

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. The change will require owners of unrestricted taxicab medallions to purchase the Taxi of Tomorrow vehicle selected by the TLC.

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 Thursday, August 9, 2012. The hearing will be in the Commission hearing room at 33 Beaver Street, New York, New York, on the 19th Floor.

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 10014.
- **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 August 9, 2012. You can speak for up to three minutes.

Is there a deadline to submit written comments? Yes, you must submit written comments by August 6, 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, August 2, 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.

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 included in the Commission's regulatory agenda for this Fiscal Year.

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

Over 1.2 million people per day ride in vehicles regulated by the Taxi and Limousine Commission. Since the demise of the Checker company in the early 1980's, none of the vehicles used by the New York City medallion taxicab industry have been designed especially for taxicab service, and they are often repurposed police cruisers, minivans, or passenger sedans. Since these cars have not been designed or engineered specifically for taxi use, they have not included features and amenities that would be beneficial to owners, drivers, and passengers. Nor have they incorporated the latest technologies, accessibility features for people with disabilities, or safety advances.

In 2007, the City issued a Request for Information (RFI) and convened a Taxi of Tomorrow Advisory Committee (including taxi drivers, passengers, medallion owners, advocates for people with disabilities, advocates for the environment, various taxi driver and owner organizations, and designers) to help insure that the new taxicab meets the needs of diverse stakeholders.

In 2009, the City issued a Request for Proposals (RFP) seeking an exclusive provider of taxicabs to the medallion taxi industry. It sought a vehicle that offered:

- The highest safety standards
- Superior passenger experience
- Superior driver comfort and amenities
- Appropriate purchase price and on-going maintenance and repair costs
- Minimal environmental impact
- Minimal physical footprint with more useable interior room
- Accessibility for all users
- Iconic design that will identify the taxi with New York City

After receipt of 7 proposals from a variety of manufacturers, and a year-long detailed evaluation process, the City selected Nissan North America (Nissan) to be the exclusive taxicab provider for 10 years (with an additional 5-year commitment to provide parts and service). The Taxi of Tomorrow will also be available in a wheelchair accessible version. The Taxi of Tomorrow taxicabs will be known as Official Taxicab Vehicle (OTV) or the Accessible Official Taxicab Vehicle (AOTV).

The proposed rule requires that if a medallion owner acquires a new vehicle on or after the activation date for the Taxi of Tomorrow, the owner must hack up the medallion with the Taxi of Tomorrow vehicle, to be known as the Official Taxicab Vehicle ("OTV") or the Accessible Official Taxicab Vehicle ("AOTV"). The TLC anticipates the activation date for the Taxi of Tomorrow will be October 31, 2013.

Exemptions to this requirement include:

- Owners of Medallions restricted to use with Alternative Fuel Vehicles may purchase any alternative fuel taxicab which meets the specifications described in TLC Rule 67-05.

- Owners of the 231 Medallions issued prior to January 1, 2012 that are restricted to use with Wheelchair Accessible Vehicles, may purchase any accessible Taxicab which meets the accessible vehicle specifications set forth in proposed Rule 67-05.2, including the Accessible Official Taxicab Vehicle.
- Owners of Accessible Medallions issued by TLC on or after January 1, 2012 may purchase any accessible Taxicab which meets the accessible vehicle specifications set forth in Rule 67-05.2, including the Accessible Official Taxicab Vehicle.
- With TLC’s authorization, owners of up to 496 Unrestricted Medallions issued prior to January 1, 2012 who choose to use an accessible vehicle may purchase any accessible Taxicab which meets the accessible vehicle specifications set forth in proposed Rule 67-05.2, including the Accessible Official Taxicab Vehicle.

