

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 amending its rules to establish a new license class for High-Volume For-Hire Services.

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 November 28, 2018. The hearing will be in the hearing room at 33 Beaver Street – 19th Floor, New York, NY 10004.

The hearing room is wheelchair accessible and CART will be provided in the meeting room.

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 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.
- **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. You can speak for up to three minutes.

Is there a deadline to submit written comments? Yes, you must submit written comments by November 28, 2018.

What if I 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. Advance notice is requested to allow sufficient time to arrange the accommodation. Please tell us by November 23, 2018.

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 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 laws 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 RULES

On August 14, 2018 Mayor de Blasio signed Local Law 149 of 2018, which creates a separate licensing category for for-hire transportation services that dispatch more than 10,000 trips per day, referred to in the legislation as High-Volume For-Hire Services (HVFHS). This new licensing class would be in addition to existing Taxi and Limousine Commission (TLC) license classes. These proposed rules establish the criteria for obtaining a HVFHS License, which any High-Volume For-Hire Service must obtain in order to dispatch trips in New York City.

Specifically, to obtain and HVFHS license, applicants must:

- submit a list of bases through which the HVFHS will dispatch trips
- pay a biennial licensing fee
- submit a business plan, addressing the HVFHS's past and anticipated vehicle count, trip volume, service areas, and compliance with the TLC's accessibility requirements
- assess the impact of the HVFHS on traffic congestion, local transportation, and noise
- provide a description of all deductions it proposes to charge for-hire vehicle owners or drivers as well as estimates of gross hourly earnings of drivers, and
- provide detailed trip and revenue data on an ongoing basis.

TLC's authority for these rules is found in section 2303 of the New York City Charter and sections 19-503 and 19-548 of the New York City Administrative Code.

New material is underlined.

[Deleted material is in brackets.]

Section 1. Section 51-03 of Title 35 of the Rules of the City of New York is amended to add new definitions of "High-Volume For-Hire Service," "Initial High-Volume For-Hire Service Issuance Period," and "Passenger-Facing Booking Tool", in alphabetical order, to read as follows:

High-Volume For-Hire Service is a Commission-licensed business that facilitates or otherwise connects passengers to for-hire vehicles by prearrangement, including through one or more licensed For-Hire Vehicle Bases, using a passenger-facing booking tool, and that dispatches or facilitates the dispatching of ten-thousand (10,000) or more trips in the City per day. Any and all bases using a common brand, trade, business or operating name will be considered together for purposes of identifying a High-Volume For-Hire Service.

Initial High-Volume For-Hire Service Issuance Period is the three month period beginning on a date posted on the Commission's website during which a Base, or collection of Bases operating under the same brand, trade, business, or operating name, that connects passengers to For-Hire Vehicles by prearrangement and dispatches or facilitates the dispatching of ten thousand or more trips in the City per day using a passenger-facing booking tool must apply for a High-Volume For-Hire Service License under subchapter 59D of chapter 59 of these rules or be listed as a Base through which a High-Volume For-Hire Service dispatches trips on an application for a High-Volume For-Hire Service License.

Passenger-Facing Booking Tool is an application on a smartphone or other electronic device that allows communication between a Passenger and a For-Hire Base or High-Volume For-Hire Service. Such communication includes but is not limited to allowing a Passenger to request, book, or pay for a trip.

Section 2. Chapter 59 of Title 35 of the Rules of the City of New York is amended by adding a new subchapter 59D, “High-Volume For-Hire Services”, to read as follows:

SUBCHAPTER 59D

HIGH-VOLUME FOR-HIRE SERVICES

§59D-01 Scope of this Sub-chapter

- (a) To establish the procedures, rules and regulations for obtaining and maintaining a High-Volume For-Hire Service License.
- (b) To provide penalties for violation of the rules and requirements for maintaining a High-Volume For-Hire Service License.

§59D-02 Penalties

- (a) Unlicensed Activity.
 - (1) Unlicensed Activity is the act of providing or advertising the provision of any Commission-regulated for hire transportation service by:
 - (i) Any Licensee whose License is suspended, revoked, or expired and not yet renewed (except as provided in this Sub-chapter), or
 - (ii) Any person who does not hold a License or Authorization from the Commission;
 - (2) Unlicensed Activity specifically includes the activities listed in §19-506, §19-528, and §19-548 of the Administrative Code.
- (b) Specific Penalties. If there are specific penalties for violating a Rule, they are shown at the end of the Rule. The penalty section also states whether the violator must attend the Hearing.
- (c) Payment of Fines.
 - (1) Fines are due within 30 days of the day the Respondent is found guilty of the violation, unless:

- (i) the Respondent files an appeal of the decision issued by the Taxi and Limousine Tribunal within the time required by Chapter 5 of Title 48 of the Rules of the City of New York, in which case the payment of the fines will be deferred until 30 days after the date of the appeal decision.
- (2) If the fine is not paid by the close of business on the date due, the Commission will notify the Respondent in writing that the Respondent's License will be suspended in 10 business days of the date of the notification until the fine is paid, unless the Respondent demonstrates to the Commission, in person or in writing, that the fine has been paid.

