



**IN SEARCH OF BETTER POLICIES IN RESPONSE TO
THE GROWING INFLUX OF NEW DRIVING SERVICES,
RIDESHARE APPLICATIONS & CHALLENGES FACING
NEW YORK CITY TAXI DRIVERS**

DISMANTLING AND RESTRUCTURING THE NEW YORK CITY
TAXI AND LIMOUSINE COMMISSION (TLC)

BY REP. ADRIANO ESPAILLAT
NEW YORK'S 13TH CONGRESSIONAL DISTRICT
115 CONGRESS

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A MESSAGE FROM REP. ADRIANO ESPAILLAT

The influx of services like Uber and its competitors has overtaken the industry and market creating economic hardships, unconventional standards, and unrealistic expectations for drivers in New York City. This is not an indictment of innovation as the TLC has long faced difficult challenges in its efforts to incorporate new and open technologies, provide better accessibility, create competitive rate structures, and present transparency and easily available data such as trip records, fares and routes.



NYC for-hire vehicle drivers and operators, specifically those who are in the livery and black cab industry, are under tremendous economic strain. Their industry is becoming increasingly oversaturated, driving down wages and the overall quality of life. This reality is coupled with the uptick in the distribution of summonses and increase fine penalties that drivers and operators face.

To ensure that all taxi and for-hire vehicles are treated equally, we must investigate the enforcement practices of the Taxi and Limousine Commission to guarantee that no member of that community is subject to discriminatory practices.

As a part of my continued efforts to ensure all taxi and for-hire vehicles are treated equally, I have presented a letter to the Department of Justice (DOJ) to request an investigation on whether the TLC Enforcement Department engages in discriminatory fining practices, including but not limited to, selective enforcement and entrapment.

My recommendations will help establish new rules and regulations that incorporate modern rideshare platforms to equalize the market for all driving competitors and better streamline the process for customers. It is my hope that the recommendations put forth to dismantle the TLC and replace it with a new agency will create an equitable market for all NYC taxi and for-hire drivers and owners, as well as rideshare services to ensure transparency, accountability and innovation for drivers and the customers they serve.

Respectfully,

A handwritten signature in black ink, appearing to read "Adriano Espaillat".

Rep. Adriano Espaillat (NY-13)
Member of Congress

Testimony of Congressman Adriano Espaillat
United States Congressman on behalf of New York's 13th Congressional District
New York City Taxi and Limousine Commission (TLC)
February 12, 2018

Overview: During his testimony, **Congressman Adriano Espaillat (NY-13)**, whose congressional district includes Harlem, East Harlem, northern Manhattan and the north-west Bronx, will address the need for better policies in response to the growing influx of new driving services, rideshare apps and challenges New York City taxi drivers face with the current licensing and regulation structure of the New York City Taxi and Limousine Commission (TLC).

Introduction:

The New York City Taxi and Limousine Commission (TLC) was created in 1971 as the oversight commission responsible for the licensing and regulation of New York City's medallion (yellow) taxicabs, for-hire vehicles (community-based liveries, black cars and luxury limousines), commuter vans, and paratransit vehicles.

The Commission established a board that consists of nine members, eight of whom are unsalaried commissioners. While the paid Chair Commissioner presides over regularly scheduled public Commission meetings, and is the head of the agency, the TLC maintains a staff of approximately 600 employees assigned to various divisions and bureaus.

The TLC licenses and regulates over 50,000 vehicles and approximately 145,000 drivers.

The Commission is also responsible for performing safety and emissions inspections of the more than 13,587 medallion taxicabs three times each year, as well as biennial inspections of all TLC-licensed for-hire vehicles, making the Commission the most active taxi and limousine licensing regulatory agency in the United States.

As of 2015, there were a total of more than 143,000 licensed taxi and for-hire vehicle drivers in New York City. Including 13,587 yellow taxis in NYC and approximately 38,319 yellow cab drivers; 7,676 street hail livery cabs in NYC and approximately 13,455 street hail livery cab drivers.

Additionally, there were 38,791 black car for-hire vehicles; 21,932 livery cab for-hire vehicles; and 5,881 luxury/limo cars.

