

# Exhibit C

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**THE COUNCIL OF THE CITY OF NEW YORK**

COMMITTEE REPORT OF THE HUMAN SERVICES DIVISION  
Jeffery Baker, Legislative Director

**COMMITTEE ON FOR-HIRE VEHICLES**

Hon. Ruben Diaz Sr., Chair

**April 30, 2018**

**INT.NO. 144:**

By Council Member Levin

TITLE:

A Local Law in relation to temporarily limiting the issuance of new for-hire vehicle licenses

**INT. NO. 634:**

By Council Member Diaz

TITLE:

A Local Law to amend the administrative code of the city of New York, in relation to the waiver of licensing fees for accessible taxi-cabs and for-hire vehicles

ADMINISTRATIVE CODE:

Amends §19-504

**INT. NO. 838:**

By Council Members Diaz, Deutsch, Cabrera, Koslowitz, and Miller

TITLE:

A Local Law to amend the administrative code of the city of New York, in relation to

ADMINISTRATIVE CODE: the licensing and regulation of app-based for-hire transportation services and vehicles

**ADMINISTRATIVE CODE:** Amends Chapter 5 of Title 19 by adding ff, gg, hh to §19-502, and adds §19-548 and §19-549

**INT. NO. 854:** By Council Member Rodriguez

**TITLE:** A Local Law to amend the administrative code of the city of New York, in relation to establishing a maximum number of for-hire vehicles affiliated with each base

**ADMINISTRATIVE CODE:** Amends subdivision e of §19-511

**INT. NO. 855:** By Council Member Rodriguez

**TITLE:** A Local Law to amend the administrative code of the city of New York, in relation to requiring half of all black cars to be accessible to persons with physical disabilities

**ADMINISTRATIVE CODE:** Adds §19-548 to Chapter 5 of Title 19

**INT. NO. 856:** By Council Member Rodriguez

**TITLE:** A Local Law to amend the administrative code of the city of New York, in relation to the siting of for-hire vehicle bases

**ADMINISTRATIVE CODE:** Adds §19-511.2 to Chapter 5 of Title 19

**PRECONSIDERED INT. NO.:** By Council Member Lander

**TITLE:** A Local Law to amend the administrative code of the city of New York, in relation to setting minimum prices for for-hire vehicle driver services and setting rates of fare for for-hire vehicles

**ADMINISTRATIVE CODE:** Adds §19-584 to Chapter 5 of Title 1

**INTRODUCTION**

On April 30, 2018, the Committee on For-Hire Vehicles, chaired by Council Member Ruben Diaz Sr., will hold a hearing on Int. No. 144, a local law in relation to temporarily limiting the issuance of new for-hire vehicle licenses, Int. No. 634, a local law in relation to the waiver of licensing fees for accessible taxi-cabs and for-hire vehicles, Int. No. 838, a local law in relation to the licensing and regulation of app-based for-hire transportation services and vehicles, Int. No. 854, a local law in relation to establishing a maximum number of for-hire vehicles affiliated with each base, Int. No. 855, a local law in relation to requiring half of all black cars to be accessible to persons with physical disabilities, Int. No. 856, a local law in relation to the siting of for-hire vehicle bases, and Preconsidered Int. No., a local law in relation to setting minimum prices for for-hire vehicle driver services and setting rates of fare for for-hire vehicles. The Committee expects to hear testimony from representatives of the Taxi and Limousine Commission (TLC), the taxi and for-hire vehicle industry, as well as other interested stakeholders and advocates.

**BACKGROUND**

The taxi and for-hire vehicle sectors have gone through significant changes in the last several years as technological innovations have altered the traditional way people signaled taxis and arranged for-hire vehicle trips. Today, application-based technology has allowed passengers to have fast, reliable, and on-demand service at the click of a button. While these companies abide by TLC's licensing requirements and operate as for-hire vehicles, the sector's rapid growth over the past several years has led to economic and environmental concerns that some argue need to be addressed.

### TLC Regulated Industries<sup>1</sup>

Yellow taxicabs—which must have a medallion to operate in the City—serve riders who hail vehicles on the street.<sup>2</sup> As taxicabs primarily serve customers in Manhattan, street hail livery vehicles—also known as green taxis, borough taxis, or SHLs—are allowed to accept street hails outside of the exclusionary zone, which includes Manhattan south of East 96th Street and south of West 110th Street, as well as the City’s airports.<sup>3</sup> Street hail livery service was authorized by State laws that allow the City to issue up to 18,000 hail licenses, to be issued in three rounds.<sup>4</sup> Since sales began in 2013, just over 5,609 licenses have been issued.<sup>5</sup>

Liveries, also known as community cars, may accept passengers by prearrangement.<sup>6</sup> Similarly, black cars and luxury limousines are also limited to accepting rides through prearrangement, but must also receive more than ninety percent of payments in a non-cash method.<sup>7</sup> Luxury limousines differ from black cars in that they may carry up to 20 passengers and have additional insurance requirements.<sup>8</sup>

Each for-hire vehicle<sup>9</sup>—a category including street hail liveries, liveries, black cars, and luxury limousines—must be affiliated with a base authorized to dispatch vehicles in that class; for example, a livery vehicle must affiliate with a livery base and a black car must affiliate with a black car base.<sup>10</sup> As such, when a vehicle owner applies for a for-hire vehicle license, they must

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<sup>1</sup> The TLC also regulates certain specialized services such as commuter vans and paratransit vehicles; however, these topics will not be discussed in this report.

<sup>2</sup> N.Y.C. Admin. Code § 19-502(l).

<sup>3</sup> Ch. 9 of the Laws of 2012.

<sup>4</sup> *Id.*

<sup>5</sup> N.Y.C TLC Annual Report 2017, available at [http://www.nyc.gov/html/tlc/downloads/pdf/annual\\_report\\_2017.pdf](http://www.nyc.gov/html/tlc/downloads/pdf/annual_report_2017.pdf)

<sup>6</sup> N.Y.C. Admin. Code § 19-516(a).

<sup>7</sup> *Id.* at §§ 19-502(u) and (v).

<sup>8</sup> *Id.*

<sup>9</sup> The term “for-hire vehicle” can be used to refer to liveries specifically, or liveries, black cars, and luxury limousines collectively. In this report, for-hire vehicle is used to refer to the class of vehicles.