Vehicle Requirements/Options by Medallion Type

| | Nissan NV200 (OTV) | Nissan/Braun NV200 Accessible (AOTV) | TLC-Approved Hybrid or CNG | TLC-Approved Wheelchair-Accessible |
|--|---------------------------|---|-----------------------------------|---|
| Unrestricted Medallion issued prior to January 1, 2012 | YES | YES | NO | YES, up to 496 medallions |
| Restricted Alternate-Fuel Medallion issued prior to January 1, 2012 | NO | NO | YES | NO |
| Restricted Wheelchair-Accessible Medallion issued prior to January 1,2012 | NO | YES | NO | YES |
| 2000 Restricted Medallions authorized by Street Hail Livery Law. | NO | YES | NO | YES |

The proposed rule requires the TLC to provide at least 120 days notice to medallion owners prior to the date after which unrestricted medallions must be hacked-up with the Official Taxicab Vehicle. The rule also makes certain, largely technical changes, to current taxicab rules to account for the fact that the Official Taxicab Vehicle will be manufactured and delivered under specifications set by contract with the manufacturer of the vehicle.

The Commission’s authority for this rules change is found in section 2303 of the New York City Charter and section 19-503 of the New York City Administrative Code.

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

Section 1. Chapter 51 of the Rules of the City of New York is amended to add new definitions of “Accessible Official Taxicab Vehicle,” “Official Taxicab Vehicle,” and “Official Taxicab Vehicle Activation Date”, and the definitions of “Taxicab Model” and “Unrestricted Medallion” are amended to read as follows:

Accessible Official Taxicab Vehicle (“Accessible OTV”) is the OTV modified in a manner that is consistent with the City’s contract with Nissan North America and meets the specifications of §67-05.2 of these Rules.

Official Taxicab Vehicle (“OTV”) is the vehicle that meets the standard specifications of Rule 67-05.1B and is the purpose built taxicab for model years 2014 – 2024, manufactured pursuant to the City’s contract with Nissan North America. All references to OTV include Accessible OTV unless otherwise specified.

Official Taxicab Vehicle Activation Date (“OTV Activation Date”) is the date on or after which the Official Taxicab Vehicle is required to be used in the Hack-up of any Unrestricted Medallion. The Commission will post notice of the Official Taxicab Vehicle Activation Date on its Web site at least 120 days prior to such Official Taxicab Vehicle Activation Date.

Taxicab Model is

(1) until the Official Taxicab Vehicle Activation Date, a Taxicab Candidate that has been verified by the Commission as complying with the standard specifications set forth in §67-05, §67-05.1A, or §67-05.2 of these Rules;

(2) on or after the OTV Activation Date, a Taxicab candidate that has been verified by the Commission as complying with the specifications set forth in 67.05; 67.05.1B or 67-05.2.

Unrestricted Medallion is

(1) Before the OTV Activation Date a Medallion Taxicab License that is not restricted to use with a particular type of vehicle and is valid for use with any vehicle that complies with §67-05, §67-05.1A, or §67-05.2 of these Rules.

(2) After the OTV Activation Date, a medallion issued prior to January 1, 2012 that was not restricted when issued can be used with an OTV or an AOTV. If at any time after the OTV Activation Date such medallion is restricted by law or rule of the Commission to use with an

Accessible Vehicle, the owner of such medallion must purchase an AOTV or lease such medallion for use with an AOTV. Provided, however, that, with the Chairperson’s approval, up to 496 Unrestricted Medallion owners in good standing may at any time purchase for Hack-up any accessible vehicle which meets the accessible vehicle specifications set forth in Rule 67-05.2, or lease their medallions for use with such a vehicle.

(3) Any vehicle approved for use with an Unrestricted Medallion and Hacked-up prior to the Official Taxicab Vehicle Activation Date can remain in use as a Taxicab until its scheduled retirement as set forth in §67-18 of this Chapter, as may be modified by §67-19.

Section 2. Section 58-31(d) of Title 35 of the Rules of the City of New York is amended to read as follows:

(d) *No Alterations.* An Owner will make no structural change in a Taxicab or in an OTV that deviates from the Taxicab specifications set forth in Chapter 67 of these Rules without the Commission’s written approval.

Section 3. Section 58-34(d) of Title 35 of the Rules of the City of New York is amended to read as follows:

(d) *Trouble Lights.* An Owner must [equip] ensure that all Taxicabs bearing such Owner’s Medallion(s) are equipped with a help or distress signaling light system meeting the requirements of §67-11.

