

February 2025 For-Hire Vehicle License Review

Report and Determination

Introduction

This review by the New York City Taxi and Limousine Commission (TLC) of for-hire vehicle (FHV) licenses is conducted pursuant to TLC Rule § 59A-06(a)(1) for the period of February 2024 through January 2025. TLC has conducted periodic reviews pursuant to this rule since August 2020.¹

Local Law 147 of 2018 paused the issuance of new FHV licenses for one year with an exception for wheelchair accessible vehicles (WAVs).² Local Law 147 directed TLC, in conjunction with the City Department of Transportation (DOT), to study driver income, the extent to which FHVs contributed to traffic congestion, traffic safety, vehicle utilization rates, access to for-hire service in different areas of the city, driver availability, and any other topics deemed appropriate. The law also gave TLC the authority to regulate the number of FHV licenses.

In August 2019, following a report by TLC and DOT,³ TLC adopted rules⁴ to implement the report's recommendations, including by continuing the pause on new vehicle licenses, maintaining the WAV exception, and adding an exception for electric vehicles (EVs) to meet "ambitious carbon-reduction targets" and "spur the creation of high-capacity, private-sector provided charging infrastructure."⁵ These rules also require TLC to review whether additional FHV licenses should be issued—at the time every six months, now every year—based on congestion, driver pay, license attrition, outer-borough service, and any other information it deems relevant in making its determination. In June 2021, TLC amended its rules to remove the EV exception and add the availability and demand for EVs and the availability of EV charging infrastructure to the list of factors that TLC must consider in its review, so that TLC's periodic studies could better inform determinations about electric FHV licensing.⁶ Through the August 2022 License Review, TLC decided to issue 1,000 new licenses for EVs. In January 2023, TLC amended its rules to set eligibility standards for these 1,000 new licenses, which were made available in March 2023.⁷

In October 2023, TLC published its February 2023 License Review, which concluded that the FHV industry could absorb new EV-only licenses without undermining the gains to congestion reduction, driver pay, and service quality achieved by the license pause.⁸ On October 19, 2023, TLC began accepting applications for EV-only licenses through its standard application process as it had done between 2019 and 2021. In November 2023 a lawsuit seeking a temporary restraining order and preliminary injunction on TLC's decision to open applications to EV-restricted licenses was filed against TLC in the New York State

¹ All previous License Review Reports are available on the TLC website at <https://www.nyc.gov/site/tlc/about/industry-reports.page>.

² Portions of Local Law 147 of 2018 are codified as New York City Administrative Code § 19-550.

³ New York City Taxi and Limousine Commission and Department of Transportation, *Improving Efficiency and Managing Growth in New York's For-Hire Vehicle Sector*, June 2019, available at https://www1.nyc.gov/assets/tlc/downloads/pdf/fhv_congestion_study_report.pdf.

⁴ The rules adopted in August 2019 are available at https://www1.nyc.gov/assets/tlc/downloads/pdf/proposed_rules_hvfhs_cruising_08_07.pdf.

⁵ Supra note 3, p. 4.

⁶ <https://www.nyc.gov/assets/tlc/downloads/pdf/notice-of-promulgation-of-vote-06-22-2021.pdf>

⁷ https://www.nyc.gov/assets/tlc/downloads/pdf/FHV_EV_Restricted_License_Adopted_Rule_01_25_23.pdf

⁸ <https://www.nyc.gov/assets/tlc/downloads/pdf/license-pause-report-2023-02.pdf>



Supreme Court.⁹ On November 8, 2023, the Court issued a temporary restraining order that directed TLC to stop accepting new EV FHV applications after November 13 at 9:00 a.m. and permitted TLC to process any applications received before the cutoff. In the days between the Court’s decision and TLC’s closing of applications, TLC received thousands of applications for new EV-only FHV licenses.

As of February 2025, the applications for EV FHV licenses remain closed. However, not all the license applications submitted before the court-imposed cutoff were processed by the time TLC conducted its last license review in February 2024. While no new applications for EV-only licenses have been submitted and WAV-only licenses remain the only vehicle license available in the for-hire industry with the exception of certain livery vehicle licenses discussed below, the period covered by this review captures the processing of backlogged applications for EV-only licenses, which was completed by April 2024.

In March 2025, TLC adopted rules to implement the New York State COVID-19 Livery Vehicle Recovery Act.¹⁰ This State law will permit the owners of livery vehicles whose TLC vehicle licenses expired between March 7, 2020 and September 12, 2022 to renew their licenses. TLC will soon begin accepting applications, but as the program is voluntary it is not yet clear how many former licensees will apply. The number of new licenses issued under this law and their impact on the factors discussed in this report will be featured in next year’s License Review.

This review analyzes data relating to all segments of the FHV industry: high-volume for-hire services (HVs)¹¹ as well as livery, black car, and luxury limousine bases. Because bases that are not HVs submit their data with a longer time lag than HV bases, data in this report relating to the entirety of FHV trips is through December 2024, while HV data is through January 2025.