There were also paratransit and commuter van operators in New York City, including 288 commuter van drivers for 584 vehicles; and 2,206 paratransit drivers for 1,123 vehicles.

Current Challenges:

Taxi drivers face economic deprivation created by the fairly new influx of driving services and rideshare apps like [Uber](#), [Lyft](#), [Juno](#) and [Via](#).

It is difficult to distinguish between each of the rideshare services considering that many drivers provide services for multiple companies. However, it is estimated that there are nearly 56,000 Uber vehicles in operation; just over 28,000 Lyft vehicles in operation; 17,038 Juno vehicles in operation; nearly 6,000 Gett vehicles in operation; and nearly 4,000 Via vehicles in operation.

According to a 2017 New York Times article, Uber and Lyft cars outnumber yellow cabs in New York City [four-to-one](#). In 2010, yellow cabs made 463,701 daily trips and brought in \$5.17 million in daily fares during the month of November alone. Six years later, the numbers had dropped and in November 2016, yellow cabs made an average of 336,737 daily trips, and brought in \$4.98 million in daily fares, according to city data. In contrast and according to the same report, Uber provided an average of 226,046 rides per day in October 2016. Lyft came in a distant second, with 35,908 rides, according to city data, while Via had 21,698 rides; Juno had 20,426 rides; and Gett, which launched in the city in 2014, came in last with 7,227 rides.

Why do individuals drive taxis? What are some of the benefits for driving a taxi in New York City? Firstly, taxi drivers have the ability to work hours other than the nine-to-five routine. Secondly, higher fares favor taxi drivers, especially during the weekends or busy times of the week. In addition, drivers are paid immediately and often are able to hold their earnings in their hands. Thirdly, the taxi industry was developed for and has long established practices designed to protect and create relative stable incomes, unlike many new technology and rideshare services.

However, the influx of services like Uber has overtaken the industry and market. The problems facing the city's taxi drivers have become so bad that many taxi drivers roam around the city unable to pick up fares. Drivers face fear, isolation and increased anxiety in their ability to make a living – their survival and livelihood.

The economic hardship that car services like Uber and its competitor services have created is a stark reality for many NYC taxi drivers. The unconventional standards and unrealistic expectations for drivers in New York City has caused many individuals and long-term drivers to feel overwhelmed and anxious.

Consider the economic strain and financial challenges that many drivers face. Between 2013 and 2016, the gross annual car service bookings of full-time yellow taxi drivers declined, falling from an annual salary of \$88,000 a year to just over \$69,000, resulting in increased bankruptcies, foreclosures and evictions that plague taxi drivers with other mounting existential difficulties.

Moreover, medallions, which grant the right to operate a taxi in New York City, are now depreciating assets. Drivers who borrowed money to pay for them, once a sound investment strategy,

now many find themselves deeply in debt. New York cab drivers are some of the hardest working drivers in the nation, entrusted with the duty of getting riders to their destination safely and swiftly. They paid a premium to operate their yellow cab service throughout the city, and at no fault of their own, are unable to pay the now-exorbitant loan payments due to market conditions.

Conclusion:

This is not an indictment of innovation. The TLC touts on its website that it is dedicated to fostering an environment that allows the for-hire industry to provide safe, innovative and accessible service. Yet, the TLC has failed in its 1.) efforts to incorporate new and open technologies, 2.) provide better accessibility for customers, 3.) create competitive rate structures for drivers, and 4.) present transparency easily available data such as trip records, fares and routes. For-hire and livery vehicles face exorbitant fines from the TLC, including fees and fines for not keeping detailed records of passengers and trip records.

Having outlined several issues of concern during my testimony today before the TLC, I offer the following recommendations for consideration to ensure transparency, accountability and innovation for New York City taxi, for-hire, livery, e-hail and rideshare services:

1. **Dismantle the TLC** and create a new entity that reflects the innovation and new modes of transportation including rideshare application such as Uber, Lyft, etc.
2. Establish new rules and regulations that **incorporate modern rideshare platforms** to equalize the market for all driving competitors and better streamline the process for customers.
3. **Create a stand-alone enforcement unit for the TLC.** The current system of enforcement and court system is under the purview of the TLC and does not provide car operators and drivers a due process or for a proper oversight process to take place.
4. Find solutions to **medallion debt** that New York cab drivers face and allow greater flexibility to ensure continued operation of their cabs and the ability for them to repay their loans.
5. **End Dual Use Green Cabs** by preventing them from taking pre-arranged trips and limiting them to only hail services, thus making livery and black cars the only pre-arranged services.
6. **Reduce fines** for hail rides for livery and black cab drivers and operators. Currently, fines for for-hire vehicles for picking up street hails in the outer boroughs are \$500 for first offense, \$1,500 for second offense and revocation of their license for the third offense; and below 96th Street fines are \$2,000 for a first offense, \$5,000 for the second offense and \$10,000 and revocation of license for the third offense.
7. **Cap the number of operating vehicles** that can operate in New York City and the number of bases that can exist in the city.

Finally, I want to bring greater attention to the troubling stories of entrapment practices being conducted by the roughly 170 enforcement inspectors within the TLC. Many operators of for-hire vehicles claim to have received large fines for picking up seemingly “in-need” individuals only to find out that the prospective passenger was a part of a larger network of fine distribution practices.

I am deeply troubled by the fact that of the top ten enforcement summonses given out by the TLC in 2016, five of them were specific to for-hire vehicles only, the most of any TLC license type. As a part of my continued efforts to ensure that all taxi and for-hire vehicles are treated equally, I will be sending a letter to the Department of Justice (DOJ) to request an investigation of selective enforcement, entrapment practices, and discrimination within the TLC.

It is my belief that the recommendations put forth to dismantle the TLC and rebuild the commission with a new agency will help create an equitable market for all NYC taxi and for-hire drivers and owners, as well as rideshare services, that will ensure transparency, accountability and innovation for NYC drivers and the customers they serve.

Thank you for your time and consideration.

Recommendations for TLC/For-Hire Vehicle Industry

Proposal #1:

Dismantle the New York City Taxi and Limousine Commission (TLC) and create a new entity that reflects the innovation and new modes of transportation including rideshare applications such as Uber and Lyft.

The Problem:

- The present state of the TLC is deeply problematic, with a lack of transparency and outdated practices, is one that punish drivers and operators alike.
- Drivers and operators do not feel as if the TLC is their partner in the industry and instead that Commission is working to punish them via excessive fines and regulation.
- Tensions between drivers and operators and TLC representatives have been rising, leading to a fractured working relationship and an inability to collaborate on the important issues facing the industry.
- If no solution is found, the frayed relationship continues to deteriorate, leading to increased frustration on the part of drivers and operators. We risk continuing the tragic recent pattern of drivers taking their own lives.

The History:

The New York City Taxi and Limousine Commission (TLC) was created in 1971 as the oversight commission responsible for the licensing and regulation of New York City's medallion (yellow) taxicabs, for-hire vehicles (community-based liveries, black cars and luxury limousines), commuter vans, and paratransit vehicles. The Commission established a board that consists of nine members, eight of whom are unsalaried commissioners. While the paid Chair Commissioner presides over regularly scheduled public commission meetings and is the head of the agency, the TLC maintains a staff of approximately 600 employees assigned to various divisions and bureaus. As of 2017, the TLC oversees 108,000 licensed for-hire vehicles and over 120,000 drivers, both figures that have grown since 2012, when there was only 41,000 vehicles and less than 100,000 drivers.

The Solution:

- Dismantle the TLC and create a new entity that reflects more accurately, the present state of the for-hire vehicles industry.
- The creation of an entirely new entity would ensure that drivers and operators receive fair and just treatment and would enable the proper regulation of new e-hail applications, whose growth has had a chaotic impact on the livelihood of black and livery cab drivers.
- A new entity would not be burdened by the previous decisions of the TLC, and would be able to enact policies and practices that have the best interest of consumers and drivers alike.

Proposal #2:

Establish new rules and regulations that incorporate modern rideshare platforms to equalize the market for all driving competitors and better streamline the process for customers.