<sup>10</sup> 35 R.C.N.Y. § 59A-11(e).

list the name of the base that the vehicle will affiliate with. Once a vehicle is licensed, a driver may accept dispatches from bases other than their affiliated base, as long as the base is within the same class; vehicle owners are also able to change their base affiliation.<sup>11</sup> For each trip, the dispatching base must provide the customer with the name and license number of both the affiliated base and the dispatching base.<sup>12</sup>

TLC sets specific fare rates for yellow taxis, whereas base owners in the for-hire vehicle sector can set their own fares. TLC does require bases to submit rate schedules to the TLC.<sup>13</sup> The base owner must annually file a rate schedule with the TLC that includes surge or variable pricing policies, and any and all fees charged to the customer.<sup>14</sup> Additionally, the rates must be sent to the TLC whenever rates are changed and with every renewal application, and with any application to change the ownership or location of the base.<sup>15</sup>

The TLC requires livery bases to give passengers binding fare quotes, however, no such requirement existed in the black car industry until the City Council passed legislation in 2016 that requires black car bases to provide the passenger with an upfront binding fare quote.<sup>16</sup> Additionally, black car bases must display an option that allows customers to acknowledge and accept that surge pricing is in effect prior to dispatching a vehicle to a customer.<sup>17</sup>

### Growth in the For-Hire Industry

Throughout the world advances in smartphone technology have led to the development of the so-called “sharing economy”—which links consumers to peers providing a service, such as

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<sup>11</sup> *Id.* at § 59A-11(e).

<sup>12</sup> *Id.*

<sup>13</sup> 35 R.N.Y.C Rules 58B-26

<sup>14</sup> 35 R. N.Y.C. 59B-21

<sup>15</sup> *Id.*

<sup>16</sup> 35 R.N.Y.C 59B-23 and LL 49 of 2016/19-545

<sup>17</sup> 35 R.N.Y.C 59B-25(i)

transportation or lodging—resulting in a new model of non-professional drivers offering passengers transportation in their own vehicle, often known as ridesharing.<sup>18</sup> It was in this context that Uber, Lyft and other app-based companies first entered the New York City market, not fitting into the City’s comprehensive regulatory scheme for taxis and for-hire vehicles, which generally prohibited ridesharing, since the City requires drivers to have a TLC license, receive regular drug testing, and pass a background check, and have vehicles licensed by TLC.<sup>19</sup> Further, vehicles used for pre-arranged transportation services must be affiliated with a base, inspected, and adhere to certain safety requirements.<sup>20</sup>

As a result, companies that may operate a ridesharing service in other jurisdictions are regulated by the TLC in New York City. In 2014, app-based companies agreed with the TLC to license drivers and open bases under the black car designation due to the fact that more than 90% of their transactions are non-cash.<sup>21</sup> Traditionally, black car companies served business clients; however, as many new providers elected to operate as black car services, this sector has exploded in growth and now caters to a much larger number and variety of customers.<sup>22</sup> The following chart illustrates historic changes in the number of licensed for-hire vehicles, which today includes 130,000 licensed vehicles, with 2,000 driver applications being processed per month.<sup>23</sup>

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<sup>18</sup> Emily Nicoll and Sally Armstrong, *Ridesharing: The Rise of Innovative Transportation Services*, MaRS, (April 12, 2016) available at <https://www.marsdd.com/news-and-insights/ride-sharing-the-rise-of-innovative-transportation-services/>

<sup>19</sup> T.L.C., About TLC, <http://www.nyc.gov/html/tlc/html/about/about.shtml> (last accessed April 24, 2018) and Erin Durkin, *Uber Plans to buck city Licensing Rules if Competitor Lyft Can Get Away with it*, Daily News (July 10, 2014) available at <http://www.nydailynews.com/blogs/dailypolitics/uber-plans-buck-city-licensing-rules-competitor-lyft-blog-entry-1.1861854>

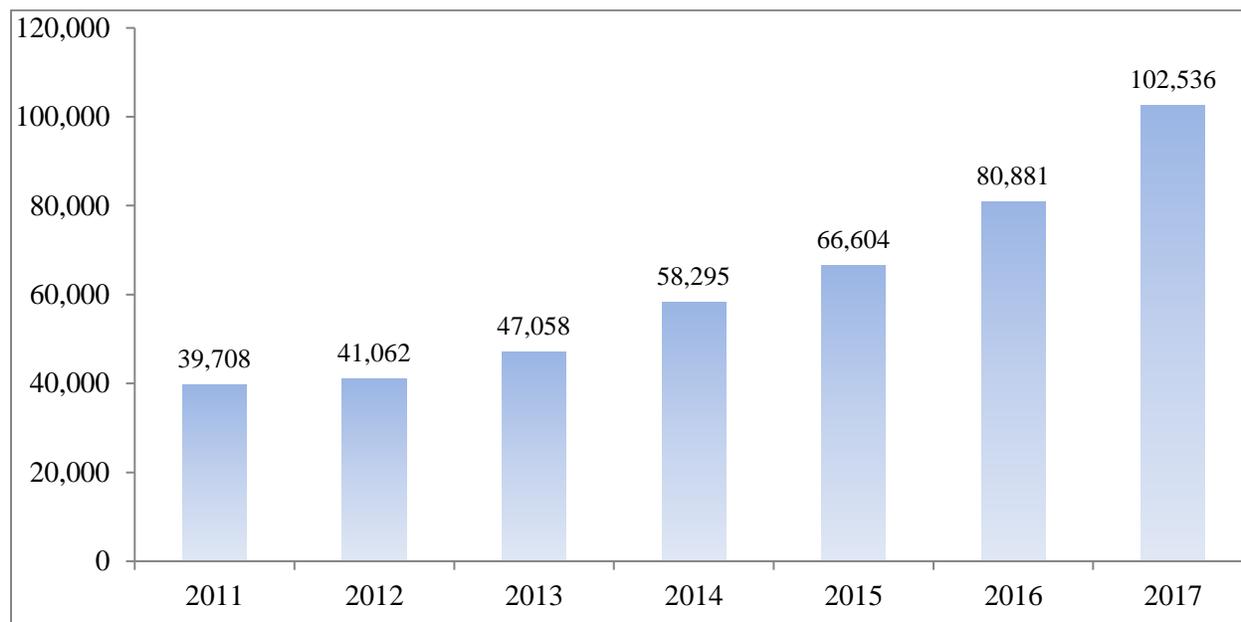
<sup>20</sup> *Id.*

<sup>21</sup> N.Y.C T.L.C Fact Book 2016, available at [http://www.nyc.gov/html/tlc/downloads/pdf/2016\\_tlc\\_factbook.pdf](http://www.nyc.gov/html/tlc/downloads/pdf/2016_tlc_factbook.pdf).

<sup>22</sup> Schaller Consulting, *The New York City Taxicab Fact Book 26* (Mar. 2006), available at <http://www.schallerconsult.com/taxi/taxifb.pdf>.

<sup>23</sup> N.Y.C Council Fiscal Year 2019, Preliminary Budget Hearing For-Hire Vehicles Committee, Testimony of TLC Commissioner Meera Joshi, (March 8, 2018) available at <http://legistar.council.nyc.gov/MeetingDetail.aspx?ID=594642&GUID=2290DDB6-BCF4-40E3-981E-7CC682EE144D&Search=>.

