

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON TRANSPORTATION

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Chairperson

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A P P E A R A N C E S (CONTINUED)

[gavel]

CHAIRPERSON RODRIGUEZ: Good morning and welcome to the City Council Transportation Committee. Ever hearing, at first ever hearing application technology and its import impact on the taxi and for-hire servers industry. I'm Ydanis Rodriguez, the chair of this committee and first let me recognize my colleagues here; Council Member Garodnick and Council Member Weprin. Today the committee very much look forward to hearing more about the app based technology is, and reshape, reshaping how they, they, the app based technology is reshaping the taxi and for-hire industry in our city. The worse of for, of for-hire service in New York is to say the least a complicated one. Even the most experienced industry expert can have trouble navigating the, and understanding the various sectors of our network. Understanding the intricate difference between Yellow taxi, Green cabs, Black Cars, and Livery cars as well as interactions among the many of stakeholders including drivers, base owners, medallion owners, listing agents, insurance companies, vehicles manufactures, and of course consumers can be

1
2 difficult to fully grasp. That's why I'm, big
3 reason why the introduction of a smartphone based
4 taxi service has been incredible impactful in New
5 York City. As we look to blame the old and new, and
6 the new we must do so. We a strong focus on
7 furnace, quality service, and the new and the new.
8 We must do so with a strong focus on furnace,
9 quality service, safety, and equity regulation.
10 Today's hearing is an, is an opportunity for us to
11 begin to learn more about the impact that those
12 technologies have had across the various sectors of
13 the industry and across our communities. We need to
14 hear from all stakeholders so that we can make the
15 most informed decision possible about how to adjust
16 to, to, to the changing realities that these new
17 technologies have brought to us. The laws and
18 regulation that govern the taxis and for-hire
19 service industry in New York were often written for
20 the different era and I with the support of the
21 speaker Melissa Mark-Viverito, my colleague at the
22 council, and of course working with the
23 administration are committed to updating those laws
24 in regulation to reflect the new realities of
25 today. However we should do so with a sincere

1
2 appreciation for the thousand of hardworking men
3 and women who have built the robust taxi Livery and
4 Black Car system that has served New Yorkers for
5 decades. Many New York stories are rooted in the
6 taxi and Livery industry. Immigrants from
7 contraries and continents around the world able to
8 get a start driving a taxi or Livery, or Livery
9 car, able to support their families and put
10 themself through a school and some through hard
11 work even being able to build successful a small
12 business, a, a small business. We the chance to own
13 their own vehicle, medallion, or base, and invest
14 in the future. The industry has help so many people
15 gain a full whole in New York on their way to the
16 dream to the American Dream. Including one who is
17 sitting before you today chairing this committee.
18 As a proud former Livery driver but also as an, as
19 a former teacher and as a elected official I
20 believe it is important that change come to the
21 industry. Everyone must be treated the same.
22 Competition and innovation are the basis of what
23 make our city great. We welcome new ideas and new
24 tools that promise to make transportation better
25 within our city. New Yorkers and visitors alike

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2 need and deserve quality taxi and for-hire services
3 that is safe, efficient, affordable, and that
4 serves all borough of our city. I truly believe
5 that the great technology progress occurring in
6 this field can be a win/win situation for everyone.
7 That's why today we can begin to gain some insight
8 into the best way to blend the old and the new to
9 create a better for-hire industry. But again
10 everyone must be subject to the same set of
11 regulations. Of course we have many serious
12 question that need to be address as we move forward
13 into what is a new landscape for all players in
14 this industry. Many new companies are parading in
15 New York City are facing legal challenges around
16 the country for failing to adhere to local
17 requirements. Here in our nation's largest city we
18 set a example. That type of behavior will not be
19 tolerated in New York City. All companies must
20 abide by not only the letter of the law but the
21 spirit of those regulations whether they are a
22 multi-billion dollar international corporation or a
23 local family owned business. Equity in maintaining
24 a level playing field are essential to ensuring
25 insisting that trait, treat drivers, base owners,

1 and the riding public fairly. While a smartphone
2 application have offer customers more, more choices
3 they have also brought their fair share of
4 controversy. Some claim that companies are not
5 offering wheelchair accessible service through
6 their applications the 9,000 New Yorkers accessible
7 service. In the same light some media report have
8 claimed that the TLC are attaching rules are not
9 being appropriately followed by everyone. Even more
10 disturbingly we heard of our council company
11 employees improper, improperly tracking and
12 monitoring passengers violating the passenger's
13 privacy without consent. There have been allegation
14 of threat to a smear reporter who voiced concern
15 about company practice and campaigns to sabotage
16 other services by booking and cancelling trips. I
17 want to be clear here today that we expect much
18 more of the creators of our future. We expect good
19 corporation citizens in this, in this city. And
20 this committee will work to ensure that those
21 responsible for bad behaviors are held responsible
22 and our regulations demand accountability from all
23 players. Furthermore we cannot forget the
24 incredible impact the E-Hail industry has had on
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1
2 the Yellow and Green taxi industry. Just last week
3 the New York Times reported that while the value of
4 taxi medallions was dropping significantly since
5 2013 the city had reported flat prices. Taxi
6 medallions sales not only impact the lives of the
7 owners/drivers but the city's budget. The committee
8 seeks to get a full understanding of the details
9 around the medallion sales in order to correct this
10 discrepancy and be fully informed of this issue.
11 Our taxi and for-hire industry touch the live of
12 millions of New Yorkers. We need to make sure that
13 everyone, every neighborhood across the five
14 boroughs receive the service it needs and deserve.
15 Drivers must be treated and the, and compensated
16 fairly and customer privacy protected. All of these
17 and more are matters of great concern to the
18 council and we look forward to hearing from you
19 today about the way in which you believe we can
20 best help maintain and improve New York City's
21 taxis and for-hire services. I look forward to
22 discussing all of this at today's hearing and I
23 would like to thank everyone here for being with us
24 today. In particular our TLC Chair Meera Joshi. I
25 now ask our committee council to administer the

2 affirmation and then invite the chairman of TLC to
3 deliver her opening statement.

4 COMMITTEE COUNCIL TAYLOR: Kelly Taylor,
5 Committee Council. Please raise your right hand. Do
6 you affirm to tell the truth, the whole truth, and
7 nothing but the truth in your testimony before the
8 committee today and to respond honestly to Council
9 Member questions?

10 MEERA JOSHI: I do.

11 COMMITTEE COUNCIL TAYLOR: Thank you.

12 MEERA JOSHI: Good morning and good
13 morning Chair Rodriguez, members of the
14 Transportation Committee, and members of the
15 Council. I'm Meera Joshi, Commissioner and Chair of
16 the New York City Taxi and Limousine Commission.
17 Thank you very much for the opportunity to speak
18 today about smartphone applications or apps and the
19 ways they have transformed the taxi and for-hire
20 vehicle industries. The purpose of my testimony
21 today is to describe changes to TLC rules as
22 smartphone app technology has become more prevalent
23 in the taxi and for-hire vehicle industries. These
24 changes promote safe and reliable service for
25 passengers and include accountability measures so

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2 core standards are adhered to while simultaneously
3 fostering innovation. For years new technologies
4 have been present in the FHV industry. By 2009 many
5 for-hire bases had adopted either off the shelf
6 dispatching programs or had developed their own web
7 based dispatch program tailored to their particular
8 service. The benefits of these technology
9 enhancements which streamline dispatch were
10 immediately approachable. By 2012 these benefits
11 were also widely present via smartphone apps that
12 dispatch cars. There is no debate that
13 incorporating apps into the dispatching process has
14 given passengers more options and has given drivers
15 additional income opportunities. Apps put direct
16 access to taxis and for-hire vehicles in the
17 pockets of every New Yorker and visitor with a
18 smart phone. In some jurisdictions however apps are
19 given special permission to provide for-hire
20 service with unlicensed vehicles, unlicensed
21 drivers, and inadequate insurance coverage. For
22 example in Boston, Atlanta, and Dallas anyone can
23 provide for-hire transportation without going
24 through a licensing process. I am proud to say that
25 app companies operating in New York City are held

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2 to the same hire standard as all private for-hire
3 transportation providers and must work within the
4 existing TLC license structure. This means for
5 example that dispatch drivers must be drug tested,
6 background checked, vehicles must have for-hire
7 insurance, and pass a 200 point inspection. A
8 number of our regulatory counterparts from other
9 jurisdictions have and continue to reach out to us
10 about our experience in working with app companies
11 to, to see how they have adapted to New York's high
12 accountability regulatory model. Thinking that what
13 we have achieved must have been very complex
14 undertaking we tell them that while navigating
15 these new waters involves some complexities and
16 challenges and headaches the basic approach is a
17 simple one. If you're going to operate in New York
18 City the safety, accountability, and consumer
19 protections must be there. And our licensing
20 process provides for this. Unfortunately some of
21 these jurisdictions have experienced true horror
22 stories involving a mother, among other things
23 drivers who were poorly screened, vehicles without
24 adequate inspections or insurance coverage. As taxi
25 and for-hire services are essential components of

1
2 any city's transportation new, network such
3 problems have the effect of degrading the system as
4 a whole which simply is not an option we would
5 tolerate here in New York City where we move about
6 one million passengers a day. In New York City
7 different rubrics govern apps dispatch which is
8 dependent on this industry segment they're
9 dispatching and why, and whether they or a company
10 related to them is a TLC licensee. First I'll talk
11 about apps and taxis. In 2013 the TLC launched a
12 pilot program to evaluate hailing a Yellow taxi
13 through a smart phone. The program gives passengers
14 the same experience they would have in any taxi.
15 Passengers are charged a metered fare and drivers
16 must follow TLC rules however the use of the
17 application allows passengers and drivers to peek
18 around corners to connect with one another. This
19 has the potential to increase driver income and
20 lowers passenger wait time by helping them
21 efficiently find each other especially in areas
22 without a dense supply and demand for taxi service
23 where drivers and passengers looking for fairs are
24 often not in the same place at the same time. From
25 the first year of the pilot program we have found

1 that E-Hail apps do help passengers find taxis in
2 certain lower trafficked areas. Over 600 thousand
3 E-Hailed rides were serviced during the pilot's
4 first year and the majority of the pickups occurred
5 in either Manhattan above 110th street or the
6 boroughs, areas that historically have not seen a
7 lot of Yellow taxi service. While only six percent
8 of all taxi pickups in that same period occurred in
9 these areas outside of the Manhattan central
10 business district a full 66 percent of E-Hailed
11 rides started in these areas. Due to the success of
12 the E-Hail pilot in providing yet another option
13 for passengers to arrange safe and legal for-hire
14 transportation service before the end of the year
15 the TLC will propose a program, make, will, plans
16 to make the program permanent. The proposed rules
17 will create an E-Hail license structure and will
18 mirror many of the requirements from the E-Hail
19 pilot apps and for-hire vehicles. To work in the
20 FHV sector dispatch apps must either obtain a base
21 license from the TLC or work with an existing TLC
22 base and for-hire dispatching is still subject to
23 all TLC applicable rules. Most importantly for-hire
24 service must only be dispatched by a TLC bases and
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2 to TLC licensed drivers and vehicles meeting TLC's
3 requirements. Today as much as 42 percent of for-
4 hire vehicles can be reached through passenger
5 facing apps using over 75 different platforms. This
6 paradigm shift requires new accountability rules. A
7 few weeks ago the TLC unanimously voted to require
8 all FHV bases to provide electronic trip records
9 and prohibited cross class dispatching in order to
10 balance the growing prevalence of the practice with
11 the commission's policy and enforcement needs. And
12 as technology in the for-hire industry continue to
13 evolve the commission looks forward to discussing
14 with council and the transportation committee
15 appropriate government action. Thank you again for
16 allowing me to speak on how apps are transforming
17 the taxi and for-hire vehicle, vehicle industries.
18 And at this time I would be happy or 'app-y' to
19 answer any questions you may have. I also omitted
20 to mention my colleague who's sitting next to me Jo
21 Rausen who's director of technology at the TLC.

22 CHAIRPERSON RODRIGUEZ: I have few
23 question. I know that my colleague also have
24 others. First of all as you know like the TLC pull
25 out the, the Livery Base Agreement that wasn't

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2 scheduled to be voted in the last section I would
3 not be getting to totally pro and con on that base
4 agreement. What I would say as everyone also know I
5 have introduced legislation to create the Livery
6 Base Agreement and we just would like to continue
7 conversation with the administration on, on that
8 particular ruled. And now we are looking at the
9 possibility to move on as a local law. My first
10 question is about, is the TLC considering any
11 action to ensure that privacy of passenger using
12 apps is respected?

13 MEERA JOSHI: Our current rules prohibit
14 the abuse of passenger information either under
15 rules that prohibit harassment or rules that
16 prohibit conduct against the, the best interest of
17 the public. So we have and, and continuously review
18 any and all allegations of misuse of passenger data
19 because it would fall under our rules and could be,
20 if proven, would be a violation and we take
21 appropriate penalty action if it's warranted and
22 that can amount to fines, suspension, and
23 ultimately revocation.

24 CHAIRPERSON RODRIGUEZ: Have you
25 received any complaint on that, on... and, and if so

1
2 like how big seriously is the problem and, and how
3 has TLC act on enforcement?

4 MEERA JOSHI: So it, there's really two
5 components to your question. We, we receive lots of
6 complaints from consumers. And in order not to
7 create a chilling effect because we don't want to
8 discourage people from filing complaints we don't
9 discuss until we're final with an, final with our
10 review and a summons is issued the results of
11 those. But we do receive complaints every day and
12 some of them have to do with harassment and abuse
13 of public, of conduct that is against the best
14 interest of the public and we vigorously
15 investigate those and take action. And on a
16 broader, which is the second part of your question,
17 on a broader perspective there is work to be done
18 on accountability and the, and apps in the FHV
19 world and there are I think measures that can be
20 taken by the TLC to improve passenger trust in
21 information that apps have privy to them because of
22 the volume of trip records they have.

23 CHAIRPERSON RODRIGUEZ: What about, can
24 you explain the discrepancies between the medallion
25 prices the New York Times reported last week and

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2 the number on the TLC site that show the prices
3 were flat?