§59D-03 Definitions Specific to this Sub-chapter

- (a) Applicant in this Sub-chapter means an Applicant for an original or renewal High-Volume For-Hire Service License.
- (b) Driver in this Sub-chapter means a For-Hire Driver.
- (c) For-Hire Driver in this Sub-chapter means a Driver of a For-Hire Vehicle.
- (d) High-Volume For-Hire Service is a Commission-licensed business that facilitates or otherwise connects passengers to for-hire vehicles by prearrangement, including through one or more licensed For-Hire Vehicle Bases, using a passenger-facing booking tool, and that dispatches or facilitates the dispatching of ten-thousand (10,000) or more trips in the City per day. Any and all bases using a common brand, trade, business or operating name will be considered together for purposes of identifying a High-Volume For-Hire Service.
- (e) Initial High-Volume For-Hire Service Issuance Period is the three month period beginning on a date posted on the Commission's website during which a Base, or collection of Bases operating under the same brand, trade, business, or operating name, that connects Passengers to For-Hire Vehicles by prearrangement and dispatches or facilitates the dispatching of ten thousand or more trips per day in the City using a passenger-facing booking tool must apply for a High-Volume For-Hire Service License under this subchapter or be listed as a Base through which a High-Volume For-Hire Service dispatches trips on an application for a High-Volume For-Hire Service License.
- (f) License in this Sub-Chapter means a High-Volume For-Hire Service License.
- (g) Owner in this Sub-chapter refers to a High-Volume For-Hire Service Owner. An Owner can be a Business Entity or a person.
- (h) Passenger-Facing Booking Tool is an application on a smartphone or other electronic device that allows communication between a Passenger and a For-Hire Base or High-Volume For-Hire Service. Such communication includes but is not limited to allowing a Passenger to request, book, or pay for a trip.

(i) Respondent means an individual or Business Entity who has been noticed and charged with a violation of one or more of these Rules or the Administrative Code, or with being unfit to hold a License.

(j) Vehicle in this Sub-chapter refers to a For-Hire Vehicle.

§59D-04 Licensing – General Requirements

(a) **Reserved. Identification.**

(b) **Reserved. Age.**

(c) Fingerprinting to Verify Good Moral Character.

(1) Initial Applicants. An individual or all Limited Business Entity Persons of a Business Entity applying for a High-Volume For-Hire Service License must be fingerprinted for the purpose of obtaining criminal history records.

(2) Review of Criminal History. The criminal history must be reviewed in a manner consistent with Article 23-A of the New York State Correction Law.

(3) Additions or Changes to Applicant. Before or within five days after any change or addition to the Limited Business Entity Persons of a Licensee which is a Business Entity Licensee:

(i) The Licensee must file an application with the Commission for approval of the change or addition on forms that are prescribed by the Commission.

(ii) The new Limited Business Entity Person(s) must be fingerprinted as required by this subdivision.

(4) The Applicant or Licensee must pay any processing fee required.

(d) **Reserved. Designate Drivers as Agents to Receive Service.**

(e) Payment of Fines and Fees.

(1) An Applicant, including an applicant for a renewal License, must pay, and provide proof of payment of, any outstanding fines or fees owed by the Applicant to

(i) the Commission,

(ii) NYC Department of Finance's Parking Violations Bureau,

(iii) NYC Department of Finance's Red Light Camera Unit,

- (iv) NYS DMV's Traffic Violations Bureau and
- (v) any of their successor agencies.
- (2) This requirement includes payment of fines and fees owed as of the date of the application by
 - (i) any Business Entity Persons of the Applicant
 - (ii) any Business Entity of which the Applicant is a Business Entity Person, and
 - (iii) any Business Entity other than the Applicant of which a Business Entity Person of the Applicant is also a Business Entity Person.
- (3) An Applicant, including an Applicant for a renewal License, must pay any fines related to its failure to surrender a previously revoked License (of any type), unless the Applicant can demonstrate in person or in writing that the License has been surrendered.
- (f) Business Entities. An Applicant which is a Business Entity must provide the following documents:
 - (1) Partnerships. If the Applicant is a partnership, it must file with its application a certified copy of the partnership certificate from the clerk of the county where the partnership's principal place of business is located.
 - (2) Corporations. If the Applicant is a corporation, it must file with its application:
 - (i) A certified copy of its certificate of incorporation
 - (ii) A list of officers and shareholders
 - (iii) A certified copy of the minutes of the meeting at which the current officers were elected.
 - (3) Limited Liability Companies (LLCs) If the Applicant is a limited liability company, it must file with its application:
 - (i) A copy of its articles of organization
 - (ii) A copy of its operating agreement
 - (iii) A list of the members, with the percentages of the Applicant owned by each.

