



Black Car & Livery

TASK FORCE REPORT



Letter from the Task Force Chair

Dear Mayor de Blasio and Speaker Johnson,

Pursuant to Local Law 92 of 2020, I submit to you the report of the Black Car and Livery Task Force. The Task Force met regularly from June through November of 2021 to discuss the state of the Black Car and Livery industries in New York City and develop policy recommendations to strengthen these traditional industry sectors.

The data reviewed by the Task Force and the personal experiences of Task Force members indicate that the Black Car and Livery industries are in a dire state, having steadily lost ground to high-volume for-hire services since those companies arrived in New York City almost ten years ago. This is especially true in the Livery sector, where the number of vehicles, trips, and more recently licensed bases have significantly declined. Befitting these circumstances, this Task Force report lays out recommendations that the City and State can pursue, together with industry partners, to ensure these sectors remain vital for New Yorkers. These recommendations focus on modernizing the Black Car and Livery industries, refining TLC enforcement, improving for-hire licensing rules and practices, ensuring the continued critical role of the Black Car and Livery sectors in the City's transportation network, and reforming the regulatory environment.

New Yorkers have relied upon the Black Car and Livery sectors for decades as a vital and embedded part of communities across our City, many of which are ill-served by traditional public transportation options. Long before the app-based services existed, Black Car and Livery drivers were picking up passengers in the outer boroughs and serving corporate clients citywide. In light of this history and their importance to New York City's transportation network, the Task Force believes that it is essential for the City to continue to support and strengthen this industry.

I want to thank our Task Force members and TLC staff for their thoughtful participation in this effort. This report and recommendations would not have been possible without the creativity, subject-matter expertise, and hard work they brought to each meeting. I also want to thank you for the trust and confidence you placed in this Task Force. It is an honor to work for the dignity of our City's conscientious and diligent licensees. It is our hope that policymakers at all levels of government and affected stakeholders will work together to pursue these recommendations and ensure that the Black Car and Livery industries remain viable and sustainable for the drivers, passengers, and small-business owners of our City.

Sincerely,

Aloysee Heredia Jarmoszuk
Chair, Black Car and Livery Task Force
Commissioner and Chair, Taxi and Limousine Commission

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Task Force Membership

- Task Force Chair:
 - Aloysee Heredia Jarmoszuk, Commissioner and Chair, Taxi and Limousine Commission¹

- Mayoral Appointees:
 - Cira Angeles, Spokeswoman, the Livery Base Owners Association; Co-Founder, President, and CEO, LA Riverside
 - Charles Bai, President and Owner, Charlie Black Car
 - Diana Clemente, President, Big Apple Car
 - Sarah M. Kaufman, Associate Director, Rudin Center for Transportation, Wagner School of Public Service, NYU
 - Nancy Reynoso, Owner and Driver, Green Taxi New York (GTNY)
 - Roberto Rodriguez, Livery Driver
 - Sergio Rodriguez, Executive Director, New York State Federation of Taxi Drivers; Executive Director, Hispanics Across America
 - Mario Sena, Owner and CEO, Agape Luxury Corporation; former Driver

- City Council Speaker Appointee:
 - Council Member Ydanis Rodriguez, Chair, City Council Transportation Committee

- Public Advocate Appointee:
 - Alhagi Ebou Cham, President, United Gambians Association, experienced TLC Driver and Manager

¹ Taxi and Limousine Commission staff who assisted with the Task Force and this report include James DiGiovanni, Sonia Guior, Josh Henderson, Laura Popa, Aisha Richard, Stephanie Toro, and Ryan Wanttaja.

Background

Local Law 92 of 2020 established the Black Car and Livery Task Force and laid out its duties, membership, and other requirements. The Local Law directed the Task Force to “study the black car and livery industries for the purpose of identifying challenges to their viability and [to] make recommendations for legislation and policy to address those challenges.” Further, the Local Law required the Task Force to “submit a report to the mayor and the speaker of the council setting forth its recommendations for legislation and policy relating to addressing challenges to the viability of the black car and livery industries,” as well as publish the report on TLC’s website. The Task Force submits and publishes this report and its recommendations in accordance with this requirement.²

The membership of the Task Force includes the Commissioner and Chair of TLC, the Chair of the City Council’s Transportation Committee, and industry experts and veterans, including Black Car and Livery base owners, licensed TLC Drivers including a Street Hail Livery (SHL) Driver,³ and a transportation researcher and professor. The Task Force met regularly from June to November of 2021 to consider many issues, including technological innovation and modernization, driver safety and enforcement, licensing, driver retention, interior and exterior vehicle advertising (as required by Local Law 92 of 2020), and insurance and workers compensation.⁴ The Task Force also held a public meeting on June 23, 2021, soliciting comments, testimony, and input on challenges facing the Black Car and Livery industries that informed the Task Force’s discussions and recommendations.

The State of the Black Car and Livery Industries

The Black Car and Livery segments of the for-hire vehicle (FHV) industry have played an essential role in the City’s transportation network for decades, and it is of the utmost importance that these sectors remain sustainable for the industry’s drivers and small-business owners, as well as the communities they serve. The traditional Black Car sector primarily serves corporate clients, while the Livery industry—including Street Hail Liveries—transports clientele mainly in the outer boroughs and Upper Manhattan, where Taxi coverage and street hail options have historically been limited. Since June of 2017, 96.5% of Livery trips and 64.5% of Black Car trips originated outside of Manhattan.⁵

² While high-volume for-hire services dispatch trips to Black Cars, the Task Force was created to study the traditional Black Car and Livery industries that preceded the arrival of app-based dispatch. Therefore, in this report “Black Car” will refer to the traditional, non-high-volume Black Car industry unless otherwise noted.

