

STATE OF NEW YORK

DEPARTMENT OF MOTOR VEHICLES

Pursuant to the authority contained in Sections 215(a), 1692(2), 1693(9), 1695(8), 1696(1)(d)(ii), 1696(5), 1698(3), and 1699(2) of the Vehicle and Traffic Law, the Commissioner of Motor Vehicles hereby amends the Regulations of the Commissioner of Motor Vehicles as follows:

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A new subdivision 80 is added to Title 15 to read as follows:

Sec.

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80.1 Introduction

Chapter 59 of the Laws of 2017 authorizes the operation of Transportation Network Companies in New York State. This section sets forth the responsibilities and requirements for such companies, their drivers and the Department of Motor Vehicles.

80.2 Definitions

The terms used in this section shall have the same meaning as such terms are defined in Article I of the Vehicle and Traffic Law, unless otherwise defined in section 1691 of such Law.

80.3 Application for Transportation Network Company (TNC) License

(a) An applicant for a TNC license must complete a form supplied by the Department, accompanied by a fee in the amount of one hundred thousand dollars (\$100,000), and any other documentation requested by the Department. Thereafter, on an annual basis, the TNC shall complete such form and pay a renewal fee in the amount of sixty thousand dollars (\$60,000), which shall be paid no later than one year from the date of the approval of the prior application. If the application or renewal application is denied, the Department shall retain ten thousand dollars (\$10,000) of the fee.

(b) No license shall be issued unless the applicant:

(1) presents proof it has obtained a group policy in compliance with the financial responsibility requirements of Article 44-B of the Vehicle and Traffic Law and section 3455 of the Insurance Law and regulations promulgated by the Superintendent of Financial Services and, if the insurer is an unauthorized insurer, certifies that it has provided a copy thereof to the Superintendent of Financial Services.

(2) agrees to affirm on the application for a TNC license that it shall comply with all applicable laws and regulations related to Transportation Network Companies operating in this state.

#### 80.4 Insurance Requirements

(a) A TNC driver must maintain an owner's policy of liability insurance, for any TNC motor vehicle such driver owns, leases, or is otherwise authorized to use, in accordance with Article 6 of the Vehicle and Traffic Law, the Insurance Law and regulations promulgated thereunder.

(b) A TNC driver, or a TNC on the driver's behalf through a group policy, must also maintain insurance, for any TNC vehicle such driver owns, leases, or is otherwise authorized to use:

(1) with respect to the TNC driver, a policy issued by an authorized New York insurer or procured by a New York licensed excess line broker pursuant to section 2118 of the Insurance Law, and regulations promulgated thereunder, if such coverage is unavailable from an authorized insurer, that provides coverage in satisfaction of the financial responsibility requirements of section 1693 of the Vehicle and Traffic Law and regulations promulgated by the Superintendent of Financial Services;

(2) with respect to the TNC, a TNC group policy issued by an authorized New York insurer or procured by a New York licensed excess line broker pursuant to section 2118 of the Insurance Law, and regulations promulgated thereunder, if such coverage is unavailable from an authorized insurer, in satisfaction of the financial responsibility requirements of section 1693 of the Vehicle and Traffic Law and section 3455 of the Insurance Law and regulations promulgated by the Superintendent of Financial Services; or

(3) by any combination of insurance provided in accordance with paragraphs (1) and (2) of this subdivision.

(c) A TNC driver must carry proof of coverage satisfying Article 6 of the Vehicle and Traffic Law and the provisions of subdivision (b) of this section when logged onto a TNC's digital network but not engaged in a TNC prearranged trip and when engaged in a TNC prearranged trip. Upon request of a law enforcement officer, the TNC driver must be able to produce proof of coverage satisfying Article 6 of the Vehicle and Traffic Law, and proof of coverage, on an electronic device, under all TNC group policies and, if applicable, proof of coverage under a policy maintained by the TNC driver used to satisfy the requirements of Article 44-B of the Vehicle and Traffic Law. Such proof of coverage must be:

(1) the identification card, in accordance with Part 32 of this Title, issued to the TNC driver under an insurance policy satisfying Article 6 of the Vehicle and Traffic Law;

(2) as displayed on an electronic device, a copy of all applicable certificates or other evidence of insurance, as defined in section 3455(a)(2) of the Insurance Law, issued to the TNC driver under TNC group policies, which shall clearly state that the policy satisfies the financial responsibility requirements of Article 44-B of the Vehicle and Traffic Law and, at a minimum shall include the name and contact information for the TNC, the expiration date of the policy, the legal name and National Association of Insurance Commissioners (NAIC) number or International Insurers Department (IID) number of the insurer, the group policy number, the certificate number and name of certificate holder, and local contact information for the group insurer.

(d) Group Policy notifications to DMV

(1) The TNC shall share any cancellation, non-renewal, or conditional renewal with the Department within 10 business days of notification by the insurer(s). In the event the TNC is unable to replace the coverage before the termination date of the policy, the TNC and its drivers shall cease providing rides to the public until such time as it obtains replacement insurance in satisfaction of the financial responsibility requirements of Article 44-B. The group policy shall be maintained at all times that the TNC is operating in this State.

(2) The TNC shall share any material change or alteration in terms of insurance coverage or replacement of coverage for the group policy with the Department within 20 business days of notification by the insurer and within 10 business days of the effective date of new coverage from another insurer. The following information must be shared: name of insurer, policy number, NAIC number, a description of the material change or alteration or replacement of coverage, the effective date of the material change or alteration or replacement of coverage, and ICC code (if the insurer is a New York authorized insurer). If the insurer issuing the group policy is an unauthorized insurer, then the insurer also shall share such information with the Department of Financial Services.

