

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 to update its vehicle insurance requirements.

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 December 11, 2024. 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 December 10, 2024. 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 212-313-3027.
- **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 December 10, 2024. 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. Please note that the hearing is for accepting oral testimony only and is not held in a “Question and Answer” format.

Is there a deadline to submit written comments? Yes, you must submit written comments by December 10, 2024.

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 December 10, 2024. 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 2024 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

TLC is proposing to amend its insurance rules to better ensure coverage for TLC-licensed vehicles. These amendments require more comprehensive reporting to TLC, including the mandatory submission of certain insurance policy information, such as Vehicle Identification Numbers and Certificates of Liability. These amendments also clarify that TLC’s minimum coverage requirements for TLC-licensed vehicles must be met through one primary policy, which will make it easier for TLC to track coverage and ensure the prompt payment of claims.

Additionally, TLC is updating its rules to align with the New York State Vehicle and Traffic Law and the regulations of New York State Department of Motor Vehicles and the New York State Department of Financial Services by requiring insurers to be solvent and responsible companies authorized to do business in this State by the Superintendent of Insurance.

The amendments proposed in this rule would provide stronger insurance carrier requirements to ensure carrier solvency, the prompt payment of claims, and the tracking of required coverage.

This rule is authorized by Sections 1043 and 2303 of the City Charter and Section 19-503 of the New York City Administrative Code.

New material is underlined. Deleted material is shown in [brackets].

The text of the proposed rule follows below.

Section 1. Subdivision (d) of section 58-13 of Title 35 of the Rules of the City of New York is amended to read as follows:

(d) Coverage Requirements. No Taxicab can be operated unless it is covered by 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.

(1) All Taxicab Owners must, for each of Owner’s Taxicabs, maintain liability coverage through an insurance policy or a bond in amounts not less than the following:

- (i) \$200,000 per person, payable for those expenses specified in paragraphs 1, 2 and 3 of subdivision “a” of §5102 of the New York State Insurance Law;
- (ii) \$100,000 minimum liability and not less than \$300,000 maximum liability for bodily injury or death, as these terms are described and defined in §370(1) of the Vehicle and Traffic Law; and
- (iii) \$10,000 minimum liability for injury to or destruction of property.

§58-13(d)(1)	Fine: \$350 and suspension until compliance	Appearance NOT REQUIRED
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(2) A Taxicab Fleet or Minifleet as well as an Independent Owner operating more than one shift daily must maintain double shift insurance coverage.

§58-13(d)(2)	Fine: \$350 and suspension until compliance	Appearance NOT REQUIRED
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(3) Policy Coverage Restrictions. Insurance policies covering Commission-licensed vehicles cannot have any limitations or restrictions on location or timeframes of coverage. Coverage provided under issued policies must be for 24 hours per day, 7 days per week, regardless of vehicle use or purpose.

(4) Primary Policy Coverage. The minimum coverage required for a Commission-licensed vehicle must be provided by a single primary policy. Excess policies cannot be used to satisfy the Commission’s minimum coverage requirements.

(5) Policy Information Required. Documentation submitted to the Commission for each vehicle covered by a policy must contain the vehicle identification number

for each such vehicle, effective and end dates of the policy, coverage amounts, and Certificates of Liability.

(i) Declaration pages are required upon Commission request and must contain the schedule of covered vehicles and the policy number.

(ii) The policyholder's name must match the name on the covered vehicle registration.

<u>§58-13(d)(3)(4) & (5)</u>	<u>Fine: \$350 and suspension until compliance</u>	<u>Appearance REQUIRED</u>
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§2. Subdivision (c) of section 59A-12 of Title 35 of the Rules of the City of New York is amended to read as follows:

(c) *Coverage Requirements.* No Commission-licensed Vehicle can be operated unless it is covered by 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.

(1) *General Coverage for Vehicles with Seating Capacity of Less than Eight.* For the purposes of insurance or other financial security, each Owner of a For-Hire Vehicle with a seating capacity of less than eight passengers (not including the Driver) must maintain coverage for each Vehicle owned in amounts not less than the following:

- (i) \$200,000 per person, payable for those expenses specified in paragraphs 1, 2 and 3 of subdivision a of section 5102 of the New York State Insurance Law;
- (ii) \$100,000 minimum liability and \$300,000 maximum liability for bodily injury and death, as those terms are described and defined in section 370(1) of the Vehicle and Traffic Law; and
- (iii) \$10,000 minimum liability for injury to or destruction of property.