³ Street hail liveries are often referred to as Green or Boro Taxis. When not performing street hails, SHLs operate as for-hire vehicles and face many of the same issues as the Black Car and Livery industries. As such, the SHL industry was included in the Task Force and in this report.

⁴ More specifically, the Task Force convened nine times in 2021: June 9, June 23, July 13, August 3, September 14, September 28, October 14, October 25, and November 8. TLC also communicated regularly with Task Force members during this period, including through individual phone calls and meetings.

⁵ These trip numbers include trips beginning at the City’s two major airports in Queens. See Taxi and Limousine Commission NYC OpenData, “2017 For Hire Vehicles Trip Data,” last updated February 7, 2020, available at <https://data.cityofnewyork.us/Transportation/2017-For-Hire-Vehicle-Trip-Data/avz8-mqzz>; “2018 For Hire Vehicles Trip Data,” last updated February 7, 2020, available at <https://data.cityofnewyork.us/Transportation/2018-For-Hire-Vehicles-Trip-Data/am94-epxh>; “2019 For Hire Vehicles Trip Data,” last updated March 5, 2020, available at <https://data.cityofnewyork.us/Transportation/2019-For-Hire-Vehicles-Trip-Data/u6nh-b56h>; “2020 For Hire Vehicles Trip Data,” last updated October 1, 2021, available at <https://data.cityofnewyork.us/Transportation/2020-For-Hire-Vehicles-Trip-Data/m3yx-mvk4>; “2021 For Hire Vehicles Trip Data,” last updated October 4, 2021, available at <https://data.cityofnewyork.us/Transportation/2021-For-Hire-Vehicles-Trip-Data/a444-au9b>.

Additionally, the Livery industry continues to offer a more traditional alternative to app-based high-volume for-hire services (HVFHSs), largely through passengers requesting trips via phone call, as well as a cash-based option for those who prefer this method of payment or are unbanked.

Despite their crucial role in the City’s transportation network, Black Car and Livery services’ trip volumes, drivers, and affiliated vehicles have declined or flatlined beginning with the arrival of HVFHSs in 2011. Since TLC began collecting FHV trip data in 2015, the number of trips Livery services completed each month has steadily declined, and Black Car services demonstrated no growth over the same period, as shown in Figure 1. In contrast, HVFHSs grew from completing five million trips a month in October 2015 to completing more than 20 million trips each month from October 2019 until February 2020.⁶

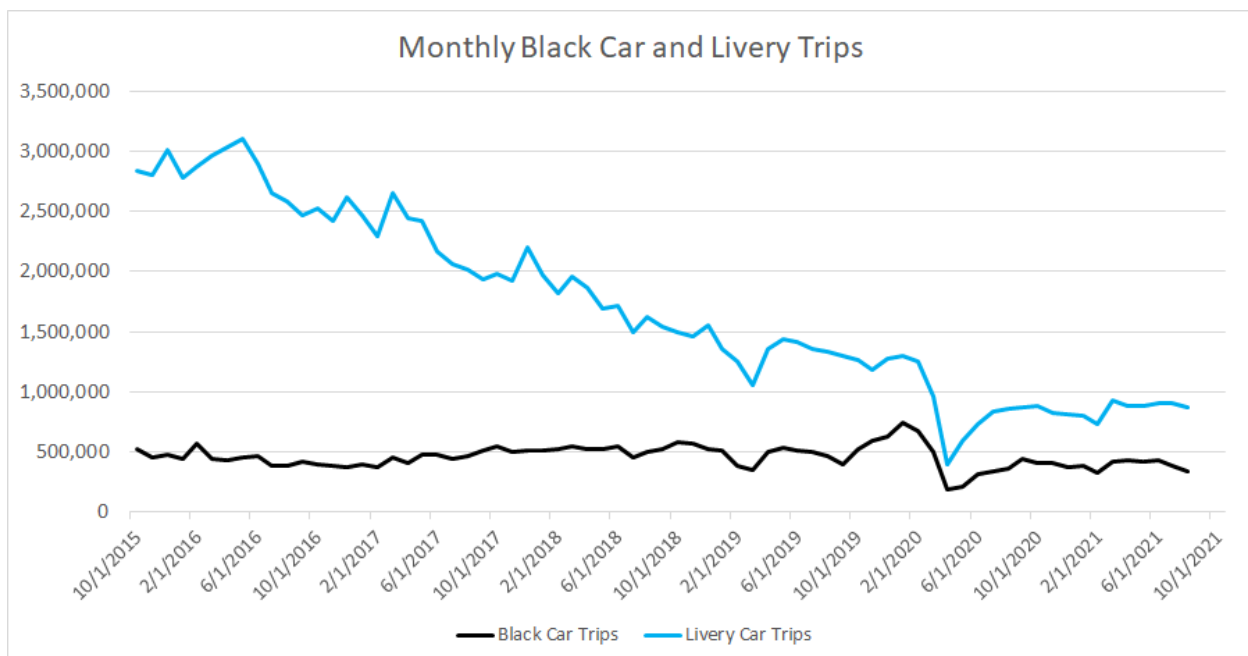


Figure 1. Count of monthly trips in Black Car and Livery sectors, October 2015 to October 2021.⁷

The COVID-19 pandemic affected all TLC-licensed sectors, including Black Car and Livery services. After an initial steep decline in trips in March and April of 2020 as the City shut down, both sectors’ trip counts grew, though trips still remain lower than pre-pandemic levels, as demonstrated in Figure 1. From February to April of 2020, Black Car bases lost 72.4% of their trip volume, while Livery services lost 68.4% of their trips.⁸ It is worth noting that Black Car trip volumes were relatively stable before COVID, were greatly affected by COVID, and have now somewhat recovered and stabilized at a level slightly below pre-COVID figures. In contrast, while trips in the Livery sector were also greatly affected by COVID, Livery trips were declining in the years before COVID and appear to have stabilized during the City’s recovery at a higher level than the previous trajectory would have suggested.

