

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 is considering changing its rules about the sale of taxicab medallions.

When and where is the Hearing? The Commission will hold a public hearing on the proposed rule. The public hearing will take place at 10:00 a.m. on May 17, 2012. The hearing will be in the Commission hearing room at 33 Beaver Street, 19th Floor, New York, NY 10004.

How do I comment on the proposed rules? Anyone can comment on the proposed rules by:

- **Mail.** You can mail written comments to the Taxi and Limousine Commission, Office of Legal Affairs, 33 Beaver Street – 22nd Floor, New York, New York 10004.
- **Fax.** You can fax written comments to the Taxi and Limousine Commission, Office of Legal Affairs, at 212-676-1102.
- **Email.** You can email written comments to tlcrules@tlc.nyc.gov.
- **Website.** You can submit comments to the Taxi and Limousine Commission through the NYC Rules Web site at www.nyc.gov/nycrules.
- **By Speaking At the Hearing.** Anyone who wants to comment on the proposed rule at the public hearing must sign up to speak. You can sign up before the hearing by calling 212-676-1135. You can also sign up in the hearing room before the hearing begins on May 17, 2012 at 10:00 a.m. You can speak for up to three minutes.

Is there a deadline to submit written comments? Yes, you must submit written comments by April 23, 2012.

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 Thursday, May 10, 2012.

Can I review the comments made on the proposed rules? A few days after the hearing, a transcript of the hearing and copies of the written comments will be available to the public at the Office of Legal Affairs at 33 Beaver Street, 22nd Floor, New York, NY 10004.

What authorizes the Commission to make this rule? Sections 1043 and 2303 of the City Charter and section 19-503 of the City Administrative Code authorize the Commission to make this proposed rule. This proposed rule was not included in the Commission's regulatory agenda for this Fiscal Year because the need for the rule was not anticipated at the time the regulatory agenda was published.

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? The Commission 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(b) of the City Charter.

Statement of Basis and Purpose of Proposed Rule

On December 23, 2011 Governor Cuomo signed into law chapter 602 of the Laws of 2011, and on February 17, 2012, signed into law chapter 9 of the Laws of 2012, which amended the previous statute. This legislation, as fully enacted (the “Legislation”), authorizes, among other things, New York City to issue up to 2,000 new taxicab medallions restricted to use with vehicles accessible to persons in wheelchairs.

The TLC reviewed its existing rules on the sale of new taxicab medallions (contained in Chapter 65 of Title 35 of the Rules of the City of New York) and identified several changes to create a more smooth and efficient sales process. The changes will also make the process clearer for those seeking to purchase the new medallions. Specifically, the proposed rules:

- Increase the deposit amount for minifleet medallions from \$2,000 to \$5000 (or \$10,000 for a lot of two medallions).
- Increase the time after the auction to close on the purchase of a medallion from 30 days to 90 days, allowing more time for, among other things, possible delays in obtaining a qualified Accessible Taxicab vehicle for use with the new medallions.
- Provide that bids of non-winners that are not returnable will be retained by the City.

New material is underlined.

[Deleted material is in brackets]

Section 1. Section 65-06(a)(3) of Title 35 of the Rules of the City of New York is amended to read as follows:

(3) Include with each bid the following:

- (i) For each Minifleet Medallion for which a Bidder submits a bid, a deposit of \$[2,000] 5,000 (or \$10,000 for each lot of 2 Minifleet Medallions) in a certified check, bank check, money order, or a check issued by a Taxicab Broker or Agent licensed by the Commission pursuant to chapter 62 or chapter 63 of this title respectively, payable to the “New York City Taxi and Limousine Commission”;
- (ii) For each Independent Medallion for which a Bidder submits a bid, a deposit of \$2,000 in a certified check, bank check, money order, or a check issued by a Taxicab Broker or Agent licensed by the Commission pursuant to chapter 62 or chapter 63 of this title respectively, payable to the “New York City Taxi and Limousine Commission”; and
- (iii) A letter of commitment for no less than eighty percent of the bid amount, issued by a bank or credit union licensed to do business in the State of New York or other lender licensed by the State of New York or the Federal Government.

Section 2. Sections 65-07(a)(1) and (2) of Title 35 of the Rules of the City of New York are amended to read as follows:

(a) *Closing Deadlines*

(1) Within [thirty] ninety days after the bid opening, each winning Bidder must close on his or her Medallion(s). If the winning Bidder is unable to close within that period, Bidder must complete the following no later than [thirty] ninety days after the bid opening:

- (i) Deposit twenty-five thousand dollars (\$25,000) in a form of payment acceptable under §52-40(b)(2) of these Rules for each Medallion covered by the winning bid; and
- (ii) Provide the Chairperson with proof of purchase of a vehicle eligible for Hack-Up (see Chapter 67) in the form of a certificate of origin, a certificate of title, a bill of sale, or a signed sales contract.

(2) All purchases of Medallions must close by no later than [thirty] ninety days after bid opening unless extended by the Chairperson for reasonable cause shown.

Section 3. Section 65-07(f)(4) of Title 35 of the Rules of the City of New York is amended to read as follows:

(4) Deposits of non-winning and non-responsive Bidders will be returned by the Chairperson if possible.

(i) A deposit made under §65-06 that is not returnable to the Bidder will be deemed forfeited by the Bidder and will be retained by the Commission after the Chairperson has made two unsuccessful attempts to return the deposit, by certified mail, return receipt requested, to the address listed by the Bidder on the bid form .

**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 Rules Governing Sale of Taxicab Medallions
REFERENCE NUMBER: TLC-21
RULEMAKING AGENCY: TLC**

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 Navarro
Mayor's Office of Operations

March 14, 2012
Date

**NEW YORK CITY LAW DEPARTMENT
100 CHURCH STREET
NEW YORK, NY 10007
212-788-1087**

**CERTIFICATION PURSUANT TO
CHARTER §1043(d)**

RULE TITLE: Amendment of Rules Governing Sale of Taxicab Medallions

REFERENCE NUMBER: 2012 RG 017

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: March 12, 2012