The Problem:

- Presently, electronic-hail (e-hail) and other rideshare platforms like Uber, Lyft, and Via are not beholden to the same rules and regulations that guide the rest of the for-hire vehicle industry.
- Yellow, Green, Black and Livery Cabs must abide by TLC rules that define what fares they can accept, how much they can charge for any particular ride, how many hours they can work, as well as what fines they face if they fail to abide by these set rules.
- A main difference between ridesharing platforms and the rest of the for-hire vehicle industry in New York City is that companies like Uber and Lyft operate in the city without facing the same fees that operators of yellow, green, black and livery cabs do.
- Uber and Lyft also do not face any limitation on how many cars may cruise city streets while the number of medallions for yellow and green cabs, as well as the overall number of black and livery cabs are regulated by the TLC.
- E-hail cars do not face the same regulations pertaining to wheelchair accessibility as yellow and green cabs do, as 50% of all yellow cabs and 30% of all green cabs have to be wheelchair accessible by 2020.
- Drivers face an increasingly saturated market for their services, driving down their overall individual number of trips and thus their profits.

The History

Mayor Bill de Blasio attempted to limit the growth of e-hail cars in 2015, but ultimately backed down from this idea after facing an onslaught of negative ads and media coverage led by Uber. After the recent death of Douglas Schifter, there has been a renewed sense of urgency to better regulate the ridesharing industry, particularly from the City Council, led by Council Members Diaz Sr. and Levin. The Mayor and members of the City Council have repeatedly tried to study the impact that Uber has had on both the for-hire industry and the levels of traffic congestion in New York City to determine the most effective ways to regulate the industry. In similar situations throughout the globe, cities like London and Vancouver, as well as countries like Germany and Italy, have placed significant regulations on e-hail operators or have prevented them from operating in their jurisdiction entirely.

The Solution:

- Establish new rules and regulations that hold modern rideshare platforms to the same standards of the rest of the for-hire vehicle industry, including regulating the number of cars serving the e-hail community, mandating handicap accessibility, setting fare standards, and ensuring that e-hail operators are subject to the same fines as the rest of the industry.
- Establishing these rules will help address the over saturation of the for-hire vehicles industry and ensure that there is no disparity in treatment within the industry.

Proposal #3:

Create a stand-alone enforcement unit for the TLC. The current system of enforcement is under the purview of the TLC and does not provide car operators and drivers a due process and does not allow for a proper oversight process to take place.

The Problem:

- Under the present system, the TLC's Uniform Services Bureau is the entity that is responsible for enforcing the rules and regulations that guide the for-hire vehicle industry.
- These enforcement agents in the Uniform Services Bureau administer summonses to drivers and operators for any violation of TLC rules, often in conjunction with the NYPD.
- As the enforcement officers are agents of the TLC, there is little to no oversight over the practices and tactics used to by these agents when working in the field.
- This lack of oversight leads to an increase in the levels of incidents between drivers, operators and the TLC and has contributed to the erosion of civility between the two groups.

The History

The TLC's Uniform Services Bureau is responsible for enforcing a myriad of state and local laws and TLC rules related to taxi and for-hire vehicle service. Currently, the TLC employs 197 enforcement agents, with 60 vacancies in the unit that they are looking to fill. According to the TLC annual report for 2017, the TLC and NYPD conducted 267 joint operations to combat illegal for-hire operators and reckless drivers. The enforcement unit enforces violations both in relation to traffic laws (such as running a red light) and TLC-specific violations, most notably, illegal pick-ups. Additionally, the TLC enforcement agents issue summonses to bases, with 2,861 summonses issued in 2017, an increase of 33 percent from 2016. These penalties can range from \$500 to \$2,000 for a first offense to \$10,000 and a revocation for a third offense. Additionally, members of the TLC enforcement unit can seize vehicles during stops, having seized 4,470 vehicles in 2014 alone.

The Solution:

- Create a stand-alone enforcement unit that regulates the for-hire vehicle industry. This unit, which would be entirely independent of the TLC, or any agency that oversees the for-hire vehicle industry in New York City, would have the ability to enforce both traffic laws and for-hire vehicle specific violations.
- This new unit would be subject to several requirements that would ensure that its work would be transparent to all involved in the industry. These requirements would include monthly reports detailing where and when every summons was issued, what method the agent used to determine that there was an infraction, and a report of how many summonses were issued by each individual agent.
- Hold frequent forums/seminars to engage with the for-hire vehicle operators and drivers to ensure that they can build trust between the two entities, as the present relations are significantly fractured.