⁶ Id.

⁷ Id.

⁸ High-volume for-hire services were also affected by the initial wave of the pandemic, but have recovered more quickly, completing 15 million trips in July 2021, as compared to their consistent monthly trip counts of over 20 million pre-COVID.

In line with trip counts, the number of “active” drivers—i.e., the number of unique TLC-licensed Drivers who have completed any trips for Black Car and Livery bases in a given month—declined sharply at the start of the COVID-19 pandemic and remains at a lower level than before the pandemic, as shown in Figure 2. For example, in April of 2019, 16,520 drivers completed trips dispatched by Black Car and Livery bases. In April of 2020, during the City’s near-total COVID shutdown, only 6,010 drivers completed trips for Black Car and Livery bases. One year later, in April of 2021, when the City began significantly re-opening, 10,258 drivers completed trips for these bases. This trend is consistent with trip counts for the Black Car and Livery sectors and shows that the reduced number of trips were completed by a smaller number of drivers.⁹

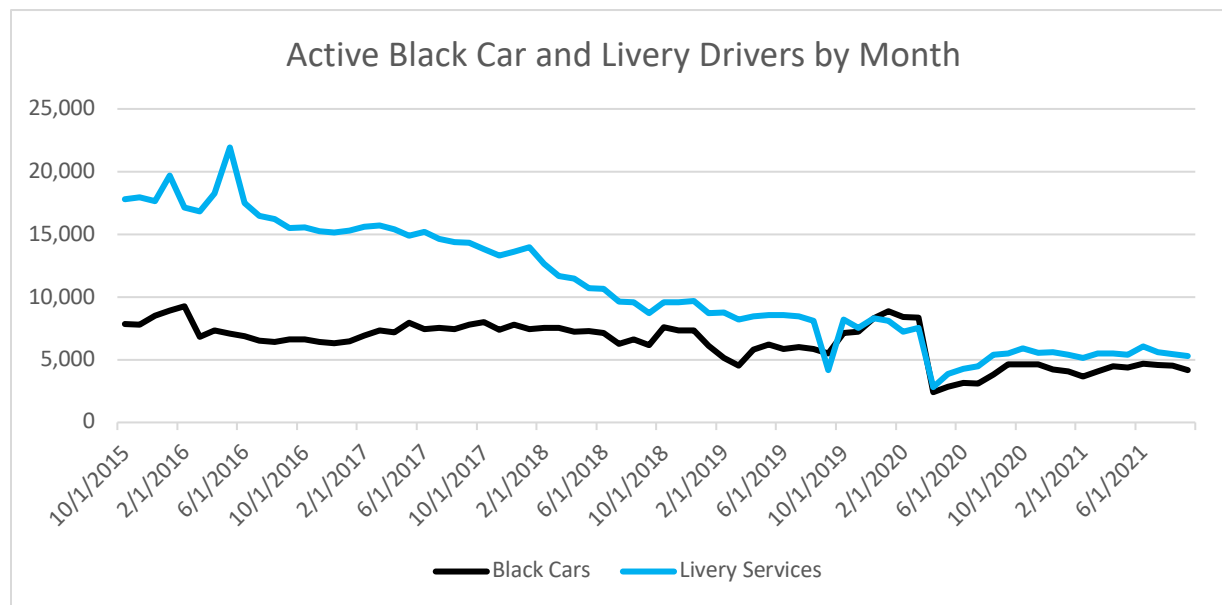


Figure 2. Number of active Black Car and Livery Drivers by month, October 2015 to September 2021.¹⁰

The number of active Black Car and Livery vehicles—i.e., the number of TLC-licensed vehicles that have completed trips dispatched by Black Car and Livery bases in a given month—has, as shown in Figure 3, also declined over time, with Livery vehicles sharply decreasing since 2015. Vehicle numbers for Black Car bases varied between 2015 to early 2020, with over 9,000 vehicles performing trips for Black Car bases in February of 2016, about 4,500 vehicles performing trips in March of 2019, and just under 9,000 active Black Cars in January of 2020. The Livery sector, however, has seen a clear and drastic decline in active vehicles since 2015, declining from over 18,000 vehicles in January of 2016 to over 7,000 active vehicles in March of 2020. The impact of COVID-19, and the slow recovery from the low points for active vehicles in April of 2020, is also evident in Figure 3. The number of active vehicles for both the Black Car and Livery sectors sharply declined due to the pandemic and have since somewhat recovered but remain well below pre-pandemic levels.

⁹ Supra n. 5.

¹⁰ Id.