Section 4. Section 58-35 of Title 35 of the Rules of the City of New York is amended to read as follows:

(a) *Partition Required.* (1) A Taxicab must be equipped with a partition unless exempt from the requirement.

(2) An Owner must [equip] ensure that all Taxicabs, except as provided in subdivision (b) of this section, are equipped with a partition that meets the specifications set forth in §67-10 of these Rules, and with provision for air conditioning for the rear passenger compartment, as set forth in §67-14.

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| §58-35(a) | Fine: \$300 and suspension until the condition is corrected | Appearance REQUIRED |
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(b) *Owner-Drives Exemption from Partition Requirement.* [NOTE: This Exemption is NOT available to the Owner of a Taxicab Hacked-up with an Official Taxicab Vehicle.] An Owner of an Independent Medallion Taxicab or a Business Entity owning one or more Medallions will be exempt from the provisions of subdivision (a) of this Section provided all of the following five conditions are met:

- (1) The Taxicab is driven only by the Owner(s) of the Medallion (including a Business Entity Person of a Business Entity Owner).
 - (2) The Rate Card lists only the persons named above in paragraph (1) as Named Driver(s).
 - (3) The Taxicab is equipped with the following:
 - (i) The required Trouble Lights
 - (ii) A cellular telephone with an emergency dialing feature.
 - (iii) A camera approved by the Commission
 - (4) The Owner has not previously been found in violation of this rule with respect to the subject Medallion.
 - (5) The Owner has applied for and received a certification of exemption from the Commission.
- (c) *Exception to Exemption.* Even if the Owner meets all the conditions for an exemption, if a partition is the only approved location for display of the Rate Card and Driver License in a particular model of automobile, then a partition is required.
- (d) *Curtain Airbags Modification (Not Applicable to Official Taxicab Vehicles or Accessible Official Taxicab Vehicles).*
- (1) A Taxicab that is equipped with factory installed curtain airbags will be equipped with a modified partition that does not extend the full width of the interior of the Taxicab.
 - (2) The modified partition instead must allow a space of six inches at each side, sufficient to permit proper deployment of the curtain airbags.
 - (3) The modified partition must conform in all other respects with the applicable requirements of §67-10 of these Rules.

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| §58-35(d) | Fine: \$300 and suspension until the condition is corrected | Appearance REQUIRED |
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Section 5. The definitions of “Taxicab Model” and “Unrestricted Medallion set forth in section 67-03(1) of Title 35 of the Rules of the City of New York are amended to read as follows.

Taxicab Model is

(1) until the Official Taxicab Vehicle Activation Date, a Taxicab Candidate that has been verified by the Commission as complying with the standard specifications set forth in §67-05, §67-05.1A, or §67-05.2 of these Rules; or

(2) on or after the OTV Activation Date, a Taxicab candidate that has been verified by the Commission as complying with the specifications set forth in 67.05; 67.05.1B or 67-05.2 of these Rules.

Unrestricted Medallion is

(1) Before the OTV Activation Date, a Medallion Taxicab License that is not restricted to use with a particular type of vehicle and is valid for use with any vehicle that complies with §67-05, §67-05.1A, or §67-05.2 of these Rules.

(2) After the OTV Activation Date, a medallion issued prior to January 1, 2012 that was not restricted when issued can be used with an OTV or an AOTV. If at any time after the OTV Activation Date such medallion is restricted by law or rule of the Commission to use with an Accessible Vehicle, the owner of such medallion must purchase an AOTV or lease such medallion for use with an AOTV. Provided, however, that, with the Chairperson’s approval, up to 496 Unrestricted Medallion owners in good standing may at any time purchase for Hack-up any accessible vehicle which meets the accessible vehicle specifications set forth in Rule 67-05.2, or lease their medallions for use with such a vehicle.

(3) Any vehicle valid for use with an Unrestricted Medallion and Hacked-up prior to the Official Taxicab Vehicle Activation Date can remain in use as a Taxicab until its scheduled retirement as set forth in §67-18 of this Chapter, as may be modified by §67-19.