Proposal #4:

Find solutions to the medallion debt that New York cab drivers face and allow greater flexibility to ensure continued operation of their cabs and the ability for them to repay their loans.

The Problem:

- Individuals who purchased yellow cab medallions in the past decade have taken a large economic hit as the value of owning a taxi medallion in New York City has dropped.
- Owners of yellow cab medallions often have taken on a significant amount of debt in order to finance their purchase, and more and more of these medallion owners are defaulting on their payments and having their medallions foreclosed upon.
- There is no real system in place to assist drivers in paying off their medallion debt or provide them with flexibility in payments to ensure that they continue to go and earn a living wage through driving.
- As the number of foreclosed medallions increases, the value of a yellow cab medallion drops, which only accelerates the downward trend in value that has been set off by the rise in for-hire vehicles instigated by the growth of e-hail services like Uber and Lyft.

The History

The value of taxi medallions in New York City have become depreciating assets, with the value of a single medallion dropping by as much as 90%. In 2013, yellow cab medallions were being auctioned off for as high as \$1.3 million, but in September of 2017 medallions were being sold for only \$186,000 each. For drivers who purchased these medallions, the value of their investments have cratered, leaving them with a significant amount of debt in an industry that is oversaturated with drivers. These drivers have paid significant sums of money to operate a yellow cab in New York City, only to have many of their fares taken up by e-hail vehicles, sinking them further into debt. Unfortunately, more and more, drivers who have felt the immense economic strain that this drop in medallion value has placed on them have taken drastic measures, like Douglas Schifter and Danilo Corporan Castillo, both of whom tragically took their own lives in the last six months.

The Solution:

- The agency that oversees the for-hire vehicle industry, be it the TLC or a new entity, should properly educate prospective new medallion owners about the current value of medallions and the state of the for-hire vehicle industry.
- Have the TLC, or other entity, create a debt-restructuring program that enables their drivers to create manageable payment plans that would still enable them to earn a living driving a cab while also making payments towards their debts.

Proposal #5:

End dual use for Green Cabs by preventing them from taking pre-arranged trips and limiting them to only street hail services.

The Problem:

- The market for pre-arranged trips is overly saturated, with the dramatic increase in the number of e-hail vehicles operating in the city, resulting in fierce competition between black and livery cabs, green cabs, and e-hail vehicles for pre-arranged trips. This vast competition results in a lower number of trips for individual drivers, driving down their earnings.
- Green cabs, who were created to serve northern Manhattan and the outer boroughs, often give preference to pre-arranged trips over stopping for customers who are trying to hail a cab on the street corner. This defeats the purpose of the green cabs, who are supposed to serve residents who live in neighborhoods typically underserved by the yellow taxi industry.

The History

Presently, Green Cabs cannot pick up street hails below East 96th Street and West 110th St. in Manhattan as well as JFK and LaGuardia airports. In June 2017, Green Cabs in New York City completed over 975,000 trips with 17,875 of them being pre-arranged trips. These 17,875 trips represent thousands of instances where Green Cabs were not serving their intended communities to their fullest capacity, and where fares were taken away from black and livery cab drivers. Those trips were completed by the fleet of 7,676 Green Cabs, resulting in just over 2 pre-arranged trips per Green Cab for that month. The number of pre-arranged trips taken by Green Cabs increases around holiday season, as in December of 2016, Green Cabs took 20,685 pre-arranged trips. The present system, which allows Green Cabs to accept pre-arranged rides, places added financial pressure to the already economically strained black and livery cab industry.

The Solution:

- End dual use for Green Cabs, instead enabling these vehicles to only accept street fares. This would ensure that these cabs are properly serving northern Manhattan and outer borough passengers who utilize Green Cab services in their arsenal of transportation options.
- This change could be implemented in stages, either borough by borough or if desired more specifically, by cab operators and owners. Implementing in stages would ensure that both drivers and passengers are aware of the changes to the rules and help prevent unnecessary fines.
- Limiting Green Cabs to only street hail fares also loosens the economic strain on the black and livery cab industry. Presently, black and livery cab drivers have to compete with Green Cabs and e-hail vehicles for their wages, but with this change black and livery cab drivers would be able to receive more fares, and thus earn a higher salary.