Analysis

Trip Volume, Vehicle Supply, and Vehicle Attrition

As reported in previous FHV License Reviews, FHV trips continue to steadily increase. As shown in the table below, between December 2023 and December 2024 the number of HV trips increased by 2.7% and non-HV FHV trips by 21.2%. This report will assess whether the number of licensed vehicles is effectively responding to this increase in the number of trips in terms of the impact on drivers’ earnings, outer borough service and wait times, EV charging infrastructure, and congestion.

	<u>December 2023</u>	<u>December 2024</u>	<u>Percent growth</u>
<u>High-volume FHV trips</u>	20,516,394	21,068,851	2.7%
<u>Non-high-volume FHV trips</u>	1,578,478	1,913,200	21.2%
<u>All FHV trips</u>	22,094,872	22,982,051	4.0%

Since the last report published in February 2024, the number of licensed FHVs in good standing declined from 107,636 to 105,487. For the first third of the period covered by this license review, new EVs were still being added to the road after the November 2023 opening and subsequent pause of EV-only license applications. From the last review in February 2024, an additional 1,763 EV-only license

⁹ https://iapps.courts.state.ny.us/nyscef/CaseDetails?docketId=qfTYx_PLUS_UIRF3mOL5iQ1nK6w==

¹⁰ https://www.nyc.gov/assets/tlc/downloads/pdf/tlc_livery_vehicle_rule.pdf

¹¹ Two companies are currently licensed by TLC as HVs are Lyft and Uber.



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applications were processed, and 1,688 WAV licenses were issued through the WAV exception. Since the last review, 1,468 licenses expired. Despite adding more licenses than the number that expired, there are fewer licensed FHV in good standing now than in the previous report. This discrepancy can be attributed to expiration grace periods, which cause the number of expired licenses to change over time. Licensees may renew their license up to 60 days after the license expires and once renewed have an additional 120 days to pass a vehicle inspection.

The number of licensed FHVs in good standing remains relatively stable after the large increase seen in the last review period that covered the bulk of the new EV licenses. The number of vehicles today in good standing remains 12% lower than the 120,126 FHVs that were licensed when the license pause moratorium was extended in August 2019.

Between February 2024 and January 2025, 4,006 new FHV licenses (i.e., not renewal licenses) were issued by TLC, while 1,468 expired. Of the 4,006 new FHV licenses, 42% were wheelchair accessible vehicles, 12% were lease-to-own vehicles, 1% were street hail livery (SHL) vehicles (FHVs attached to an SHL permit), and 44% were EVs.

Driver Earnings

As noted in previous License Reviews, HV bases are the only FHV class for which the submission of driver pay data is required. Between February 2024 and January 2025, drivers' average gross earnings hovered between \$1,000 and \$1,300 per week, consistent with compensation rates seen since 2021.

High-volume FHV driver pay is regulated through TLC's minimum driver pay rules, which were implemented in 2019. TLC has increased the per-minute and per-mile pay rates five times since then, pursuant to provisions in the rules that allow for inflationary adjustments based on changes in the Consumer Price Index (CPI) for wage workers in the New York City metropolitan area as well as an amendment to TLC's rules. The most recent CPI adjustment resulted in an increase of 3.92%, which went into effect on March 1, 2025.

Although TLC has routinely increased the minimum per-trip payment for HV trips based on general measures of inflation, the underlying expense factors that form the basis of the pay formula have not been reevaluated since 2018. Recognizing this gap, TLC commissioned an independent study of driver expenses in 2024 to develop a more detailed accounting of the expenses associated with driving an FHV. The report concluded that, amid significant developments across the industry like the increased use of SUVs and the transition to EVs, driver expenses have outpaced inflation. Accordingly, the authors recommended an increase to the per-mile minimum rate. TLC has proposed changes to the minimum driver pay rules to adopt the updated per-mile rate. Following the widespread use of lockouts by the HV FHV bases in mid-2024 to artificially lower the minimum per-trip payment, the proposed rule amendments also add new safeguards to protect drivers from platform restrictions. As of this writing, the amendments are going through the rulemaking process and will be voted on in 2025.

Outer-Borough Service

Since the previous review conducted in February 2024, HV trips—the FHV trips for which location-based data is most robust and reliable—have increased in all boroughs except for Manhattan, where trips decreased by about 1%. The Bronx and Staten Island saw the largest change between January 2024 and



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Commission**

January 2025 with a 9.4% and 9.8% increase respectively. These changes in trip volumes across the outer boroughs are within the range seen in recent years. The slight decrease in Manhattan trips may be due to market saturation in the city’s core, where for-hire services compete with the traditional market for the city’s yellow taxis. It is also possible that high-volume FHV companies have redistributed their fleet to increase coverage in the outer boroughs where trip demand is growing, leaving fewer vehicles operating in Manhattan. This change corresponds with the increasingly common practice of high-volume companies like Uber forwarding trip requests to yellow taxi dispatching companies. This program allows high-volume bases to encourage their drivers to remain in the outer boroughs without changing passengers’ ability to get rides in Manhattan.

