



**STATE OF NEW YORK
INSURANCE DEPARTMENT
25 BEAVER STREET
NEW YORK, NEW YORK 10004**

**Circular Letter No. 18 (1998)
August 6, 1998**

TO: All Insurers Licensed to Write Motor Vehicle Insurance in New York State

RE: Increased minimum limits for bodily injury liability and personal injury protection for public autos subject to the rules of the New York City Taxi and Limousine Commission

The New York City Taxi and Limousine Commission (TLC) has amended Title 35 of the Rules of the City of New York, Chapter 1, Taxicab Owners Rules which are applicable to both medallion taxicabs and for-hire vehicles. Specifically, Section 1-40 of Title 35, Insurance Coverage, subdivision (d) has been amended to require that each owner shall for each for-hire vehicle (e.g., taxicab, livery, black car, silver car, limousine) owned by him or her, maintain bodily injury liability coverage for injury to one person in a motor vehicle accident in an amount not less than \$100,000 per person and for injury to two or more persons for injury in an accident in an amount of not less than \$300,000 and to maintain personal injury protection (no-fault) coverage in an amount of not less than \$200,000 per person. In accordance with Section 1-02 of Title 35, General Provisions for Licensing, subparagraph (c)(3), an applicant for licensing by the Taxi and Limousine Commission will have to demonstrate by **September 1, 1998** that he or she has liability insurance coverage and no-fault coverage that meet these requirements.

Insurers that provide, or intend to provide, coverage to this market, should be guided by the following:

1. The TLC requirements may be satisfied by either a single policy providing the required limits on a primary basis to existing insureds or to new insureds or, alternatively, by means of an excess policy which, in combination with the insured's primary policy, provides limits that are at least equal to the new requirements.
2. The increased limits shall be provided upon specific request of the insured. As with other increases in limits that are not based on New York State's Financial Responsibility Laws, these increased limits should not be automatically endorsed onto existing policies nor rolled on automatically to new policies.
3. All insurers, which plan to provide these TLC required minimum coverage limits to their affected insureds, should determine if they presently have filed and approved manual rates for these limits. Insurers that do not presently have filed and approved manual rates for these limits, and wish to offer them, should make appropriate filings (with supporting documentation) with this Department for the Superintendent's prior approval pursuant to Section 2328 of the Insurance Law. Any policy form revisions necessitated by these changes must be filed for prior approval pursuant to Section 2307 of the Insurance Law.

4. Given the September 1, 1998 compliance date, all filings that may be required in order to enable an insurer to meet the needs of its insureds, should be made as soon as possible. The Department intends to expedite its review of these filings.

Please direct any questions concerning this Circular Letter to the following:

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Very truly yours,
MARK PRESSER
Assistant Deputy Superintendent & Chief
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