### Number of Licensed For-Hire Vehicles<sup>24</sup>



This upward trend in registered vehicles may, in part, be related to app-based companies' vehicle lease programs. In New York City, Uber has partnerships with dealerships that offer vehicle financing options to drivers with low credit scores.<sup>25</sup> The companies have weekly payment plans for drivers that are as high as \$500 and require drivers to sign a payment deduction authorization that lets the dealer take the fees directly from their Uber earnings.<sup>26</sup> Drivers are incentivized with the promise that they will own their vehicle within three years. However, the

<sup>24</sup>T.L.C., 2011 Annual Report 8, available at [http://www.nyc.gov/html/tlc/downloads/pdf/annual\\_report\\_2011.pdf](http://www.nyc.gov/html/tlc/downloads/pdf/annual_report_2011.pdf); T.L.C., 2012 Annual Report 10, available at [http://www.nyc.gov/html/tlc/downloads/pdf/annual\\_report\\_2012.pdf](http://www.nyc.gov/html/tlc/downloads/pdf/annual_report_2012.pdf); T.L.C., 2013 Annual Report 8, available at [http://www.nyc.gov/html/tlc/downloads/pdf/annual\\_report\\_2013.pdf](http://www.nyc.gov/html/tlc/downloads/pdf/annual_report_2013.pdf); T.L.C., 2014 Annual Report 9, available at [http://www.nyc.gov/html/tlc/downloads/pdf/annual\\_report\\_2014.pdf](http://www.nyc.gov/html/tlc/downloads/pdf/annual_report_2014.pdf); T.L.C., 2015 Annual Report 9, available at [http://www.nyc.gov/html/tlc/downloads/pdf/annual\\_report\\_2015.pdf](http://www.nyc.gov/html/tlc/downloads/pdf/annual_report_2015.pdf); T.L.C., 2016 Annual Report 8, available at [http://www.nyc.gov/html/tlc/downloads/pdf/annual\\_report\\_2016.pdf](http://www.nyc.gov/html/tlc/downloads/pdf/annual_report_2016.pdf); T.L.C., 2017 Annual Report 8, available at [http://www.nyc.gov/html/tlc/downloads/pdf/annual\\_report\\_2017.pdf](http://www.nyc.gov/html/tlc/downloads/pdf/annual_report_2017.pdf).

<sup>25</sup> Uber NYC, "Rent a TLC Car, available at <https://www.uber.com/drive/new-york/get-started/tlc-car-rentals/> (last accessed April 26, 2018)

<sup>26</sup>Griswold, Alison, Inside Uber's unsettling alliance with some of New York's shadiest car dealers, (June 27, 2017), available at <https://qz.com/1013882/ubers-rental-and-lease-programs-with-new-york-car-dealers-push-drivers-toward-shady-subprime-contracts/>.

driver may end up paying more than the actual sticker price of the vehicle.<sup>27</sup> A report released by the Independent Driver's Guild, an advocacy group that represents app-based drivers, found that drivers who lease their vehicles have on average annual expenses up to \$35,000 and workers that own their vehicle or have a loan had an average annual cost of \$30,000.<sup>28</sup>

Furthermore, according to a recent study, the average Uber driver performs 44 trips per week or 6 trips per day, while the average taxi driver performs 91 trips per week or 13 trips in a day. The data suggests that many app-based drivers are only working part-time.<sup>29</sup>

### Impacts on Traditional Sectors

The current number of taxicabs in New York City—13,587—has remained relatively level for decades.<sup>30</sup> The most recent allowance for an increase in the number of medallions was included in the State law that authorized street hail livery service, which also authorized the sale of up to 2,000 medallions that may only be used with wheelchair accessible taxicabs.<sup>31</sup> In contrast to the for-hire vehicle sector, yellow taxis are subjected to stricter rules related to service and operations, including the vehicle model options, lease agreements and inspection requirements to name a few.<sup>32</sup>

Furthermore, the TLC conducts a review of the impact of selling new taxicab medallions through an analysis that considers the weight of the environmental, human, and community resources that would be affected, as well as social and economic considerations.<sup>33</sup> This process,

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<sup>27</sup> *Id.*

<sup>28</sup> Independent Drivers Guild, "Progress Toward A Fair For-Hire Vehicle Industry," (2017) available at <https://drivingguild.org/wp-content/uploads/2017/11/Progress.pdf>

<sup>29</sup> Morgan Stanley Research, NYC Taxi and Ride-share App Monitor, (July 11, 2016) available at [http://www.nyctaxinews.com/morgan\\_stanley\\_report\\_7\\_2016.pdf](http://www.nyctaxinews.com/morgan_stanley_report_7_2016.pdf).

<sup>30</sup> *Id.* at 5, TLC Annual Report 2017

<sup>31</sup> Ch. 9 of the Laws of 2012, § 8.

<sup>32</sup> 35 R.N.Y.C §58-21,29

<sup>33</sup> N.Y. State Environmental Conservation Law § 8-0103.

conducted pursuant to State Environmental Quality Review Act (SEQRA) and the City's Environmental Quality Review (CEQR) rules, generally results in the issuance of an Environmental Impact Statement (EIS) examining how adding new taxicabs could affect a number of factors such as existing for-hire industries, medallion values, driver income, traffic, parking, safety, air quality, and public health.<sup>34</sup> As the TLC issues new for-hire vehicle licenses on rolling basis with no limits, no EIS or less formal environmental study has been conducted in relation to such growth. Though due to the general nature of SEQRA and CEQR, the EISs produced by TLC are required to include information relating to an array of sometimes irrelevant potential impacts, including those on land use, shadows, and neighborhood character, most focus upon the effect of the medallion increase on traffic and air quality.

Furthermore, livery bases are required to have off-street parking and submit their application for service to the community board and Council Member in the impacted area.<sup>35</sup> The application also requires base owners to submit a business plan, indicate how many vehicles will affiliate with the base and how many trips they anticipate each vehicle will conduct per day.<sup>36</sup> Black car bases are exempt from these requirements.<sup>37</sup>

Due to these differences, members of the taxi industry have argued that the less stringent rules and operating requirements in the FHV sector have given FHV, and in particular app-based FHV, an unfair advantage, allowing the FHV industry to grow so rapidly in a just a few years. Taxi medallion owners have frequently expressed they are facing financial hardship because they are having trouble attracting drivers for shifts and, when drivers are on the road, they are having

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<sup>34</sup> *Id.*; 62 R.C.N.Y. Ch. 5.

