are not listed on the declaration page. The Chairperson can request a full copy of the policy at any time.

(iv) For all policies and proof of insurance submitted, all of the following apply:

A. The certificate of insurance (no Acord documents will be accepted) and declaration page issued by the insurance company must list the registered vehicle owner as the named insured and that person or entity must be the Licensee.

B. The insurer must be authorized to write automobile insurance in New York State by the NYS Department of Financial Services.

C. The declaration page must clearly state the effective dates of coverage. The ending dates must coincide with the ending date of coverage listed on the certificate of insurance.

D. If the registered vehicle owner is submitting a policy for more than one vehicle and a Schedule of Vehicle Identification Number(s) is provided, it will only be accepted if:

i) the name of the insured is on the certificate of insurance, and

ii) the name of the insured is on the declaration page and the declaration page has the same policy number.

E. Each Schedule of Vehicles must list the vehicle identification number for each vehicle insured and must contain a symbol describing the type of insurance provided for each vehicle.

F. All declaration pages issued by the insurance company must indicate the policy number and the policy number must be the same policy number on the certificate of insurance.

G. The declaration of the policy holder must be signed by an authorized underwriter acknowledging the conditions of the insuring agreement along with the coverage limitations.

F. The Chairperson will reject any policy that includes exclusionary language limiting coverage or liability in a way that is inconsistent with the requirements of these Rules.

Section 2. Section 59A-12(c) (1) of Title 35 of the rules of the City of New York is amended by adding a new subparagraph (iii), to read as follows:

(iii) The amounts of coverage required by subparagraphs (i) and (ii) of this paragraph must be clearly indicated on the insurance policy's declaration page. Only policies that have Combined Single Limits (CSL) for liability coverage, and meet the requirements of subparagraphs (i) and (ii) are exempt. The Chairperson will reject any policy if the required coverage limits are not listed on the declaration page. The Chairperson can request a full copy of the policy at any time.

Section 3. Section 59A-12(c)(2) of Title 35 of the rules of the City of New York is amended by adding a new subparagraph (iii), to read as follows:

(iii) The amounts of coverage required by subparagraphs (i) and (ii) of this paragraph must be clearly indicated on the insurance policy's declaration page. Only policies that have Combined Single Limits (CSL) for liability coverage, and meet the requirements of subparagraphs (i) and (ii) are exempt. The Chairperson will reject any policy if the required coverage limits are not listed on the declaration page. The Chairperson can request a full copy of the policy at any time.

Section 4. Section 59A-12(c)(3) of Title 35 of the rules of the City of New York is amended by adding a new subparagraph (iv), to read as follows:

(iv) The amounts of coverage required by subparagraphs (i) , (ii) and (iii) of this paragraph must be clearly indicated on the insurance policy's declaration page. Only policies that have Combined Single Limits (CSL) for liability coverage, and meet the requirements of subparagraphs (i), (ii) and (iii) are exempt. The Chairperson will reject any policy if the required coverage limits are not listed on the declaration page. The Chairperson can request a full copy of the policy at any time.

Section 5. Section 59A-12(c)(4) of Title 35 of the rules of the City of New York is amended by adding a new subparagraph (iii), to read as follows:

(iii) The amounts of coverage required by subparagraphs (i) and (ii) of this paragraph must be clearly indicated on the insurance policy's declaration page. Only policies that have Combined Single Limits (CSL) for liability coverage, and meet the requirements of subparagraphs (i) and (ii) are exempt. The Chairperson will reject any policy if the required coverage limits are not listed on the declaration page. The Chairperson can request a full copy of the policy at any time.

Section 6. Section 59A-12(c) of Title 35 of the Rules of the City of New York is amended by adding new paragraphs (5) through (7), to read as follows:

(5) No "umbrella" or "excess" type policies will be accepted.

(6) For vehicles owned by the Base for which insurance is provided by the Base for multiple vehicles, that policy must meet all of the following:

(i) have the same policy number that is listed on the certificate of insurance;

(ii) list each vehicle covered on the Schedule of Vehicle Identification Number (VIN) form; and

(iii) indicate that coverage will be provided at all times.