(e) A TNC shall not allow a TNC driver to use or operate a TNC vehicle while the TNC driver is logged onto the TNC's digital network but not engaged in a TNC prearranged trip or while such driver is engaged in a TNC prearranged trip unless such TNC vehicle is properly insured in accordance with the provisions of this section, Articles 6 and 44-B of the Vehicle and Traffic Law and section 3455 of the Insurance Law and regulations promulgated by the Superintendent of Financial Services.

(f) The Department must provide insurance coverage information related to a TNC vehicle that is involved in a motor vehicle accident, as required by section 1695(8) of the VTL. The Department may request confirming information from a TNC regarding insurance coverage information related to such a TNC vehicle. Upon such request, the TNC shall provide such insurance information in a manner to be prescribed by the Department, but in no event more than five calendar days from the date of the Department's request for such information.

### 80.5 Identification of TNC Vehicle

(a) A TNC driver shall display a consistent and distinctive trade dress consisting of a removable logo, insignia, or emblem at all times the driver is providing TNC services. The trade dress shall be:

(1) Sufficiently large and color contrasted so as to be readable during daylight hours at a distance of at least 50 feet;

- (2) Reflective, illuminated, or otherwise patently visible in darkness; and
- (3) Of such a size so as not to obstruct the driver's view.

(b) The trade dress must be displayed on the inside of the vehicle's front windshield, in the lower right corner.

(c) The trade dress must adhere to the windshield so that it can be removed from the windshield when the vehicle is not logged into the transportation company digital network.

#### 80.6 Filing of Complaints

(a) A complaint may be filed with the Department against a TNC regarding an alleged violation of a licensing requirement pursuant to article 44-b of the Vehicle and Traffic Law or this Part using a form prescribed by the Commissioner, which shall be available on the Department's website. At a minimum, the complainant must give his or her name, address, phone number and email address, if available, and a complete description of the nature of the complaint and any supporting documentation. Pursuant to subdivision (c) of this section, a complaint against a TNC driver must be filed with the TNC.

(b) If the Department requests information from a TNC in order to investigate a complaint, the TNC shall respond to such request within 10 business days.

(c) The TNC must establish a complaint procedure that allows passengers to file complaints against a TNC driver, or the TNC, directly with the TNC, through the TNC's website or mobile application. The TNC may, in its discretion, also receive complaints by other means, such as by phone or regular mail.

#### 80.7 Criminal history background check

(a) Scope. The TNC, or a third party on the TNC's behalf, must conduct a criminal background check for all persons applying for a TNC permit. No person shall operate a TNC vehicle until such person is deemed qualified following such background check. Such background check shall be conducted on an annual basis for each TNC driver operating a TNC vehicle. On "an annual basis" shall mean no more than 12 months after the completion of the previous background check.

(b) Certification. The TNC, or a third party on the TNC's behalf, shall conduct the criminal background check for each applicant for a TNC permit in accordance with section 1696(1) of the Vehicle and Traffic Law. The TNC must maintain a record of each background check, subject to audit of the Department, pursuant to section 80.8 of this Part, and certify to the Department, in its application for a TNC license, that for each applicant for a TNC permit, and a renewal thereof, it has:

(1) checked the New York State sex offender registry and the United States Department of Justice National Sex Offender Public Website,

(2) the applicant's driving record, which shall mean the driving abstract produced by the Department,

(3) confirmed that the applicant's vehicle or vehicles are validly registered and inspected, and that the vehicle is properly insured,

(4) confirmed that such driver is at least 19 years of age,

(5) has enrolled the TNC driver in the Department's License Event Notification Service (LENS) and, when enrolling a driver in LENS, the TNC must, in addition to the mandatory notifications set forth in section 1696(1)(d)(i) of the Vehicle and Traffic law, select the option upon enrollment in LENS that LENS notify the TNC if the driver's license is suspended or revoked, and

(6) confirmed that the applicant is not disqualified for any of the offenses set forth in section 1699(2)(b) of the Vehicle and Traffic Law or for being on the New York State sex offender registry or United States Department of Justice National Sex Offender Public Website. Pursuant to subparagraphs (i) and (ii) of such section, the TNC shall review the applicant's record for the past three years and seven years, respectively, from the date of application. If the applicant has been incarcerated during such three or seven year period due to the commission of an offense set forth in such section, the three or seven year look-back period shall be extended for an amount equal to the period of incarceration.

(c) Dispute of criminal history information. If an applicant for a TNC driver's permit wishes to dispute criminal conviction information, he or she may do so in accordance with procedures established by the Division of Criminal Justice Services.

(d) The TNC shall be responsible for all fees associated with the criminal history background check.

(e) The TNC shall maintain true and accurate records of the criminal history background check and maintain proof of compliance with the provisions of this section for a period of no less than six years.

#### 80.8 Audit procedures

Section 1698 of the VTL authorizes the Department to audit a sample of records of a TNC for the purpose of verifying compliance with the licensing requirements of the Department. Such audits shall be conducted no more frequently than on a quarterly basis, with at least 10 business days' notice to the TNC, unless the Department has grounds to believe that additional audits are warranted. The TNC may exclude information on a record that would tend to identify specific drivers or passengers.

#### 80.9 Suspension, revocation or denial of a TNC license

(a) If the Department denies an application for or renewal of a TNC license, the applicant may appeal such denial in accordance with Article 3-A of the Vehicle and Traffic Law.

(b) In addition to the penalties authorized by sections 1692(2)(a) and 1699(5) of the Vehicle and Traffic Law, the Department may suspend or revoke a TNC license for failure to comply with any of the provisions of Article 44-B of the Vehicle and Traffic Law or the regulations promulgated hereunder.

(c) If a penalty is imposed or a license is revoked or suspended by the Department, the licensee shall have the opportunity to be heard.

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