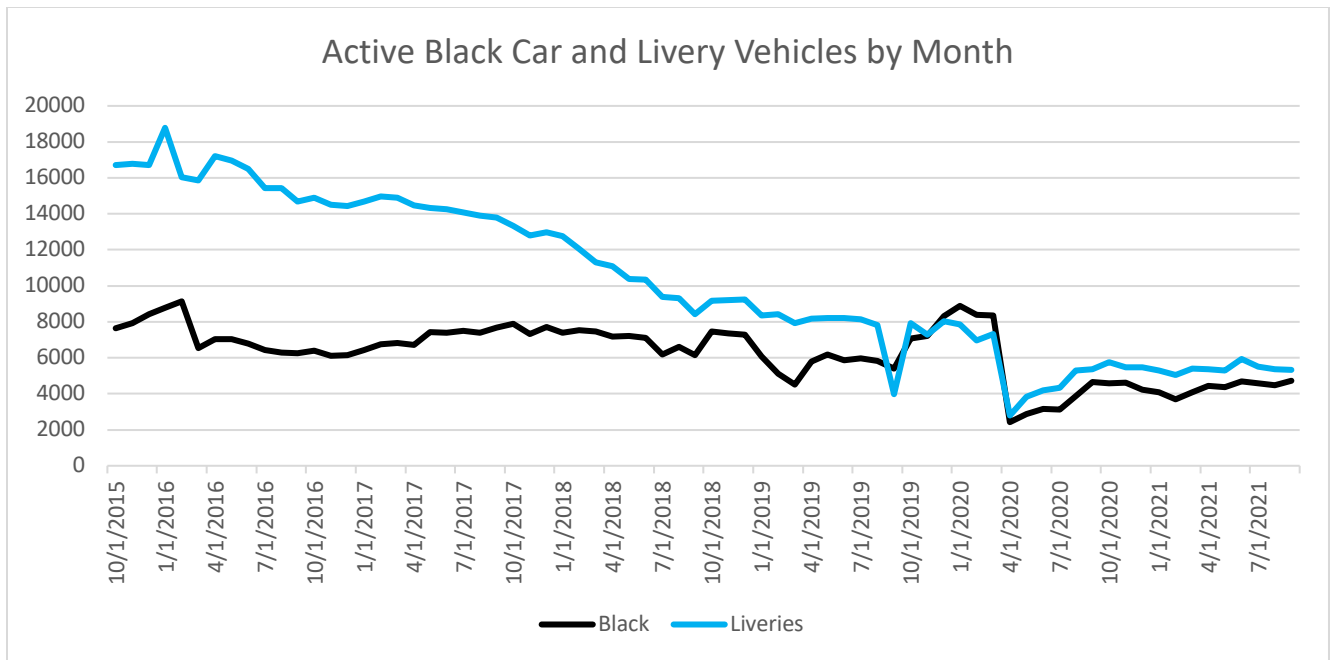


Figure 3. Number of active Black Car and Livery Vehicles by month, October 2015 to September 2021.¹¹

At the start of the pandemic, TLC created an FHV license storage program, which allowed FHV licensees to surrender their plates temporarily to TLC and stop paying insurance and certain other costs while they were not actively providing for-hire service. As of October of 2021, 957 vehicles affiliated with Black Car bases and 634 vehicles affiliated with Livery bases have their licenses in storage. The number of Black Car and Livery licenses in storage has stayed stable since April of 2021.¹²

While TLC trip data only dates back to 2015, the agency has longer-term data on licensed bases,¹³ as shown in Figure 4. This data indicates that the number of Black Car bases has increased over time, even when controlling for the number of bases operated by companies categorized as HVFHSs, with 81 Black Car bases in January of 2013 and 472 in January of 2021. The number of Livery bases, on the other hand, has declined in recent years, from 507 in January of 2016 to 340 in January of 2021.

¹¹ "For Hire Vehicles (FHV) – Active," NYC OpenData, last updated December 9, 2021, available at <https://data.cityofnewyork.us/Transportation/For-Hire-Vehicles-FHV-Active/8wbx-tsck> and trip data in supra n. 5.

¹² Internal TLC data.

¹³ A for-hire vehicle "base" is a business licensed by TLC to dispatch trips to for-hire vehicles. Vehicle owners must affiliate their vehicle with a particular base, but bases may dispatch trips to vehicles that are not affiliated with that base.

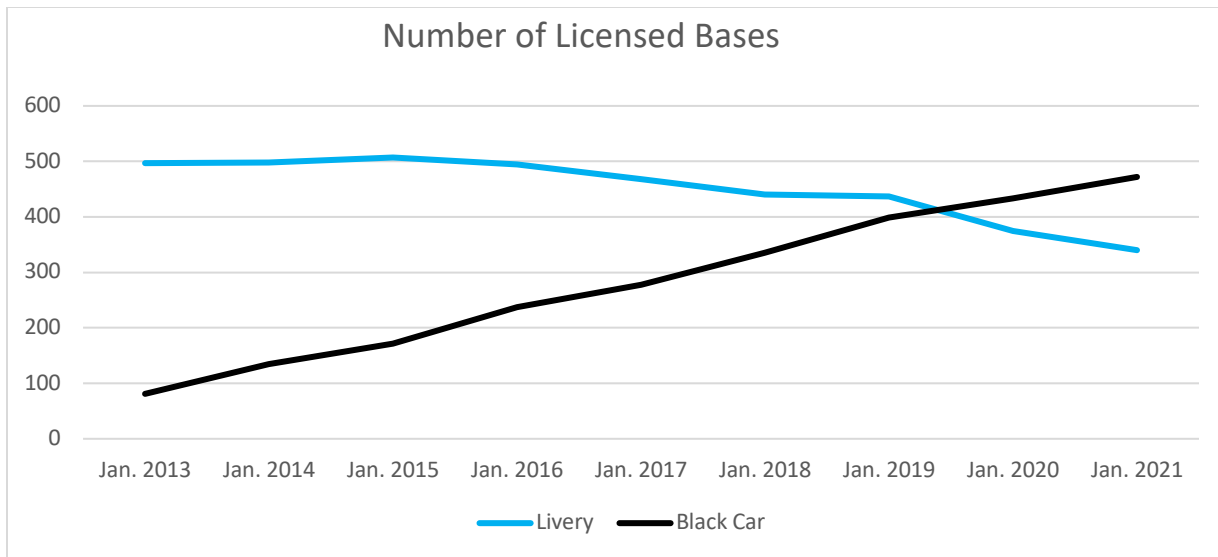


Figure 4. Number of licensed Livery and Black Car bases, 2013 to 2021.¹⁴ Note that Black Car base here includes bases operated by Uber and Lyft, which as of late 2021 are now solely licensed as HVFHSs, not Black Car bases.