Proposal #6:

Reduce fines for hail rides for livery, black cab drivers and operators. Currently fines for for-hire vehicles for picking up street hails, both in Manhattan and in the outer boroughs, are exorbitant and place a tremendous financial burden on drivers and operators.

The Problem:

- Fines that drivers and operators of for-hire vehicles face are astoundingly high, and often receive multiple summonses in a single traffic stop.
- These excessive fines hurt the wallets of drivers and operators, who are already struggling to survive on the dramatically reduced earnings of a cab driver in New York City.

The History

Under the present TLC system, fines for for-hire vehicles for picking up street hails in the outer boroughs are \$500 for the first offense, \$1,500 for the second offense, and the revocation of their license for the third offense. Within the Manhattan Exclusionary Zone, the fines are the following: \$2,000 for the first offense, \$4,000 for the second offense, and \$10,000 and revocation of the individual's license for the third offense. In 2017 the TLC issued 64,836 summonses, 9,334 of which were for illegal street hails. In 2017 alone, the TLC collected \$15,222,000 in fines from drivers and operators, which represented roughly 24 percent of their overall revenue in that year. In 2017, the TLC anticipated collection \$10.5 million in revenues from fines and forfeitures, but collected \$15.2 million, an unanticipated increase of 45 percent. These fines punish the workers in the for-hire vehicle industry, who have already seen their annual wages drop from \$88,000 in 2013 to \$69,000 in 2016, a drop of 21 percent in just three years. Unfortunately, these fines, combined with other factors, place drivers and operators under immense pressure, leading to both heightened tensions between drivers and the TLC, as well as the tragic acts taken by Danilo Corporan Castillo and Douglas Schifter, who took their own lives because they could pay off the debts they accumulated due to fines and depressed wages.

The Solution:

- Reduce the fines for street hails to their 2011 levels. In 2011, those fines were the following: \$350 for the first offense, \$500 for a second offense (within 24 months), and license revocation for a third offense (within 36 months).
- In 2011, there existed no difference between out-of-borough fines and in-Manhattan fines, so the following rates would be set for any illegal ride hail within the Manhattan Exclusionary Zone: \$500 for the first offense, \$750 for the second offense (within 24 months) and \$1,000 and license revocation for the third offense (within 36 months).
- Prevent multiple fines from being administered for violation of TLC rules and regulations when an agent pulls over a cab driver for an illegal street hail. This would ensure that that drivers aren't presented with an insurmountable financial burden from multiple summonses.

Proposal #7:

Cap the number of vehicles operating in New York City and the number of bases in the city

The Problem:

- In recent years the number of for-hire vehicles operating in New York City has skyrocketed, primarily driven by the rise of e-hail services like Uber and Lyft.
- The increase in the number of for-hire vehicles has led to an oversaturated market for drivers, pushing down wages and overall quality of life for drivers.
- While Yellow and Green cabs are capped via the medallion system, the number of black and livery cars as well as the number of e-hail vehicles are not regulated, and thus the numbers have steadily increased without responding to the demands of the marketplace.

The History

In 2017, there were approximately 108,000 licensed for-hire vehicles operating in New York City, up from roughly 41,000 vehicles in 2012, which represents a roughly 263 percent increase in the number of vehicles roaming the city streets in just five years. In 2017, it is estimated that all taxi and cab providers completed roughly 143 million trips, essentially 1,324 trips per vehicle in 2017 or just over 3.5 trips per day per vehicle for the year. Although the total number of trips completed has continued to rise, the rate of new cars joining the for-hire vehicle fleet far outpaces the demand for rides in New York City. Therefore, more drivers are left to compete for a stagnated number of fares, driving down driver earnings. Yellow and Green Cabs are capped based on the number of medallions in circulation, but there is no such entity that limits the number of other for-hire vehicles.