(iv) The Chairperson will reject any policy not meeting these requirements.

(7) For all policies and proof of insurance submitted, all of the following apply:

(i) The certificate of insurance (no Acord documents will be accepted) and declaration page issued by the insurance company must list the registered vehicle owner as the named insured and that person or entity must be the Licensee.

(ii) The insurer must be authorized to write automobile insurance in New York State by the NYS Department of Financial Services.

(iii) The declaration page must clearly state the effective dates of coverage. The ending dates must coincide with the ending date of coverage listed on the certificate of insurance.

(iv) Each vehicle insured must be listed either by endorsement or on the Schedule of Vehicles forming part of the policy.

(v) Each Schedule of Vehicles must list the vehicle identification number for each vehicle insured and must contain a symbol describing the type of insurance provided for each vehicle.

(vi) All declaration pages issued by the insurance company must indicate the policy number and the policy number must be the same policy number on the certificate of insurance.

(vii) The declaration of the policy holder must be signed by an authorized underwriter acknowledging the conditions of the insuring agreement along with the coverage limitations.

(viii) The Chairperson will reject any policy that includes exclusionary language limiting coverage or liability in a way that is inconsistent with the requirements of these Rules.

Section 7. Section 61A-11(b) of Title 35 of the rules of the City of New York is amended to read as follows:

*(b) Surety Bond or Policy of Insurance.* (1) No Commuter-Van Vehicle can be used in the operation of a Commuter-Van Service unless it is covered by a surety bond or a policy of insurance approved as to form by the Commission and issued by a solvent and responsible company authorized to do business in this State by the Superintendent of Insurance. Coverage must be in at least the following amounts:

Type of Liability	Minimum Coverage Required	
	Commuter-Van for 12 Passengers Or Fewer	Commuter-Van for 13-20 Passengers
• For personal injury or death to one person	\$100,000	\$100,000
• For personal injury or death to one person in one accident <ul style="list-style-type: none"><li>▪ Maximum for each person in one accident</li></ul>	\$300,000 \$100,000	\$500,000 \$100,000
• For property damage	\$50,000	\$50,000

(2) The amounts of coverage required by paragraph (1) of this subdivision must be clearly indicated on the insurance policy's declaration page. Only policies that have Combined Single Limits (CSL) for liability coverage, and meet all of the requirements in the table above are exempt. The Chairperson will reject any policy if the required coverage limits are not listed on the declaration page. The Chairperson can request a full copy of the policy at any time.

(3) In addition, for all policies and proof of insurance submitted, all of the following apply:

(i) No "umbrella" or "excess" type policies will be accepted.

(ii) For vehicles owned by the Base for which insurance is provided by the Base for multiple vehicles, that policy must meet all of the following:

- A. have the same policy number that is listed on the certificate of insurance;
- B. list each vehicle covered on the Schedule of Vehicle Identification Number (VIN) form; and
- C. indicate that coverage will be provided at all times.
- D. The Chairperson will reject any policy not meeting these requirements.

(4) In addition, for all policies and proof of insurance submitted, all of the following apply:

(i) The certificate of insurance (no Acord documents will be accepted) and declaration page issued by the insurance company must list the registered vehicle owner as the named insured and that person or entity must be the Licensee.

(ii) The insurer must be authorized to write automobile insurance in New York State by the NYS Department of Financial Services.

(iii) The declaration page must clearly state the effective dates of coverage. The ending dates must coincide with the ending date of coverage listed on the certificate of insurance.

(iv) Each vehicle insured must be listed either by endorsement or on the Schedule of Vehicles forming part of the policy.

(v) Each Schedule of Vehicles must list the vehicle identification number for each vehicle insured and must contain a symbol describing the type of insurance provided for each vehicle.

(vi) All declaration pages issued by the insurance company must indicate the policy number and the policy number must be the same policy number on the certificate of insurance.

(vii) The declaration of the policy holder must be signed by an authorized underwriter acknowledging the conditions of the insuring agreement along with the coverage limitations.

(viii) The Chairperson will reject any policy that includes exclusionary language limiting coverage or liability in a way that is inconsistent with the requirements of these Rules.

