

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”, “the Commission”) is proposing amendments to the rules that would increase the taximeter rate of fare and various surcharges for taxicabs and street hail liveries, create a new LaGuardia Airport surcharge and increase the Kennedy Airport flat fare.

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 October 6, 2022. 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 October 5, 2022. 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 212-676-1102.
- **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 October 5, 2022. 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

Is there a deadline to submit written comments? Yes, you must submit written comments by October 5, 2022.

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 September 30, 2022. 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, 2303 and 2304 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 included in TLC's regulatory agenda for fiscal year 2023.

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

The last modification to the taximeter rate of fare and the Kennedy Airport flat fare came into effect on September 4, 2012. Since then, the yellow taxi and street hail livery ("SHL") industry in New York City has gone through marked changes, including a growth in the number of For-Hire Vehicles on the road, shifting driver availability, and the impacts of a global pandemic. The proposed taximeter rate of fare increase, creation of a new LaGuardia Airport surcharge, the Kennedy Airport flat fare increase and other increases to surcharges will help address the challenges of the evolving taxicab and street hail livery sectors and their need for revitalization by putting more money in the pockets of drivers.

In 2014 the TLC issued rules creating the Taxicab Improvement Fund (TIF) and the Street Hail Livery Improvement Fund (SHLIF). These funds were created as part of an overall strategy by the agency to increase the number of accessible taxicabs. The funds are financed through a 30-cent surcharge on every yellow and green taxicab trip. In May 2018 the TLC increased the driver incentive payment from \$0.50 to \$1 per trip, and in June 2019, the TLC introduced a \$100 signing bonus which benefited six thousand five hundred drivers when they enrolled in the program. The TLC did not make changes to the amount of the surcharge at the time, but increased the TIF and SHLIF benefits to drivers to ensure owners of wheelchair accessible vehicles could keep them in service. TLC must now increase the existing surcharge of \$.0.30 to \$1.00 in order to finance increased disbursements to owners and drivers of accessible taxicabs and ensure that TIF and SHLIF remain sustainable.

In accordance with section 2304 of the New York City Charter, the Commission held a hearing on May 23, 2022 at which it received evidence and testimony regarding rates of fare. These rule amendments are based on testimony and written comments received at the hearing, reviews of driver compensation and passenger fares, average wait times for drivers, average metered fares,

and changes in the Consumer Price Index since the previous fare adjustment, among other considerations. Based on the industry feedback and the Commission's analysis of industry needs, the Commission proposes the following amendments to Sections 51-03, 58-26 and 82-26 of its rules:

- The initial unit charge would be increased from \$2.50 to \$3.00.
- The Taxicab Improvement Surcharge and Street Hail Livery Improvement Surcharge would be increased from \$0.30 to \$1.00.
- The additional unit charge would be increased from \$0.50 to \$0.70.
- The rush hour surcharge would be increased from \$1.00 to \$2.50.
- The nighttime surcharge would be increased from \$0.50 to \$1.00.
- The taxi flat fare for trips between Manhattan and Kennedy Airport, and the SHL flat fare for trips from Manhattan to Kennedy Airport, would be increased from \$52.00 to \$65.00.
- The rush hour taxi and SHL flat fare surcharge for Kennedy Airport trips would be increased from \$4.50 to \$5.00.
- A new surcharge of \$5.00 would be created for all taxi trips to and from LaGuardia Airport, and all SHL trips to LaGuardia Airport hailed outside of the Hail Exclusionary Zone.
- The taxi surcharge for all trips to Newark Airport would be increased from \$17.50 to \$20.00.

The changes to the metered rate, not including changes to surcharges and flat fares, are projected to result in the following changes for passengers, drivers, and medallion owners, using 2019, the most recent full year before the COVID-19 pandemic, as the baseline:

- An increase in average passenger fares of 22.9%
- An increase in driver revenue of 33.3%
- An increase in medallion revenue of 29.5%

The Commission's authority to promulgate this rule is found in sections 2303 and 2304 of the New York City Charter and section 19-503 of the New York City Administrative Code. The rules that the Commission is seeking to amend are contained within Chapters 58 and 82 of Title 35 of the Rules of the City of New York.

