

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”, “the Commission”) is proposing amendments to the rules that govern new for-hire vehicle licenses by creating a new electric vehicle license that would be restricted to individual drivers to use with electric vehicles.

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 January 11, 2023. 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 January 10, 2023. 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 January 6, 2023. 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 January 11, 2023.

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 January 6, 2023. 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, 2303 and 2304 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 included in TLC's regulatory agenda for fiscal year 2023.

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

Pursuant to Local Law 147 of 2018, which sought to create a process where certain conditions and circumstances of TLC drivers were studied before issuing new licenses, the number of For-Hire Vehicle (FHV) licenses was frozen at slightly above 115,000, and a pause on issuing new licenses was enacted. TLC promulgated rules establishing the criteria for periodic review of this license pause, when to lift the pause, and when to issue new FHV licenses and to which types of vehicles. *See* 35 RCNY 59A-06. Consistent with Local Law 147 of 2018, TLC may issue new FHV licenses without undertaking formal rulemaking if such addition will increase the availability of for-hire services in different geographic areas of the city where such services are needed and where such additional licenses will not substantially contribute to traffic congestion. Based on the TLC's For-Hire Vehicle License Review Report and Determination of August 2022, which found that with the number of active vehicle licenses continuing to decrease, passenger wait times remaining steady, and trips and driver pay continuing to increase, TLC has determined that the industry can absorb new vehicles without undermining the goals of LL 147 of 2018.

Beginning in 2023, TLC will issue up to 1,000 new FHV licenses for electric vehicles, as described in its August 2022 report. These licenses will be restricted to use with battery electric vehicles, helping to electrify the TLC-licensed fleet, drive the demand for and the development of more public and private charging infrastructure, and allow drivers to avoid the volatility and high costs of gasoline. These vehicles will support the goals of modernizing the FHV fleet; using vehicles that cost less to operate; prevent the ill effects of vehicle idling; and will encourage more investment in an EV charging infrastructure.

400 of these battery electric vehicle licenses will be distributed on a first come, first served basis to anyone who meets the licensing criteria, including but not limited to the purchase of an

electric vehicle, submitting proof of insurance and payment of application fees, as set forth in subchapter 59A of chapter 59 of Title 35 of the Rules of the City of New York. Applicants for these 400 unrestricted licenses may obtain more than one license, up to 400.

Of these 1,000 new licenses, the TLC will restrict 600 battery electric vehicle licenses to individual drivers to allow drivers who have been leasing a vehicle the opportunity to own instead of lease a licensed TLC vehicle. These individual, non-transferable licenses will provide drivers leasing their vehicles with an opportunity to own their own vehicles. Reserving a number of the new available licenses for individual, non-transferable licenses is meant to balance the opportunities for individual drivers to purchase with the current realities of the market. As set forth in the proposed rules, to obtain a restricted driver license, a driver must first submit a statement of interest, and TLC will contact drivers to submit an application based on that statement. If a driver's application is denied, the TLC will contact the next driver on the list to begin the application process.

The proposed rule would also change the length of the TLC's license pause review from six months to twelve months, after the next review in February 2023. Six months is too short a period of time to issue new licenses and meaningfully assess their impact. Shifting to an annual review will provide a more adequate period of time to assess the impact of issuing new licenses and to determine whether to issue additional licenses.

Finally, the proposed rule would provide that beginning in August 2023, the TLC will cease issuing licenses to drivers who had long-term leases in effect prior to August 2018 with a lease to buy option to obtain an FHV license. This allowance for applicants with lease-to-purchase agreements is no longer necessary because long-term leases entered into prior to August 2018, even if they were for a five-year term, would expire by August 2023.

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 (a) of Section 59A-06 of Title 35 of the Rules of the City of New York is hereby amended by adding paragraph (3) to read as follows:

§59A-06 Licensing – Term of License

(a) *New License.* The term of a new For-Hire Vehicle License is two years.

(1) *New License Issuance.* [One year following the effective date of this rule, and every six months thereafter] Beginning February 2023, the Commission will review the number of For-Hire Vehicle Licenses, pursuant to section 19-550(b)(2) of the Administrative Code of the

City of New York and determine the number of For-Hire Vehicle Licenses, if any, to issue in the [six (6)] twelve months following such review and the types of vehicles to which the Commission will issue such new Licenses. In reviewing the number of Licenses to issue in the next [six] twelve months, the Commission will review congestion levels, driver pay, License attrition rates, outer borough service, availability and demand for battery electric vehicles, availability of battery electric vehicle charging infrastructure, and any other information it deems relevant to determine the number of Licenses to issue. The results of such review, and the number of new For-Hire Vehicle Licenses the Commission will issue, will be posted on the Commission's website. The Commission will not issue new For-Hire Vehicle Licenses until such time as it completes its first review of the number of For-Hire Vehicle Licenses pursuant to this section.

(2) *Exceptions.* Notwithstanding paragraph (1) of this subdivision, the Commission will continue to issue new Licenses to:

(i) Wheelchair accessible vehicles, and

(ii) [An] Until August 13, 2023, an applicant who possesses a TLC Driver's License, provides written proof that the applicant entered into a lease for the use of a licensed for-hire vehicle that contains a conditional purchase agreement for the vehicle prior to August 14, 2018, and demonstrates that the term of such lease is no less than two (2) years.

(3) *New Electric Vehicle License Issuance.* The Commission may make available individual, non-transferable For-Hire Vehicle Licenses that are restricted to fully battery electric vehicles, powered only by electric batteries and not gasoline. Such License shall be registered to a Driver using their individual name and personal Social Security number. No Driver may apply for more than one such license or hold additional for-hire vehicle licenses.

(i) In order to apply for such restricted electric vehicle license, interested Drivers must submit a statement of interest using an online form prescribed by the Commission. Licensed drivers who submit a statement of interest will be contacted by the Commission on a first-come-first-served basis until the number of submitted statements of interest matches the total number of available individual, non-transferable licenses.

(ii) Drivers will have one hundred and twenty (120) days from the date they are contacted by the Commission to submit a license application and fulfill all licensing requirements, including but not limited to the purchase of an electric vehicle, the submission of proof of insurance, payment of application fees, and the possession of a valid Driver license. Additionally, vehicles must pass inspection within 60 days after their first scheduled inspection.

(iii) Any Driver who is contacted and has not completed all the requirements of the application will have their application denied. The next Driver on the list will be contacted to begin the application process. A Driver who has their application denied may submit a new statement of interest and be added to the bottom of the list.

**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 For-Hire Vehicle License Rules

REFERENCE NUMBER: 2022 RG 086

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: December 7, 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 For-Hire Vehicle License Rules

REFERENCE NUMBER: TLC-130

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

December 8, 2022
Date