NEW YORK CITY TAXI AND LIMOUSINE COMMISSION

Notice of Promulgation

Notice is hereby given in accordance with section 1043(f) of the New York City Charter ("Charter") that the Taxi and Limousine Commission ("TLC") promulgates rules to adjust the minimum per-mile rate for high-volume for-hire vehicle trips that begin in New York City and end outside of New York City.

The 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 July 29, 2025 for public comment. On September 3, 2025 a public hearing was held virtually by the TLC, and the rules were adopted by the Commission on September 17, 2025.

Statement of Basis and Purpose

TLC is adopting rules amending its per-trip driver pay for trips dispatched by high-volume for-hire services (HVs). Specifically, these rules adjust the minimum per-mile rate for trips that begin in New York City ("City") and end outside of the City that was adopted by the Commission in June 2025.

TLC recently amended its rules governing minimum per-trip driver pay for trips dispatched by HVs.[1] As originally proposed, those amendments assumed that gas-powered and electric vehicles are fully depreciated at the end of a typical vehicle loan term. Several commenters challenged that assumption, pointing out that such vehicles hold more than minimal residual resale value when retired from service. In response, TLC estimated the trade-in value of older vehicles and incorporated these values into the expense factors used to calculate minimum per-trip driver pay. As a result, whereas the proposed rule set the minimum per-mile amount required to be paid to drivers of non-wheelchair accessible vehicles (WAVs) at $0.879 per mile, the promulgated rule included a revised per-mile amount of $0.850 per mile for non-WAVs after accounting for a vehicle's estimated residual value.

Consistent with the longstanding structure of TLC's pay rules for trips dispatched by HVs, per-mile and per-minute rates are adjusted by a utilization rate (UR) to account for a driver's total working time. For trips that begin in New York City and end outside of the City, TLC scales out-of-town rates using a flat 50% UR for the miles and minutes traveled outside of the City. In the recently adopted driver pay rule amendments, TLC did not apply the 50% UR adjustment to the revised per-mile rate when determining the out-of-town minimum rate for non-WAVs. This rule addresses that problem by recalculating the out-of-town per-mile rate for non-WAVs, applying the revised expense factor of $0.850 per mile and incorporating a 50% UR adjustment. This results in an updated out-of-town minimum of $1.700 per mile for non-WAVs.

During a public hearing on September 3, 2025 and the comment period on this rule adjusting the minimum per-mile rate for trips that begin in the City and end outside of the City, the TLC received

[1] Promulgated rules available at https://www.nyc.gov/assets/tlc/downloads/pdf/driver_pay_rules_6_6_25.pdf.

comments requesting that TLC take various steps to further increase driver pay. TLC will continue to monitor driver pay; however, the minimum per-trip pay rates established in the recent driver pay rule package and this amendment are part of a comprehensive package that strikes a balance to ensure drivers are adequately paid for all their working time and expenses.

TLC's authority for these rules is found in sections 1043 and 2303 of the New York City Charter and sections 19-503 and 19-549 of the New York City Administrative Code.

New material is underlined.
[Material inside brackets indicates deleted material.]

Section 1. Paragraph (1) of subdivision (a) of section 59D-22 of Title 35 of the Rules of the City of New York is amended to read as follows:

(1) Per Mile Rate. For each mile a Driver transports a Passenger in the City on a trip dispatched by the High-Volume For-Hire Service, the High-Volume For-Hire Service must pay the Driver no less than $0.850 per mile for a trip dispatched to a Vehicle that is not an Accessible Vehicle and $1.061 for a trip dispatched to an Accessible Vehicle, divided by the High-Volume For-Hire Service's Utilization Rate, and for trips that begin in the City but end outside of the City, the Base must pay the Driver no less than [$1.758] $1.700 per mile for a trip dispatched to a vehicle that is not an Accessible Vehicle and no less than $2.122 per mile for a trip dispatched to an Accessible Vehicle for each mile a Driver transports a Passenger outside of the City; and

Statement of Substantial Need for Earlier Implementation

I hereby find, pursuant to Section 1043(f)(1)(c) of the New York City Charter, that there is a substantial need for the earlier implementation of this rule, amending the Amended Driver Minimum Pay Rule. The Amended Driver Minimum Pay Rule, which applies to all drivers of High Volume For Hire Services in New York City, was adopted by the Commission on June 25, 2025, was published in the City Record on July 2, 2025, and went into effect on August 1, 2025. However, the Amended Driver Pay Rule must be updated with regard to the calculation of the per-mile amount that must be paid to drivers for trips beginning in the City and ending outside the City. To ensure equity and uniformity of driver pay, the amended rates of pay for all types of trips must go into effect as soon as possible. Accordingly, the 30-day period normally provided for between a rule's promulgation and the time it goes into effect is hereby waived.

David Do, Commissioner/Chair
NYC Taxi and Limousine Commission

Date: 09/17/2025

Approved: Eric Adams
Eric Adams, Mayor
Date: September 17, 2025