New material is underlined.

[Deleted material is in brackets.]

Section 1. The definitions of Street Hail Livery Improvement Surcharge and Taxicab Improvement Surcharge set forth in section 51-03 of Chapter 51 of Title 35 of the Rules of the City of New York are amended to read as follows:

Street Hail Livery Improvement Surcharge is the surcharge of [~~\$0.30~~] \$1.00 per trip that will be added to every Hail Trip in a Street Hail Livery [beginning on January 1, 2015]. The Street Hail Livery Improvement Surcharge will be deposited into the Street Hail Livery Improvement Fund.

Taxicab Improvement Surcharge is the surcharge of [~~\$0.30~~] \$1.00 per trip that will be added to every taxicab trip [beginning on January 1, 2015]. The Taxicab Improvement Surcharge will be deposited into the Taxicab Improvement Fund.

§ 2. Paragraphs (1) and (2) of subdivision (a) of section 58-26 of Chapter 58 of Title 35 of the Rules of the City of New York are amended to read as follows:

(1) *Metered Rate of Fare.* The rate of fare for Taxicabs is as follows, regardless of the number of passengers or stops:

(i) The charge for the initial unit is [~~\$2.50~~] \$3.00 plus[, on and after January 1, 2015,] the Taxicab Improvement Surcharge of [~~\$0.30 for a total of \$2.80~~] \$1.00

(ii) The charge for each additional unit is [~~\$.50~~] \$0.70

(iii) The unit of fare is:

A. One-fifth of a mile, when the Taxicab is traveling at 12 miles an hour or more; or

B. 60 seconds [(at a rate of \$.50 per minute)], when the Taxicab is traveling at less than 12 miles an hour.

(iv) The Taximeter must combine fractional measures of distance and time in accruing a unit of fare. Any combination of distance or time specified in paragraph (iii) above must be computed by the Taximeter in accordance with Handbook 44 of the National Institute of Standards and Technology.

(v) The fare must include pre-assessment of the unit currently being accrued; the amount due can therefore include a full unit charge for a final, fractional unit.

(2) *Surcharges.* In addition to the metered rate of fare, Taxicabs will add the following surcharges, except where surcharges are specifically exempted:

(i) A rush hour surcharge of [~~\$1.00~~] \$2.50 for all trips beginning on a weekday after 4:00 P.M. and before 8:00 P.M.; this surcharge will not be applied on legal holidays

(ii) A nighttime surcharge of [~~\$.50~~] \$1.00 for all trips beginning after 8:00 P.M. and before 6:00 A.M.

(iii) A surcharge of \$5.00 for all trips to and from LaGuardia Airport.

§ 3. Subdivision (b) of section 58-26 of Chapter 58 of Title 35 of the Rules of the City of New York is amended to read as follows:

(b) Flat Rates between Manhattan and Kennedy Airport.

(1) Flat Fare Rate between Manhattan and Kennedy Airport. The fare for a trip between Kennedy Airport and Manhattan will be a Flat Rate of [~~\$52~~] \$65.00, plus any tolls and applicable surcharges.

(i) A rush hour surcharge of [~~\$4.50~~] \$5.00 will be added to this Flat Rate for all trips beginning on a weekday after 4:00 p.m. and before 8:00 p.m. This surcharge will not be applied on legal holidays.

(ii) The MTA Tax must be charged in addition to the Flat Rate.

(iii) The Taximeter must reflect that this trip is a Flat Rate fare.

(2) Calculating Fare for Multiple Stops to Manhattan. If passengers request multiple stops on a trip from Kennedy Airport to Manhattan, the fare will be determined as follows:

(i) The first stop in Manhattan is paid as required by paragraph (1) of this subdivision.

(ii) The Taximeter is then turned on as if for a new trip and a new fare is calculated as a regular metered trip.

(iii) The total metered fare (plus any surcharge) is paid at the last stop by the remaining passenger.

(iv) No fare is due at the time any other passengers are dropped off between the first and last passenger.