Finally, licensed for-hire vehicle Drivers are an incredibly diverse group, reflecting the diversity of their customer base. Figure 5 shows the ten most common countries of birth for FHV Licensees, less than 8% of whom were born in the United States. Drivers come from all over the globe, with African, Asian, and Central and South American countries all appearing in the top-ten most represented countries. Women, however, make up only 2.8% of Black Car Drivers and 1.7% of Livery Drivers, figures that are quite low but comparable to their representation across all TLC-licensed sectors in New York City.¹⁵

FHV Drivers' Country of Birth	
Dominican Republic	30.8%
United States	7.9%
Pakistan	6.0%
Ecuador	5.9%
China	5.3%
India	3.8%
Bangladesh	3.6%
Uzbekistan	3.2%
Haiti	2.6%
Egypt	1.9%

Figure 5. Black Car and Livery Drivers' Country of Birth, 2020.¹⁶

¹⁴ Taxi and Limousine Commission, Annual Reports for 2012–2020, available at <https://www1.nyc.gov/site/tlc/about/industry-reports.page>.

¹⁵ Taxi and Limousine Commission, "2020 Factbook," available at <https://www1.nyc.gov/assets/tlc/downloads/pdf/2020-tlc-factbook.pdf>.

¹⁶ Id.

Recommendations for Consideration

The following Task Force recommendations urge New York City, TLC, and New York State to consider policies that will strengthen, sustain, and revitalize the Black Car and Livery segments of the FHV industry. The recommendations are organized into five categories: Improving For-Hire Vehicle Licensing Rules and Practices, Modernizing the Black Car and Livery Industries, Refining TLC Enforcement, Ensuring the Continued Critical Role of the Black Car and Livery Sectors in the City's Transportation Network, and Reforming the Regulatory Environment. The proposed action items as described below represent the general consensus of the Task Force and reflect the conversations of the group, including where competing considerations should be taken into account before determining next steps. In that vein, the Task Force urges policymakers to continue working with industry stakeholders to support the Black Car and Livery industries.

1. Improving For-Hire Vehicle Licensing Rules and Practices

With the dramatic changes in the FHV industry in recent years, TLC must remain flexible and consistently look to adjust its rules and practices to ensure it effectively regulates and supports the Black Car and Livery sectors. The recommendations in this section aim to improve TLC rules and practices related to FHV licensing.

Recommendation 1.1. Increase the number of vehicles affiliated with Black Car and Livery bases.

- While the FHV license pause has had its desired effect of reigning in an oversaturated market, several Black Car and Livery bases are struggling to compete with HVFHSs for drivers. This difficulty may stem from a discrepancy in driver pay for some bases as compared to HVFHSs, or may be the result of other industry or market factors.¹⁷ Industry members, particularly Black Car and Livery base owners, have reported that a shortage of drivers has resulted in an inability to meet passenger demand, leaving bases to either offer long response times or decline the trip request altogether. As previously noted, traditional Black Car and Livery industries play an important role in the City's transportation network, including by providing mobility in the outer boroughs for passengers who have historically had fewer transportation options. In order to ensure sufficient service and sustainable Black Car and Livery industries moving forward, the Task Force recommends that TLC work to increase the number of vehicles affiliating with Black Car and Livery bases that have seen their trip numbers and affiliated vehicles significantly decrease. Many Task Force members felt very strongly that this should include an exception to the license pause, allowing a certain number of new licenses to be issued, or expiring licenses to be repurposed, for vehicles that perform trips exclusively for Black Car and Livery bases. This could be done first as part of a pilot program with a number of new licenses limited enough not to impact congestion or the stability of other sectors. This pilot program would include data collection and analysis to gauge driver interest and evaluate effects on licensed vehicle industries and service. The Task

¹⁷ As discussed more in Recommendation 2.2, TLC does not collect data on driver pay or trip fares for the Black Car and Livery sectors. TLC does, however, collect driver pay and fare data from HVFHS companies. It is therefore difficult to determine driver pay in the traditional sectors, compare it to HVFHS driver pay, and determine how much of the driver recruitment difficulty traditional bases are facing stems from a discrepancy in driver pay.

Force also recommends that TLC consider other incentives for Drivers to affiliate with Black Car and Livery bases.

Recommendation 1.2. Consider further regulating the FHV leasing industry.

- TLC-licensed drivers who do not already possess an FHV license have a few means by which they can work in the Black Car and Livery sectors. They can either purchase and license a wheelchair accessible vehicle, work for a base that employs its drivers, or lease a licensed FHV and accept dispatches from any base. To service the last option, several leasing companies own TLC-licensed FHV that they rent to drivers who do not have their own licensed vehicle. The Task Force recognizes that the cost of leasing an FHV can be high, but reallocating risks and expenses such as insurance, maintenance, and administrative costs can be an attractive and flexible option for a number of drivers. Currently, TLC regulates these leasing companies as vehicle license holders, but not specifically as entities engaged in the practice of leasing vehicles to drivers. For example, TLC adopted rules in 2018 regulating the process and conditions for a TLC-licensed FHV owner to lease a vehicle to a TLC-licensed Driver, including the requirements that leases must be in writing, provided to the driver, and include all costs and possible fees.¹⁸ The Task Force recommends that TLC explore regulating these leasing companies more directly—in addition to regulating them as FHV license holders—to ensure that these companies better serve drivers. Options that TLC should consider include increasing enforcement for illegal behavior, further regulating the terms of the lease or the lease process, and creating a separate license specifically for these companies. The Task Force also recommends that TLC conduct education and outreach efforts to better inform licensees about TLC’s lease agreement requirements and various leasing terms.

Recommendation 1.3. Update license forfeiture practices after failed vehicle inspections.

- Currently, FHV that fail four inspections at TLC facilities forfeit their vehicle license. Because of the vehicle license pause, vehicle owners are unable to apply for a new standard vehicle license if they forfeit their license. In comparison, Taxis can attempt to pass inspections an unlimited number of times. Given this discrepancy and the changed landscape due to the license pause, the Task Force recommends that after four failed inspections an owner be permitted to replace the old vehicle with a new vehicle and have that new vehicle inspected in lieu of forfeiting their license.