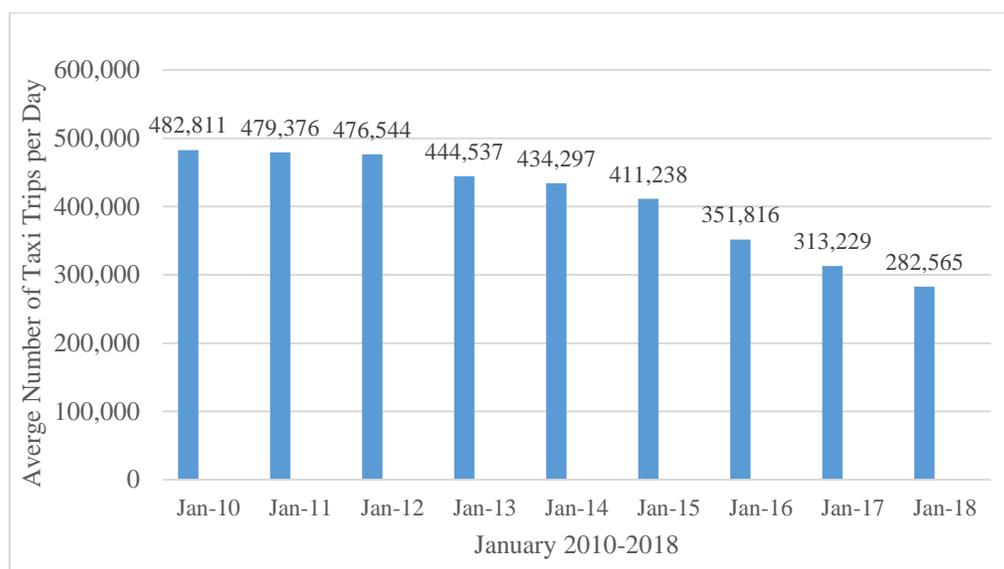
<sup>35</sup> 35 R.N.Y.C §59B-05

<sup>36</sup> *Id.*

<sup>37</sup> *Id.*

trouble finding passengers. The medallion has significantly decreased in value, selling at recent secondary auctions between \$120,000 and \$400,000.<sup>38</sup> According to TLC Commissioner's testimony at the Fiscal Year 2019 preliminary budget hearing, "The reason being is that some are foreclosures, some are bankruptcies, some have financing, most do not and some are all-cash deals." This is a massive drop from the \$1.3 million price recorded in 2013 and 2014, though industry experts have cautioned that those values may have been inflated.<sup>39</sup> The chart below shows the average number of taxi trips per day, comparing January trip data from 2010-2018.

**Average Number of Taxi Trips per Day<sup>40</sup>**



The effects of app-based service has been felt by the traditional FHV sector. On February 5, 2018, a livery driver committed suicide outside of City Hall. Hours before the incident Doug Schifter wrote about his experience as a driver, indicating that he had to work more than 100 hours

<sup>38</sup> *Id* at 19.

<sup>39</sup> Winnie Hu, *Yellow Cab, Long a Fixture of City Life, Is for Many a Thing of the Past*, N.Y. Times, (January 15, 2017), available at <https://www.nytimes.com/2017/01/15/nyregion/yellow-cab-long-a-fixture-of-city-life-is-for-many-a-thing-of-the-past.html?r=0>.

<sup>40</sup> N.Y.C T.L.C Aggregate Reports, Yellow Taxi Monthly Indicators, available at [http://www.nyc.gov/html/tlc/html/technology/aggregated\\_data.shtml](http://www.nyc.gov/html/tlc/html/technology/aggregated_data.shtml) (last accessed April 26, 2018).

a week to make ends meet. Mr. Schifter blamed Mayor Michael Bloomberg and Mayor Bill de Blasio for allowing a proliferation of vehicles on the streets and blamed the TLC for the fines it imposed.<sup>41</sup> As a result of this incident, the previous death of another TLC driver came to light. On December 20, 2017, Danilo Corporan Castillo took his life after a TLC hearing where he was facing the possibility of having his license revoked.<sup>42</sup> Most recently, on March 16, 2018, Nicanor Ochisor, a medallion owner and driver took his life reportedly because of the debt he was facing.<sup>43</sup>

### App-Based Regulation

While New York City has regulated app-based companies within the existing FHV regulations, some jurisdictions have regulated application-based companies as a separate and distinct regulatory category.<sup>44</sup> In 2013, California established the new category of “Transportation Network Companies” (“TNCs”). Similarly, New York State passed a statewide legalization and regulation of TNCs in 2017, which applies to all counties outside of New York City. California has an annual licensing fee for each service of \$30,000 and New York State has an annual licensing fee per service of \$50,000.<sup>45</sup>

### Accessibility

Accessibility in TLC regulated industries has been a contentious issue for many years. In December 2013, disability advocates along with the TLC and the Mayor’s Office for People

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<sup>41</sup> Gina Bellafante, *A Driver’s Suicide Reveals the Dark Side of the Gig Economy*, N.Y. Times, Feb. 6, 2018, available at <https://www.nytimes.com/2018/02/06/nyregion/livery-driver-taxi-uber.html>.

<sup>42</sup> Dan Rivoli, Edgar Sandoval, *Leonard Greene, Distraught Livery Driver Killed Himself Weeks Before Second City Hall Suicide*, N.Y. Daily News, Feb. 6, 2018, available at <http://www.nydailynews.com/new-york/distraught-driver-killed-weeks-city-hall-suicide-article-1.3803684>.

<sup>43</sup> Danielle Furfaro and Max Jaeger, *Cabbie blamed Uber, Lyft for financial woes before hanging himself*, N.Y. Post, March 21, 2018, available at <https://nypost.com/2018/03/21/cabbie-blamed-uber-lyft-for-financial-woes-before-hanging-himself/>

<sup>44</sup> Katrina M. Wyman, N.Y.U. Journal of Legislation and Policy, *Taxi Regulation in the Age of Uber*, (2017) available at WestLaw.

<sup>45</sup> San Francisco County Transportation Authority, *The TNC Regulatory Landscape an Overview of Current TNC Regulation in California and Across the Country*, (December 2017), available at [https://www.sfcta.org/sites/default/files/content/Planning/TNCs/TNC\\_regulatory\\_020218.pdf](https://www.sfcta.org/sites/default/files/content/Planning/TNCs/TNC_regulatory_020218.pdf)

with Disabilities (MOPD) reached an agreement in a settlement to require that 50% of yellow taxicabs be wheelchair accessible by 2020.<sup>46</sup> In June 2014, in accordance with the state HAIL Law, TLC submitted a Disabled Accessibility Plan (“DAP”) describing strategies it would use to increase the accessibility of the taxi and for-hire vehicle fleets to people with disabilities.<sup>47</sup> The DAP lays out a plan to make 54% of the yellow and green taxi fleets wheelchair-accessible, including 12,700 accessible vehicles by 2024.