Section 6. Section 67-03 of Title 35 of the Rules of the City of New York is amended by re-lettering subdivisions (a) through (f) as (b) through (g) and adding new subdivisions (a), (h) and (i), to read as follows:

(a) Accessible Official Taxicab Vehicle (“Accessible OTV”) is the OTV modified in a manner that is consistent with the City’s contract with Nissan North America and meets the specifications of §67-05.2 of these Rules.

(h) Official Taxicab Vehicle (“OTV”) the OTV meets the standard specifications of Rule 67-05.1B and is the purpose built taxicab for model years 2014 – 2024 manufactured, pursuant to the City’s contract with Nissan North America. All references to OTV include Accessible OTV unless otherwise specified.

(i) Official Taxicab Vehicle Activation Date (“OTV Activation Date”) is the date on or after which the Official Taxicab Vehicle is required to be used in the Hack-up of any Unrestricted Medallion. The Commission will post notice of the Official Taxicab Vehicle Activation Date on its Web site at least 120 days prior to such Official Taxicab Vehicle Activation Date.

Section 7. Section 67-04 of Title 35 of the Rules of the City of New York is amended to read as follows:

(a) Meet All Specifications—Prior to OTV Activation Date. A Taxicab Candidate must meet the technical specifications in §67-05, §67-05.1A, [67-05.1] or §67-05.2 of these Rules, as well as all applicable federal and New York State motor vehicle standards and requirements, in order to become a Taxicab Model

(b) Meet all Specifications—After OTV Activation Date. A taxicab Candidate must meet the technical specifications in §67-05, §67-05.1A, [67-05.1] or §67-05.2 of these Rules including all relevant Federal Motor Vehicle Safety Standards (“FMVSS”) and other applicable National Highway Traffic Safety Administration (“NHTSA”) safety regulations and:

1. For Accessible Taxicabs – In addition to the specifications set forth in 67-05.2, all safety regulations must be met with all required taxicab equipment installed, including a partition that meets TLC specifications; or, in the case of the meter or the T-PEP equipment, with representative equipment of similar size and mass installed or an approved taximeter and T-PEP system. All wheelchair accessibility and securement equipment must be installed when conducting the testing.
2. For standard Taxicabs – In addition to the technical specifications in §67-05.1B all safety regulations must be met with all required taxicab equipment installed, including a partition that meets TLC specifications; or, in the case of the meter or the T-PEP equipment, with representative equipment of similar size and mass installed or an approved taximeter and T-PEP system.

Section 8. Section 67-05.1 is renumbered as section 67-05.1A.

Section 9. Section 58-21(c)(2) is amended to read as follows:

(2) *Cost Adjustments.* For Taxicabs that are Hacked-up under §67-05.1A or §67-05.1B and are not Accessible Vehicles, the Standard Lease Caps set forth in paragraph (1) above will be adjusted as follows:

- (i) Beginning on May 1, 2009, each amount will be reduced by \$4 per shift (\$28 per week), so that the lease amount for one shift must not exceed:
 - A. \$101, for all 12-hour day shifts
 - B. \$111, for the 12-hour night shift on Sunday, Monday and Tuesday
 - C. \$116, for the 12-hour night shift on Wednesday
 - D. \$125, for the 12-hour night shifts on Thursday, Friday and Saturday
 - E. \$638, for any one-week shift for one week or longer

- (ii) Beginning on May 1, 2010, each amount will be reduced by \$8 per shift (\$56 per week), so that the lease amount for one shift must not exceed:
 - A. \$97, for all 12-hour day shifts
 - B. \$107, for the 12-hour night shift on Sunday, Monday and Tuesday
 - C. \$112, for the 12-hour night shift on Wednesday
 - D. \$121, for the 12-hour night shifts on Thursday, Friday and Saturday
 - E. \$610, for any one-week shift for one week or longer

- (iii) Beginning on May 1, 2011, each amount will be reduced by \$12 per shift (\$84 per week), so that the lease amount for one shift must not exceed:
 - A. \$93, for all 12-hour day shifts
 - B. \$103, for the 12-hour night shift on Sunday, Monday and Tuesday
 - C. \$108, for the 12-hour night shift on Wednesday
 - D. \$117, for the night shifts on Thursday, Friday and Saturday
 - E. \$582, for any one-week shift for one week or longer