- (g) Address. An Applicant must give the Commission the Applicant's current Mailing Address and Email Address.
- (h) Fit to Hold License. An Applicant (including the individual, Business Entity or any Limited Business Entity Persons) must demonstrate that it is Fit to Hold a License.

§59D-05 Licensing – Special Requirements

- (a) List of Bases. An Applicant for a High-Volume For-Hire Service License must submit a list of Bases through which it will dispatch trips. For Renewal Applicants and Applicants that apply during the Initial High-Volume For-Hire Service Issuance Period, the Applicant must submit a list of the Bases through which it dispatched trips during the two years preceding the date the application is submitted.
- (b) Business Plan. An Applicant for a High-Volume For-Hire Service License must submit a business plan for approval by the Commission with each application for a new or renewal License or for a change of ownership of the Base Station License. The business plan must include:
 - (1) Trip Volumes.
 - (i) For Renewal Applicants and Applicants during the Initial High-Volume For-Hire Service Issuance Period: the number of trips the Applicant dispatched through a Base during the previous calendar year
 - (ii) For all Applicants: an estimate of the number of trips per day the Applicant expects to dispatch through a Base upon receipt or renewal of a License and for the two calendar years immediately following the issuance or renewal of the License.
 - (2) Vehicle Count. The number of For-Hire Vehicles, including number of wheelchair-accessible For-Hire Vehicles, the Applicant expects to operate in accordance with the business plan submitted pursuant to this subdivision.
 - (3) Service Area. The geographic area(s) in the City the Applicant intends to serve.
 - (4) Accessibility Requirements.
 - (i) For new License Applicants and Applicants during the Initial High-Volume For-Hire Service Issuance Period: a statement for approval by the Commission outlining how the Bases through which it dispatches trips will comply with the accessibility requirements contained in Section 59B-17(c) of these Rules.

- (ii) For Renewal Applicants: a demonstration that the Bases through which it dispatches trips are in compliance with the accessibility requirements contained in Section 59B-17(c) of TLC's Rules.
- (c) Impact Analysis. An Applicant for a High-Volume For-Hire Service License must submit an analysis, in a format prescribed by the Commission, assessing the impact of the Applicant's proposed operation on the environment. Such statement must include an assessment of the High-Volume For-Hire Service's impact on traffic congestion, local transportation including public transit, private motor vehicles and other modes of transit, and noise.
 - (1) To the extent the Applicant's proposed operation has negative impacts on the environment that cannot be corrected within 90 days of the day the application is filed, the Applicant must propose a corrective action plan for approval by the Commission, outlining the manner and the time in which the Applicant will mitigate such negative impacts.
- (d) Driver Payments and Earnings. An Applicant for a High-Volume For-Hire Service must submit a description of all deductions, including any commissions, lease fees and other charges, which such Applicant, or the Bases through which the Applicant dispatches trips, proposes to charge either the For-Hire Vehicle Owner or the Driver, or both, as applicable, together with an estimate of the average gross hourly earnings of a Driver, based upon actual or anticipated trips and fares. The Applicant must certify that it will not impose any charge or deduction on a For-Hire Vehicle Owner or Driver that has not been submitted to the Commission.
- (e) Bases for which the Applicant is dispatching trips must continue to meet all requirements of Chapter 59B of these Rules.

§59D-06 Licensing – Term of License

- (a) New High-Volume For-Hire Service License Term. The term of a new High-Volume For-Hire Service License will expire two years after the last day of the month in which the new License is issued.
- (b) Initial High-Volume For-Hire Service Issuance Period. Any Base, or collection of Bases operating under the same brand, trade, business, or operating name, that connects Passengers to For-Hire Vehicles by prearrangement and dispatched or facilitated the dispatching of an average of ten thousand or more trips per day in the City using a passenger-facing booking tool during the six months prior to the Initial High-Volume For-Hire Service Issuance Period must apply for a High-Volume For-Hire Service License during the High-Volume For-Hire Service Issuance Period.
- (c) High-Volume For-Hire Service License Renewal Term. A License issued to a renewing Applicant will expire two years after the date on which the previous License expired.
- (d) When to File for Renewal.

- (1) A renewing Applicant must file a completed application at least 60 days before the expiration date of the License.
- (2) Application Submission Date.
 - (i) Applications filed online: The date of submission is the date an application is filed online.
 - (ii) Applications filed by mail: The date of submission is the postmark date.
 - (iii) Applications filed in person: The date of submission is the date an application is filed in person.
- (3) The Commission will not accept a renewal application after the expiration date of the License. If the application is not filed before the expiration date, the License cannot be renewed.

(e) Extensions.

- (1) If a timely application for renewal of a License has been made as required in subdivision (d) of this section, the Chairperson will extend the License until review of the renewal application is completed.
- (2) The License of the renewal Applicant remains effective during this extended period even if the application is ultimately denied.
- (3) If the Commission approves the renewal application of a Licensee whose License has been extended pursuant to this subdivision, the expiration date of the renewal License will be based on the original expiration date of the License and not the extended date.