Prior to 2017, the TLC had not imposed any vehicle requirements related to accessibility on the FHV sector. In July of 2017, after discussions with disability advocates the TLC released proposed FHV Accessible Vehicle Rules.<sup>48</sup> These rules would have required bases to provide 10% of their trips in accessible vehicles beginning in 2018, increasing the requirement by 5% over the course of four years, so that by 2021, 25% of trips dispatched by bases would have to be made in a wheelchair accessible vehicle.<sup>49</sup> In response, the FHV industry created a counter proposal based on a central dispatch, where bases could refer requests for accessible vehicles to a centralized dispatch that would be responsible for locating wheelchair accessible FHV’s.<sup>50</sup> On December 13, 2017, the TLC adopted the FHV Accessible Rules that they had proposed, but added a Pilot Resolution modeled after the industry’s proposal. The Pilot is described as an alternative to complying with the FHV Accessible Rules.<sup>51</sup> The Pilot will last for two years beginning in July 2018. TLC is using the Pilot as an opportunity to test the industry’s approach. If a participant is terminated from the Pilot they would “transition” into complying with the Rules.

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<sup>46</sup> N.Y.C T.L.C Disability Accessibility Plan, August 21, 2014, *available at* <http://home2.nyc.gov/html/mopd/downloads/pdf/Approval.8.11.14.pdf>.

<sup>47</sup> *Id.*

<sup>48</sup> 35 R.N.Y.C 59A-11

<sup>49</sup> *Id.*

<sup>50</sup> N.Y.C T.L.C Pilot Resolution F.H.V Wheelchair Accessible Dispatch, (December 13, 2017), *available at* [http://www.nyc.gov/html/tlc/downloads/pdf/proposed\\_rule\\_fhv\\_central\\_dispatch.pdf](http://www.nyc.gov/html/tlc/downloads/pdf/proposed_rule_fhv_central_dispatch.pdf).

<sup>51</sup> *Id.*

In April of 2018, it was reported that Uber, Lyft, and Via have filed a lawsuit against the TLC over the TLC's accessibility rules.<sup>52</sup> The companies have argued that vehicle manufacturers do not have WAV vehicles readily available and that the TLC's Rules are arbitrary because the TLC can terminate the Pilot at any time.<sup>53</sup>

## **ANALYSIS**

### **ANALYSIS OF INT. NO. 144**

Section one of Int. No. 144 states that TLC can only issue a limited number of for-hire vehicle licenses, in accordance with the requirements set out in this bill, until the Commission completes a study on growth in the taxicab and for-hire vehicle industries, or August 31, 2019, whichever occurs first.

Section two provides that the TLC can only issue new for-vehicle licenses if that vehicle will affiliate with a base that hasn't reached the maximum number of newly licensed vehicles allowed pursuant to the law.

Sections three through five set forth the limitations on new for-vehicle vehicle licenses. If a base had 500 or more affiliated vehicles as of June 15, 2018, they may affiliate with up to the number of newly licensed vehicles equal to 1% of the number of vehicles affiliated with that base as of June 15, 2018, rounded to the nearest whole number. Bases with 499 to 20 vehicles as of such date would be allowed to affiliate with up to the number of newly licensed vehicles equal to 5% of the number of vehicles affiliated as of June 15, 2018, rounded to the nearest whole number. Bases with 19 or fewer vehicles as of such date would be allowed to affiliate with up to the number of newly licensed vehicles equal to 15% of the number of vehicles affiliated as of June 15, 2018,

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<sup>52</sup> Dana Rubinstein, In new suit, Uber, Lyft, and Via target New York's Wheelchair Accessibility requirements, Politico, April 13, 2018, available at <https://www.politico.com/states/new-york/city-hall/story/2018/04/13/in-new-suit-uber-lyft-and-via-target-new-yorks-wheelchair-accessibility-requirements-364226>.

<sup>53</sup> *Id.*

rounded to the nearest whole number. However, at a minimum, bases with 19 or fewer vehicles would be allowed at least two new vehicles.

Section six would provide that for-hire vehicles licenses valid when the local law takes effect would all be eligible for renewal pursuant to the rules of the TLC.

Section seven would state that the local law would not impact the issuance or renewal for street hail livery vehicle licenses or base licenses, or for-hire vehicle licenses to which a street hail livery vehicle license is affiliated.

Section eight would state that following completion of the growth study referenced in section one, the TLC would submit recommendations to the Council and Mayor on how to mitigate any negative impacts on vehicle growth, including, but not limited to, proposals to restrict the issuance of TLC vehicle and base licenses.

Section nine would state that the local law takes effect immediately.

#### ANALYSIS OF INT. NO. 634

Section one of Int. No. 634 would amend subdivision b of section 19-504 of the Code by waiving the current \$275 license fee for any wheelchair accessible FHV or any taxi-cab license used with an accessible vehicle.

Section two of Int. No. 634 would state that this local law takes effect immediately.

#### ANALYSIS OF INT. NO. 838

Section one of Int. No. 838 would add new subdivisions ff, gg, and hh to section 19-502 of the Code, creating definitions for the terms “app-based for-hire base”, “app-based for-hire service” and “app-based for-hire vehicle”.

Section two of the bill would add a new section 19-548 to the Code, entitled “Licensing and operation of app-based for hire services.” This section would make it unlawful for a person or business to operate an app-based for-hire service without being properly licensed to do so, which is to be done on an annual basis, and sets an annual fee of \$20,000 for an app-based for-hire service license. This section would tie the penalty for operating an app-based for-hire service without a valid license, or beyond the scope of the license, to that imposed by the TLC in cases of operating a for-hire vehicle without a license. Additionally, this section would set out requirements to be met in order to be licensed or to renew a license as an app-based for-hire service, including: operating from an address in a commercially zoned area within the city, a demonstration that a business need exists for such app-based for-hire service, a projection of the number of affiliated app-based for-hire vehicles needed to deliver service, the average number of fares per vehicle that is anticipated will be provided by the service, compliance with all requirements of the city environmental quality review process, and a detailed description of all commissions, lease fees, and other charges it proposes to charge either the app-based for-hire vehicle owner or driver, or both as applicable, including an estimate of the average hourly earnings of a driver. For each renewal application, current trip and revenue data will be required to be filed with the TLC. A copy of each new or renewal application is to be provided to the chair of the community board and to the city council member in whose district the app-based for-hire service is to be located.