4 MEERA JOSHI: Sure I think you mentioned
5 something in your intro which I think so
6 appropriately fits almost any issue with the, for-
7 hire vehicle world and taxi world that it's
8 complex. So there's many many facts for any one
9 situation. And some of the background facts that
10 were omitted from the publicity is number one the
11 raw data on actual transactions is published every
12 month. Number two, the number and volume of
13 transactions is very low and it's very difficult to
14 say there is a correct way to find an average.
15 There's probably about, about 450 full asset
16 transfers between 2011 and today and that is not a
17 large universe of transfers to draw conclusions
18 from and those transfers are not all equal. Some of
19 them are full asset, some of them are less than
20 full asset so that their, there's stock transfers
21 and partial transfers. Some medallions are
22 independent. Some medallions are corporate. So for
23 example I think there was only 35 full asset
24 corporate medallion transfers in that time period.
25 And then some have restrictions like accessibility

1 or hybrid and some don't. So this is a small world
2 of investors in the medallion market. They have
3 traditionally always looked at the actual raw data
4 and drawn conclusions about how to guide, lent to,
5 as guidance for lending. And many of the people
6 that use this data actually have privy, are privy
7 to more information because they know about not
8 only transactions that are consummated and the
9 actual price but they know about those that didn't
10 go through so transactions where the price wasn't
11 one that was tenable for closing a deal. So I think
12 what was missing from the article is the fact that
13 one there's really no way to calculate an average.
14 Two, the raw data has always been available and the
15 industry has always relied on the raw data and
16 three that the average that was put up had a large
17 disclaimer saying that it incorporated only some
18 but not all of the transactions. And that was a
19 practice that had been in, in place since about
20 1980. We have recently pulled that average down
21 because as I started out by saying the average,
22 there is no correct way to determine an average
23 when you have such a low volume and you're
24 comparing things that are very different.
25

2 CHAIRPERSON RODRIGUEZ: And before as,
3 the other few question my colleague I would like to
4 you know elaborate what I said the beginning. We
5 are open and we welcome anyone that has new idea.
6 We are open for change. We believe that change is
7 always good. We believe that we also have to be
8 thinking about the consumer and we believe that we
9 live in a world where technology is bringing
10 positive changes. So all this question and all
11 those concern that we have is, with the spirits on
12 correcting a area where we feel that is still
13 everyone who have to be adjust so that everyone
14 follow the same rules. So again like we will hear
15 after the commissioner testimony from both Uber and
16 Lyft and, and we would like to hear from them and
17 their testimony. How is that they see that that
18 they are contributing to providing better services
19 to our, to our cities, nothing against those bases
20 and other that are in the, in the field or that,
21 that will come in the future but it's more about
22 looking for area where we feel from our end at the
23 council that we think that still we should be
24 looking to make some changes.

2 MEERA JOSHI: And I just want to comment
3 on that. The TLC recently passed and I referred to
4 it in my testimony a requirement that all FHV bases
5 provide electronically trip records. And I think
6 that is a tremendous step in the right direction.
7 We have that information on the taxi side and it,
8 the day has come where we need that information on
9 the FHV side, not only for enforcement but for
10 informed policy making which is something you
11 referred to in your introduction as well. As we
12 navigate the waters of how to build a regulatory
13 structure that allows technology to thrive but
14 provides protection we can't do that in a vacuum.
15 We need to know the volume of trips and we need to
16 know the locations of those trips so that we can
17 better govern for our city.

18 CHAIRPERSON RODRIGUEZ: Right. So going
19 back to the last question what impact if any are
20 the application, application base, the app base
21 providers in this case, in this case Uber and Lyft
22 are having on the medallion prices?

23 MEERA JOSHI: Medallion prices have
24 dipped recently. I think that they've, you know
25 the, they were, probably the average if you can say

1
2 there is an average which I beg to, to, I sort of
3 argue with there, whether there is an average have
4 come down from where they were in 2013. And during
5 that time there's been incredible change. There's
6 been lots of new opportunities for transportation
7 in New York City and especially in the boroughs.
8 We've got city bikes, we've got record high MTA
9 ridership, we've had Green taxis that have entered
10 the streets, and we have the dispatching apps that
11 provide new faster ways to connect passengers with
12 vehicles. And the dispatching apps that provide
13 market teasers or freebies which are extremely
14 tempting and will, will get passengers to try out
15 something at no cost for a period of time. Whether
16 the passenger stays with that mode of
17 transportation after the freebie period ends time
18 will tell, depending on the price point and the
19 customer service many will come back to whatever
20 mode of transportation they were using before the
21 freebie. And I think all of that needs to be taken
22 into consideration to provide the context for
23 understanding what does it decline of, of, it's a
24 couple hundred thousand dollars in the medallion
25 price from 2013 to 2014 mean? And keep in mind if

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2 you go back further, 2012, medallion, individual
3 medallion prices were in the 700 thousands and 2011
4 they were in the 600 thousands. So it's good to
5 also keep a long view on medallion prices. But what
6 it tells me is that there is an extremely strong
7 passenger loyalty for Yellow taxi travel in New
8 York City. The hail in the street is still the
9 preferred method for travelers in New York City.
10 And nothing really replaces the immediacy and, and
11 of going into a street, putting your hand out, and
12 getting a vehicle that will give you a price
13 certain metered fair for transportation. That's a
14 unique attribute of Yellow taxis and that is not
15 going away along with the passenger loyalty. Will
16 there be dips, valleys, and peaks? Yes, we've seen
17 that because there's more choice. But there is a
18 core loyalty to a gold standard of Yellow taxi in
19 this city that is here to stay.

20 CHAIRPERSON RODRIGUEZ: That reduction
21 of the value for us is a big concern since also we
22 believe that it will have a, a negative impact not
23 only for an individual or corporation that can have
24 a couple hundred medallions but also from those
25 individual that own their own medallion.. driving

1 the car in New York City, so people that have
2 invested for so many decades so this is something
3 that, where we hope that we can continue having...

4
5 MEERA JOSHI: Yeah and that's, that's,
6 there are owner drivers about 5,000 and I, I
7 completely understand those are small businesses
8 started by individuals or small groups of
9 individuals. And I think it's also important to
10 note that the budget and the disabled accessibility
11 plans previews for the city that there are more
12 medallions for sale which can also affect price
13 because once there is more of something and people
14 know there's more available that often affects how
15 much they're willing to pay for it.

16 CHAIRPERSON RODRIGUEZ: Great. Can you
17 explain how a base must comply with... service
18 standard or accessibility for the people with
19 disability and are Uber and Lyft in compliance with
20 this standards?

21 MEERA JOSHI: There's two parts. There's
22 the initial part of compliance and when you get
23 your license you have to prove that you have either
24 can provide equivalent service with the vehicles
25 that are affiliated with your base or via a

1
2 contract you have another vendor that can provide
3 that service. That's sort of what I call the paper
4 promise. Then there's the actual delivery of the
5 service. And historically we, the for-hire industry
6 does not have a good record. FHV bases as a whole
7 does not have a good record with making good on
8 that promise of providing equivalent service if
9 someone's to call a base. And we are looking at the
10 entire FHV industry and its ability to meet that
11 requirement for equivalent service that includes
12 Uber and Lyft and there are problems. And we are
13 finishing up shortly our complete review and then
14 we will propose a response to how to deal with
15 this, what I think is systemic problem going
16 forward.

17 [background comments]

18 MEERA JOSHI: It's quite simple the cars
19 are not available. If you need a wheelchair car
20 you're not going to get it nine times out of ten.
21 And I think that's a systemic problem within the
22 FHV industry. We have a great infusion of
23 wheelchair cars through the Green taxis and those
24 people that are leveraging those are able to
25 provide the service but in general there is a

2 systemic problem with providing service for
3 wheelchair passengers.

4 [background comments]

5 CHAIRPERSON RODRIGUEZ: Are you aware of
6 any regulation currently not being complied with
7 Uber or Lyft and if so what, what regulations are
8 those and how if in any way have Uber and Lyft
9 attempted to rectify those?

10 MEERA JOSHI: Whenever we are aware of a
11 violation of our rules we contact, we either go
12 through an adjudications process or we workout with
13 a particular licensee what the issues are. So we
14 are in constant contact with both of those
15 companies because as new, new technologies come in
16 as they navigate new waters because the TLC
17 licensing process is a new water for them they do
18 run into areas where they're noncompliance. And
19 then we contact them and we work to make sure that
20 they become compliant. And that is the same
21 approach we take with all of our licensees new and
22 old and there's sort of a constant ebb and flow of
23 people that, non-compliance issues that are brought
24 to our attention and... respond to them to ensure
25 that there is compliance.

2 [background comments]

3 CHAIRPERSON RODRIGUEZ: ...one that at
4 this moment you are looking at that they are not
5 compliant?

6 MEERA JOSHI: As I said earlier they're,
7 we generally until things manifest themselves in
8 the form of a public document such as summons we
9 don't discuss them. But there are some, there are
10 current enforcement efforts that relate to the
11 companies that you mentioned.

12 CHAIRPERSON RODRIGUEZ: What about, what
13 program or system are currently in place to oversee
14 and investigate the compliance of new companies to
15 current regulations.

16 MEERA JOSHI: We have a USB, the
17 uniforms... enforcement bureau which is really
18 comprised of two components and we've worked hard
19 with both of these components to bring them up to
20 speed on how to enforce new technologies. One is
21 our adjudications and they take in consumer
22 complaints, they investigate the consumer
23 complaints and then they prosecute cases against
24 our licensees and they are up to speed on new
25 technologies. They work closely with Jo Rausen, our

1
2 Director of Technology so they know what they, what
3 our, new rules are applicable and when to spot
4 violations. And our enforcement is not just a boots
5 on the ground enforcement team. Our inspectors are
6 skilled in using at, base car services so that they
7 can bring our enforcement to the next level. We do
8 undercover operations in the street for illegal
9 hails. We do the same thing using smart phones.

10 CHAIRPERSON RODRIGUEZ: What are the
11 contribution that you have seen that Uber and Lyft
12 have made to the industry so that we can, I can... my
13 last question being... [cross-talk]

14 [laughter]

15 CHAIRPERSON RODRIGUEZ: To prove myself
16 as being in attack of the new company I welcome as
17 I say anyone it's all about correcting area where
18 we can do better.

19 MEERA JOSHI: You know I, I, I think it
20 would be a misnomer to say that the, a contribution
21 has been provided by one company or another.
22 There's been a groundswell of new technologies and
23 I, as I mentioned earlier some get headlines, some
24 don't. But there's over 75 different platforms
25 people are using for app based technology. And as a

2 whole that entire group has brought an extreme,
3 extremely valuable contribution to the riding
4 public.

5 CHAIRPERSON RODRIGUEZ: Council Member
6 Weprin following by Council Member Dan Garodnick.

7 COUNCIL MEMBER WEPRIN: Thank you Mr.
8 Chair. Commissioner good to see you. So one of the
9 complaints that we get a lot from, from the car
10 services, from the cab drivers in general is the
11 levelling of the playing field. That seems to be
12 the issue that comes up over and over again that
13 they feel that the app technology sort of can work
14 around the rules while they have to follow very
15 strict rules by the TLC. Now I know you alluded to
16 some of these but can you describe what the TLC is
17 looking at to try to level those playing fields, to
18 give opportunities for other types of service to
19 provide things. I know there's a big issue with
20 surge pricing. That's a big controversy and I know
21 Councilman Greenfield has a thing in Brooklyn so I
22 don't know if he'll be here to talk about his bill.
23 But the concept of you know surge pricing... is that
24 something that you're considering for New York City
25 taxes in general or you know the idea of, of

1
2 accessibility and inspections and all that. I mean
3 is there a talk about trying to change the playing
4 field a little bit?

5 MEERA JOSHI: Definitely and, and I
6 think there, there's a few steps that we have
7 already taken in recognition of that. One of the
8 items I mentioned before was the trip records. And
9 I think it, we can't minimize the importance of
10 trip records. We demand that in the Yellow taxi
11 world and that was a huge burden that we put on the
12 Yellow taxi industry. They now have breadcrumb data
13 readers in every vehicle. But on the FHV side we
14 have no knowledge on the volume of trips or where
15 they're concentrated. So requiring the bases to
16 provide us with electronic trip records will go a
17 long way in leveling the playing field in two
18 senses; one on the immediate sense and enforcement
19 but on the longer view we will have a better idea
20 of what policies work to level the playing field
21 because we'll know what the playing field looks
22 like on the FHV side, something we don't have.
23 Other items we've looked at are education. Today we
24 proposed rules... published now, where taxi drivers
25 have to go to taxi school but FHV drivers do not

1
2 have to go to any schooling. And we think that that
3 should be an equivalent burden. All passengers are
4 entitled to the same quality of driver and the
5 driver should have the same educational
6 requirements on, on both sides. So that would be
7 another aspect of levelling the playing field I
8 think. There are some future rule making packages
9 we're looking at that would talk about
10 accountability and pricing structure in the FHV
11 world as well as looking at some of the
12 restrictions that are currently imposed on the
13 Yellow industry that may have outlived their
14 usefulness because they are requiring things of
15 owners and drivers that we now, as part of vision
16 zero require of every owner and driver, not just
17 the Yellow taxi owners and drivers.

18 COUNCIL MEMBER WEPRIN: Thank you. You
19 also in your testimony talk about how a few weeks
20 ago the TLC unanimously voted to require FS, FHV
21 bases to provide electronic trip records which you
22 alluded to and prohibit cross class dispatching in
23 order to balance the prevalent... Can you explain to
24 me because I'm not completely... [cross-talk]

25 MEERA JOSHI: Oh sure... [cross-talk]

2 COUNCIL MEMBER WEPRIN: ...clear on this?

3 What, give me a real life example of how that was
4 happening, what it is you're trying to stop, and
5 does that take effect immediately, is that already
6 in effect or... and, and how does that work because I
7 want to understand? [cross-talk]

8 MEERA JOSHI: Sure I'm, I'm glad that I
9 confused you because that generally happens when we
10 get into details in any discussion. But the cross-
11 class dispatching, what happens in a cross-class
12 dispatch is a Black Car base dispatches a Livery or
13 a Livery base dispatches a Black Car. The ad code
14 city council as well as TLC has rules that set,
15 make distinctions between this, those two classes
16 and for a policy reason. The Black Car has
17 traditionally been the premium service and the
18 Livery car, you know not the premium service, more
19 the community car model. So there's things like a
20 Black Car base must be 90 percent non-cash where a
21 Livery base there's no requirement that you have to
22 pay by credit card, you can pay by cash. One of the
23 most important distinctions I think is the customer
24 in the Livery world is entitled to a binding fare
25 quote up front. If you call the base and they say

1
2 how much to take me to X place they have to give
3 you a binding fare quote. That's not something
4 that's required in the Black Car. So when you allow
5 for cross-dispatch you dilute those important
6 distinctions. And though we think passengers have
7 choice part of passengers having choice is ensuring
8 that those choices remain viable options. So the
9 prohibition on cross-class dispatch puts, maintains
10 that, that distinction between the two industries
11 and allows both industries to thrive independently.

12 COUNCIL MEMBER WEPRIN: So one, one of
13 the complaints we get sometimes.. [cross-talk]

14 MEERA JOSHI: I'm sorry the effective
15 date is 12/31.

16 COUNCIL MEMBER WEPRIN: Oh, okay. Thank
17 you, that's right. So one of the other complaints
18 that we get is from car services, a lot of the
19 local car services.. complain that they, you know
20 they don't have drivers and then sometimes when
21 they have drivers those drivers are working for not
22 only them but also working for one of the app
23 companies as well. Is that something that TLC has
24 thought about limiting or are they okay with that
25 and is that something that's been discussed?