The Solution:

- Place a cap on the number of for-hire vehicles and bases operating in New York City. This can be either a yearly cap on the number of new vehicles and bases added to the fleet or a larger cap that places a limit on new vehicles and bases in a 5 or 10 year period.
- Cap could be a fixed number of vehicles or could be tied to a percent growth for each year to ensure steady growth.
- This cap could be adjusted on a 5 year basis to account for any increased demands for rides or to address any decrease in the number of for-hire vehicles.
- Cap could also be broken down to address different vehicle types, with specific caps for black cabs, livery cabs and e-hail vehicles based on the growth in each subsection of vehicle type.

On February 13, 2018, Rep. Adriano Espaillat wrote to the U.S. Department of Justice to request an investigation into the enforcement practices of the New York City Taxi and Limousine Commission (TLC) on whether the TLC Enforcement Department engages in discriminatory fining practices, including but not limited to, selective enforcement and entrapment.

ADRIANO ESPAILLAT
13th District, New York

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Congress of the United States
House of Representatives
Washington, DC 20515-3213

February 13, 2018

The Honorable Jeff Sessions
Attorney General
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, D.C. 20530
Dear Attorney General Sessions:

I write to request an investigation into the enforcement practices of the New York City Taxi and Limousine Commission (TLC) on whether the TLC Enforcement Department engages in discriminatory fining practices, including but not limited to, selective enforcement and entrapment.

New York City is home to one of the largest and most sophisticated for-hire vehicle systems in the world, with over 108,000 licensed for-hire vehicles operating in the city as of 2017. Last year, NYC for-hire vehicles completed an estimated 143 million trips, and serve as a vital transportation resource to all five boroughs, taking residents to and from work, to visit relatives, doctors' appointments, and other destinations throughout New York City. Recently, there has been a troubling string of acts where black cab and livery drivers have taken their own lives because of the rising fine rates administered by the TLC as well as the overall economic strain that is placed on many drivers by the over-saturated for-hire vehicles marketplace.

In 2017, the TLC administered over 64,836 enforcement summonses which resulted in \$15,222,000 in fines collected by the commission for the year. The TLC administers many fines ranging from non-compliance with traffic laws to illegally accepting street hails for livery cabs. Fines range from \$500 to \$2,000 dollars for a first offense and can skyrocket to as much as \$10,000 and possible revocation of the driver's license for a third offense, which can cripple the livelihood of drivers who have already seen their expected annual salary drop by over 21% in the past 5 years.

As the number of fines administered and the monetary penalties have simultaneously increased, there has also been increased tensions between the TLC and drivers. Drivers have complained of only receiving summonses in certain parts of New York City, namely around LaGuardia and JFK Airports and in Midtown Manhattan, being entrapped by TLC enforcement agents who pose as

needy prospective passengers only to issue a summons once the driver agrees to give them a ride. Drivers have expressed concern about the lack of due process throughout the enforcement process, noting that the process of fighting a summons places a far greater burden on the driver/operator than it does to the enforcement agent or passenger initiating the complaint.

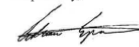
Additionally, while the TLC produces monthly reports on the top ten rule violations and the number of violations that occur in specific New York Police Department precincts, these reports are misleading as they consistently indicate the majority of violations take place in the Central Business District of Midtown Manhattan, the area within the city that has the highest per capita rate of for-hire vehicles on the streets. What the TLC's monthly enforcement report does not show, however, is how summonses are distributed on a per capita basis, nor does it provide the designated locations of the 197 TLC enforcement inspectors throughout the month.

NYC for-hire vehicle drivers and operators, specifically those who are in the livery and black cab industry, are under tremendous economic strain. Their industry is becoming increasingly oversaturated, driving down wages and the overall quality of life. This reality is coupled with the uptick in the distribution of summonses and increase fine penalties that drivers and operators face.

To ensure that all taxi and for-hire vehicles are treated equally, we must investigate the enforcement practices of the Taxi and Limousine Commission to guarantee that no member of that community is subject to discriminatory practices. I kindly ask that you commission the Department of Justice to produce a report that details enforcement tactics utilized by the TLC and assess whether these are discriminatory against any subsection of the for-hire vehicle community.

Please contact Alexander Spyropoulos in my office at Alexander.Spyropoulos@mail.house.gov should you have questions or require any additional information.

Respectfully,


Adriano Espaillat
Member of Congress

cc: John M. Gore, Acting Assistant Attorney General, Civil Rights Division, Department of Justice

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