

## **NEW YORK CITY TAXI AND LIMOUSINE COMMISSION**

### **Notice of Promulgation**

Notice is hereby given in accordance with section 1043(b) of the New York City Charter (“Charter”) that the Taxi and Limousine Commission (“TLC”) promulgates amendments to its rules governing Medallion Taxicab Licenses implementing Local Law 109 of 2020 which creates an annual disclosure requirement for each person that has any interest in a taxicab medallion.

This rule is promulgated pursuant to sections 1043 and 2303 of the Charter and section 19-503 of the Administrative Code of the City of New York. This rule was published in the City Record on March 3, 2022, for public comment. On April 5, 2022, a public hearing was held virtually by the TLC and the rule was adopted by the Commission on September 28, 2022.

### **STATEMENT OF BASIS AND PURPOSE OF RULE**

This rulemaking adds a new section to the existing rules governing Medallion Taxicab Licenses.

On November 16, 2020, Local Law 109 of 2020 was passed by the City Council. Local Law 109 creates an annual disclosure requirement for each person that has any interest in a taxicab medallion.

This rule requires that an annual disclosure statement be filed with the TLC by taxicab medallion owners and directors, shareholders, officers, members or partners of a business entity that possesses any interest in a taxicab medallion. This statement must disclose:

- Other licenses issued by the TLC in which the medallion owner possesses an interest
- gross annual income and expenses related to the operation of that taxicab medallion
- total paid liability insurance premiums for that taxicab medallion
- all interest relating to loans secured by a medallion in which the medallion owner possesses an interest
- any interest in any other taxicab, livery or for-hire business, whether or not licensed by the TLC

These changes create meaningful and consistent reporting requirements that provide transparency in the taxicab licensing process, which is necessary for the protection of the taxicab industry.

The Commission’s authority for these rules is found in sections 1043 and 2303 of the New York City Charter and section 19-550 of the New York City Administrative Code.

New material is underlined.

[Deleted material is in brackets]

Section 1. Section 58-25 of Title 35 of the Rules of the City of New York is amended by adding a new subdivision (c), to read as follows:

(c) Annual Financial Reporting Requirements

(1) Any natural person who is a Medallion Owner or affiliated with a Business Entity (including a director, shareholder, officer, member or partner) that possesses any interest in a Medallion must provide annually to the Commission, in a form and manner prescribed by the Commission, a statement together with such supporting documentation as may be prescribed by the Commission, that includes but is not limited to the following:

- (i) Each TLC license in which the Medallion Owner or Business Entity Person possesses an interest,
- (ii) Gross income and expenses related to the operation of the Medallion
- (iii) Total paid liability insurance premiums for the Medallion
- (iv) Balances of all loans secured by a Medallion in which the Medallion Owner or Business Entity Person possesses an interest,
- (v) Number of Medallions in which the Medallion Owner or Business Entity Person possesses an interest that serve as collateral for a secured loan,
- (vi) Number of Medallions in which the Medallion Owner or Business Entity Person possesses an interest that do not serve as collateral for a secured loan, and
- (vii) Any other interest such Medallion Owner or Business Entity Person has in any taxicab, livery, or for-hire vehicle business, whether or not such business is licensed by the Commission.

(2) All prescribed statements and supporting documentation must be submitted to the Commission on or before the 15<sup>th</sup> of June of each year.

<u>58-25(c)(2)</u>	Fine: \$100 and suspension until compliance	<u>Appearance NOT REQUIRED</u>
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