1
2 MEERA JOSHI: It has been discussed and
3 I think it intersects with the cross-class
4 prohibition because it limits, cross-class
5 prohibition limits the ability for a Black Car
6 company to go to a Livery base and take that, you
7 know send a dispatch to their driver. Drivers do
8 have flexibility because they're independent
9 contractors so we always have to be mindful on any
10 regulation that would impede their ability to be an
11 independent contractor but... so it's a balance. And
12 I think the cross-class dispatch prohibition is
13 where we struck that balance.

14 COUNCIL MEMBER WEPRIN: You also
15 mentioned in your testimony how cars that drive for
16 the, the app based companies are, you know the
17 drivers are drug tested, there's a 200 point
18 inspection, how is that done?

19 MEERA JOSHI: They are TLC licensed
20 vehicles so they go through the same hack up
21 licensing process that any other Livery Black Car
22 would go through.

23 COUNCIL MEMBER WEPRIN: So, so someone
24 who's driving for Uber or or Lyft or or some, one
25 of their cars, I mean I was under the impression

2 it's their own cars, these, these driver's own
3 cars. They have to go to TLC and get that car
4 inspected... [cross-talk]

5 MEERA JOSHI: Absolutely.

6 COUNCIL MEMBER WEPRIN: ...in order to
7 start driving?

8 MEERA JOSHI: Yes.

9 COUNCIL MEMBER WEPRIN: Okay and they
10 have this inspection. Okay I'm going let, I know
11 there are other people with questions and the
12 chairman's staring at me so I am going to assume
13 that means to hurry up. So I, I thank you. It's
14 really... [cross-talk]

15 MEERA JOSHI: Thank you.

16 COUNCIL MEMBER WEPRIN: ...it's a
17 fascinating time. You know I've always been someone
18 to embrace technology so I don't want to see us
19 necessarily go back in time but the same, at the
20 same time you know there are businesses that have
21 been around a long time that are being, feeling
22 like they, they don't have a fair competition here
23 and I'd like to see us work to try to level that
24 playing field, to try to make it fairer for
25 everyone else without stifling the ability of new

2 technology to come in to make it better for
3 consumers. Thank you.

4 MEERA JOSHI: You're welcome.

5 COUNCIL MEMBER GARODNICK: Thank you
6 very much Mr. Chairman and Meera Joshi I just
7 wanted to start off by saying that I, I fully agree
8 with you that, that passengers are entitled to the
9 same quality of driver no matter who's showing up
10 to pick them up and I will you that I, last
11 weekend, used Uber in Boston. Since you noted it in
12 your testimony I will say that you did, while it
13 got me where I needed to go quickly there was no
14 indication of the city of Boston that I could find.
15 And, and I agree that in New York City we have, and
16 need to have a higher standard. And I think that
17 that's important. So I just wanted to note that for
18 you. Let's talk about the, the issue of trip
19 records for a second because I, I think that also
20 makes sense and I think that that was a, a good
21 rule that you all put in place. But you noted that
22 it will help to provide more insights as to how to
23 level the playing field. And you also noted that it
24 will help with enforcement. Can you tell us what
25 you think it will do for enforcement to be able to

1
2 have that sort of data coming to TLC on a regular
3 basis?

4 MEERA JOSHI: Sure. Today if there is a,
5 a violation of a TLC rule committed in a Yellow
6 taxi we through the TPAP data can immediately tell
7 who the driver is of that vehicle. And depending on
8 the violation we can use other information such as
9 where you know where the location, the root of the
10 vehicle's trip, the starting point, you know other
11 things like that. But if the same thing happens in
12 an FHV we have to reach out to the base and then
13 ask the base to look in its top records and tell us
14 who was driving that vehicle and then they get back
15 to us. And as you can imagine that is a cumbersome
16 process. If we were to receive, and we will be
17 receiving trip records electronically, though not
18 as seamless as the TPAP system in Yellow taxis or
19 the LPAP system in Green taxis it will be
20 tremendously more efficient than the cumbersome
21 process we have today. And with vision zero as our
22 primary goal especially when it comes to safety
23 violations we cannot afford to be uneven in the way
24 we enforce against reckless drivers.

2 COUNCIL MEMBER GARODNICK: I agree.

3 Let's talk about the, the, the sales, the medallion
4 sale issue for a second or the pricing issue. In
5 response to Chair Rodriguez you noted that the
6 prices dipped and that it was a couple hundred
7 thousand dollars. We have as a budgetary question
8 in the city anticipated a certain level for
9 medallion sales to be able to fill current future
10 holes in the budget. It feels to me at least from
11 the numbers that were presented in the New York
12 Times article from November 27 that going from 1.3
13 million dollars and you can tell us if this is
14 accurate down to 872 thousand dollars is you know
15 a, a small dip or whether this is as the, as the
16 article sites in its headline whether this is a,
17 whether these prices are plummeting. What, are
18 those numbers right first of all?

19 MEERA JOSHI: It's, it's really
20 difficult to, to draw conclusions from the data
21 that are definitive. So for example I brought a lot
22 of the actual monthlies for you so you can see is
23 it really 1.3 to 872. I'm just looking at a top one
24 here and I, I see in January 2014 sales that range
25 for individual mat, medallions between 1.5 and 920.

1
2 As the year goes on I see you know sales that range
3 between 875 and one million in one month. So it is
4 difficult to say that that depiction of 1.3 to 872
5 is an actual factually accurate characterization.
6 But I don't disagree that as of late the
7 transactions that have come in have had a lower
8 range than they have had in months prior. And it
9 does mean an awful lot to the city and to the
10 citizens of the city who benefit from a robust
11 budget that the medallion values stay strong which
12 is why we are doing, taking efforts to, people call
13 it level the playing field. I think it's more about
14 providing broader protection for drivers and
15 consumers and also the planned medallion sales are
16 always based on an upset price and that is the
17 price that's generally what the budget is pegged
18 to.

19 COUNCIL MEMBER GARODNICK: Okay I think,
20 and I understood all of your answers to the
21 chairman about, to the raw data and how there's
22 full and not-full asset transfers making this
23 difficult for you to get a clear apples to apples
24 comparison. But I do think that it's important for
25 us to be able to have real clarity as to how we are

1
2 anticipating for budgetary purposes what is going,
3 what is going on and what we can rely on if
4 anything.

5 MEERA JOSHI: So what you'll continue to
6 get as we've always posted is what the actual
7 transaction prices are. And we're in a world now
8 where we're selling only accessible medallions
9 which have historically been, some, sold at
10 somewhat of a discount even when they were first
11 introduced. So these are new waters but we have a
12 tremendous passenger loyalty and demand for Yellow
13 taxi service and that is, carries tremendous rate,
14 weight going forward as well as a strong regulatory
15 agency and council who's vigilant about making sure
16 that all passengers, drivers, and owners are
17 playing by the same rules.

18 COUNCIL MEMBER GARODNICK: Well let's
19 talk about that for a second because with the, the
20 growth that you described and the number of for-
21 hire vehicles that are dispatched using apps and
22 with the presence of Yellow taxis which will have a
23 more permanent electronically beacons of you know
24 of opportunity.. Let's fast forward five years from
25 now. So now we're in 2019.

2 MEERA JOSHI: Right.

3 COUNCIL MEMBER GARODNICK: What do you
4 think we will be seeing out there as New York City
5 customers, when we're thinking about hailing a
6 taxi. Do you think that they're... what behaviors do you
7 think will have changed in the next five years and
8 what, what do you predict will be the, the use of
9 apps versus the use of street hails. Can you, I'm,
10 I'm sure you've thought about this so... [cross-talk]

11 MEERA JOSHI: Sure.

12 COUNCIL MEMBER GARODNICK: ...tell us what
13 you can predict.

14 MEERA JOSHI: I'm going to sort of give
15 you my overview but also Jo Rausen can give some of
16 the details of our report from our yearlong E-Hail
17 pilot which was just in Yellow taxis. In 2019
18 you'll see a Yellow fleet that is much more
19 accessible providing service to a group of New York
20 visitors and residents who formerly could not get
21 that service. You'll also see what you see today, a
22 very strong hail culture. People still using their
23 hand to get a Yellow taxi. But with the permanent
24 E-Hail rule making the added extra of also being
25 able to use your smart phone I think will be more

1
2 robust than we actually saw in the pilot because
3 people will have, it will be part of their regular
4 experience with a taxi instead of something new.
5 We've got new entrance into that market who I'm
6 sure will work well with the drivers and with the
7 passengers to promote the benefits of it which I
8 think is almost the best of both worlds. You get
9 the advantage of hailing a taxi through your phone
10 as well as the advantage of price certainty, a
11 metered fair that will not change unless there's
12 government process. So I think what you'll see in
13 2019 is much, I know you'll see much more
14 accessible vehicles. You'll see more robust E-Hail
15 but it certainly will not supplant the main stay of
16 the Yellow taxi industry which is the hail in the
17 street. And I'll turn it over actually to Jo who
18 might, if you're interested, give you some of the
19 statistics that we gathered from our yearlong E-
20 Hail pilot.

21 JO RAUSEN: So over the first year of
22 our pilot we saw that there were 625 thousand E-
23 Hailed rides by passengers in Yellow taxis. We also
24 saw another almost 500 thousand E-Hailed rides in
25 Street Hail Liverys which can also do street hail

1
2 so E-Hail service. We're seeing that the fulfilment
3 rate in terms of the number of requests that are
4 actually being assigned a taxi that comes to get
5 them is if you include both Green and Yellow taxis
6 up to 60 percent over that entire year. And we're
7 seeing you know 325 thousand passenger users
8 attempted to even get a taxi or a borough taxi
9 using an E-Hail app. And that accounted for a 2.5
10 million request. So I think there's definitely some
11 demand there and once we have permanent rules that
12 will kind of fill in some certainty around the fact
13 that E-Hail is here to stay and I think we, we
14 could definitely see more adoption as those become
15 permanent.

16 COUNCIL MEMBER GARODNICK: Okay thank
17 you. I have just the one last question and I
18 appreciate the chairman for giving me that, the
19 last question. And by way of clarification the E-
20 Hail for the Yellows it is not a, it's not an
21 arrangement like you see with the for-hire
22 vehicles. It's just a beacon, is that correct?

23 MEERA JOSHI: Correct.

24 COUNCIL MEMBER GARODNICK: Okay okay. So
25 here's my last question and it has to do with a

1
2 follow-up from what Council Member Weprin asked you
3 on the cross-class dispatching and how that relates
4 to independent contractors. Because I understand
5 that there are specific rules for Liverys and
6 there's specific rules for Black Cars. The TLC's
7 recent action prohibits cross-class dispatching. So
8 if you are a Black Car base you may not dispatch a
9 driver who is affiliated with a Livery base. So if
10 you are an independent contractor in that instance
11 and you have to, you are making a choice as to
12 whether you are affiliating with the Livery or with
13 the Black Car base but you cannot jump between the
14 two, is that correct?

15 MEERA JOSHI: You have the freedom to
16 jump and work for multiple bases within your class
17 but you cannot accept a cross classes.

18 COUNCIL MEMBER GARODNICK: I see. So if
19 you are, so you're, you're either a Livery or a
20 Black Car driver and if you're a Black Car driver
21 you can accept, you can accept calls from the
22 various opportunities whether Ubers or the Lyfts or
23 other Black Cars and with the, and the Liverys you
24 could, if you're the, with the sixes or the sevens
25

2 or whoever you can, they can exchange within,
3 within that, that grouping, is that correct?

4 MEERA JOSHI: Mm-hmm.

5 COUNCIL MEMBER GARODNICK: Okay. Alright
6 thank you Mr. Chairman.

7 CHAIRPERSON RODRIGUEZ: Council Member
8 Miller following by Council Member Vacca.

9 COUNCIL MEMBER MILLER: Thank you Mr.
10 Chair and good, good, good morning Commissioner
11 it's so good to see you again. But I, I, I do have
12 a couple of questions and, and I, I know that the
13 chairman asked a few times about the misuse of
14 information and, and, and other violations and I
15 don't know if they were being, if it was coy or
16 being ambiguous but I really didn't see a clear
17 answer. So what I'm asking is what would be
18 considered a misuse of passenger information?

19 MEERA JOSHI: What would be a misuse of
20 passenger information under our rules would be
21 anything that we considered against the public
22 interest as well as anything that would be
23 considered a threat or a harassment to the
24 passenger. So most likely any misuse of passenger
25

1
2 information would fall under any one of those three
3 rules.

4 COUNCIL MEMBER MILLER: Would they be
5 allowed to give that information to some other, a
6 third party?

7 MEERA JOSHI: That is a, an arrangement
8 between the passenger and the person who, the
9 dispatcher. I presume most passengers would not
10 authorize that but only if they did authorize it.
11 Again that is a relationship between the dis, the
12 dispatching app and the person who gives them their
13 credit card and says yes I want to start an account
14 with you. They have a contract that they sign and
15 in that terms of it they will discuss what they
16 will do presumably with passenger information.

17 COUNCIL MEMBER MILLER: Okay. So it's
18 been, also been a lot of talk about passenger
19 choice here. And in the outer boroughs particularly
20 in the, in, in, in the district that I serve, aside
21 from being near the airports particularly Kennedy
22 there is not a lot of, of service that, that has
23 been historically provided there. So could you
24 speak to with the advent of the additional plays in
25 the industry how, what impact do you think that

1
2 this will have and in fact will it... deliver the
3 type of choice that we've been speaking about in
4 terms of pricing accessibility, safety, and, and
5 others?

6 MEERA JOSHI: Many of the dispatch apps
7 talk about delivering service to underserved areas.
8 Until we get trip records we don't know whether
9 that's true or not. But based on testimony that you
10 just, you know statements you've just made and
11 information that I get when I go out to hear from
12 other communities I'm not sure that that is true.
13 So there needs to be a real push to move people who
14 provide service to the outer boroughs to areas
15 where there is not enough service today to
16 understand that there are new markets out there.
17 There's new neighborhoods where people really do
18 want safe legal service and, and when the Green
19 taxi outreach that we do we often encourage people
20 be a pioneer, don't stay where everybody else is,
21 move further out into the boroughs, you can be the
22 first person. If you go, others will follow. And we
23 would, really will use trip records once we get
24 them to analyze where we have a real lack of
25 service so we can hone in on those communities and

2 do additional outreach to bring that service to
3 those communities.