(f) Suspended Licenses.

- (1) If a License is suspended, the Licensee must apply for renewal as required in subdivision (d) of this section if the Licensee wants to maintain the License. Failure to complete the renewal requirements means that the License cannot be maintained.
- (2) A License that is suspended is not Valid and cannot be used until the suspension ends. This is true even if the Applicant has filed an application for a renewal.
- (3) The holder of a suspended High-Volume For-Hire Service License must immediately notify all Bases through which the High-Volume For-Hire Service dispatches trips of the suspension.

§59D-07 Licensing – Fees

- (a) High-Volume For-Hire Service License Fee. The fee for the operation of a High-Volume For-Hire Service is \$190,000 annually.
- (b) When Fee is Paid. The fee for an original or renewal License must be paid at the time the application is filed.
- (c) No Refund if Application Denied. The Commission will not refund a fee if it denies the application.
- (d) Name Change Fee. The fee to change the name of a High-Volume For-Hire Service is \$500.
- (e) Relocation Fee. The fee to change the location of a High-Volume For-Hire Service is \$500.

§59D-08 Licensing – Causes for Denial or Revocation

- (a) Material Misrepresentation.
 - (1) The Commission can deny an application for a High-Volume For-Hire Service License or its renewal and revoke or suspend any License issued if it finds that an Applicant has made a material misstatement or misrepresentation on an application for a License or its renewal.
- (b) Failure to Complete Application Requirements.
 - (1) The Chairperson may deny an application for a new High-Volume For-Hire Service License if the Applicant has not completed all the requirements of an application within 90 days of the date the application is filed.
 - (2) The Chairperson may deny an application for a renewal High-Volume For-Hire Service License if the Applicant has not completed all the requirements of an application by the expiration date of the prior License.
- (c) Additional Consideration of an Application. If a review of the application leads the Chairperson to believe that the Applicant may not be Fit to Hold a License to operate a High-Volume For-Hire Service, the Chairperson may seek additional information from the Applicant. This request for additional information may be an in-person interview, telephone call, letter, e-mail, or other method of communication. This additional consideration may result in the denial of the application. Failure to provide any requested

information within the time frame requested, or failure to appear at a scheduled interview will result in a denial of the application.

§59D-09 Compliance with Law – No Unlicensed Activity

- (a) High-Volume For-Hire Service License Required. No person or entity is permitted to operate a business as a High-Volume For-Hire Service without a Valid High-Volume For-Hire Service License from the Commission.

<u>§59D-09(a)</u>	<u>Fine: \$10,000 per day</u>	<u>Appearance REQUIRED</u>
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- (b) For-Hire Vehicle Base License. A High-Volume For-Hire Service must not dispatch any trip other than through a TLC-licensed For-Hire Vehicle Base.

<u>§59D-09(b)</u>	<u>Fine: \$300</u>	<u>Appearance NOT required</u>
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- (c) Advertising of Unlicensed For-Hire Service. A High-Volume For-Hire Service must not hold itself out to the public as a for-hire service without a current License issued by the Commission for that activity.

<u>§59D-09(c)</u>	<u>Fine: \$10,000 per day</u>	<u>Appearance REQUIRED</u>
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§59D-10 Compliance with Law – Personal Conduct

- (a) Bribery.

- (1) Bribery. An Applicant or Licensee must not offer or give any gift, gratuity or thing of value to any employee, representative or member of the Commission, or any other public servant.

<u>§59D-10(a)(1)</u>	<u>Fine: Revocation and \$10,000</u>	<u>Appearance REQUIRED</u>
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- (2) Demand for Gratuity. A Licensee must immediately report to the Commission any request or demand for a gift, gratuity, or thing of value by any employee, representative, or member of the Commission or any other public servant.

<u>§59D-10(a)(2)</u>	<u>Fine: \$1,000 and/or suspension up to 60 days or revocation</u>	<u>Appearance REQUIRED</u>
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- (3) Prohibited Offer of Gift to Airport or Transportation Terminal Staff. A Licensee must not offer or give any gift, gratuity, or thing of value to a person or persons employed at any airport or other transportation terminal to provide ground

transportation information services, dispatching service, security services, traffic and parking control, or baggage handling.

<u>§59D-10(a)(3)</u>	<u>Fine: \$1,000 and/or suspension up to 60 days or revocation</u>	<u>Appearance REQUIRED</u>
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- (b) *Fraud, Theft.* While performing the duties and responsibilities of a Licensee, a Licensee must not commit or attempt to commit, alone or in concert with another, any act of fraud, misrepresentation or theft.

<u>§59D-10(b)</u>	<u>Fine: \$350-1,000 and/or suspension up to 60 days or revocation</u>	<u>Appearance REQUIRED</u>
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- (c) *Deliberate Acts of Omission.* While performing the duties and responsibilities of a Licensee, a Licensee must not deliberately fail to perform, alone or with another, any act where this failure is against the best interests of the public, although not specifically mentioned in these Rules.