Section 19-548 would also require that an app-based for-hire service be subject to all rules of the TLC and only dispatch to, or provide requests for transportation to, an app-based for-hire vehicle that is affiliated with the said service, and ensure that a driver of an app-based for-hire vehicle is not provided with a passenger’s destination prior to acceptance of the trip. Additionally, section 19-548 would set out requirements related to rates of fare charged by an app-based for-hire

service, such as: ensuring that a driver of an app-based for-hire vehicle is not provided with a passenger's destination prior to acceptance of the trip, requiring the app-based for-hire service to file its rates of fare, which would be based on mileage, time, or a combination of the two, with the commission annually and whenever there is a proposed change in the rates, and would restrict the ability of an app-based for-hire service to charge an app-based for-hire vehicle owner or driver any commission, lease fee, or other charge unless such charge has been filed with, and approved in advance, by the TLC. The section would also set out some parameters for the TLC for approving such charges.

Finally, section 19-548 would exempt all bases in continuous operation since the year 2000 which are using app-based software from the requirements set out in this section and new section 19-549 of the Code.

Section three of the bill would add a new section 19-549 to the Code and is entitled "Licensing and operation of app-based for-hire vehicles." This section would make it unlawful for any person to operate an app-based for-hire vehicle unless licensed to do so by the TLC, would require the renewal of said license on an annual basis, with an annual fee of \$2000 per vehicle license, and would tie the penalty for operating an app-based for-hire vehicle without a valid license to do so or in a manner outside of the scope of the license to the penalty currently imposed in the Code for operating a for-hire vehicle without a license, and would require that an app-based for-hire vehicle be affiliated with only one app-based for-hire service.

Section 19-549 would require that an app-based for-hire base have no fewer than 10 app-based for-hire vehicles affiliated with it at any time. This section would prevent a driver or owner of an app-based for-hire vehicle from receiving dispatches from any app-based for-hire service unless such vehicle is licensed by the commission as an app-based for-hire vehicle and the operator

of the vehicle is a holder of a universal driver license issued by the TLC. This section would also prevent a driver of an app-based for-hire vehicle from accepting hails from passengers in the street and from accepting dispatches from any business or entity except the app-based for-hire service to which the app-based for-hire vehicle is affiliated.

Additionally, this section would set out specific insurance requirements for app-based for-hire vehicles as well as a requirement to prominently display, on the exterior of an app-based for-hire vehicle, trade dress identifying the brand or name used by the affiliated app-based for-hire service and a unique alpha-numeric identifier approved and assigned by the TLC.

Section four of the bill would state that this local law takes effect 120 days after it becomes law.

#### ANALYSIS OF INT. NO. 854

Section one of Int. No. 854 would amend subdivision e of section 19-511 of the Administrative Code to establish that base stations and black car bases may have a maximum of 1,000 affiliated vehicles.

Section two provides that Int. No. 854 would take effect 180 days after its enactment, and that TLC would have to take any measures necessary for its implementation, including the promulgation of rules, before the effective date.

#### ANALYSIS OF INT. NO. 855

Section one of Int. No. 855 would add a new section, 19-548, to the Administrative Code. This section would require at least half of all black cars to meet vehicle accessibility requirements as established by the Americans with Disabilities Act.

Section two provides that Int. No. 855 would take effect 180 days after its enactment, and that TLC would have to take any measures necessary for its implementation, including the promulgation of rules, before the effective date.

#### ANALYSIS OF INT. NO. 856

Section one of Int. No. 856 would add a new section 19-511.2 to title 19 of the Code and is entitled “Licensing of black car bases and luxury limousine bases.” This section would require that the TLC consider the possible adverse effect of siting a black car base or luxury limousine base on the quality of life in the vicinity of such proposed base, including but not limited to, traffic congestion, sidewalk congestion, the impact on parking availability, noise, and the environment.

Section two provides that the local law would take effect 120 days after it becomes law.

#### ANALYSIS OF PRECONSIDERED INT. NO.

Section one of Preconsidered Int. No. would add a new section, 19-548, to the Administrative Code. Subdivision a of that section would require TLC to establish a price floor for services provided by for-hire vehicle drivers who are independent contractors; in other words, the minimum amount that drivers must be paid for their service by the companies they contract with. This minimum price for their services would be set to ensure that for-hire vehicle drivers earn an hourly income that is at least as much as the hourly income of yellow taxi drivers, and is at least the minimum wage. Subdivision b of that section would permit TLC to set minimum fares for for-hire vehicles.

Section two provides that Preconsidered Int. No. would take effect 180 days after its enactment, and that TLC would have to take any measures necessary for its implementation, including the promulgation of rules, before the effective date.

Int. No. 144

By Council Member Levin

A Local Law in relation to temporarily limiting the issuance of new for-hire vehicle licenses

Be it enacted by the Council as follows:

Section 1. The taxi and limousine commission shall only issue new for-hire vehicle licenses in accordance with this local law through the completion of study on the impact of growth in the taxicab and for-hire vehicle industries, or August 31, 2019, whichever occurs first.

§ 2. The commission shall only issue new for-hire vehicle licenses if such vehicle will affiliate with a base station, black car base station, or luxury limousine base station that has not yet reached the maximum number of such newly licensed vehicles that may be affiliated with such base pursuant to this local law.

§ 3. If a base station, black car base station, or luxury limousine base station has 500 or more affiliated vehicles as of June 15, 2018, such base may affiliate with up to the number of vehicles newly licensed pursuant to this section that is equal to one percent of the number of vehicles affiliated with such base as of June 15, 2018, rounded to the nearest whole number.

§ 4. If a base station, black car base station, or luxury limousine base station has 499 to 20 affiliated vehicles as of June 15, 2018, such base may affiliate with up to the number of vehicles newly licensed pursuant to this section that is equal to five percent of the number of vehicles affiliated with such base as of June 15, 2018, rounded to the nearest whole number.

§ 5. If a base station, black car base station, or luxury limousine base station has 19 or fewer affiliated vehicles as of June 15, 2018, such base may affiliate with up to the number of vehicles newly licensed pursuant to this local law that is equal to 15 percent of the number of vehicles affiliated with such base as of June 15, 2018, rounded to the nearest whole number;

provided, however, that each such base may affiliate with at least two vehicles newly licensed pursuant to this local law.

§ 6. For-hire vehicle licenses existing on the effective date of this local law shall continue to be renewed pursuant to rules of the commission.

§ 7. No provision of this local law shall be deemed to apply to or affect the issuance or renewal of street hail livery vehicle licenses or street hail livery base licenses or to the issuance or renewal of new for-hire vehicle licenses to which the street hail livery vehicle licenses are affiliated.

§ 8. Following the completion of study on the impact of growth in the taxicab and for-hire vehicle industries, the commission shall submit to the speaker of the council and the mayor recommendations for mitigating any impacts identified, including but not limited to, proposals to restrict the issuance of for-hire vehicle licenses and/or base station, black car base station, or luxury limousine base station licenses.

