

Proposed FHV Dispatch App Rules

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Background: App Usage in FHVs

- Apps are widespread
 - Approximately 42% of FHVs are affiliated to bases that reported having passenger-facing apps
 - NYC bases reported using 76 different apps
- Proposed rules:
 - Reflect need for consumer protection regardless of how ride is obtained
 - Mirror existing requirements on in-taxi technology (i.e., TPEP, LPEP) and taxi E-Hail apps that have been in place since 2012

Why Regulate Dispatching through Apps?

- **Accountability for All Dispatchers**
 - Licensing independent app providers creates a way to hold all operators of dispatching communication systems accountable
- **Safety**
 - Apps cannot contribute to distracted driving
 - Passengers' personal information must be safe and secure
- **Transparency**
 - Passengers are entitled to information they would otherwise obtain from talking to a dispatcher
- **Consistency with Other Parts of the Industry**
 - All other service providers are regulated by TLC to ensure accountability, safety, transparency, and availability

Accountability: Licensing Providers

- Currently, app providers offering FHV service through agreements with licensed bases are not accountable to the TLC and can cause bases or drivers to violate TLC Rules through no fault of their own:
 - Overcharging
 - Failing to display base and driver information
- Licensing app providers:
 - Makes the app provider accountable for bad behavior
 - Closes information gap between small bases and large app companies
 - Allows all bases and drivers to use apps
- Licensing independent app providers allows smaller companies to enter market without having to get a base license, a much more burdensome and expensive process than app licensure

Accountability: Proposed Regulatory Framework

- Licensed Bases that use their own app
 - Do not need new license
 - App services are governed through the base license
 - Rules establish enhanced service standards surrounding dispatching via apps
- App Providers that do not possess a Base License
 - Need a newly created FHV Dispatch Application License
 - Must work through agreements with licensed bases
- Bases that do not use apps
 - Some enhanced service requirements apply to all bases

Safety: Distracted Driving

- Concern:
 - Drivers take eyes off road and hands off wheel to operate apps
- Rules address this by:
 - Requiring apps operate via one-touch or voice activation while vehicle is in motion
 - Requiring devices be securely mounted
 - Limiting each driver to 2 devices at a time



Safety: Passenger Data Privacy and Security

- Concern:
 - Apps collect lots of passenger data (e.g., credit card numbers, GPS location data)
 - Passengers need assurance that their data will not be abused or compromised
- Rules address this by:
 - Requiring licensees to file data security and privacy policies with TLC
 - Requiring licensees to notify TLC in the case of data breach

Safety: Passenger Complaints

- Concern:
 - Some passengers complain to company but not TLC regarding serious issues
 - Only TLC can suspend or revoke licenses for egregious behavior
- Rules address this by:
 - Requiring licensees to give passengers the 311 number and let them know that only TLC can suspend or revoke a driver's license

Transparency

- Concern:
 - Passenger confusion and sticker shock in world of surge pricing
 - No human dispatcher to answer passenger questions
- Rules address this by requiring:
 - Bases to file detailed and accurate rate schedules
 - The display of rates inclusive of price multipliers (if applicable)
 - The ability to request a total fare estimate
 - Affirmative acceptance surge pricing
 - An itemized receipt

Availability: Service Refusals

- Concern:
 - Drivers may accept a trip and then cancel it for an illegitimate reason (e.g., passenger's race, destination)
- Rules address this by:
 - Clarifying that when investigating a consumer refusal complaint, TLC may consider whether or not a cancellation was tantamount to an unjustified refusal
 - To be clear: nothing in these rules automatically makes a cancellation a refusal

Availability: Accessibility

- Concern:
 - Wheelchair passengers wishing to use apps need way to indicate need for accessible vehicle
- Rules address this by:
 - Requiring apps to provide means of requesting accessible vehicle

Availability: Airport Circulation

- Concern:
 - Port Authority reports problems with airport circulation as FHVs wait in passenger pickup areas hoping to receive a dispatch
- Rules address this by:
 - Designating rules for where FHVs may and may not wait for dispatches at airports

Standard Tools TLC Needs to Enforce these Rules

1. “Testing” credentials and access to log on as driver and passenger
2. Availability of testing devices *if* app cannot be tested using devices commercially available to TLC
3. Trip records
4. Bases need to file accurate rates and pricing policies with TLC

What these Proposed Rules Don't Do

- No review whatsoever of source code, software, or anything backend or “behind” the screen the passenger or driver sees
- No ban on FHV or app service at airports
- No ban on driver ability to cancel rides
- No requirement to direct passenger complaints through 311 or to forward passenger complaints to the TLC
- No requirement to provide TLC with your device
- No requirement for apps to provide TLC with any passenger information
- No unreasonable licensing fees: fees are comparable to TLC base license fees and were calculated using standard City methodology