Borough	January 2024	January 2025	Percent change
The Bronx	2,368,774	2,591,558	9.4%
Brooklyn	5,108,616	5,458,874	6.9%
Manhattan	7,863,748	7,784,756	-1.0%
Queens	4,040,656	4,260,487	5.4%
Staten Island	281,737	309,217	9.8%

The January 2025 trip numbers may also reflect changes in travel behavior stemming from the implementation of congestion pricing in the central business district at the beginning of that month, which added a \$1.50 surcharge to HV FHV trips that begin, end, or pass through Manhattan south of and including 60th St. While the full impact of the tolling program on the FHV industry cannot yet be determined, it is worth noting that a year-over-year decrease in Manhattan trips was not seen for taxis, which pay a lower per-trip surcharge of \$0.75 and have seen growth in Uber-forwarded trips over the past year.

The average citywide wait time for a high-volume FHV trip was 4.8 minutes in January 2025. While this is an increase from the 4.25-minute average in January 2024, wait times remain in line with the 4.5–6.6-minute range seen since 2018. Average wait times by borough in January 2025 were all between 4.2 and 6.1 minutes, suggesting that outer-borough service levels have not been an issue.

Electric Vehicles and Charging Infrastructure

TLC is focused on facilitating the transition of its licensed vehicles to EVs and WAVs. There are currently 12,415 EVs in the FHV fleet, up from about 9,500 as reported in the February 2024 License Review. The growth of EVs in the TLC-licensed fleet has led to an increase in charger utilization citywide, and private sector charging providers continue working to expand charging options. The initial capacity constraints seen last winter when most newly licensed EVs entered the fleet are no longer a pressing issue, as charging options have grown and drivers have learned where and how to charge their vehicles most efficiently. TLC continues to support charging infrastructure providers, Con Edison, and agency partners such as DOT, the Department of Citywide Administrative Services, and the Port Authority of New York and New Jersey to increase the amount of EV charging available. In September 2024, the agency published a new report, *Electrification in Motion*, documenting its progress toward achieving the accessibility and electrification goals of the Green Rides Initiative.¹²

¹² https://www.nyc.gov/assets/tlc/downloads/pdf/electrification_in_motion_report_2024.pdf

Despite a freeze on federal funding for EV charging,¹³ charging plans in New York continue to move forward. In February 2025, Governor Kathy Hochul announced a \$60 million loan to Revel to build 267 new charging stalls in the city.¹⁴ Of the new charging stalls set to be built, 178 will be completed in the next 12 months. Along with the Port Authority, Revel is building 24 new fast chargers at John F. Kennedy Airport, which will double charging capacity at a location that is frequented by FHV drivers. DOT will also open two new charging locations in 2025 in the Bronx and South Brooklyn. TLC drivers will be eligible for a 15% discount at these new sites, which they already receive at DOT's other fast-charger sites. Other charging discounts for TLC EV drivers are made available through Con Edison's SmartChargeNY program, which has seen the number of TLC-licensed registrants grow to more than 3,300 over the last year.

Traffic Congestion

As mentioned previously, the period covered by this review includes the implementation of congestion pricing in Manhattan. While more data is needed to evaluate the long-term impacts of the tolling program, early data indicate that traffic speeds in the central business district increased 6% during January 2025 compared to January 2024.¹⁵ TLC is working closely with DOT to track the impacts of the program, including with new data from the tolling infrastructure that allows for more robust and granular analyses of traffic volumes. With better data on the types of vehicles entering the zone, TLC can explore in greater detail the role of the FHV industry in the city's congestion. For example, initial reports from the first week of congestion pricing indicated that taxis and FHVs made up 36% of weekday entries into the zone.¹⁶ TLC will continue to monitor the impacts of congestion pricing—as the program progresses and data accumulates, TLC will be better able to identify trends in the role of FHVs in congestion overall.

Conclusion

TLC has conducted a review of the state of the city's FHV industry, including assessing trip volumes, vehicle supply, traffic congestion levels, driver earnings, license attrition rates, outer borough service, and electric vehicles and charging infrastructure. Based on the foregoing analysis, the pending litigation concerning EV-only applications for FHV licenses, the need to evaluate the longer-term impact of new EV licenses before determining whether any additional licenses should be made available, and the forthcoming issuance of new licenses as part of the COVID-19 Livery Vehicle Recovery Act, TLC finds that additional for-hire vehicle licenses are not needed at this time. Those interested in obtaining an FHV license may continue to apply for a WAV-restricted license.

¹³ <https://www.axios.com/2025/02/07/trump-vehicle-charger-funds-freeze-is-first-move-to-unwind-ev-policy>

¹⁴ <https://electrek.co/2025/02/10/new-york-awards-60m-revel/>

¹⁵ Communication with DOT, March 19, 2025.

¹⁶ <https://www.mta.info/document/163411>