4 COUNCIL MEMBER MILLER: That, that would
5 be great to, to see that, that. You know I've been
6 an advocate of, of the Green cars and, and, but
7 they've yet to really come to full fruition in the
8 district. In terms of uniformity and consistency
9 within the industry we, we obviously you know that
10 speaks to choice. And when we don't have that, when
11 we don't have people consistently providing the
12 same service then there you know there, therein
13 lies a problem. What efforts have been taken to
14 ensure that we have consistency and training and
15 pricing and enforcement and all the other things
16 that exist? And particularly in, in, in, in
17 pricing..

18 MEERA JOSHI: In the pricing there is
19 tremendous choice in the for-hire. There's price
20 certainty that you get with the Yellow taxi meter.
21 There's price certainty that you get with the Green
22 taxi. With the Livery you get the price certainty
23 of we don't set the price but you're assured of a
24 binding fare quote. And in the Black, Black Car
25 world that's generally a premium service there's

1
2 more flexibility on pricing and people should go in
3 eyes wide open. We do think there's some problems
4 with the amount of information a customer is given
5 in the Black Car world. And it's okay to pay a lot
6 for a ride but it's important to know up front that
7 you're going to pay a lot for a ride. And there's
8 some, there's some work to be done in terms of
9 accountability. But I would also encourage people
10 if they experience what they think is an overcharge
11 or, to contact us directly. Often times people go
12 to a dispatching app, and I don't say that they
13 shouldn't, but they need to contact us as well so
14 that we can do an investigation to see whether or
15 not there was an actual overcharge.

16 COUNCIL MEMBER MILLER: Okay so and,
17 and, and this is, I'm going to finish up but.. and
18 on the overcharges and the inconsistencies I know
19 that by, by experiencing the lack of choice if I
20 took a Livery to the airport that's about 30 bucks.
21 If I took a Yellow back home it's 15 bucks. And you
22 know that, that's problematic. I came in from the
23 city with a Uber and it was 100 bucks. So for
24 communities that struggle in transportation,
25 clearly southeast Queens, where we don't have

1
2 subways you know I, I find that we're being
3 exploited and I think that we have a responsibility
4 across the board to ensure that there is
5 consistency and in particular as it pertains to
6 enforcement around pricing. So I would hope that at
7 the end of the day that we, that you know, that
8 this would head us in the right direction towards
9 achieving that.

10 MEERA JOSHI: Thank you.

11 COUNCIL MEMBER VACCA: Thank you. Thank
12 you Mr. Chair and thank you Commissioner for your
13 testimony. I, I just had some questions. I was a
14 little amazed by the 66 percent figure that you
15 gave regarding out of borough people using E-Hail.
16 Is that a recent thing? Is, is that number been
17 going up or is this... Because I have to tell you
18 that there's a big demand for cabs in the outer
19 borough. I have a Toyota Camry and it's a dark
20 black and people... [cross-talk]

21 MEERA JOSHI: I know where this story's
22 going.

23 COUNCIL MEMBER VACCA: You know where
24 it's going? [cross-talk]

25 MEERA JOSHI: Yes.

2 COUNCIL MEMBER VACCA: I am constantly...

3 [cross-talk]

4 MEERA JOSHI: Don't pick up anybody.

5 [cross-talk]

6 COUNCIL MEMBER VACCA: No I don't.

7 [cross-talk]

8 MEERA JOSHI: Okay. [cross-talk]

9 COUNCIL MEMBER VACCA: I'm always being
10 hailed in my own district. Now in the beginning I
11 thought it was constituents who wanted to see me so
12 I went... [cross-talk]

13 [laughter]

14 COUNCIL MEMBER VACCA: But now if they
15 want to see me let them call my office. I'm not
16 pulling over anymore.

17 MEERA JOSHI: Exactly, thank you.

18 COUNCIL MEMBER VACCA: So I know that
19 it's a major issue. People are looking for
20 transportation. So that, that number was, was
21 surprising to me. I wanted to go over this because
22 you know we do have, we do have a revolutionized
23 taxi industry in the past several years with the
24 advent of borough cabs Green cabs and I'm wondering
25 now if we have to assess where we're going with

1
2 that based on the E-Hailing, based on Uber. Are we
3 assessing how many more Green permits we will be
4 giving out based on people in the outer boroughs
5 using various types of cab services or access to
6 cabs? I'd like to know... we didn't know this three
7 four years ago when this whole issue arose here at
8 the council in which the administration at that
9 time took to Albany to get a package that they
10 wanted. So my only comment, my only question to you
11 is are we, are we reassessing future borough
12 programmatic sale, programmatic changes based on
13 this? Are we looking at the Greens, are we looking
14 at these things?

15 MEERA JOSHI: In the hail law there's a
16 checks and balances system. There needs to be a
17 market analysis a year after the window opens for
18 any wave. So a year after the window opened or was
19 able to open on the second wave we have to do a
20 hail market analysis. And that will be the thorough
21 analysis of whether or not there needs to be an
22 additional truancy of Green taxi permits sold.

23 COUNCIL MEMBER VACCA: I do, I do see a
24 lot of Greens in my district now, Throggs Neck
25 Pelham Parkway. I see a lot of Greens but I also

2 see a lot of, a significant amount of Yellows that
3 I had never seen before. My question to you is how
4 many people are waiting for the Green, do you have
5 a backlog of people waiting for the Green licenses
6 issuance?

7 MEERA JOSHI: No we don't actually. We
8 have, we have open licenses available, we sell them
9 in tranches so we have to sell a certain number of
10 wheelchair accessibles and then we can sell
11 unrestricted and we're probably in the, in a total
12 around 1,300 around sold but there's 6,000
13 available.

14 COUNCIL MEMBER VACCA: So for that 6,000
15 there is not a list of people waiting for the
16 Greens?

17 MEERA JOSHI: There, there are people
18 waiting I believe for the unrestricted ones but
19 there are not people waiting for the wheelchair
20 accessible ones.

21 COUNCIL MEMBER VACCA: Okay. Relative to
22 Uber my only questions are, I have several
23 questions but my questions really revolve around
24 handicap access. We work hard at the council to
25 have audio access for the blind in many cabs and

1
2 then toward the end of the last administration our
3 rules and regulations were promulgated regarding
4 the visually disabled, hybrid requirements that we
5 and this council thought were important for the
6 environment that we enacted, refusing a customer
7 based on where they live in the city of New York
8 was important to the outer borough council people.
9 So I'd like to know where does Uber fall into any
10 of these legislative requirements and regulatory
11 requirements that we in the council were
12 instrumental in?

13 MEERA JOSHI: Like I mentioned before
14 with accessibility we have a systemic problem in
15 the FHV world with accessibility and Uber as well
16 as other participants are not in full compliance
17 with our rules. And we're in the midst of a review
18 and we'll shortly come up with our proposal for
19 going forward to correct it because you are right.
20 There are things that the market does not correct
21 for and the regulators need to, things about
22 surrounding discrimination and making sure there's
23 equal access.

24 COUNCIL MEMBER VACCA: Commissioner I
25 appreciate your remarks. You know I just want to

1
2 make clear as former chair of this committee that
3 legislation that we enacted at the prior council
4 was never meant to only single out the Yellow
5 industry. It was meant to be applicable to Greens
6 and now I want that applied to Uber. If there has
7 to be legislation that we have to introduce I would
8 be glad to work with the chair and this committee.
9 But this, this is a matter of principle with
10 myself.. [cross-talk] with many others on the
11 council.

12 MEERA JOSHI: I think it comes down to
13 we, we're moving a million people a day no matter
14 what they're travelling in they all deserve the
15 same experience in terms of safety and
16 accountability.

17 COUNCIL MEMBER VACCA: I agree. I agree.
18 I thank you for that commissioner and I stand ready
19 to work with you. Now I'm chair of the Technology
20 Committee so I fully understand that technology
21 does not stop. And technology will always advance.
22 But it can't be that it advances at the expense of
23 basic human rights and, and total accessibility for
24 the disabled and for those who live in outer
25 boroughs. It's very important. And the hybrid issue

1
2 I did feel that the last administration originally
3 emphasized hybrids and then the emphasis was taken
4 off. Yet if we're talking about climate change and
5 what we can do I think that hybrids are important
6 to emphasize as we go forth and I would ask for
7 your permission, your support rather. One last
8 thing, the MTA surcharge, is that on the fare of
9 the Uber pickups? Is, is that, is that on the fare?

10 MEERA JOSHI: Currently it is not.

11 COUNCIL MEMBER VACCA: It is not? Well
12 that again... [cross-talk]

13 MEERA JOSHI: It's not in, it's not on
14 any FHV trip. It's only on Green taxis and Yellow
15 taxis.

16 COUNCIL MEMBER VACCA: Alright well this
17 again, and my colleague Dan Garodnick did bring up
18 something I was going to bring up but, long term my
19 concern also has to be from a revenue perspective
20 for the city of New York. And the MTA surcharge is
21 something that applies to some but not others and
22 that's something that again may be a matter for the
23 state to take up legislatively but maybe there has
24 to be clarity on that issue also.

1
2 MEERA JOSHI: There's definitely an
3 inequity there.

4 COUNCIL MEMBER VACCA: Okay thank you
5 Commissioner.

6 CHAIRPERSON RODRIGUEZ: Council Member
7 Reynoso.

8 COUNCIL MEMBER REYNOSO: Thank you
9 Chair. This is better, alright. Good afternoon I'm
10 glad you guys are here. Just wanted to speak to
11 equal access, discrimination, safety, and
12 accountability are all things that my colleague
13 Council Member Jimmy Vacca mentioned. I do want to
14 say... I live in Williamsburg. When I'm in Manhattan
15 to try to go to Brooklyn is almost impossible in a
16 Yellow cab. But all these Green cabs are empty,
17 they can't pick me up to take me over the bridge,
18 but they would be more than happy to do it. So just
19 want you guys to look at at least near bridge
20 access. Because there are empty taxis going across
21 the bridge non-stop. So I have to call Uber to take
22 the, the ride over because Uber can go, be
23 anywhere. So I had to get Uber and they were able
24 to pick me up and take me across. But no Yellow

1
2 cabs are going over the Williamsburg Bridge unless
3 they already had passengers in them.

4 MEERA JOSHI: It's important when that
5 happens even though it sounds like it's
6 insignificant that you contact us because then we
7 can take action against that licensee and maybe
8 they do it once, once they're penalized they don't
9 do it again. So it really helps if every person who
10 experiences that contacts us so we can make an
11 appreciable difference.

12 COUNCIL MEMBER REYNOSO: Okay. So I
13 contacted 3-1-1 and they said, they, they asked a
14 lot of questions that weren't applicable at the
15 moment and made it so that I didn't even want to
16 continue with the process in regards to reporting.
17 I had to go on the other side when the cabs are
18 coming out of the Williamsburg Bridge into, into
19 Manhattan had to ask, hail a cab there. Once I
20 hailed a cab I told him I'm going back to
21 Williamsburg and he was upset, he was furious that
22 we, that I dooped him into picking me up to take me
23 back to Williamsburg. And I did try to do it and 3-
24 1-1 asked a lot of questions; where were you going,
25 where, where were you going, where was he picking

1
2 you up from. And there were other questions that I
3 thought were irrelevant and this had nothing to do
4 with discrimination on race...

5 MEERA JOSHI: It's destination
6 discrimination.

7 COUNCIL MEMBER REYNOSO: Exactly. There
8 you go, destination discrimination.

9 MEERA JOSHI: And we work with 3-1-1
10 because there, there, there is a disconnect.
11 They're not involved in our world so often times
12 it's, it's helpful if we give them a script so that
13 they know the types of... [cross-talk]

14 COUNCIL MEMBER REYNOSO: Yes.

15 MEERA JOSHI: ...questions to ask.

16 COUNCIL MEMBER REYNOSO: Yes.

17 MEERA JOSHI: That occurred on the Green
18 taxi side. There were a few issues. They were
19 getting calls. We needed to clarify with them how
20 to handle those.

21 COUNCIL MEMBER REYNOSO: Mm-hmm.

22 MEERA JOSHI: I'm, I'm not pleased to
23 hear that on something like this that they're not
24 able to sort of deftly get the relevant information
25

1
2 out of the caller but we're more than happy to work
3 with them to make sure that that happens.

4 COUNCIL MEMBER REYNOSO: Yes so that's
5 definitely an issue, it, it absolutely is. And then
6 I want to talk about equal access and
7 discrimination. When I go on Uber and I try to get
8 a vehicle they don't, they don't really ask who I
9 am. The cab that's closest to me just comes and
10 picks me up and I get inside the car. That doesn't
11 happen with Yellow cabs at all. My race is still an
12 issue, I believe. It takes me forever to try to get
13 a Yellow cab. They don't, it just don't stop, even
14 sometimes when I'm wearing my suit and tie, doesn't
15 help. So I just want, I, I believe they assume I'm
16 going somewhere in the outer boroughs so it could
17 be still destination discrimination. But I do think
18 that there's still some issues regarding race that
19 we have to address where an Uber they, well I don't
20 believe they discriminate because they just pick me
21 up if I click my app, the closest vehicles comes
22 and picks me up. So those are two things that I do
23 think that can be an advantage regarding apps. If
24 you click it they have to pick you up. They can't
25 discriminate I guess. So if we could work that out

1
2 and make sure that that's something that we're
3 taking into account. As to being more open to app
4 hire vehicles I think is something we need to look
5 at.

6 MEERA JOSHI: And that's one of the
7 benefits of E-Hail and taxi. You get that booking
8 online, you know the booking over the phone where
9 the person doesn't, driver doesn't see you so if
10 they have a tendency to discriminate that mitigates
11 against that. And so, and we're also working with
12 NY Media and Company to do an in taxi PSA that
13 talks about discrimination. Now that obviously is
14 going to get passengers that are already in the cab
15 but the driver's going to hear that PSA playing as
16 well and I think it will raise public awareness and
17 hopefully will encourage more people to complain in
18 person.

19 COUNCIL MEMBER REYNOSO: Okay. That
20 would be, that would be great if there was a system
21 to complain more free-er. But I also want to say
22 that the experience that a lot of especially young
23 men of color again with Yellow cabs is made it so
24 that they don't even attempt to get into those
25 cabs. It's not even a, an issue. So it's about

1
2 building a relationship with Yellow cabs all over
3 again to allow us to feel that it's something that
4 is accessible to us. Because at this moment, even
5 now, it's impossible, or it's tough, it's tough
6 it's not impossible. So I just wanted to bring that
7 to your attention. I think it's an issue and that I
8 think E, not that E-Hail would mean that I would
9 use a Yellow cab through an app it's just that
10 experience with Yellow cabs I don't want to even
11 give them my business because of my experiences
12 that I've had with them. So I move onto other means
13 which are the for-hire vehicles. So just want to
14 give you my experience on that and why I am, I
15 advocate to continue the, the E, the online and
16 mobile app vehicles. And I also have a lot of
17 family members that are doing both things. I also
18 wanted to ask, do app, the taxis that use an app
19 have insurance with TLC?

