

## **Proposed Bills to Limit and Study the Growth of For-Hire Vehicle (FHV) Licenses**

### **What the Bills Propose:**

The TLC may only issue a limited quantity of new For-Hire Vehicle (FHV) licenses until (1) DOT, DEP and TLC complete a study of the impact of FHV industry growth, or (2) August 31, 2016 (whichever comes first). The limitation depends for each base on the number of affiliated vehicles they had as of June 15, 2015:

Bases with:

- 500+ vehicles: may grow by 1%
- 20 to 499 vehicles: may grow by 5%
- 19 or fewer: may grow by 15%

During the growth limitation period TLC, DOT, DEP and other agencies will extensively study the impact of taxi and FHV industry growth on traffic congestion, air quality, noise, and public health. Once completed, the TLC will submit recommendations for mitigating any impacts identified in those areas to the Speaker and the Mayor. In accordance with State law, this growth limitation would *not* apply to green Boro Taxi vehicles.

**Why it's necessary now:** Unlike other TLC-regulated industries, there is no growth control mechanism in the FHV industry. Recent growth in this industry has been tremendous, and concentrated in the Manhattan Core, which could be a significant factor in (1) traffic congestion/declining vehicle speeds, and (2) air quality. These affect New Yorkers' quality of life, the ability for businesses to thrive, and public health.

### **Growth in the FHV industry in recent years has been tremendous.**

- In the last two years, approximately 20,000 new FHVs have been added to NYC's traffic dynamic.
- In June 2011, there were 38,600 FHVs. Today, there are nearly 63,000 FHVs, a 63% increase.

### **If things remain as they are, rapid growth in the FHV industry is expected to continue.**

- In each month of FY2015, the TLC has issued approximately 2,000 new FHV licenses.
- There are no signs that this level of growth will slow.

### **New Data Show Manhattan-Centric Growth.**

- New FHV trip records show that most new FHV activity — 72% of pickups — is taking place in the already-congested Manhattan Core.

### **Manhattan Traffic Speeds Have Been Declining.**

- Between 2010 and 2014, average Manhattan traffic speeds have declined significantly, from 9.35 mph to 8.51 mph (-8.98%). Bus speeds are also showing declines. During rush hour (4-6pm) they were 5% lower in Nov. 2014 than they were in Nov. 2013. Overall daytime (7am – 7pm) bus speeds were down 3% over this period.
- Preliminarily there are indications that there is a correlation between FHV fleet growth and congestion. The study will help us better understand whether and how FHVs are impacting congestion and related problems.

**It is time to “tap the brakes” while we look at the impact this growth is having on the City.**

- Before growth continues at this rapid pace, and many more individuals invest in putting new FHVs on the road, logic and prudent policy suggest that we study the impacts so that we can develop an informed policy going forward.

**Public and Industry Impacts of the Growth Limitation:**

- **Public:** Between the 13,587 taxis and 63,000 FHVs, there is an ample pool of vehicles available to meet demand.
- **Existing FHV Owners/Drivers:** Existing FHV licenses could still be renewed, and FHV license holders would *still* have the ability to maximize their opportunities by switching vehicles and bases. They may also take calls from *any* licensed base of the same business class, with some drivers even potentially benefiting from a time-out in seeing additional competing vehicles added to the fleet.
- **New and Existing Bases:** The growth limitation would not limit a base from affiliating as many existing vehicles as wish to work with it. Bases can also grow by giving each affiliated vehicle more calls (which would be welcome), or by sending extra calls to other bases' vehicles. New bases can form by finding ten existing vehicles that wish to affiliate with them.
- **New Drivers:** They could join the industry by joining a base with vehicle capacity in its temporary growth cap, driving a secondary shift on an existing vehicle, or signing on with a base with existing vehicles needing drivers.