Section 10. The title of section 67-05.1 of Title 35 of the Rules of the City of New York is amended to read as follows:

§67-05.1A Standard Specification for Other Taxicab Models *Effective Until Official Taxicab Vehicle Activation Date.*

Section 11. Chapter 67 of Title 35 of the Rules of the City of New York is amended to add new Section 67-05.1B to read as follows:

§67-05.1B Official Taxicab Vehicle for use with Unrestricted Medallions *Effective On Official Taxicab Vehicle Activation Date.*

(a) Official Taxicab Vehicle Activation Date (“OTV Activation Date”) is the date on or after which Official Taxicab Vehicle is required to be used in the Hack-up of any Unrestricted Medallion. The Commission will post notice of the Official Taxicab Vehicle Activation Date on its Web site at least 120 days prior to such Official Taxicab Vehicle Activation Date.

(b) On or after the OTV Activation Date, an Unrestricted Medallion can be Hacked-up ONLY with

(1) the Official Taxicab Vehicle designated by the Commission under this section; or

(2) After the OTV Activation Date, a medallion issued prior to January 1, 2012 that was not restricted when issued can be used with an OTV or an AOTV. If at any time after the OTV Activation Date such medallion is restricted by law or rule of the Commission to use with an Accessible Vehicle, the owner of such medallion must purchase an AOTV or lease such medallion for use with an AOTV. Provided, however, that, with the Chairperson’s approval, up to 496 Unrestricted Medallion owners in good standing may at any time purchase for Hack-up any accessible vehicle which meets the accessible vehicle specifications set forth in Rule 67-05.2, or lease their medallions for use with such a vehicle.

(c) Any vehicle valid for use with an Unrestricted Medallion and Hacked-up prior to the OTV Activation Date can remain in use as a Taxicab until its scheduled retirement as set forth in §67-18 of this Chapter, as may be modified by §67-19.

(d) An Official Taxicab Vehicle is delivered to a purchaser complete with certain equipment and finishes specified by the City’s contract with vendor. Therefore, an Official Taxicab Vehicle at Hack-up is not required to separately meet the requirements of the following sections of this chapter :

(1) Section 67-07, relating to paint, finish and lighting.

(2) Section 67-08, relating to occupant accommodation.

(3) Section 67-10, relating to partitions.

(4) Section 67-11, relating to distress signal lights.

(5) Section 67-12, relating to in-vehicle camera systems.

(6) Section 67-13, relating to credential holders.

(7) Section 67-14, relating to air conditioning.

Section 12. Section 67-05.2 of Title 35 of the Rules of the City of New York is amended to add introductory material following the title, to read as follows:

An Accessible Medallion can be used only with a Taxicab Model that meets the specifications of this Section.

1. The 231 Medallions restricted to use with Wheelchair Accessible Vehicles, issued prior to January 1, 2012, may purchase for Hack-up any accessible vehicle, including the Accessible Official Taxicab Vehicle, which meets the accessible vehicle specifications set forth in Rule 67-05.2.
2. Except as provided in Rule 67-05.1B(b)(2), owners of Unrestricted Medallions who choose to Hack-up an accessible vehicle may purchase only the Accessible Official Taxicab Vehicle.
3. Owners of Accessible Medallions issued by TLC on or after January 1, 2012 can purchase for Hack-up any accessible vehicle, including the Accessible Official Taxicab Vehicle, which meets the accessible vehicle specifications set forth in Rule 67-05.2.

Section 13. Section 67-05.2 of Title 35 of the Rules of the City of New York is amended by adding a new subdivision (d), to read as follows:

(d) Accessible Official Taxicab Vehicle (“Accessible OTV”) is the OTV modified in a manner that is consistent with the City’s contract with Nissan North America and meets the specifications of §67-05.2 of these Rules.

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

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

RULE TITLE: Taxi of Tomorrow Rules

REFERENCE NUMBER: 2012 RG 061

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: July 2, 2012

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: Taxi of Tomorrow Rules
REFERENCE NUMBER: TLC-37
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

July 2, 2012 Date