20 MEERA JOSHI: Yes, they have to meet the
21 minimum.

22 COUNCIL MEMBER REYNOSO: Do bases have
23 insurance?

24 MEERA JOSHI: Yes.
25

2 COUNCIL MEMBER REYNOSO: Why do bases
3 have insurance if the cars have insurance, explain...

4 MEERA JOSHI: They have a separate..
5 it's, it's insuring against different liabilities.

6 COUNCIL MEMBER REYNOSO: So what
7 liability does a, a, so if a, a cab gets into an
8 accident or a crash and they have to pay someone
9 after court or after a hearing the, the driver pays
10 that and their insurance pays that, what does the
11 base pay in that situation?

12 MEERA JOSHI: It depends on the
13 scenario. And I might defer to my general council
14 who's sitting here. It depends if you're talking
15 about a Yellow taxi in a garage or a Livery car in
16 a base.

17 COUNCIL MEMBER REYNOSO: I'm talking
18 about a Livery car.

19 MEERA JOSHI: A Livery car in a base. If
20 there's an accident it will go, there's some,
21 there's several layers of insurance and Chris
22 Wilson who will jump in if I'm, if I get this wrong
23 but there is, there's a worker's comp level of
24 insurance and then there's the vehicle insurance
25 and both...

2 COUNCIL MEMBER REYNOSO: And the
3 worker's comp comes from the base?

4 MEERA JOSHI: The worker's comp is if
5 it's an independent... it's the vehicle, the vehicle
6 owner. But no the vehicle owner only pays worker's
7 comp if they're part of the independent... right
8 okay. So there are certain drivers that are covered
9 under a fund that provides whatever that fund's
10 version of worker's comp is. After that it goes to
11 the vehicle's insurance which is held by the
12 vehicle owner.

13 COUNCIL MEMBER REYNOSO: So what does
14 the base pay for? I want to understand what the
15 base because I believe...

16 MEERA JOSHI: In that scenario?

17 COUNCIL MEMBER REYNOSO: Yes.

18 CHRIS WILSON: The base in, in that
19 scenario the base would pay the worker's comp
20 premium... [cross-talk]

21 COUNCIL MEMBER REYNOSO: They would pay
22 the worker's comp?

23 CHRIS WILSON: They, they would pay
24 either the Black Car... [cross-talk]

2 CHAIRPERSON RODRIGUEZ: May you, sorry
3 can you identify yourself?

4 CHRIS WILSON: Excuse me, Chris Wilson,
5 General Counsel of the Taxi and Limousine
6 Commission. The, the base if it is a Black Car base
7 or a Livery base pays respectively the Black Car
8 fund or the independent Livery driver's benefit
9 fund for worker's compensation coverage for the
10 driver if the driver is injured.

11 COUNCIL MEMBER REYNOSO: Okay. I just
12 want to be... so my goal here and I know you said it
13 in your testimony is I want these drivers to make
14 as much money as possible with as many... if they
15 have 20 apps and 20 phones and they're in a base
16 for me I think that's the way to go right? Just
17 make all your money. It's been a tough job for a
18 long time. Now there's opportunities that are
19 arising out there that you can take advantage of to
20 make yourself a better living. So I'm more than
21 happy to give them all the access in the world as
22 long as there's accountability and you guys do what
23 you have to for safety. But I want to understand
24 the role of the bass because with the apps if you
25 have three apps right, or let's say Uber and Lyft

1
2 only, is there money, is there something that Uber
3 and Lyft, the base portion of it because they're a
4 TLC base I guess they have to have a base
5 somewhere, they pay into the Black Car fund as
6 well?

7 MEERA JOSHI: Yeah they'll pay in on a
8 per trip basis for every trip they dispatch.

9 COUNCIL MEMBER REYNOSO: Okay so I, I
10 don't think that this is the hearing for that
11 exactly, what I'm trying to get to but I do want to
12 say we have to make this, and I would like for us
13 to make this an environment where the drivers have
14 access to the, to as many opportunities as possible
15 as long as they're being safe and they're being
16 held accountable and the regulations are there. But
17 I want this to be a location or an area where we
18 have as much access to transportation as possible
19 especially for communities of color that have
20 traditionally disenfran..., not disenfran...
21 discriminated against when it comes to Yellow cabs
22 specifically. But thank you guys.

23 MEERA JOSHI: Thank you.

24 CHAIRPERSON RODRIGUEZ: Yeah so I have
25 two question before, before you leave and, and we

1
2 been able to get a testimony from both Uber and
3 Lyft. When it come to the insurance following a
4 Council Member Reynoso question is everything
5 taking care when it come to the rule that a TLC
6 voter will be in effect on December 31st right?

7 MEERA JOSHI: December the 31st... [cross-
8 talk] yeah.

9 CHAIRPERSON RODRIGUEZ: ...would be on
10 December 31st. So on through December 31st is,
11 that's the day right, December...

12 MEERA JOSHI: Yes.

13 CHAIRPERSON RODRIGUEZ: So on to
14 December 31st we do have cross services where a, a
15 Livery taxis and a, and Green car they've been
16 using Uber application right?

17 MEERA JOSHI: Yes.

18 CHAIRPERSON RODRIGUEZ: And after
19 December 31st with a rule since Uber and Livery...
20 Black Car a Livery and Green car they will not be
21 using Uber and Lyft application?

22 MEERA JOSHI: Uber is also an E-Hail
23 participant. So if a Green car is using it for E-
24 Hail only that's not payment, that means the
25 customer pays by the meter then they will still

1
2 accept E-Hails because that is akin to a hail on
3 the street. But if they're traditional dispatches
4 where the price is not quoted up front and it's not
5 on the meter they will not be able to do that
6 because they're Black Car base and they would be
7 dispatching a Livery Car.

8 CHAIRPERSON RODRIGUEZ: But it could be
9 that Uber will continue working, providing the
10 application to the Livery and Green car?

11 MEERA JOSHI: In E-Hail.

12 CHAIRPERSON RODRIGUEZ: Yeah,
13 application... [cross-talk]

14 MEERA JOSHI: Yes.

15 CHAIRPERSON RODRIGUEZ: Which is
16 something that again I, this a major concern that I
17 have. I believe that in the city where we have 53
18 million tourists coming every year there's enough
19 market for everyone to do well. From the Yellow to
20 do good, for the Black Car to do good, and for the
21 new company to do good. I believe that the, that
22 the creation and the development of the Livery and
23 the Green car has been taking so many decades for
24 so many hard, hard working class people to be on
25 business. And as I said from the beginning I hope

1
2 that we can work together so that we can have a
3 clear definition who get into which area, who will
4 continue into the Black Car, who will continue to,
5 into the Green and Yellow and who will continue
6 working through the application. I know that they
7 have been many conversation with Uber and the
8 administration. And important progress has been
9 taking place. And the way of Uber is and Livery is
10 working right now is completely different from how
11 they.. started coming to the city. And I just hope
12 again that with a cross service we don't create a
13 situation where a major corporation come and
14 monopolize the whole services of an industry, in
15 this case of the Livery and the Green car. Again
16 that has been taking so many decade for hard
17 working people. So I just hope that you know that
18 we can continue... continue that conversation.

19 [cross-talk]

20 MEERA JOSHI: On the E-Hail... [cross-
21 talk]

22 CHAIRPERSON RODRIGUEZ: But...

23 MEERA JOSHI: ...Greens I think it's, it
24 maybe if I didn't make myself clear I'll, I'll try
25 to now. E-Hailing a taxi is an extension of the

1
2 hand. But it gives the driver the metered fare and
3 whatever tip that passenger decides to give to the
4 driver. If you, my understanding of ordering a car
5 under Uber that is payment on your credit card
6 that's on file directly to Uber including the
7 driver's tip and it's the price that's set by Uber.
8 And E-Hailing a Green is akin to an E-Hailing a
9 Yellow. That means the passenger instead of
10 standing on the street and putting their hand out
11 uses their phone simply to summon the car, to bring
12 the car to them. Once they get in the car they get
13 the benefit of the metered fare. They can pay by
14 cash, they can pay by credit card and the driver
15 gets the entire tip and the passenger can choose
16 however a, what amount tip they want to get. So it
17 preserves the tradition of hail and the hallmarks
18 of hail travel with the meter and the passenger
19 choice but it allows those two to connect more
20 close, connect quickly. And that's sort of how it's
21 worked, that's how it works in Yellow and it is
22 more prevalent in Green simply because there is
23 more space in the boroughs than there is in
24 Manhattan so the concentration of people in cars is
25 more spread out.

1
2 CHAIRPERSON RODRIGUEZ: I just, I just
3 want again and I have met with most of the
4 stakeholder of this industry. I've been clear to
5 everyone. I, and, I want to be fair with everyone.
6 And I don't want to create a condition or support a
7 condition where a particular group even though it's
8 a local ma and pop Livery base or the multi-billion
9 dollar corporation monopolize any area of the
10 industry. So that's my concern that I have. And,
11 and you know I hope that we can look at this so..
12 But for me like up to now my understanding, what I
13 would support is for Uber to continue working with
14 the Black Car industry leave the Green and the
15 Livery to the stakeholder that we have in the city
16 and the Black Car continue and the Yellow doing
17 their services. As we know only the Green car has
18 exclusive of going to... I mean on, on providing the
19 service at, at our local airport unless a
20 prearrangement is made. So I, I just hope again
21 like I think that you made important practice in
22 the last rules that you voted but there's a lot of
23 more work to be done and, and I just hope that..
24 [cross-talk]

1
2 MEERA JOSHI: I look forward to working
3 with you.

4 CHAIRPERSON RODRIGUEZ: Yes, thank you.
5 Thank you. And thank you Commissioner.

6 MEERA JOSHI: Thank you.

7 CHAIRPERSON RODRIGUEZ: Now let's go the
8 representative from Uber Rachel Holt and Nicholas
9 Verinasco [sp?] and from Lyft Diana Dellamere. You
10 may begin. Anyone can begin.

11 RACHEL HOLT: Good morning Chairman
12 Rodriguez and members of the Council. My name is
13 Rachel Holt and I'm the Regional General Manager
14 for Uber Technologies here on the east coast. I've
15 been working at Uber for over three years and I
16 manage about 50 markets across the east coast and
17 in the southern region of the US. As a native New
18 Yorker I'm honored to have the chance to speak with
19 this council about the contributions that Uber's
20 made to the transportation Marketplace in New York.
21 Uber's evolving the way the world moves. By
22 seamlessly connecting riders and drivers through a
23 smartphone application Uber creates more
24 transportation alternatives for riders and
25 increases the business and opportunity for drivers.

1
2 Uber was founded in San Francisco in, in 2009 and
3 officially launched in New York in May of 2011. As
4 the, the city, the company's second market. Uber
5 currently operates in more than 230 cities and 46
6 countries around the globe covering nearly 63
7 percent of the global population. Uber employs 60
8 employees here in New York City and our Long Island
9 city office in Queens and our local, and our local
10 team ensures high quality support for both
11 customers and drivers. Uber app, Uber's app
12 technology provides for an improved experience for
13 millions of riders, life changing opportunities for
14 hundreds of thousands of driver partners and a
15 positive impact on the cities we serve. For almost
16 four years Uber has provided safe, affordable, and
17 convenient way to get around the five boroughs of
18 New York. Uber has a history of engaging with the
19 New York TLC to ensure that Uber is able to serve
20 all New Yorkers. The company has worked in close
21 collaboration for the last four years with the TLC
22 in, in establishing six TLC license bases. Over 11
23 thousand New York, Uber New York affiliated
24 partners are affiliated with one of those six
25 bases. All partners in New York are licensed as

1
2 for-hire drivers and their vehicles are, are
3 licensed as for-hire vehicles. Uber contributes two
4 and a half percent of all trips to the Black Car
5 fund and each fare includes over an eight percent
6 New York state sale, Black Car sales tax. Uber
7 currently offers a number of transportation options
8 in New York. Uber to you which is Yellow cabs
9 through the TLC's E, E-Pilot program, Uber Wave
10 which are wheelchair accessible vehicles through
11 borough Green taxis, Uber X and Uber XL which are
12 low cost commercially licensed Black Cars, Uber
13 Family which is a low cost commercial Black Cars
14 equipped with car seats, Uber Black and Uber SUV
15 which are commercially Black, commercially licensed
16 Black Cars with seating up, between four and six
17 riders. We tailor our product, product offerings
18 and partnerships to the city we serve. For example
19 Uber Rush is our messenger service only available
20 in New York. Each week Uber riders take hundreds of
21 thousands of trips across all five boroughs. Uber's
22 top priority is connecting riders to the, riders to
23 the safest ride on the road. The platform offers
24 unprecedented transparency and accountability for
25 transportation options delivering a safe and

1
2 reliable way to get around cities. Riders are
3 provided driver's license plate and photo. They can
4 anonymously connect to, to drivers through a
5 randomly generated phone number in real time. Loved
6 ones have the ability to track a rider's ride in
7 real time and I often will share my ride when I'm
8 in a new place with my mom or my husband and, and
9 only my mom really cares or responds but we'll
10 leave that. Riders also have the opportunity to
11 rate their experience after every ride providing
12 real time feedback which, which is a powerful
13 incentive to ensure that there's high quality, a
14 high quality experience in every ride. Uber creates
15 a new marketplace for transportation services that
16 has led to significant driver job creation and
17 reduction of unemployment in Uber cities. In the
18 last four years since Uber launched in New York
19 Uber has transformed the earning opportunities for
20 drivers in an industry that hasn't offered a lot of
21 new opportunities for drivers in decades. Uber has
22 increased small business opportunities for New
23 Yorkers, particularly recent immigrants, veterans,
24 and women. The flexibility of our app allows
25 drivers to work when it's convenient for them

1
2 because they choose their hours, earning money
3 between other jobs, working for other companies or
4 working around their family's schedules. The Uber
5 platform also facilitates a, a safe experience for
6 driver partners. Every, every transaction is cash
7 less which means that Uber partners never need to
8 worry about the risks of carrying cash or making
9 change. Accessibility is also a top priority for
10 Uber. The Uber platform was developed and expanded,
11 has, has developed and expanded access to
12 transportation options for all including people
13 with disabilities. The company is committed to
14 making a universally accessible app and is
15 constantly innovating on its platform to meet the
16 demand for accessibilities. Uber has been lauded by
17 the, by the blind and visually impaired communities
18 for their freedom and mobility. The Uber app is
19 fully voiceover compatible and provides safe
20 transportation options for the visually impaired
21 that's adapted to their needs. Just this past
22 august Uber launched its wheelchair accessible
23 option in New York. With this option riders in the
24 outer boroughs now have the ability to request a, a
25 wheelchair accessible vehicle. Prior to launching