(v) Example: if three passengers request stops at 42nd St., 18th St. and 4th St.:

A. [~~\$52.00~~] \$65.00 plus the MTA Tax and any applicable tolls or surcharges will be collected at 42nd St.

B. The Taximeter will be turned on at that point.

C. When the second passenger exits at 18th St., the Taximeter remains on and no money is paid to the Driver.

D. The passenger dropped off at 4th St. must pay the fare on the Taximeter.

§ 4. Paragraph (3) of subdivision (c) of section 58-26 of Chapter 58 of Title 35 of the Rules of the City of New York is amended to read as follows:

(3) For a trip to Newark Airport the fare will be the sum of the following amounts:

(i) The amount shown on the Taximeter, plus

(ii) A surcharge of [~~\$17.50~~] \$20.00, plus

(iii) All necessary tolls to and from the destination.

§ 5. Paragraphs (1) and (2) of subdivision (a) of section 82-26 of Subchapter A of Chapter 82 of Title 35 of the Rules of the City of New York are amended to read as follows:

(1) *Metered Rate of Fare.* The rate of fare for Street Hail Liveries for Passengers in Hail Trips is as follows, regardless of the number of passengers or stops:

(i) The charge for the initial unit is [~~\$2.50~~] \$3.00 plus, on and after January 1, 2015, the Street Hail Livery Improvement Surcharge of [~~\$0.30 for a total of \$2.80~~] \$1.00

(ii) The charge for each additional unit is [~~\$.50~~] \$0.70

(iii) The unit of fare is:

A. One-fifth of a mile, when the Street Hail Livery is traveling at 12 miles an hour or more; or

B. 60 seconds [(at a rate of \$.50 per minute)], when the Street Hail Livery is traveling at less than 12 miles an hour.

(iv) The Taximeter must combine fractional measures of distance and time in accruing a unit of fare. Any combination of distance or time specified in paragraph (iii) above must be computed by the Taximeter in accordance with Handbook 44 of the National Institute of Standards and Technology.

(v) The fare must include pre-assessment of the unit currently being accrued; the amount due can therefore include a full unit charge for a final, fractional unit.

(2) *Surcharges.* In addition to the metered rate of fare, Street Hail Liveries will add the following surcharges for Hail Trips, except where surcharges are specifically exempted:

(i) A rush hour surcharge of [~~\$1.00~~] \$2.50 for all trips beginning on a weekday after 4:00 p.m. and before 8:00 p.m.; this surcharge will not be applied on legal holidays

(ii) A nighttime surcharge of [\$.50] \$1.00 for all trips beginning after 8:00 p.m. and before 6:00 a.m.

(iii) A surcharge of \$5.00 for all trips to LaGuardia Airport.

§ 6. Paragraph (1) of subdivision (b) of section 82-26 of Subchapter A of Chapter 82 of Title 35 of the Rules of the City of New York is amended to read as follows:

(1) *Flat Fare Rate from Manhattan.* The fare for a Hail Trip to Kennedy Airport from a location in Manhattan which is in the Hail Zone will be a Flat Rate of [\$52] \$65.00, plus any tolls and applicable surcharges.

(i) A rush hour surcharge of [\$4.50] \$5.00 will be added to this Flat Rate for all trips beginning on a weekday after 4:00 p.m. and before 8:00 p.m. This surcharge will not be applied on legal holidays.

(ii) The MTA Tax must be charged in addition to the Flat Rate.

(iii) The Taximeter must reflect that this trip is a Flat Rate fare.

§ 7. Paragraph (3) of subdivision (c) of section 82-26 of Subchapter A of Chapter 82 of Title 35 of the Rules of the City of New York is amended to read as follows:

(3) For a trip to Newark Airport the fare will be the sum of the following amounts:

(i) The amount shown on the Taximeter, plus

(ii) A surcharge of [\$17.50] \$20.00, plus

(iii) All necessary tolls to and from the destination.

**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: Adjustment of Rates of Fare

REFERENCE NUMBER: 2022 RG 053

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
Senior Counsel

Date: July 18, 2022

**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: Adjustment of Rates of Fare

REFERENCE NUMBER: TLC-127

RULEMAKING AGENCY: Taxi & 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 it does not establish a violation, modification of a violation, or modification of the penalties associated with a violation.

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

July 18, 2022
Date