§ 9. This local law takes effect immediately.

KET/JJD  
LS 4628/Int. 842-2015  
LS 752  
1/3/2018

Int. No. 634

By Council Member Diaz

A Local Law to amend the administrative code of the city of New York, in relation to the waiver of licensing fees for accessible taxi-cabs and for-hire vehicles

Be it enacted by the Council as follows:

Section 1. Subdivision b of section 19-504 of the administrative code of the city of New York is amended to read as follows:

b. The license fee for each taxi-cab and coach shall be five hundred fifty dollars annually. The license fee for each wheelchair accessible van and each for-hire vehicle shall be two hundred seventy-five dollars annually. If a license is granted for a period other than one year, the fee shall be prorated accordingly. There shall be an additional fee of twenty-five dollars for late filing of a wheelchair accessible van or for-hire vehicle license renewal application where such filing is permitted by the commission. Notwithstanding the foregoing, the license fee authorized by this subsection shall be waived for any for-hire vehicle license that shall be used with a wheelchair accessible vehicle, as defined in subdivision w of section 19-502, or a taxi-cab license used with an accessible vehicle, as defined in section 53-03 of title 35 of the rules of the city of New York, as of the date such license fees are due and payable.

§ 2. This local law takes effect immediately.

MN  
LS #5418  
2/16/18



## Int. No. 838

By Council Members Diaz, Deutsch, Cabrera, Koslowitz and Miller

A Local Law to amend the administrative code of the city of New York, in relation to the licensing and regulation of app-based for-hire transportation services and vehicles

Be it enacted by the Council as follows:

Section 1. Section 19-502 of the administrative code of the city of New York is amended by adding new subdivisions ff, gg, and hh to read as follows:

ff. App-based for-hire base. The term “app-based for-hire base” means a commission-licensed business for dispatching app-based for-hire vehicles.

gg. App-based for-hire service. The term “app-based for-hire service” means an individual, partnership, limited liability company or business corporation that offers transportation for hire to passengers by prearrangement, utilizing software that allows a passenger or prospective passenger to arrange for transportation of passengers for-hire using a publicly-available, passenger-facing booking tool, including a smartphone or similar electronic device, that allows the passenger to identify the location of available vehicles, and allows the driver of the vehicle to receive a request for transportation from such passenger. The term “app-based for-hire service” includes an entity that operates under a single brand across multiple app-based for-hire bases or which allows drivers from multiple app-based for-hire bases to operate on its platform to receive trip dispatches, reservations, or referrals. The term “app-based for-hire service” shall not include an entity licensed as, and meeting all of the requirements of, the term “base station” as defined in subdivision t of this section, or an entity that owns, operates or exclusively services “medallion taxicabs” or “street hail livery vehicles” as these terms are defined in section 51-03 of the rules of the commission.

hh. App-based for-hire vehicle. The term “app-based for-hire vehicle” means a for-hire vehicle licensed by the commission and authorized to accept requests for, and provide transportation through, an app-based for-hire service. The term app-based for-hire vehicle shall not include a “medallion taxicab” or a “street hail livery vehicle” as these terms are defined in section 51-03 of the rules of the commission.

§ 2. Chapter 5 of title 19 of the administrative Code of the city of New York is amended by adding a new section 19-548 to read as follows:

§ 19-548 Licensing and operation of app-based for-hire services. a. It is unlawful for any person or business to operate an app-based for-hire service unless duly licensed as an app-based for-hire service.

b. 1. The annual fee for an app-based for-hire service license is \$20,000, due and payable on the day the license application is filed with the commission and annually on June 30 of each year thereafter. License fees shall be prorated to the term of the license.

2. Licenses are valid for one year, from July 1 to June 30, except that the first license issued to a new app-based for-hire service shall expire on the June 30 following license issuance.

3. The penalty for operating an app-based for-hire service without a current, valid license issued by the commission, or for operating an app-based for-hire service in a manner beyond the scope of the license, shall be the same as the penalty provided in this chapter for operating a for-hire vehicle without a license.

c. No license shall be issued by the commission for a new app-based for-hire service unless the applicant has demonstrated to the satisfaction of the commission that such service:

1. Operates from a business address in a commercially zoned area within the city where such business can lawfully operate. No more than one app-based for-hire service license shall be issued to a single location at any given time;

2. Demonstrates to the satisfaction of the commission that a business need exists for such app-based for-hire service. In connection with such application, the applicant must provide a detailed business plan which includes (i) an analysis of the geographic area it intends to serve, and (ii) a complete description of all transportation services available to the public in the proposed service area, including, but not limited to, available public transit, neighborhood car services, existing black car businesses serving the area, taxicabs, street hail liveries and other licensed app-based for-hire service providers currently providing service within the proposed geographic area of operation;

3. Provides a projection of the number of affiliated app-based for-hire vehicles needed to deliver service as set forth in its business plan, and the average number of fares per vehicle that is anticipated will be provided by the service. There shall be a rebuttable presumption that there is no demonstrated need for new or additional service unless the average number of trips per app-based for-hire vehicle affiliated with the service exceeds 10 per day;

4. Complies with all requirements of the city environmental quality review process; and

5. Provides a detailed description of all commissions, lease fees, and other charges it proposes to charge either the app-based for-hire vehicle owner or the driver, or both as applicable, including an estimate of the average hourly earnings of a driver, based upon actual or anticipated trips and fares.

d. No renewal of a license for an app-based for-hire service shall be approved unless the licensee has, upon submission of a renewal application, demonstrated to the commission that it

continues to comply with each of the requirements set forth in subdivision c of this section.

Current trip and revenue data shall be included with each renewal application.

e. A copy of each new or renewal application shall be furnished to the chairperson of the community board and the city council member in whose district the app-based for-hire service is to be located and all such renewal applications shall be accompanied by a comprehensive report of the number of trips conducted by the app-based for-hire service during the prior year.

f. An app-based for-hire service may only dispatch or provide requests for transportation to an app-based for-hire vehicle affiliated with such service.

g. An app-based for-hire service shall comply with all of the rules of the commission, including, but not limited to, rules prohibiting the acceptance of hails from passengers on the street, service refusals, and overcharges.

h. An app-based for-hire service shall ensure that a driver of an app-based for-hire vehicle is not provided with a passenger's destination prior to acceptance of the trip.

i. An app-based for-hire service shall file its rates of fare with the commission annually, and whenever there is any change in the rates. These rates shall be based on mileage, time, or a combination thereof.

j. 1. An app-based for-hire service shall not charge an app-based for-hire vehicle owner or driver any commission, lease fee, or other charge unless such charge has been filed with and approved in advance by the commission.