Recommendation 1.4. Explore the creation of new revenue streams to incentivize adding wheelchair accessible vehicles to the Black Car and Livery fleets.

- TLC consistently prioritizes providing accessible transportation for passengers who use wheelchairs in both the Taxi and FHV sectors. TLC requires all for-hire bases to provide wheelchair accessible service when requested, and all bases must provide a percentage of monthly trips in wheelchair accessible vehicles (WAVs) or partner with approved WAV dispatchers to ensure this service is available. To promote accessible service, WAVs are also the only type of vehicle that are exempt from TLC’s license pause. Despite this exemption, a number of drivers and potential vehicle owners have expressed concerns about the higher purchase and operational costs in

¹⁸ Rules of the City of New York, Title 35 § 59A-21.

putting a WAV on the road. The Task Force recommends that TLC explore creating new revenue streams to incentivize adding WAVs to the Black Car and Livery fleets to improve accessibility and increase the number of vehicles available to Black Car and Livery bases. Potential revenue streams could include establishing a fund similar to the Taxi Improvement Fund and Street Hail Livery Improvement Fund, which are supported through fees assessed on all Taxi and SHL trips, respectively.

Recommendation 1.5. Consider ways to improve financing mechanisms to help drivers afford new vehicle purchases.

- FHV Drivers often want to drive their own TLC-licensed vehicles but cannot afford the upfront costs of purchasing a new vehicle. Additionally, FHV drivers who do own a licensed vehicle may struggle to afford a replacement. In particular, some drivers and owners have expressed difficulty securing financing for vehicle purchases. The Task Force recommends that TLC work with industry stakeholders and outside partners to research affordable vehicle financing programs, help drivers and owners understand their financing options, and avoid predatory lending or leasing arrangements. The Task Force also recommends that TLC conduct outreach and education related to existing small business loan assistance programs, such as loans from the U.S. Small Business Administration or other small business assistance programs provided by the New York City Department of Small Business Services.

2. Modernizing the Black Car and Livery Industries

While the Black Car and Livery industries provide a valuable service for their customers, there is a concern about the ability of these sectors to compete with other parts of the industry, especially app-based HVFHSs. The recommendations included in this section aim to ensure that Black Car and Livery services are modernized in light of economic, technological, transportation, and industry trends.

Recommendation 2.1. Explore prepayment options and non-cash payments for FHV trips.

- The economy continues to move away from cash transactions and towards various non-cash alternatives, offering a convenient way for customers to more seamlessly pay for services. Furthermore, cash payments may present concerns for drivers if passengers skip out on payment at the end of a ride or if carrying cash makes them potential targets of robberies. The Task Force recommends that TLC work with the Livery sector to move, as much as practicable, to a prepayment model, where rides are paid for at the time they are booked. As one possible approach, TLC should consider requiring bases to accept credit cards as a prepayment option. Moving to a prepayment model could involve cashless payment options including credit cards, mobile wallets such as Google Pay or Apple Pay, mobile payment apps such as Zelle and Venmo, integration with MTA OMNY cards, or even the development of a contactless fare payment system for TLC-licensed vehicles. To ensure a smooth transition, TLC should work with bases to develop driver education and training materials to assist stakeholders with new technologies. While exploring prepayment options and non-cash payments for FHV trips will help modernize the industry and improve the driver and passenger experience, cash must remain a payment option,

including cash prepayment (passengers paying the driver in cash upon entering the vehicle), to ensure that unbanked and underbanked New Yorkers can continue to be served by these industries.

Recommendation 2.2. Improve data collection standards for FHV trips.

- TLC currently collects data fields from Taxis and HVFHSs that it does not collect from the Black Car and Livery sectors, including driver pay and fare information. Additionally, while required to do so, many bases do not report pick-up and drop-off data. These gaps in TLC's data collection make it difficult to monitor the industry's health and ensure that policies related to these sectors are data-driven. The Task Force recommends that TLC explore ways to expand its data collection from the Black Car and Livery sectors. The Task Force further recommends that TLC explore streamlining its data collection processes to expand the scope of data it collects and improve data quality while not imposing an undue burden on less-resourced bases. The Task Force also recommends that TLC conduct outreach to Black Car and Livery bases on trip record collection, explore innovative programs to assist with the acquisition of appropriate technology, and provide trainings and other educational materials so that bases and drivers can be well-versed in the City's requirements and the technological needs involved in trip and other record reporting.

Recommendation 2.3. Adopt an electric vehicle plan to increase their use as FHV's.

- TLC recognizes that vehicle electrification is important for New York City's future and is committed to electrifying the fleet of TLC-licensed vehicles, including Black Cars and Livery vehicles. To advance this goal, TLC is convening stakeholders for discussion, partnering with utilities and other City agencies to support the expansion of the City's charging network, and engaging with manufacturers to ensure that there are wheelchair-accessible electric vehicles suitable for use as TLC-licensed vehicles. The Task Force recommends that TLC adopt an electric vehicle plan developed with feedback from stakeholders, including the Black Car, Livery, and Street Hail Livery industries. TLC should also ensure that drivers and vehicle owners are aware of available electric vehicle incentives, such as federal and state tax credits, discounted tolls, and Con Edison's Power Ready EV Charging Infrastructure Program. Additionally, TLC should work with government and industry stakeholders to explore other incentives to assist with the purchase of electric vehicles.

3. Refining TLC Enforcement

Equitable enforcement of TLC's rules ensures the safety of drivers, passengers, and other street users. This section of the report includes recommendations relating to TLC's enforcement rules and practices.

Recommendation 3.1. Focus on curtailing illegal street hail activity.