1
2 this product we met with the TLC and the Mayor's
3 Office for the People With Disabilities to, to
4 ensure that the Uber platform can continue to
5 expand accessibility options across the city. The,
6 the rider experience is also you know crucial to
7 what we do. And I want to take a moment highlight a
8 couple of opportunity, of, of programs we're
9 particularly proud of. The first, this past May we
10 launched is called Uber Family. It's near and dear
11 to my heart right now. Under this program Uber's
12 highest graded Uber X partners have been
13 professionally trained on how to safely install and
14 secure a car seat. When riders request an Uber
15 family they can expect not only a car seat but a
16 driver that has been professional certified in
17 order to install and safely, you know and safely...
18 car seats. Families take advantage by taking almost
19 a thousand Uber family trips every week. In
20 September we, we launched a new program called Uber
21 Military which is a initiative to bring 50 thousand
22 service members, veterans, and military spouses
23 onto the Uber platform as driver partners. Veterans
24 on the, the Uber platform today consistently rank
25 as some of our highest rated partners and do more

1
2 trips with Uber each week than, than non-military
3 partners. Uber, Uber New York has the pleasure of
4 working with over 400 Uber Military partners today.
5 Uber serves all communities and, and neighborhoods
6 with ETA based dispatch rather than traditional
7 location base dispatch ensuring that no driver is
8 rejected because of who they are, where they live,
9 or where they want to go. This is especially true
10 for areas typically undeserved by public
11 transportation. Residents and visitors have, have
12 options through a convenient, safe, and reliable
13 way to move around this city. In New York Uber's
14 technology has allowed greater access to for-hire
15 vehicles I all parts of the city. Data and
16 technology don't discriminate. In New York a higher
17 percentage of trips, about 30 percent of Uber X
18 trips head to the outer boroughs than Yellow cab
19 trips which is about 1- percent. At 28 percent of
20 Uber pickups occur in the outer boroughs as well.
21 In New York Uber embraces the local economy by
22 partnering with small business to provide
23 incentives for riders to visit their
24 establishments. One, one weekend in August Uber
25 offered free rides to over 40 local Brooklyn

1
2 businesses and did a similar promotion in November
3 with Queens local businesses. Uber supports the
4 community in other ways. During its ride for a
5 cause event, ride for a cause event each ride taken
6 in New York during the month of, of March of 2014
7 Uber donated a dollar to a, a local charity of the
8 rider's choice. Just last week we, we worked with
9 goodwill to ensure that pickups, to... toy drive
10 throughout the, or sorry a, a winter coat drive
11 throughout the city where riders could push a
12 button and, and ensure that their winter, winter
13 coats would be delivered to a good will. Thank you
14 again for the opportunity to highlight just some of
15 the ways that Uber's making a positive contribution
16 in New York. We're proud of the transportation
17 marketplace here and we look forward to continue to
18 provide opportunities for partners and drive, for,
19 for drivers and consumers and options for, for New
20 Yorkers to get around this city. With that thank
21 you for your time and I look forward to any
22 questions.

23 DIANA DELLAMERE: Good morning. Thanks
24 for inviting us Chairman Rodriguez and hello to all
25 of the other council members that some of you I've

1 met, some of you I haven't. My name's Diana
2 Dellamere. I'm a public policy manager for Lyft.
3 Lyft is very proud to be here in New York City as
4 one of, you know this is the world's leading
5 transportation system here. And we launched this
6 summer with the guidance of the Taxi and Limousine
7 Commission with a different model than we, we have
8 in most other places because we do understand that
9 this is a very unique market. So we did that with
10 the Taxi and Limousine Commission. We do operate as
11 a Black Car base. Our model is slightly different
12 from there. Where we currently do not actively
13 affiliate large numbers of drivers instead we are
14 seeking to provide options to optimize extra time
15 in schedules that is not being used. We are open to
16 adapting in different ways in the market because we
17 are relatively new entrant. But what we want to
18 provide is high quality safe efficient service for
19 New Yorkers, opportunities for drivers alongside
20 the many other transportation options that are
21 unparalleled in this city. We certainly are not
22 trying to replace those options. We want to be an
23 additional option to that. Technology has
24 transformed the transportation sector dramatically
25

1
2 over time to the benefit of passengers and drivers.
3 Major shifts in the taxi and for-hire vehicle
4 industries are neither new nor limited to
5 technological innovation. These industries are
6 constantly evolving. It was only in the 1980s that
7 the city recognized changes in the market place and
8 established the rules that created the Livery and
9 Black Car sectors which you know really isn't,
10 isn't necessarily that long ago. I was around in
11 the 80's, it doesn't seem that long ago. The, over
12 the past few years alone we've enjoyed the benefits
13 of the Green borough taxis, the TPAP and LPAP
14 systems and the testing of the E-Hail programs
15 which apparently are now becoming permanent.
16 Technology based dispatch is currently being used
17 in some form, and Commissioner Jo, she mentioned
18 this, by nearly all, nearly the entire industry. So
19 this is not something that's limited to these two
20 companies even though we tend to get a lot of
21 press. The, there're versions of technology base
22 dispatch being used at every level. Each of the
23 major industry shifts that have happened in the
24 market have posed challenges to the way that
25 regulations have been set up and this is obviously

1 no different. But ultimately in all of those cases
2 the industries, the city council, and the TLC have
3 found ways to adapt to those changes to benefit New
4 Yorkers. And we believe that this will also be one
5 of those things where you know a lot of these
6 regulations were created in the radio dispatch
7 universe and we welcome changes to adapt to the
8 new, to the new technology that everybody is
9 currently using in the industry. We want to make
10 sure those changes are carefully considered and we
11 would, we applaud the TLC's efforts on the recent
12 rule making where, while in some other
13 jurisdictions we found that more restrictions in
14 terms of innovation have come along with, have been
15 the primary focus. We believe the TLC did a very
16 good process where accountability and safety were
17 prioritized and those were taken care of in various
18 ways. So the data reporting requirements, the,
19 there were certain accountabilities that were
20 shifted to trip dispatch based instead of to the
21 bases that are, the drives are affiliated with. So
22 that makes it, that makes parody for a base whether
23 or not it's the base the driver's affiliated with
24 dispatching or another base dispatching. So we
25

1 support all of those, all of those efforts and
2 making the contributions to the Black Car fund and
3 the Livery fund on a trip dispatch basis as well.
4 So we, we fully support moving forward with
5 regulatory changes that are comprehensive but that
6 really do embrace the potential of future
7 developments because there are some benefits now
8 and there are benefits to the use of technology in
9 various ways that we can't even foresee it. And
10 we're open to working with the TLC and working with
11 the council to find innovative solutions to these
12 challenges that you, several of you have identified
13 is really important issues. So accessibility and
14 under, serving underserved areas of the city as
15 well. So while we can't foresee all of the
16 developments that will come in the future and I
17 think Commissioner Jo, she also sort of said we, we
18 don't know exactly what the future's going to hold
19 but we believe that there will be, continue to be a
20 lot of, if we continue to enable a number of
21 options for passengers then we can make sure that
22 concern for passenger safety is always paramount,
23 that regulations foster competitions so that
24 customers in various areas or who need different
25

1
2 types of services have as many options as possible
3 and the rules should enable that type of
4 competition and innovation any rules that go
5 forward but of course with keeping the safety and
6 high quality of service in mind. And I think
7 another step in that direction is also unnecessary
8 if we are looking to, and I think Commissioner Jo
9 she mentioned this for some reforms in the Yellow
10 taxi market that we can also look at reforms that
11 will eliminate unnecessary costs on certain,
12 certain parts of the market that might be holdover
13 from, from a past, pastime of, of making these
14 rules. We'd appreciate the opportunity to continue
15 talking to come up with creative options for
16 providing services that in a way that really
17 compliments the many options that are already here.

18 CHAIRPERSON RODRIGUEZ: I have a few
19 questions. I mean some of them to both of you that..
20 went over and... have some question. First of all I,
21 I wish the best for anyone who invest and, and I
22 also wish good luck and, and anyone who take a risk
23 on investing money to get a good return. And, and
24 again our responsibility beside being fair to
25 everyone is the consumer. One of my question is

1
2 related to what you hear... also we as a commission
3 in which is a, the customer privacy. And I ask you
4 know also in the... in the... time that you are in the
5 city that you been learning, adjusting, making
6 changes, learning from good and bad experience that
7 you having other part of the nation, in other part
8 of the world. So I just hope that we always keep,
9 always keep... open, all of us including the
10 corporations who make changes. So what is your
11 policy regarding, regarding customer service,
12 privacy, and how do you ensure that customer's
13 private data is being protected?

14 RACHEL HOLT: We're, we're fully
15 cognoscente of the fact that our business depends
16 on riders, the trust of millions of riders that we
17 work with around the country. Uber has a strict
18 policy around employee access to, to private data,
19 specifically that it can only be used for business
20 purposes. Our policy is very clear that rider and
21 driver counts are, are closely monitored and
22 audited on a regular basis and that if there's any
23 violations of those policies that disciplinary
24 action is taken. We've also engaged a third party
25 at, at Uber to conduct a review of our internal

1
2 privacy policies and, and continue to make any
3 improvements and adjustments that need to be made.

4 DIANA DELLAMERE: On this I am not going
5 to try to be vague but what I know of what's
6 happening right now is that we are doing a full
7 review. We've implemented new policies but also
8 made sure that the old policies were in place where
9 there is limited access to the data based on if you
10 need access to the data based on your job functions
11 and only for those functions. And we're continuing
12 to of course take this very seriously and
13 continuing to review and work with outside parties
14 to make sure that, that everything is being
15 complied with properly.

16 CHAIRPERSON RODRIGUEZ: We just want to
17 be sure that you know that this is very critically
18 important for us. And whatever you need to do to
19 correct or improve the customer privacy is what we
20 expect to hear in... the council and also the
21 administration. How many, other question is
22 specifically to Uber. How many Uber employees are
23 able to access the, the, the go view where they can
24 track passenger?

2 RACHEL HOLT: I, I don't have the
3 specific numbers.

4 CHAIRPERSON RODRIGUEZ: Is it true that
5 job applicants have been allowed to access rider
6 information as was reported yesterday by Business
7 Insider?

8 RACHEL HOLT: That, that's certainly not
9 our policy and that, that would be a violation of
10 our privacy policy.

11 CHAIRPERSON RODRIGUEZ: But it could be,
12 it could happen?

13 RACHEL HOLT: It, it... [cross-talk]

14 CHAIRPERSON RODRIGUEZ: ...correct it but...
15 [cross-talk]

16 RACHEL HOLT: I, I can't speak to a
17 specific, a specific reported incident. It's very
18 clearly against our privacy policy and so if
19 anything, if anything like that were to have
20 happened or happened action would be taken.

21 CHAIRPERSON RODRIGUEZ: Are, are you
22 amending your policy on, on the go view?

23 RACHEL HOLT: We're, we're constantly
24 working to amend our policies. As I mentioned we're
25 working with a third party privacy, with third

1
2 party privacy experts along with our internal
3 privacy team to continue to improve, update,
4 tighten, strengthen, all of our privacy, all of our
5 privacy policies.

6 CHAIRPERSON RODRIGUEZ: What have you
7 learned since the first day when both of you tried
8 to land into New York City but suddenly you found
9 out you know that this city's tough, and that this
10 city, you know us New Yorkers like there's a number
11 of regulation and you've been going through the
12 whole process you know... and negotiation,
13 conversation we happen to see that you are
14 providing the services even though we are working
15 to make any changes that we working together should
16 be able to do it to protect everyone? What have you
17 learn since the day when you started servicing the
18 city and you thought you know we can hear
19 application less recruit drivers to today when
20 there's like a new rules apply and a, I, brought in
21 by TLC and the new rule that we will continue
22 analyzing at the council?

23 RACHEL HOLT: So I mean Uber launched in
24 New York over three and a half years ago and, and
25 certainly we've, we've learned a lot in that

1
2 process. But I don't think that actually was our
3 approach when we entered New York. I think Uber has
4 been working for the last three and a half years
5 consistently with the TLC over that time. We, we
6 operate six, six bases in, in New York and we hope
7 to continue our, our, our strong working
8 relationship with the TLC to ensure that, that
9 we're fully compliant with the local rules and
10 regulations.

11 [background comments]

12 RACHEL HOLT: Six bases; five are Black
13 Car, one is a luxury base.

14 CHAIRPERSON RODRIGUEZ: What is it.

15 RACHEL HOLT: Five are Black Car, one is
16 a luxury base.

17 CHAIRPERSON RODRIGUEZ: What is a base?

18 RACHEL HOLT: A luxury limousine base.

19 CHAIRPERSON RODRIGUEZ: Okay thanks.

20 What about Lyft? Your experience from the first day
21 to today?

22 DIANA DELLAMERE: Well we, when we came
23 to New York, and as I mentioned a little, little
24 bit earlier, New York we adjusted our entire model
25 for the very unique dynamics of the New York

1 market. This is the only model in which we are
2 seeking to use professional drivers as opposed to
3 casual drivers. Here we launched, we did intend to
4 try I think to, to launch the type of product we
5 have elsewhere. We did work with, well my
6 colleagues, I was not here at the time, worked with
7 the TLC and the Attorney General's Office and the
8 TLC advised us to buy a Black Car base and that's
9 what we did. So we operate a Black Car base. We
10 comply with all of the regulations and with the,
11 all of the regulations that passed the TLC we
12 strongly support all of those changes and we'll
13 continue to try to work with the existing players
14 in the industry to see where we can be a beneficial
15 addition to the industry but we've only been here
16 for about five months now. So we will continue to
17 find that the right place to, where we can provide
18 quality service and be beneficial.

20 CHAIRPERSON RODRIGUEZ: Can you explain
21 the benefit, how do you distribute the benefit
22 between the drivers and the corporation?

23 RACHEL HOLT: The benefit you mean a
24 fare, how that's distributed?

25 [background comment]

1
2 RACHEL HOLT: Yeah so... Typically about,
3 Uber takes about a 20 percent fee, 20 to 25 percent
4 fee on, on our fares depending on the, the service
5 that, that's being offered depending on the price
6 point and, and the rest goes to the driver.

7 [background comments]

8 RACHEL HOLT: Yes that's, that's
9 typically the fee structure, it's 20 to 25. [cross-
10 talk]

11 CHAIRPERSON RODRIGUEZ: Is that typical
12 or is that, or is that the... [cross-talk]

13 RACHEL HOLT: There is, there is a
14 number of different, there is a number of different
15 fee structures that depend, that, that range from
16 20 to 25 percent depending on the, the service
17 that's being, that's being offered. As, as I
18 mentioned we have you know eight or 10 products in,
19 in New York alone.