<u>§59D-10(c)</u>	<u>Fine: \$150 - \$350 and/or suspension up to 30 days or revocation</u>	<u>Appearance REQUIRED</u>
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- (d) *Deliberate Acts of Commission.* While performing the duties and responsibilities of a Licensee, a Licensee must not deliberately perform or attempt to perform, alone or with another, any act that is against the best interests of the public although not specifically mentioned in these Rules.

<u>§59D-10(d)</u>	<u>Fine: \$150 - \$350 and/or suspension up to 30 days or revocation</u>	<u>Appearance REQUIRED</u>
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- (e) *Threats, Harassment, Abuse.* While performing the duties and responsibilities of a Licensee, a Licensee must not threaten, harass, or abuse any person.

<u>§59D-10(e)</u>	<u>Fine: \$350-1,000 and suspension up to 30 days</u>	<u>Appearance REQUIRED</u>
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- (f) *Use or Threat of Physical Force.* While performing the duties and responsibilities of a Licensee or any act in connection with those duties, a Licensee must not use or attempt to use any physical force against a person.

<u>§59D-10(f)</u>	<u>Fine: \$500-1,500 and/or suspension up to 60 days or revocation</u>	<u>Appearance REQUIRED</u>
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- (g) *Notice of Criminal Conviction.*

- (1) A Licensee must notify the Commission within 15 calendar days after any felony conviction of the Licensee or of any of Licensee's officers or members.

- (2) The notice must be in writing and must be accompanied by a certified copy of the certificate of disposition issued by the clerk of the court explaining what happened as a result of the conviction.

<u>§59D-10(g)</u>	<u>Fine: \$50</u>	<u>Appearance NOT REQUIRED</u>
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- (h) Failure to Cooperate with Law Enforcement. A Licensee must cooperate with all law enforcement officers and all authorized representatives of the Commission. Cooperation includes, but is not limited to, responding to a request for the Licensee's name, License number, and any documents Licensee is required to have in his or her possession.

<u>§59D-10(h)</u>	<u>Fine: \$15-\$150</u>	<u>Appearance REQUIRED</u>
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- (i) Failure to Cooperate with the Commission.

- (1) A Licensee must truthfully answer all questions and comply with all communications, directives, and summonses from the Commission or its representatives.
- (2) Within ten days following a request from the Commission, a Licensee must produce any Licenses or other documents the Licensee is required to have.
- (3) Licensee must aid the Commission in obtaining information it seeks regarding Drivers or Vehicles affiliated with any of the Bases through which the High-Volume For-Hire Service dispatches or facilitates the dispatch of trips.

<u>§59D-10(i)(1)-(3)</u>	<u>Fine: \$200 and suspension until compliance</u>	<u>Appearance REQUIRED</u>
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- (4) Within 48 hours, a Licensee must respond to any contact from the Commission, seven days a week.

<u>§59D-10(i)(4)</u>	<u>Fine: \$500</u>	<u>Appearance NOT REQUIRED</u>
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- (j) Courtesy. A Licensee must be courteous to Passengers.

<u>§59D-10(j)</u>	<u>Fine: \$150</u>	<u>Appearance NOT REQUIRED</u>
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- (k) Facilitation of Sex Trafficking with a Vehicle. A Licensee must not Facilitate Sex Trafficking with a Vehicle.

<u>§59D-10(k)</u>	<u>Fine: \$10,000 and revocation.</u>	<u>Appearance NOT REQUIRED</u>
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- (l) Retaliation.

- (1) A High-Volume For-Hire Service must not retaliate against any Driver for making a

good faith complaint against any High-Volume For-Hire Service.

- (2) Retaliation will be broadly construed, and will include imposing any adverse condition or consequence on the Driver or withholding or withdrawing any beneficial condition or consequence from the Driver.

<u>§59D-10(l)</u>	<u>Fine: \$1,000 plus restitution to the driver for losses for the first violation and a fine of \$10,000 plus restitution to the driver for any subsequent violation committed within five years of the first violation.</u>	<u>Appearance NOT REQUIRED</u>
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§59D-11 Compliance with Law – Miscellaneous

- (a) Alcohol and Drug Laws. A High-Volume For-Hire Service Owner must not knowingly allow a Base through which it dispatches trips to dispatch a For-Hire Vehicle to be operated by a Driver who is under the influence of any drugs or alcohol or whose driving ability is in any way impaired.

<u>§59D-11(a)</u>	<u>Fine: \$10,000 and revocation</u>	<u>Appearance REQUIRED</u>
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- (b) Disability Laws.

- (1) A High-Volume For-Hire Service must not instruct, authorize, or permit an affiliated Driver to discriminate unlawfully against People with Disabilities.
- (2) Discrimination includes:
- (i) Refusing to serve People with Disabilities,
 - (ii) Refusing to load and unload the mobility aids of People with Disabilities,
 - (iii) Charge any more than the set rate for the transportation of People with Disabilities, or their Service Animals, wheelchairs, or other mobility aids.