- Illegal street hails and unlicensed vehicles and operators siphon trips from legitimate FHV's and present a danger to drivers and passengers alike. The Task Force recommends that TLC's Enforcement Division continue its efforts to hire more officers and, in partnership with the NYPD, focus on curtailing illegal street hail activity, particularly through targeted enforcement in neighborhoods where illegal street hails are prevalent as well as at JFK and LaGuardia Airports.

The Task Force also recommends that TLC expand its outreach efforts to passengers and members of the public, including through the agency's "#PlateSafe" campaign, about the dangers of hailing unlicensed vehicles and the availability of licensed Livery and Street Hail Livery vehicles, and remind drivers of the safety risk, high fines, and potential loss of their licenses that may result from engaging in an illegal street hail. Finally, the Task Force recommends that TLC consider strengthening its rules relating to illegal street hails, for example by prohibiting vehicle owners from allowing their vehicles to be illegally "operated" for hire rather than just "dispatched" for hire.

Recommendation 3.2. Expand outreach and engagement between TLC enforcement officers and Black Car and Livery Drivers.

- Interactions between TLC-licensed Drivers and TLC enforcement officers can be tense for both parties. Some TLC Drivers report negative experiences with TLC officers, and the Task Force recognizes that TLC officers have a difficult and often dangerous job. The Task Force recommends that TLC develop opportunities for outreach and engagement between TLC enforcement officers and TLC-licensed Drivers, particularly in the Black Car and Livery sectors, with the goal of increasing mutual understanding. The Task Force also recommends that TLC enhance its customer-focused trainings for enforcement officers to improve interactions with licensees.

Recommendation 3.3. Protect licensees from intermediaries.

- TLC continually focuses on improving its customer service and welcomes frequent, direct engagement with all Licensees. Unfortunately, some parties falsely present themselves to Licensees as intermediaries or "middlemen" who "must" be hired to assist Licensees navigating routine interactions with TLC. The Task Force recommends that TLC add signage to its locations that serve drivers in person, especially its Long Island City location, to ensure Licensees are aware that they never need to pay an intermediary to access TLC services. The Task Force further recommends that TLC closely monitor this issue and determine whether additional steps to curtail these practices are necessary.

Recommendation 3.4. Prevent the illegal sale of individual FHV plates.

- FHV licenses are non-transferable and vehicle owners looking to acquire an FHV license have, historically, applied for a new license directly from TLC. Since the imposition of the FHV license pause, there is concern that FHV licensees have attempted to exploit the unavailability of new FHV licenses by selling or advertising the sale of their FHV licenses at high prices. It is important that TLC work to inform and protect drivers who may otherwise unknowingly attempt to buy an FHV license on the private market, especially because advertisements may be scams seeking to take advantage of drivers with no actual intent to transfer plates to the buyer. The Task Force recommends that TLC explicitly prohibit the sale and advertising for sale of FHV licenses.

4. Ensuring the Continued Critical Role of the Black Car and Livery Sectors in the City's Transportation Network

Prioritizing public street space for uses other than private vehicle movement and storage has been critical to ensuring that the City remains as vibrant as ever, especially during the City's recovery from the COVID-19 pandemic. De-emphasizing private vehicles and opening streets to other uses

allowed restaurants and businesses to remain open while providing additional outdoor space for New Yorkers to dine, shop, and engage in recreation in a safer environment. Going forward, it is important to better integrate licensed vehicles in the City's transportation planning and street design initiatives. The recommendations in this section seek to ensure the continued critical role that the Black Car and Livery segments play in the City's transportation network.

Recommendation 4.1. Expand pick-up and drop-off zones and Taxi/FHV stands.

- New York City's streetscape continues to evolve to include more bike lanes, bus lanes, pedestrian plazas, traffic-calming measures, and on-street dining facilities. The Task Force acknowledges that while each of these efforts bring significant benefits to New Yorkers, they also impact TLC-licensed Drivers who may struggle to find a safe place to pick up and drop off passengers. The Task Force recommends that TLC work with the New York City Department of Transportation (DOT) to expand pick-up and drop-off zones for FHVs, including SHLs. This effort should seek to reallocate curb space from private parking to more dynamic uses that include for-hire pick-ups and drop-offs, commercial deliveries, and loading and unloading of personal vehicles, such as DOT's Neighborhood Loading Zones.¹⁹ Where appropriate, TLC should also work to increase curb space dedicated to for-hire transportation, including by increasing the number of Taxi/FHV stands and converting Taxi-only stands to Taxi/FHV stands. The Task Force further recommends that DOT consider expanding these zones in areas of Upper Manhattan and the outer boroughs where the Livery industry is most prevalent and work with industry stakeholders to identify specific locations.

Recommendation 4.2. Increase the number of Taxi/FHV relief stands.

- Black Car and Livery drivers have reported a lack of places to park their vehicles in order to take a break, particularly places with access to restrooms and running water, as restroom access at the bases themselves has proven insufficient or is inconvenient for drivers during their workday. The Task Force recommends that the City consider increasing the number of Taxi/FHV relief stands and continue to convert Taxi-only relief stands to Taxi/FHV relief stands where appropriate. Drivers have also reported that some FHV bases do not always allow them to use the bases' restrooms. The Task Force recommends that TLC conduct further fact-finding on this issue and evaluate ways to ensure driver access to restrooms at their affiliated and dispatching bases.

Recommendation 4.3. Consider the impacts of additional congestion pricing fees on traditional FHV industry segments.

- FHV passengers, including SHL passengers, currently pay a \$2.75 congestion surcharge for all trips that start, pass through, or end in Manhattan below 96th Street, except for shared rides, which are charged \$0.75. The MTA is implementing an additional congestion pricing program for all trips below 60th Street in Manhattan, a process that is currently in the review period. In September of 2021, the MTA estimated that this new fee could range from \$9 to \$35 depending on time of day, method of payment, and other factors.²⁰ The MTA has not stated whether this charge will be applied to trips by TLC-licensed vehicles, including Black Car and Livery trips, on top of the existing congestion surcharge. The Task Force recommends that the MTA carefully consider the

¹⁹ New York City Department of Transportation, "Neighborhood Loading Zones," available at <https://www1.nyc.gov/html/dot/html/motorist/nlz.shtml>.