2. The commission shall review any request for a charge which an app-based for-hire service proposes to charge either an app-based for-hire vehicle owner or driver, and shall not approve such charge unless the commission determines that such a charge is in the best interests

of both the public and the app-based for-hire vehicle owner or driver, and such charge shall not prevent such driver or owner from earning a reasonable income operating such vehicle.

k. All bases, as defined as such by the rules of the commission, in continuous operation since the year 2000 and which are using app based software shall be exempted from the requirements of this section and section 19-549.

§ 3. Chapter 5 of title 19 of the administrative Code of the city of New York is amended by adding a new section 19-549 to read as follows:

§ 19-549 Licensing and operation of app-based for-hire vehicles. a. It is unlawful for any person to operate an app-based for-hire vehicle unless duly licensed to do so by the commission.

b. 1. The annual fee for an app-based for-hire vehicle license is \$2,000, due and payable on the day the license application is filed with the commission and annually on June 30 of each year thereafter. License fees will be prorated to the term of the license.

2. Licenses are valid for one year, from July 1 to June 30, except that the first license issued to a new app-based for-hire vehicle shall expire on the June 30 following license issuance.

3. The penalty for operating an app-based for-hire vehicle without a current, valid license issued by the commission, or for operating an app-based for-hire vehicle in a manner beyond the scope of the license, is the same as the penalty provided in this chapter for operating a for-hire vehicle without a license.

c. An app-based for-hire vehicle may be affiliated with only one app-based for-hire service.

d. An app-based for-hire base licensed by the commission shall have no fewer than 10 app-based for-hire vehicles affiliated with it at any time.

e. 1. No driver or owner of an app-based for-hire vehicle shall receive dispatches from any app-based for-hire service unless such vehicle shall be licensed by the commission as an app-based for-hire vehicle, and the operator of the vehicle is a holder of a universal driver license issued by the commission.

2. An app-based for-hire service shall take all necessary actions to ensure that a driver not licensed by the commission as a for-hire vehicle driver cannot accept passengers for hire in an affiliated app-based for-hire vehicle.

f. 1. An app-based for-hire vehicle shall not be licensed unless it meets all of the insurance and vehicle specification requirements set forth in the rules and regulations of the commission.

2. No vehicle shall be permitted to be licensed as an app-based for-hire vehicle until the vehicle is insured by a company authorized to do business in the state of New York with insurance coverage levels that, at a minimum, meet the insurance requirements for black cars.

g. All app-based for-hire vehicles affiliated with an app-based for-hire service must prominently display on the exterior of the vehicle approved trade dress identifying the brand or name utilized by the affiliated app-based for-hire service, as well as a unique, permanently affixed alpha-numeric identifier approved and assigned by the commission which shall be no less prominent than those required on medallion taxicabs.

h. A driver of an app-based for-hire vehicle may not accept hails from passengers in the street, or dispatches, whether through radio, telephone, app-based service or any other means, from any business or entity except the app-based for-hire service to which the vehicle is affiliated.

§ 4. This local law takes effect 120 days after it becomes law, except that the taxi and limousine commission shall take such measures as are necessary for the implementation of this local law, including the promulgation of rules, prior to such date.

LS #5779  
04/16/2018



Int. No. 854

By Council Member Rodriguez

A Local Law to amend the administrative code of the city of New York, in relation to establishing a maximum number of for-hire vehicles affiliated with each base

Be it enacted by the Council as follows:

Section 1. Subdivision e of section 19-511 of the administrative code of the city of New York is amended to read as follows:

e. A licensed base station or black car base shall at all times have no fewer than ten affiliated vehicles or black cars and no more than 1,000 affiliated vehicles or black cars, except that a base station for which a license was first issued prior to January 1, 1988 and which at that time had fewer than ten affiliated vehicles or a base station which has an affiliation with a wheelchair accessible vehicle may have as few as five affiliated vehicles, not including black cars and luxury limousines.

§ 2. This local law takes effect 180 days after it becomes law. The commission shall take any actions necessary for its implementation, including the promulgation of rules, prior to such effective date.

JJD  
LS 1944  
4/4/18



Int. No. 855

By Council Member Rodriguez

A Local Law to amend the administrative code of the city of New York, in relation to requiring half of all black cars to be accessible to persons with physical disabilities

Be it enacted by the Council as follows:

Section 1. Chapter five of title 19 of the administrative code of the city of New York is amended by adding a new section 19-548 to read as follows:

§ 19-548 Accessibility requirements for black cars. Beginning January 1, 2025, at least half of all black cars shall be accessible vehicles, as such term is defined in section 19-534.

§ 2. This local law takes effect 180 days after it becomes law. The commission shall take any actions necessary for its implementation, including the promulgation of rules, prior to such effective date.

JJD  
LS 2026  
4/4/18



Int. No. 856

By Council Member Rodriguez

A Local Law to amend the administrative code of the city of New York, in relation to the siting of for-hire vehicle bases

Be it enacted by the Council as follows:

Section 1. Chapter 5 of title 19 of the administrative code of the city of New York is amended by adding a new section 19-511.2 to read as follows:

§ 19-511.2. Licensing of black car bases and luxury limousine bases. a. In its review of an application to operate a new black car base or luxury limousine base or an application to relocate a black car base or luxury limousine base, the commission shall consider the possible adverse effect of such black car base or luxury limousine base on the quality of life in the vicinity of such base, including, but not limited to, traffic congestion, sidewalk congestion, the impact on parking availability, noise, and the environment.

§ 2. This local law takes effect after 120 days after it becomes law, except that the taxi and limousine commission shall take such measures as are necessary for the implementation of this local law, including the promulgation of rules, prior to such date.

MN  
LS #2431  
04/16/2018



Preconsidered Int. No.

By Council Member Lander

A Local Law to amend the administrative code of the city of New York, in relation to setting minimum prices for for-hire vehicle driver services and setting rates of fare for for-hire vehicles

Be it enacted by the Council as follows:

Section 1. Chapter 5 of title 19 of the administrative code is amended by adding a new section 19-548 to read as follows:

§ 19-548 For-hire vehicle driver service prices and rates of fare. a. The commission shall set minimum prices for services provided by for-hire vehicle drivers who are independent contractors. Such prices shall ensure that for-hire vehicle driver hourly income is no lower than taxicab driver hourly income as determined over the previous five-year period and shall ensure that for-hire vehicle driver hourly income is no less than the minimum wage for large employers in New York city, as established by paragraph (a) of subdivision 1 of section 652 of the labor law, after subtracting for-hire vehicle driver expenses of operation.

b. The commission may set minimum rates of fare for for-hire vehicles.

§ 2. This local law takes effect 180 days after it becomes law, except that the commission shall take such measures as are necessary for the implementation of this local law, including the promulgation of rules, before such date.

JJD  
LS 4898  
4/26/18 11:00am