20 CHAIRPERSON RODRIGUEZ: In which case it
21 does... [cross-talk]

22 RACHEL HOLT: Yeah it can be lower.

23 CHAIRPERSON RODRIGUEZ: What is that?

24 RACHEL HOLT: It can be lower, yes.
25

2 CHAIRPERSON RODRIGUEZ: Okay. What about
3 Lyft?

4 DIANA DELLAMERE: We, I might have to
5 ask my colleague Seth Milnick [sp?] to update me
6 on, on what the current percentage is but our
7 percentage very specifically is on the, the fare.
8 And I think it's, it's, my, it's, my, it's probably
9 also between 20 and 25. It's 20 percent. So 20
10 percent is a, is a fee to Lyft, 80 percent, this is
11 of the fare, the base fare, 20 percent to Lyft, 80
12 percent to the driver, and any tip the entire tip
13 goes to the driver.

14 CHAIRPERSON RODRIGUEZ: And Uber have
15 different application right? Can you explain about
16 those difference in those application, those that
17 has been provided free to the, in this case to the
18 Green car and the Livery and the other application
19 where those using, used by the Black Car where
20 there's a charge for those application?

21 RACHEL HOLT: Sure so, so there's one
22 application so when you open, when you download a
23 app you'll actually see all the product choices
24 within one application but we do have a variety of
25 different products and I'll run through them. So we

1
2 have UberT which is our, our Yellow cabs provided
3 through the Taxi and Limousine E-Hail pilot
4 program. We have Uber Wav which is our wheelchair
5 accessible vehicles which are, which are serviced
6 through the Green Borough Cabs, we have UberX and
7 UberXL which is our low cost commercial Black Car
8 products which seat between four and, and six
9 riders, four for UberX, six for UberXL, we have
10 Uber Family which is our low cost commercial Black
11 Cars which are also equipped with car seats, we
12 have Uber Black which is our, our service that,
13 that's a higher ends commercial offering for four
14 people, we have Uber SUV which is a higher end
15 commercial Black Car offering for up to six riders.
16 So each of our... and we have Uber Rush which is our,
17 our delivery and messenger service. So we have a, a
18 wide variety of services if for example you're
19 using the E-Hail, the Uber T E-Hail Wave... or the E-
20 Hail product you would request through the, you
21 know through the E-Hail pilot, the, the, the, you
22 would pay within that taxi, you'd pay the driver
23 directly either through a credit card or, or, or
24 with cash. Any tip you know you would pay directly
25 to the driver. That's different than for example

1
2 our Uber Black Car product where you know the, your
3 credit card is on file with, with Uber and, you
4 know in that particular, in that particular product
5 you would, you know the payment would go directly
6 through the app.

7 CHAIRPERSON RODRIGUEZ: Okay.. We have
8 introduced legislation on the Livery Base Agreement
9 and we even have talk about it. What is your
10 position on that?

11 RACHEL HOLT: I think anything that's
12 going to restrict driver opportunities you know
13 we're, we're not supportive of. And I think
14 limiting the choice for drivers... I, I, my
15 understanding is that that would limit the choice
16 for drivers and that's certainly not something that
17 we think is in the best interest of, of driver
18 partners.

19 CHAIRPERSON RODRIGUEZ: What about Lyft?

20 DIANA DELEMERE: Well just to be clear
21 my understanding is there's, there's no actual
22 drafted legislation yet is that correct or did I
23 miss that in the past day?

24 CHAIRPERSON RODRIGUEZ: There's...
25

2 DIANA DELEMERE: Oh we have, okay we
3 have not, we only saw the summary of the
4 legislation so we'd, we'd have to look more closely
5 at it but as we've discussed we do not operate in
6 the Livery sector and we don't have any immediate
7 intention of having a Livery base. So we are a
8 Black Car sector participant at this point. And I
9 believe that's, that's how it will be for now and
10 we don't, we don't have a specific position on the,
11 on the limitation in the Livery sector but we do
12 think that there are problems that we have shared
13 with you that whenever an agreement is required
14 there is some... consequences but we're very happy to
15 consider it when we see, when I get the chance to
16 review the legislation. I'd love to talk about it
17 more and we can form a more informed opinion at
18 that point.

19 CHAIRPERSON RODRIGUEZ: Are you fully in
20 compliance with the, with all TLC rules and
21 regulation or, or do you know that there's some
22 area where you... have to adjust to some of the Taxi
23 Limousine, TLC rules and regulation?

24 NICOLE BENINCASA: Good afternoon
25 Chairman Rodriguez. Nicole Benincasa, we've met

1 before, good to see you. I'll take this question.
2 We have not heard from the TLC or received a
3 summons for being in non-compliance with regard to
4 the TLC rules and regulations or, or had any, any
5 rulings such as that applied to us at this time.
6

7 CHAIRPERSON RODRIGUEZ: Thank you.

8 Council Member Weprin following, following by
9 Council Member Reynoso. Council Member... yep.

10 COUNCIL MEMBER WEPRIN: Thank you Chair,
11 Mr. Chair. Ladies thank you for all being here.
12 Welcome back to New York Rachel, happy to have you
13 back. Let me ask just some general questions first.
14 First we heard from the TLC commissioner before.
15 I'm just curious how New York City's Taxi and
16 Limousine Commission compares with the oversight
17 and regulations compare to other places in the
18 country for you guys.

19 RACHEL HOLT: You know I, I think you
20 know Uber's model differs in, in the cities that we
21 operate in around the country depending on, on
22 local regulations and local jurisdictions. You know
23 I think, you know I, I think we have an extremely
24 productive relationship with the TLC here in New
25

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2 York and, and you know we look forward to continue
3 to working with them.

4 COUNCIL MEMBER WEPRIN: Do, would you
5 say that regulations are stricter than other places
6 or about the same or... you know is it lighter you
7 know...

8 RACHEL HOLT: I think, I mean I think
9 different jurisdictions have different policy
10 rationales for having, having a different,
11 different set of regulations. Certainly the rules
12 here are much more complicated and, and stricter
13 than you know Chattanooga, Tennessee which took
14 this issue up last night and for good reason.

15 COUNCIL MEMBER WEPRIN: Right. Okay let,
16 let me ask a question and I'll ask this of both of
17 you. So if I drive for a Livery car service, a
18 local Livery car service can I also work for, for
19 you guys as well at the same time?

20 DIANA DELEMERE: So as the, the rules
21 state now Livery drivers are able to make trips
22 with, with Black Car bases. So we do have a, a good
23 number of Livery drivers who are using, utilizing
24 the Uber service to supplement their income. The
25 new rules the TLC passed prohibit cross-class

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2 dispatch and those will take effect at the end of
3 the year.

4 COUNCIL MEMBER WEPRIN: So, so you can
5 to supplement your income work with Uber or Lyft,
6 do you agree with that. At the same time I'm
7 driving for Kelly's Car Service if I choose to?

8 DIANA DELEMERE: Yes. And, and that is a
9 great benefit to the driver.

10 COUNCIL MEMBER WEPRIN: Do, do you
11 disagree with that or...

12 RACHEL HOLT: Well I don't...

13 COUNCIL MEMBER WEPRIN: I mean...

14 RACHEL HOLT: This is one of the
15 challenges of having us here together... [cross-talk]

16 COUNCIL MEMBER WEPRIN: Yeah I know.

17 RACHEL HOLT: ...is that we're not, we
18 don't have exactly the same model or...

19 COUNCIL MEMBER WEPRIN: Okay.

20 RACHEL HOLT: But we have been working
21 to ensure that we are not dispatching Livery cars.
22 I think you know there's always some confusion,
23 it's a little bit hard to always identify but
24 that's been something that we committed to doing
25

1
2 with the, the TLC before these rules even went into
3 effect and, or before these rules were passed.

4 COUNCIL MEMBER WEPRIN: Alright so let
5 me follow up with Uber then on this specifically.
6 So I just want to get this straight. So, so I'm
7 driving for Kelly's Car Service, happens to be a
8 very nice one out in Queens, and I also have an
9 Uber app. Can I do it at the same time, like if I'm
10 not getting a call, like if I know business is slow
11 can I have my app going just in the middle of my
12 shift decide hey I'm going to pick up this Uber
13 ride too?

14 RACHEL HOLT: So, so Uber drivers are,
15 partners are all independent contractors. And so
16 that would be, that would be an agreement between
17 that particular driver and, and Kelly's Car Service
18 in that particular case of what would or wouldn't
19 be allowed.

20 COUNCIL MEMBER WEPRIN: As far as you're
21 concerned it's fine as long as the, they're okay?
22 You think they would, they, do they need permission
23 from the car services or..
24
25

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2 RACHEL HOLT: So we don't, we don't
3 restrict a driver's use of the app in terms of
4 time, in terms...

5 COUNCIL MEMBER WEPRIN: Mm-hmm.

6 RACHEL HOLT: ...of number of hours. One
7 of the, the, the benefits that the Uber platform
8 offers to drivers...

9 COUNCIL MEMBER WEPRIN: Mm-hmm.

10 RACHEL HOLT: ...is choice and
11 flexibility. And so wouldn't get involved in a, you
12 know in a particular relationship between a driver
13 and, and their car service.

14 COUNCIL MEMBER WEPRIN: Right. So they,
15 so they, so, and so they would be, even be allowed
16 if, if, if Kelly's had a car that was out there
17 they would really be allowed to do it even in
18 their, even in Kelly's car conceivably they could
19 do pick-ups as far as you're concerned. I mean you
20 wouldn't know what car... I mean you, if the cars
21 are, follows all the, you know has been registered
22 and all that I mean could they drive the car
23 they're using for Kelly's, the same car to pick up
24 someone else who calls you on Uber? That make
25 sense?

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RACHEL HOLT: So all...

COUNCIL MEMBER WEPRIN: Talk close to
the mic.

RACHEL HOLT: Sure.

COUNCIL MEMBER WEPRIN: Yep.

RACHEL HOLT: So all Livery vehicles and
Black Car vehicles have to go through as
Commissioner Joshi mentioned...

COUNCIL MEMBER WEPRIN: Mm-hmm.

RACHEL HOLT: ...the TLC vehicle
inspection and, and, and get registered through the
TLC and have TLC license plates so if a driver is
utilizing the Uber service to supplement their
income they submit to us proof that they have, they
have gone through that process and that that
vehicle is approved through the TLC and as long as
the vehicle's approved through the TLC for
commercially licensed use then they're able to use
it.

COUNCIL MEMBER WEPRIN: Right so I can
see how Kelly's wouldn't like that necessarily but,
but you're saying that as far as you guys it would
be okay, I mean you're not monitoring that as long

1
2 as the car's is an appropriate car and the driver's
3 an appropriate driver?

4 RACHEL HOLT: And Uber drivers only go
5 online on the Uber application when they are
6 available to pick up requests. So the, you know
7 it's, they, they're not restricted one way or
8 another through us on when they're able to do that
9 but they, they go online when they're available and
10 not utilizing other systems.

11 COUNCIL MEMBER WEPRIN: Okay I represent
12 a district in eastern Queens right on the
13 Nassau/Queens border so I am often the victim of
14 destination discrimination as was described before
15 by walking in Manhattan and, or at the airport and
16 then tell them where I live they don't like that.
17 And often I tell them they have to do it and they
18 do it but one of the nice things I think about the
19 apps is that you don't really, you know you don't,
20 you, you don't discriminate if you, you don't
21 answer that call obviously, you're answering that
22 call and you'll take me where I want to go. The
23 question is in my area in eastern Queens are there
24 a lot of cars out there? I mean if I was to sign up
25

1
2 for Uber, I mean if I was to look now or in the
3 evenings would there be a lot of cars out by me?

4 RACHEL HOLT: There would be. I would
5 encourage you to download the app and try it out.
6 28 percent of our rides you know initiate in the
7 outer boroughs.

8 COUNCIL MEMBER WEPRIN: Mm-hmm.

9 RACHEL HOLT: And you know again we, one
10 of the reasons we offer such a seemingly complex
11 menu of products is to ensure that we're serving,
12 we're serving all New Yorkers and we're serving all
13 areas of the city.

14 COUNCIL MEMBER WEPRIN: Right. Look I,
15 I, I think it's an amazing business and a business
16 model. I, I raised this before, the idea that it,
17 it, you know I believe in these other small
18 businesses and their ability operate within the
19 same market so I get concerned when, when you guys
20 are able to do things that they would otherwise not
21 be allowed to do and, and, and we because of the
22 technology get to sort of, and run some things and
23 not in an inappropriate way for you but just the
24 way the system has been in place for so many years.
25 But I do like the idea and I have a new product

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2 line for you. See I have a 15 year old and I
3 realize this is a problem. I haven't signed up yet
4 but I have a 15 year old and this is a new thing
5 for him where he decides to stay out until 12:00
6 and 1:00 in the morning all of a sudden and none of
7 his friends drive, he doesn't drive, and what
8 happened invariably is around 11:00 I get the phone
9 call, dad can you pick me up at 12:30, I'm like
10 ugh, you know I don't want to go all the way out
11 there. So I have had them call Kelly's Car Service
12 or some such service and gone, and if he has the
13 money. But he doesn't always have the money. So in
14 my mind it would be a, a nice thing to do
15 especially for that target audience of 15 and 16
16 year olds who staying out late but don't drive. So
17 Uber 15 year olds maybe will be the next product
18 line. But it does sound like an interesting product
19 for me in that taste, he doesn't... money, doesn't
20 have the money with him I know you know the car is
21 safe. As I, I mean I do think there, it's a great
22 business model. It concerns me what... talked about
23 with that car service all of sudden. You know I
24 know the car services are, are crying because
25 they're having a hard time finding drivers because

1
2 a lot of them are going to you guys and they like,
3 they... model and Uber's offering a lot of money at
4 the beginning of their, you know for the beginning
5 and getting, encouraging drivers. I get this
6 complaint from those car services all the time that
7 they, you know they can't find the drivers, they
8 don't know where they're, they are even, they're
9 not coming to them. And you know these are small
10 businesses that have been around for many many
11 years and have served our community well. And I,
12 and I worry about the idea that you know when
13 you're a, a set fleet and you have to make them
14 half handicap accessible it, it's a lot harder than
15 when you're this inchoate fleet where they keep you
16 know changing and growing and you have cars you can
17 send out that are handicap accessible but it isn't
18 necessarily acquiring all of them to be handicap
19 accessible like they are. So I mean there are a lot
20 of little problems like that. Let, let me just
21 switch gears slightly on, let me just ask about
22 surge pricing just a little bit. Now do you, do you
23 have the same policy on surge pricing? I don't want
24 to make Lyft feel left out but you know but do you
25 have the same policy Uber does on...