<u>§59A-12(c)(1)</u>	<u>Fine: \$350 and suspension until compliance</u>	<u>Appearance REQUIRED</u>
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(2) *Coverage for Vehicles with Seating Capacity of Eight to Fifteen.* Each Owner of a For-Hire Vehicle with a seating capacity of at least eight but not more than 15 Passengers (not including the Driver) must maintain coverage for each Vehicle owned in amounts not less than the following:

- (i) \$1,500,000 minimum liability for bodily injury or death to one or more persons, and because of injury to or destruction of property in any one accident, as those terms are described and defined in section 370(1) of the Vehicle and Traffic Law.

§59A-12(c)(2)	Fine: \$350 and suspension until compliance	Appearance REQUIRED
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(3) *Special Coverage for Luxury Limousines with Seating Capacity of Less than Eight.* Each Owner of a Luxury Limousine with a seating capacity of fewer than eight Passengers must maintain coverage for each Vehicle in an amount of not less than:

- (i) \$200,000 per person, payable for those expenses specified in paragraphs 1, 2 and 3 of subdivision a of section 5102 of the New York State Insurance Law;
- (ii) \$500,000 per accident where one person is injured; and
- (iii) \$1,000,000 per accident for all persons injured in that accident.

(4) *Coverage for For-Hire Vehicles with Seating Capacity of Sixteen or More.* Each Owner of a For-Hire Vehicle with a seating capacity of at least 16 Passengers (not including the Driver) must maintain coverage for each Vehicle owned in amounts not less than the following:

- (i) \$200,000 per person, payable for those expenses specified in paragraphs 1, 2 and 3 of subdivision a of section 5102 of the New York State Insurance Law;
- (ii) \$5,000,000 minimum liability for bodily injury or death to one or more persons, and because of injury to or destruction of property in any one accident, as those terms are described and defined in section 370(1) of the Vehicle and Traffic Law.

§59A-12(c)(3) & (4)	Fine: \$350 and suspension until compliance	Appearance REQUIRED
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(5) Policy Coverage Restrictions. Insurance policies covering Commission-licensed vehicles cannot have any limitations or restrictions on location or timeframes of coverage. Coverage provided under issued policies must be for 24 hours per day, 7 days per week, regardless of vehicle use or purpose.

(6) Primary Policy Coverage. The minimum coverage required for a Commission-licensed vehicle must be provided by a single primary policy. Excess policies cannot be used to satisfy the Commission’s minimum coverage requirements.

(7) Policy Information Required. Documentation submitted to the Commission for each vehicle covered by a policy must contain the vehicle identification number for each such vehicle, effective and end dates of the policy, coverage amounts, and Certificates of Liability.

(i) Declaration pages are required upon Commission request and must contain the schedule of covered vehicles and the policy number.

(ii) The policyholder’s name must match the name on the covered vehicle registration.

<u>§59A-12(c)(5)(6) & (7)</u>	<u>Fine: \$350 and suspension until compliance</u>	<u>Appearance REQUIRED</u>
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§3. Section 61A-11 of Title 35 of the Rules of the City of New York is amended by adding new subdivisions (j), (k), and (l), to read as follows:

(j) Policy Coverage Restrictions. Insurance policies covering Commuter Vans cannot have any limitations or restrictions on location or timeframes of coverage. Coverage provided under issued policies must be for 24 hours per day, 7 days per week, regardless of vehicle use or purpose.

(k) Primary Policy Coverage. The minimum coverage required for a Commission-licensed vehicle must be provided by a single primary policy. Excess policies cannot be used to satisfy the Commission’s minimum coverage requirements.

(l) Policy Information Required. Documentation submitted to the Commission for each vehicle covered by a policy must contain the vehicle identification number for each such vehicle, effective and end dates of the policy, coverage amounts, and Certificates of Liability that.

(1) Declaration pages are required upon Commission request and must contain the schedule of covered vehicles and the policy number.

(2) The policyholder’s name must match the name on the covered vehicle registration.

<u>§61A-11(j)(k)&(l)</u>	<u>Fine: \$350 and suspension until compliance</u>	<u>Appearance REQUIRED</u>
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**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 Insurance Requirements for TLC-Licensed Vehicles

REFERENCE NUMBER: 2024 RG 083

RULEMAKING AGENCY: Taxi & 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: September 17, 2024

**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 Insurance Requirements for TLC-Licensed Vehicles

REFERENCE NUMBER: TLC-145

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 the violation cannot be corrected or undone.

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

September 17, 2024
Date