Section 8. Section 82-14(d)(1) of Title 35 of the Rules of the City of New York is amended by adding a new subparagraph (iii), to read as follows:

(iii) The amounts of coverage required by subparagraphs (i) and (ii) of this paragraph must be clearly indicated on the insurance policy's declaration page. Only policies that have Combined Single Limits (CSL) for liability coverage, and meet the requirements of subparagraphs (i) and (ii) are exempt. The Chairperson will reject any policy if the required coverage limits are not listed on the declaration page. The Chairperson can request a full copy of the policy at any time.

Section 9. Section 82-14(d)(2) of Title 35 of the Rules of the City of New York is amended by adding a new subdivision (iii), to read as follows:

(iii) The amounts of coverage required by subparagraphs (i) and (ii) of this paragraph must be clearly indicated on the insurance policy's declaration page. Only policies that have Combined Single Limits (CSL) for liability coverage, and meet the requirements of subparagraphs (i) and (ii) are exempt. The Chairperson will reject any policy if the required coverage limits are not listed on the declaration page. The Chairperson can request a full copy of the policy at any time.

Section 10. Section 82-14(d)(3) of Title 35 of the Rules of the City of New York is amended by adding a new subdivision (iii), to read as follows:

(iii) The amounts of coverage required by subparagraphs (i) and (ii) of this paragraph must be clearly indicated on the insurance policy's declaration page. Only policies that have Combined Single Limits (CSL) for liability coverage, and meet the requirements of subparagraphs (i) and (ii) are exempt. The Chairperson will reject any policy if the required coverage limits are not listed on the declaration page. The Chairperson can request a full copy of the policy at any time.

Section 11. Section 82-14(d) of Title 35 of the Rules of the City of New York is amended by adding new paragraphs (4) through (6), to read as follows:

(4) No "umbrella" or "excess" type policies will be accepted.

(5) For vehicles owned by the Base for which insurance is provided by the Base for multiple vehicles, that policy must meet all of the following:

(i) have the same policy number that is listed on the certificate of insurance;

(ii) list each vehicle covered on the Schedule of Vehicle Identification Number (VIN) form; and

(iii) indicate that coverage will be provided at all times.

(iv) The Chairperson will reject any policy not meeting these requirements.

(6) In addition, for all policies and proof of insurance submitted, all of the following apply:

(i) The certificate of insurance (no Acord documents will be accepted) and declaration page issued by the insurance company must list the registered vehicle owner as the named insured and that person or entity must be the Licensee.

(ii) The insurer must be authorized to write automobile insurance in New York State by the NYS Department of Financial Services.

(iii) The declaration page must clearly state the effective dates of coverage. The ending dates must coincide with the ending date of coverage listed on the certificate of insurance.

(iv) Each vehicle insured must be listed either by endorsement or on the Schedule of Vehicles forming part of the policy.

(v) Each Schedule of Vehicles must list the vehicle identification number for each vehicle insured and must contain a symbol describing the type of insurance provided for each vehicle.

(vi) All declaration pages issued by the insurance company must indicate the policy number and the policy number must be the same policy number on the certificate of insurance.

(vii) The declaration of the policy holder must be signed by an authorized underwriter acknowledging the conditions of the insuring agreement along with the coverage limitations.

(viii) The Chairperson will reject any policy that includes exclusionary language limiting coverage or liability in a way that is inconsistent with the requirements of these Rules.



NEW YORK CITY MAYOR'S OFFICE OF OPERATIONS  
253 BROADWAY, 10<sup>th</sup> FLOOR  
NEW YORK, NY 10007  
212-788-1400

CERTIFICATION / ANALYSIS  
PURSUANT TO CHARTER SECTION 1043(d)

**RULE TITLE: Amendment of Rules Governing Vehicle Insurance Policies**

**REFERENCE NUMBER: TLC-64**

**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 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

May 6, 2014  
Date

NEW YORK CITY LAW DEPARTMENT  
100 CHURCH STREET  
NEW YORK, NY 10007  
212-356-4028

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

**RULE TITLE: Amendment of Rules Governing Vehicle Insurance Policies**

**REFERENCE NUMBER: 2014 RG 028**

**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: May 6, 2014