<u>§59D-11(b)</u>	<u>Fine: \$350-1,000 and/or suspension up to 30 days or revocation</u>	<u>Appearance REQUIRED</u>
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§59D-12 Operations – Business Premises

- (a) Maintenance of Physical Location. A High-Volume For-Hire Service Owner must maintain a principal place of business in a commercially zoned area.

<u>§59D-12(a)</u>	<u>Fine: Suspension until requirement is met.</u>	<u>Appearance REQUIRED</u>
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- (b) Application to Move Location. A High-Volume For-Hire Service that moves to a new location must apply to the Commission for approval of the new location prior to moving to the new location.

§59D-12(b)	Fine: Suspension of License.	Appearance <u>REQUIRED</u>
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§59D-13 Operations – Service Requirements (Customers)

- (a) Customer Complaints. A High-Volume For-Hire Service will be responsible for handling customer complaints and must provide any information requested by the Chairperson regarding such complaints.

§59D-13(a)	Fine: \$150	Appearance <u>NOT REQUIRED</u>
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- (b) Provide Accessible Transportation. A High-Volume For-Hire Service’s passenger-facing booking tool must allow prospective Passengers to request a wheelchair accessible vehicle from the Bases through which it dispatches trips.

§59D-13(b)	Fine: \$150 and suspension until compliance	Appearance <u>REQUIRED</u>
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§59D-14 Operations – Trip Record Information

- (a) Required Information. A High-Volume For-Hire Service must collect and transmit to the Commission, in a format, layout, procedure, and frequency prescribed by the Commission, the following records:

- (1) With respect to all trips the High-Volume For-Hire Service dispatches through a Base:
 - (i) The date, the time, and the location of the Passenger pickup and drop-off
 - (ii) The Driver’s TLC Driver License number
 - (iii) The dispatched Vehicle’s License number
 - (iv) The TLC License number of the For-Hire Base that dispatched the Vehicle
 - (v) The TLC License number of the For-Hire Base affiliated to the dispatched Vehicle
 - (vi) The total number of passengers picked up and dropped off

- (vii) The total trip mileage
 - (viii) The date and time the Passenger requested the trip
 - (ix) The itemized fare for the trip including the amount of the fare, any toll, surcharge, commission rate, other deduction and any gratuity and a breakdown of the amount such passenger paid for the trip
 - (x) The payment the Driver received for the trip or the Driver's hourly paid rate
 - (xi) If the trip enters the Congestion Zone but the pick-up did not occur in the Congestion Zone, the date, time, and location (latitude, longitude, and human-readable street address) of the point at which the vehicle entered the Congestion Zone, and
 - (xii) An indicator as to whether the trip was administered as part of the MTA's Access-A-Ride program.
- (2) The total amount of time a Vehicle makes itself available to be dispatched by the High-Volume For-Hire Service, and
 - (3) The amount time spent transporting passengers each day by each Vehicle that has made itself available to be dispatched by the High-Volume For-Hire Service, and the amount of time spent by such Vehicles between trips but not on the way to the passenger.

§59D-14(a)	Fine: \$100 if plead guilty before a hearing and suspension until compliance; \$150 if found guilty following a hearing and suspension until compliance.	<u>Appearance NOT REQUIRED</u>
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(b) Maintenance of Required Information.

- (1) A High-Volume For-Hire Service must ensure that all required information listed above is kept and made available for inspection by Commission representatives during regular business hours.
- (2) Required trip records must be maintained by the High-Volume For-Hire Service for 18 months.

§59D-14(b)	Fine: \$100 if plead guilty before a hearing; \$150 if found guilty following a hearing.	<u>Appearance NOT REQUIRED</u>
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§59D-15 Operations – Current Contact Information

(a) High-Volume For-Hire Service Name.

(1) File with Commission. A High-Volume For-Hire Service must file with the Commission a High-Volume For-Hire Service name and any public facing name it uses in its branding, operations, promotions or advertising as its trade, business or operating names.

(2) Only One Name

(i) A High-Volume For-Hire Service must use only one name in its operations, including in its branding, operations, promotion and advertising activities.

<u>§59D-15(a)</u>	<u>Fine: \$100</u>	<u>Appearance NOT REQUIRED</u>
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(b) Mailing and Email Address.

(1) A High-Volume For-Hire Service Owner must file the address of its business with the Commission.

(2) A High-Volume For-Hire Service Owner must have a working Email Address on file with the Commission at all times.

(3) A High-Volume For-Hire Service Owner must report any change of Mailing Address or Email Address to the Commission in person or by mail within ten days.

<u>§59D-15(b)(1)-(3)</u>	<u>Fine: \$100</u>	<u>Appearance NOT REQUIRED</u>
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(4) Any communication from the Commission is sufficient if sent to the last Mailing Address provided by the High-Volume For-Hire Service Owner.