²⁰ Dan Rivoli, "MTA offers possible prices for upcoming Manhattan toll," NY1, September 23, 2021, available at <https://www.ny1.com/nyc/all-boroughs/news/2021/09/24/mta-offers-possible-prices-for-upcoming-manhattan-toll> (last accessed November 1, 2021).

impacts that any additional fees would have on the Black Car, Livery, and SHL industries and recognize appropriate differences among various segments of the FHV industry.

5. Reforming the Regulatory Environment

From workers' compensation to in-vehicle cameras, there are laws and regulations relating to the Black Car and Livery industries that should be reviewed and improved upon. The recommendations in this section aim to begin that process for several City and State regulatory structures.

Recommendation 5.1. Facilitate additional vehicle insurance options for drivers.

- TLC Drivers have limited options for insuring their vehicles, with only a few insurance companies servicing the for-hire market in New York City. Recent changes to New York State insurance law exacerbated this problem for the Luxury Limousine segment of the FHV industry.²¹ High insurance premiums increase the overall costs of operating an FHV, and ultimately reduce take-home pay for drivers. The Task Force recommends that TLC work with stakeholders, private industry, and New York State regulators to explore ways to expand vehicle insurance options for drivers so they may benefit from increased competition among insurers and potentially lower rates.

Recommendation 5.2. Explore changes to the Livery Fund and Black Car Fund.

- New York State law established the Independent Livery Driver Benefits Fund ("the Livery Fund") to provide workers' compensation for Livery drivers and established the New York Black Car Operators' Injury Compensation Fund ("the Black Car Fund") to provide workers' compensation for Black Car drivers.²² While the funds both provide workers' compensation coverage for drivers, the differences between the funds are significant. For example, trips in Black Cars—which include HVFHS trips—are assessed a per-trip fee paid by the passenger and allocated to the Fund. Because of the high number of trips completed by Black Cars, the Black Car Fund generates enough revenue to provide benefits beyond basic workers' compensation coverage for Black Car Drivers. Livery bases pay into the Livery Fund a set amount for each vehicle affiliated with that base, which generates much less revenue for the Fund and results in more limited coverage for Livery Drivers. While the difference between the structure of the funds stems from the operational differences between the sectors—with Livery trip payments being mostly cash and thus more difficult to track and assess per-trip fees—the Task Force recognizes that the differences result in inadequate coverage for Livery Drivers. The Task Force recommends that the State legislature and State regulators revisit the laws relating to each of these funds and engage with industry stakeholders to work towards the goals of sector parity and improved coverage for Livery Drivers.

Recommendation 5.3. Maintain existing restrictions on interior and exterior vehicle advertising.

²¹ New York State increased its for-hire vehicle insurance requirements for vehicles with a seating capacity of eight or more to \$1.5 million in liability coverage in 2019 as part of the State's response to the tragic limousine crash in Schoharie, New York. See New York State Vehicle and Traffic Law § 371(1). See generally Williams, Stephen, "After Schoharie limo crash, new laws aimed at stretch limos," *The Daily Gazette*, April 1, 2019, available at <https://dailygazette.com/2019/04/01/new-laws-aimed-at-stretch-limos/> (last accessed November 1, 2021).

²² For the New York State Law establishing and governing the Black Car Fund, see Executive Law Chapter 18, Article 6-F. For the New York State Law establishing and governing the Livery Fund, see Executive Law Chapter 18, Article 6-G.

- Local Law 92 required the Task Force to study the feasibility of rooftop and in-car advertising for Black Cars and Livery vehicles. Having discussed this matter, the Task Force finds that benefits to drivers are likely to be minimal, with much of the benefit accruing to the vehicle advertising companies and leasing companies. Additionally, many Task Force members believe that the advertising may be detrimental to their businesses, as drivers and passengers may not want to use a vehicle with interior or exterior advertising and because FHV's are also likely to be the personal vehicles of drivers. The Task Force does acknowledge that new opportunities for increased driver earnings through advertising revenue may arise in the future. Therefore, the Task Force recommends that existing restrictions on interior and exterior FHV advertising remain in place, but TLC should consider revisiting these restrictions in the future as the industry continues to evolve.

Recommendation 5.4. Streamline and modernize TLC rules where appropriate to make compliance less burdensome and oversight more effective.

- As TLC continuously updates its rules to address novel challenges and issues, some TLC rules meant to address past issues may now be outdated or ineffective. For example, some rules may no longer have an adequate public policy justification to impose certain obligations on the for-hire industry, which may result in increased costs of doing business as a driver or base without a sufficient corresponding benefit. The Task Force recommends that TLC take a broad approach to reviewing and revising its rules to ensure that the agency's regulations are streamlined, effective, and adapted to the 21st-century needs of drivers, bases, and passengers. This review and revision should include updating rules on in-vehicle camera systems for Livery vehicles, reconsidering various base requirements that relate to the physical base location but do not account for modern dispatching and record-keeping practices, and streamlining and equalizing rules relating to decals and other requirements, as appropriate, that currently vary by sector.

Next Steps

The recommendations as described by the Task Force represent an important step in ensuring that the Black Car and Livery industries continue to be viable and sustainable in the future and serve the diverse populations that rely on them. We are at a critical moment in the history of these longstanding industries, and concrete action is necessary for their survival. There is much more to be done and the Task Force members look forward to working with policymakers and regulators to implement these recommendations and ensure a strong future for the Black Car and Livery industries.