



S.2688 Hoylman-Sigal / A.793 Lasher

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BILL
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SUBJECT
Provides that no autonomous vehicle may be used for taxi, livery or transportation network company vehicle services in any city with a population of one million or more without first being licensed by the New York City taxi and limousine commission; requires the New York City taxi and limousine commission to establish a license for use of an autonomous vehicle as a taxicab and to promulgate rules regarding such license and the operation of autonomous taxicabs.
DATE
February 06, 2025
OPPOSE

The Business Council strongly opposes Bill S.2688 (Hoylman-Sigal)/A.793 (Lasher), which seeks to amend New York’s Vehicle and Traffic Law to regulate the operation of autonomous taxicabs in cities with a population of one million or more, specifically targeting New York City. This legislation would require all autonomous vehicles (AVs) used for transportation network services to be licensed by the New York City Taxi and Limousine Commission (TLC) and limit such licenses exclusively to existing taxi medallion holders. Rather than fostering innovation and competition, this bill serves to entrench an outdated and struggling medallion system, restrict consumer choice, and drive economic opportunities away from New York.

This bill creates unnecessary and anti-competitive barriers by granting exclusive rights to AV operation to current medallion owners. Such a monopoly prevents new entrants into the market, hindering the advancement of AV technology in New York. At a time when AVs are being deployed successfully in cities like San Francisco, Los Angeles, Phoenix, and Austin, New York should be embracing the future of mobility rather than imposing artificial restrictions that stifle

competition. Limiting AV licenses to medallion holders ensures that the benefits of AV technology, enhanced road safety, reduced emissions, and improved accessibility will be delayed, if not outright blocked, for the broader public.

In addition to being anti-competitive, this legislation sends a strong message that New York is not open to technological advancement. The state has long been a leader in business and innovation, yet S.2688/A.793 would undermine that reputation by discouraging AV companies from investing in New York. If passed, the bill will push investment, job creation, and economic growth to states with more welcoming regulatory environments. Instead of attracting cutting-edge mobility solutions, this legislation would ensure that New York falls behind in the race for transportation innovation.

Further, this bill is not about public safety or responsible AV integration, instead it is about protecting the interests of a small group of medallion owners, including hedge funds that have bought medallions at discounted rates. Many medallion owners have already benefited from financial relief programs funded by New York City taxpayers, yet this bill seeks to provide additional advantages at the expense of both consumers and new market participants. AV companies which have had no role in the financial crisis surrounding the medallion industry should not be penalized or forced into an arbitrary business model that requires acquiring and holding physical assets.

By artificially restricting AV deployment, this bill denies New Yorkers access to cleaner, safer, and more efficient transportation options. AV technology has the potential to reduce traffic fatalities, expand mobility access for underserved communities, and lower transportation costs. Instead of imposing barriers, policymakers should focus on creating a regulatory framework that encourages AV development while ensuring safety and accessibility for all.

New York must embrace innovation, not legislate against it. S.2688/A.793 is a step backward that will harm consumers, deter investment, and block meaningful progress in transportation technology. For these reasons, The Business Council strongly urges lawmakers to reject this bill and instead pursue policies that foster competition, innovation, and economic growth.