(5) Any communication from the Commission, except notices and summonses for which the manner of service is specified in §68-05 of these Rules, is sufficient if sent by email to the last Email Address provided by the High-Volume For-Hire Service Owner.

(c) Capacity for 24-Hour Access.

(1) A High-Volume For-Hire Service Owner must maintain a current telephone number on file with the Commission.

- (2) This number must allow the Commission to reach the High-Volume For-Hire Service on a 24-hour basis.

§59D-15(c)	Fine: \$100	Appearance NOT REQUIRED
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§59D-16 Operations – Additional Records to be Maintained and Reported

(a) Maintenance of Current Rate Schedule.

- (1) A High-Volume For-Hire Service must file with its Application and maintain a Rate Schedule with the Commission, in a form approved by the Chairperson. This Rate Schedule must include any lawful price multipliers or variable pricing policies.
- (2) A High-Volume For-Service’s Rate Schedule must be consistent with the Rate Schedules the Bases through which it dispatches trips have on file with the Commission.
- (3) A new Rate Schedule must be filed:
- (i) Whenever rates are changed,
 - (ii) Annually, no later than the anniversary date of the License,
 - (iii) With every renewal application, and
 - (iv) With any application to change the Ownership of the High-Volume For-Hire Service Base.
- (4) Failure to file a Rate Schedule with a renewal application or an application to change Ownership or location will result in denial of the application by the Chairperson.

§59D-16(a)	Fine: \$50	Appearance NOT REQUIRED
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- (b) Hours of Operation. A High-Volume For-Hire Service must file with the Chairperson its hours of operations and must notify the Chairperson of any change in the hours of operation.

§59D-16(b)	Fine: \$50	Appearance NOT REQUIRED
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(c) Public Access Information.

- (1) A High-Volume For-Hire Service must file with the Chairperson all contact information made available to or offered to the public for purposes of pre-

arranging transportation for hire, including but not limited to telephone numbers, smartphone applications, websites, and email addresses.

- (2) A High-Volume For-Hire Service must file with the Chairperson a working customer service telephone number and/or email address.
- (3) These telephone numbers, smartphone applications, websites, email addresses, and other contact information and methods can be used only with the name of the High-Volume For-Hire Service on file with the Commission or the trade, business or operating name of the High-Volume For-Hire Service.

§59D-16(c)	Fine: \$100	Appearance NOT REQUIRED
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- (d) Compliance with all Record Keeping Rules. A High-Volume For-Hire Service and a Base Owner that dispatches or facilitates the dispatch of trips for a High-Volume For-Hire Service must comply with all record-keeping procedures established and required by the Commission.

§59D-16(d)	Fine: \$50 if plead guilty before a hearing; \$100 if found guilty following a hearing.	Appearance NOT REQUIRED
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- (e) Information Security and Use of Personal Information Policy. The High-Volume For-Hire Service must file with the Commission a current, detailed information security and use of personal information policy. Such policy must include, at a minimum:

- (1) a statement of internal access policies relating to passenger and driver personal information for employees, contractors, and third party access, if applicable;
- (2) a statement that, except to the extent necessary to provide credit, debit, and prepaid card services and services for any application that provides for electronic payment, personal information will only be collected and used with such passenger's affirmative express consent and that such personal information will not be used, shared, or disclosed, except for lawful purposes;
- (3) procedures for notifying the Commission and affected parties of any breach of the security of the system, pursuant to section 899-aa of the General Business Law;
- (4) a statement that any credit, debit, or prepaid card information collected by the High-Volume For-Hire Service or a credit, debit, or prepaid card services provider is processed by the High-Volume For-Hire Service or such provider in compliance with applicable payment card industry standards, and;
- (5) a statement of the High-Volume For-Hire Service's policies regarding the use of passenger geolocation information, which must include, at a minimum, a prohibition on the use, monitoring, or disclosure of trip information, including the date, time, pick-up location, drop-off location, and real-time vehicle location and

any retained vehicle location records, without such passenger's affirmative express consent.

- (f) Compliance with Information Security and Use of Personal Information Policy. The High-Volume For-Hire Service must comply with the terms of its Information Security and Use of Personal Information Policy.
- (g) Security Breach: If the High-Volume For-Hire Service is required to make disclosures under New York State or Federal law regarding security breaches, including the New York State Information Security Breach and Notification Act (General Business Law §899-aa), the Base Owner must inform the Commission immediately following such disclosure(s).

<u>§59D-16(f) and (g)</u>	<u>Penalty: \$1,000</u>	<u>Appearance REQUIRED</u>
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§59D-17 Operations – Rates and Tolls

- (a) Rates Must Not Exceed Scheduled Rates. A High-Volume For-Hire Service must not quote or charge a fare, or allow a Base through which it dispatches trips to quote or charge a fare, that is more than the fare listed in the Rate Schedule filed with the Commission.

<u>§59D-17(a)</u>	<u>Fine: \$200 for Passenger overcharge, whether from any quote or from schedule of fares required to be filed with the Commission.</u>	<u>Appearance NOT REQUIRED</u>
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- (b) Tips and Gratuities. A High-Volume For-Hire Service’s Passenger-Facing Booking Tool must provide a means to allow passengers to tip Drivers. A Base High-Volume For-Hire Service must remit to the Driver the entirety of anything designated as a tip or gratuity collected by the High-Volume For-Hire Service from a customer on behalf of the Driver.

<u>§59D-17(b)</u>	<u>Fine: \$500</u>	<u>Appearance NOT REQUIRED</u>
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§59D-18 Operations – E-ZPass Required

- (a) E-ZPass. A High-Volume For-Hire Service must not dispatch a Vehicle through a Base unless the Vehicle is participating in the E-ZPass program.

<u>§59D-18(a)</u>	<u>Fine: \$100</u>	<u>Appearance NOT REQUIRED</u>
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§59D-19 Operation – Compliance with Licensing Statements

- (a) Listed Bases. A High-Volume For-Hire Service may only dispatch trips through the Bases it has listed with the Commission pursuant to Section 59D-05(a) of these Rules. A High-Volume For-Hire Service must file an updated list with Commission prior to dispatching through any Base not listed on its initial Application or most recent list on

file with the Commission, and whenever it ceases dispatching trips through a Base listed on its Application or most recent list on file with the Commission.

<u>§59D-19(a)</u>	<u>Fine: \$500 and suspension up to 30 days</u>	<u>Appearance REQUIRED</u>
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- (b) Compliance with Business Plan. A High-Volume Service must adhere to the Business Plan it filed with the Commission pursuant to Section 59D-05(b) of these Rules. Any deviation from the Business Plan must be approved by the Commission prior to implementation.

<u>§59D-19(b)</u>	<u>Fine: \$500 and suspension up to 30 days</u>	<u>Appearance REQUIRED</u>
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- (c) Corrective Action Plan. A High-Volume For-Hire Service must comply with any corrective action plan approved by the Commission pursuant to Section 59D-05(c)(1) of these Rules.

<u>§59D-19(c)</u>	<u>Fine: \$500 and suspension up to 30 days</u>	<u>Appearance REQUIRED</u>
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- (d) Driver Deductions and Fee. A High-Volume For-Hire Service must not charge a Driver or Vehicle Owner a fee or deduction not specifically listed in its statement of fees on file with the Commission pursuant to section 59D-05(d) of these Rules.

<u>§59D-19(d)</u>	<u>Fine: \$500 and suspension up to 30 days</u>	<u>Appearance REQUIRED</u>
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§59D-20 Operations – Miscellaneous Operating Requirements

- (a) Prohibited Use of “Taxi.” A High-Volume For-Hire Service must not hold itself out for business as a “taxi” or “taxicab” service or in any way use the word “taxi,” “taxicab,” “cab,” “hack,” or “coach” to describe the business.

<u>§59D-20(a)</u>	<u>Fine: \$250</u>	<u>Appearance NOT REQUIRED</u>
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- (b) Advertising of Commission License.

- (1) A High-Volume For-Hire Service must clearly state that it is licensed by the Commission in all Passenger-facing advertising, whether print, broadcast, electronic or Internet, and in all handbills, fliers, websites, smartphone applications, or other promotional materials and on all business cards and receipts.

- (2) All of the advertising and materials listed in paragraph (1) of this subdivision must include the High-Volume For-Hire Service License number.

<u>§59D-20(b)</u>	<u>Fine: \$100</u>	<u>Appearance NOT REQUIRED</u>
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- (c) Passenger Complaint Notification: Upon receipt of a complaint related to a Driver, a High-Volume For-Hire Service must provide the Passenger with the “311” Commission complaint telephone number and inform the Passenger that only the TLC can suspend or revoke a Driver’s TLC License.

<u>§59D-20(c)</u>	<u>Fine: \$250</u>	<u>Appearance NOT REQUIRED</u>
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- (d) Receipts. A High-Volume For-Hire Service must provide a Passenger a receipt for a trip containing the following information:

- (1) The Dispatching Base License number;
- (2) Vehicle License number;
- (3) Vehicle’s affiliated Base License number;
- (4) Driver’s TLC License number;
- (5) Total amount due;
- (6) Itemized fees charged (if any) including any price multiplier or variable pricing policy in effect for the trip;
- (7) The “311” Commission complaint telephone number; and
- (8) The public access information the Base has on file with the Commission pursuant to section 59D-16 of these rules.

**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: Rules Governing High-Volume For-Hire Service Providers

REFERENCE NUMBER: 2018 RG 116

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: October 22, 2018

**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: Rules Governing High-Volume For-Hire Service Providers

REFERENCE NUMBER: TLC-107

RULEMAKING AGENCY: Taxi & 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 a cure period is impracticable under the circumstances.

/s/ Francisco X. Navarro
Mayor's Office of Operations

October 19, 2018
Date