2 DIANA DELEMERE: Wait, I don't think
3 generally when, when we're asked questions like
4 that I, I can't, I don't know what Uber's surge
5 pricing... [cross-talk]

6 COUNCIL MEMBER WEPRIN: Right.

7 DIANA DELEMERE: ...policy is.

8 COUNCIL MEMBER WEPRIN: Do you have
9 surge pricing?

10 DIANA DELEMERE: We have dynamic, we do
11 have a dynamic pricing model and there will be
12 higher prices at... [cross-talk]

13 COUNCIL MEMBER WEPRIN: Mm-hmm.

14 DIANA DELEMERE: ...certain times in order
15 to, up and until the point where more, if there's a
16 lot of demand then we're trying to encourage more
17 drivers to get on the road. All of the extra, the
18 way it works is that the passenger is notified when
19 they request the ride, they hit the button saying
20 request ride... before that ride is actually put
21 through the system a notice comes up on the screen
22 saying exactly what the additional, what the change
23 in pricing will be... [cross-talk]

24 COUNCIL MEMBER WEPRIN: Right.

DIANA DELEMERE: ...in terms of the...

[cross-talk]

COUNCIL MEMBER WEPRIN: And that...

[cross-talk]

DIANA DELEMERE: ...percentage.

COUNCIL MEMBER WEPRIN: ...similar to

Uber, similar type... [cross-talk]

DIANA DELEMERE: And then any additional pricing goes directly to the driver.

COUNCIL MEMBER WEPRIN: Right. I mean one of the concerns you know... [cross-talk]

DIANA DELEMERE: And it, and it comes down... sorry just to be very clear when, and it comes down once the demand and the supply..

COUNCIL MEMBER WEPRIN: Right, and I know...

DIANA DELEMERE: ...level out.

COUNCIL MEMBER WEPRIN: ...Uber and I... notify you surge pricing is now over, you can now, if you ask to wait until that I know you can do that and that's great. I'm not necessarily against the idea of surge pricing truthfully. I think it's something that's very common in a lot of places these days and you know buying baseball tickets and

1
2 buying other things. So I mean I assume when demand
3 is up I could, I understand. I think the free
4 market can, can... There's a, a limit though and we
5 need to have protections to make sure people aren't
6 getting you know built when they, they, they need
7 it the most. So, and I also think it's unfair that
8 the regular taxis don't charge surge pricing so
9 they're at that disadvantage too where you know
10 they, they can't do that. So maybe that's something
11 we could look into. But maybe one thing I do like
12 about what Councilman Greenfield... is the idea of
13 maybe capping this to some degree because I
14 understand you could go up to how, how high, what's
15 the highest surge price percentage wise, what's the
16 highest above in average. I mean... 600 percent
17 percent has been quoted as a maximum you could
18 charge. I'll ask Ms. Holt just because she's got
19 the, most of the publicity on this.

20 RACHEL HOLT: I, I mean I, I don't know
21 the exact average. I mean typically when surge
22 pricing, you know when you'll see surge pricing
23 here in New York you'll see one and a half times
24 the rate, you know one and three-quarters times the
25 rate. You're not seeing six times the rate. And you

2 know, and I think also you know we, we worked this
3 year with, with the New York attorney general on,
4 on making sure that we had a, a surge pricing
5 policy and plan in place that, that he was
6 comfortable with and, and that's now become our
7 policy really across the country and in any kind of
8 natural disaster emergencies.

9 COUNCIL MEMBER WEPRIN: This is a
10 fascinating industry to me. In fact this whole, the
11 change is, is really a very interesting, very
12 important for consumers. I have to stop now but you
13 know I look forward to continuing this dialogue and
14 figuring out how it best work for New York City to
15 keep it as fair as possible but at same point
16 encouraging people to have new technologies to make
17 it better for consumers I, I think that's a great
18 thing. Thank you Mr. Chair.

19 CHAIRPERSON RODRIGUEZ: Thank you.
20 Council Member Reynoso following by Council Miller
21 and Council Member Levine and then we will be
22 calling to the next panel.

23 COUNCIL MEMBER REYNOSO: Thank you
24 Chair. So I wanted to get to something, so I again
25 I want to just, I have family that is in Lyft, a

1
2 family member that is in Uber, and a family member
3 that's in, that has a base that they work out of
4 locally, and I have several family members that do
5 all three. And I, I just want them to make as much
6 money as possible as long as people are safe. But I
7 do want to say they're not making as much money as
8 possible because this 80/20 stuff is, is a problem,
9 a huge problem I think. And you're saying two and a
10 half percent Uber specifically is saying two and a
11 half percent is going to this Black Car fund and
12 you're, two and a half percent of your 20 percent
13 or two and half percent of the driver's 100
14 percent? Does that make sense? I don't, I'm sorry,
15 I'm rambling.

16 RACHEL HOLT: Sure. So the two and a
17 half percent and the eight percent Black Car sales
18 tax as well comes out of the fare, the total fare.

19 COUNCIL MEMBER REYNOSO: Okay, of the
20 full fare on top of your 20 percent that you charge
21 from the full fare?

22 NICOLE BENINCASA: So we take, we take
23 about 20 percent as Rachel mentioned, 20 to 25
24 percent depending on... [cross-talk]

25 COUNCIL MEMBER REYNOSO: Right.

2 NICOLE BENINCASA: Black service and
3 then the 2.5 percent goes to the Black Car fund and
4 the... [cross-talk]

5 COUNCIL MEMBER REYNOSO: So they're
6 losing let's say 22 and a half percent?

7 NICOLE BENINCASA: It's a shame and
8 we're, we're not happy with the Black Car sales...
9 [cross-talk]

10 COUNCIL MEMBER REYNOSO: No.

11 NICOLE BENINCASA: ...tax discrepancies
12 between Livery and Black Car service as well. And
13 we, we as always are very much in support of
14 drivers and want drivers to earn as much as
15 possible. [cross-talk]

16 COUNCIL MEMBER REYNOSO: Okay so very
17 quickly you know Esurance says that they save you
18 money on insurance because they don't use paper,
19 they don't have people. You guys should be saving
20 people money because you don't have, head, I guess
21 what do you call that I'm sorry overhead thank you.
22 Overhead that they have because you're an app.
23 That's why apps are important because they save
24 people time and money and they're smart. I wish
25 that you guys would consider lowering the prices on

1
2 the 80/20 model. I think that's very important. Do
3 you know that a Livery cab driver if they want to,
4 they usually rent cars because you ask that the
5 cars be no, no older than five years if they want
6 to get on the road which means that they probably
7 can't afford a 2010 or 2011 vehicle. So they go out
8 and lease a vehicle. The vehicle is then tied to a
9 TLC insurance plan which is much more expensive
10 than what anyone else in the city of New York pays
11 for regular car insurance. I have family members
12 that pay 400 to 500 dollars a week for their
13 vehicle right? And then Uber, or not Uber, yeah
14 Uber didn't have an app so they had to give you a
15 phone, a separate phone that you had to have and
16 that phone cost 300 dollars a month I believe, 300
17 dollars a week?

18 RACHEL HOLT: No.

19 COUNCIL MEMBER REYNOSO: You have a
20 phone, do you not have a phone that has the app on
21 it that is separate from like my own phone? I can't
22 put the Uber app as a driver on my phone.

23 RACHEL HOLT: You can, you can put it on
24 your own phone... [cross-talk]

25

1
2 COUNCIL MEMBER REYNOSO: So what is that
3 phone that I'm talking about? Am I making it up?

4 RACHEL HOLT: You can put it on your own
5 phone or there's a 10 dollar... [cross-talk]

6 COUNCIL MEMBER REYNOSO: That's recent
7 right?

8 RACHEL HOLT: That, that is recent.

9 COUNCIL MEMBER REYNOSO: Alright so it's
10 recent?

11 RACHEL HOLT: And it's 10 dollars a
12 week.

13 COUNCIL MEMBER REYNOSO: It's what?

14 RACHEL HOLT: It's 10 dollars a week.

15 COUNCIL MEMBER REYNOSO: One of my
16 cousins told me it was 300 dollars a month, he
17 might be wrong, let's see.

18 RACHEL HOLT: May want to check his
19 facts.

20 COUNCIL MEMBER REYNOSO: I'm going, I'm
21 going, I'm going to let you guys hang with that
22 one. But then, so you make 150 bucks a day if
23 you're doing a good job. If you work every single
24 day you make let's say 1,050 dollars a week. If you
25 pay 400 dollars a week because of the high

1 insurance and the lease on a vehicle that's
2 practically new you're paying 400 dollars a week,
3 you're losing money there, then you pay 210 dollars
4 of your 1,050 bucks to, to Uber as well and you got
5 610 dollars a week that you're already paying off.
6 The phone now you said is only 10, 10 bucks a month
7 or you have an app so I'm going to, the two and a
8 half percent that I haven't even calculated... You
9 can get tips, then you end up having someone making
10 300 dollars a week off of a job that they could be
11 making a lot more money off because of this 80/20
12 model. I do think that that's what needs to be
13 changed. I'm not a, I'm a huge fan of what you guys
14 are doing. Don't think you're being fair to drivers
15 just yet, only if they use it to complement the
16 work that they're already doing with another
17 Livery. That's why I have a concern with this
18 independent clause thing or being owned by a base
19 or being, having to, to sign off on it is because
20 there's not enough money out there just yet. And
21 then the tip stuff is a problem and I think you
22 guys should change the name from surge pricing, I
23 think dynamic pricing is much smarter, it's a
24 better marketing practice. But your, the money is a
25

1
2 problem here. I want drivers to make money because
3 it's a good job but you're not helping with this
4 80/20, 22/50 to be perfectly honest. That pricing
5 model's a problem for the drivers.

6 RACHEL HOLT: Thank you and we
7 appreciate your, your comments. And, and of course
8 this is something that we think about every day.
9 And I can't speak to other Livery companies or
10 Black Car companies but I, I would assume that they
11 have similar pricing structures. They also need to
12 take fees out of, out of the, the fares that the,
13 the drivers receive. But I, I will say that you
14 know we've, we've looked into this thoroughly.
15 We've done a lot of studies to ensure that drivers
16 are making as much money as possible. We have Uber
17 X partners which is our low cost option here in the
18 city, so not our, our luxury commercial drivers,
19 they make an average of \$25.17 net revenue so
20 that's after fees are taken out per hour. So and,
21 and we feel comfortable that that's, that's a,
22 that's a very good livable price for receiving per
23 hour, \$25.00.

24

25

2 COUNCIL MEMBER REYNOSO: So you're
3 saying \$25.00 an hour is what you're getting, is
4 what they're getting on average?

5 RACHEL HOLT: On average in New York
6 City Uber X drivers which are the lower, lower cost
7 option are making about \$25.00 net an hour after...

8 COUNCIL MEMBER REYNOSO: Okay. Do better
9 with the money. Do better, if not... [cross-talk]

10 RACHEL HOLT: Thank... [cross-talk]

11 COUNCIL MEMBER REYNOSO: ...you're going
12 to lose a fan.

13 RACHEL HOLT: We will, we will take
14 that... [cross-talk]

15 COUNCIL MEMBER REYNOSO: And you don't
16 want... [cross-talk] Alright.

17 RACHEL HOLT: ...into strong
18 consideration.

19 COUNCIL MEMBER REYNOSO: Thank you.

20 COUNCIL MEMBER MILLER: Thank you Mr.
21 Chair. Let me digress a minute talk a little bit
22 about surging or dynamics or whatever it is. Are
23 there, are, are there, my question is are there any
24 other dynamics other than demand that impacts or
25

1
2 that adds to the price surge or dynamics or
3 whatever?

4 RACHEL HOLT: So surge, surge pricing is
5 about, it's about supply and demand. So the, the,
6 certainly there are different price points that
7 different products start out at or the different
8 base prices but the, the point of, of surge pricing
9 is to ensure that there is equalized supply and
10 demand on the road as supply, as supply comes on
11 the road as more, as more drivers come onto the
12 system the price goes back, drops back to normal.
13 And again everything is, is fully transparent in
14 the app and there's even, you know there's the
15 option to even get a notification as soon as surge
16 pricing ends.

17 COUNCIL MEMBER MILLER: So is it your
18 experience that, that, that neighborhoods and
19 communities, is there a real variance in, in, in
20 demand therefore creating the, a real difference
21 in, in pricing in there? So the outer boroughs
22 we're talking about the availability and the access
23 there or the lack thereof and what impact does that
24 have on the actual cost?

2 RACHEL HOLT: So there's, there's
3 certainly the possibility for pricing to be
4 different depending on where actually supply and
5 demand is. It doesn't help the outer boroughs to
6 know that there are a lot of cars that are you know
7 available in upper Manhattan if you're trying to
8 get a ride in Brooklyn right at, at that time. So
9 there are, there are geographic areas which take
10 into account supply and demand in real time and I
11 think that's one of the reasons we've been
12 successful at being able to serve areas which
13 traditionally haven't had a lot of transportation
14 options.

15 COUNCIL MEMBER MILLER: So but unless
16 enough people come online there's going to, they're
17 going to receive greater pricing right?

18 RACHEL HOLT: And I, and I think one of
19 the benefits of the technology is that in the app a
20 driver can actually see in real time what, where,
21 where they're areas where there aren't enough cars
22 on the road or, or they're more likely to get a
23 request. And so what that does is actually, you
24 know if, if, if I'm a driver partner you know I
25 will go to the areas in which I know you know I'm

1
2 more likely to get a request because there is, you
3 know there is a supply and demand in balance. And
4 that's how the, the, the system works itself out.
5 And I think that's why we're able to, to serve with
6 low ETAs, outer boroughs and areas of the city
7 which haven't traditionally been served well.

8 COUNCIL MEMBER MILLER: So your numbers
9 will bear that out, that, that there is you know
10 based on that, that theory or strategy that there
11 would be equity in pricing because of that that
12 drivers would show up somewhere where they think...
13 Because I, I, I like Council Member Weprin am in,
14 in southeast Queens and, and there's really not
15 much public transportation and, nor Yellow or Green
16 cabs so what would be the impact over there?

17 RACHEL HOLT: Our, our average pick up
18 times in the outer boroughs are under five minutes.

19 COUNCIL MEMBER MILLER: And, and could
20 you be able to provide some cost analysis about the
21 average trip cost in, in the boroughs? Is, is that
22 possible? If not now some time in the future?

23 NICOLE BENINCASA: So absolutely. And,
24 and you'll see in the written testimony we do have
25 some cost comparisons for some, for, for three

1
2 different types of trips. So you can, you can
3 certainly take a look at that. I think another
4 thing to keep in mind with regard to surge is that
5 the, the reasoning behind dynamic pricing is to
6 incentivize drivers to go to areas as Rachel
7 mentioned that are, that have high demand but low
8 supply at the time. It's really a benefit to
9 drivers and to ensure that riders are, are
10 receiving trips. And because we have geographic
11 zones in, in all five boroughs that, that we
12 monitor closely and, and they, they handle that
13 dynamic pricing individually. For example if there
14 is rush hour in Manhattan the fares will not
15 necessarily be surging in South Brooklyn or in
16 Queens or, or the Bronx. It, it just depends on
17 where you are.

18 COUNCIL MEMBER MILLER: Okay and the
19 last question is, is.. on that, and, and, and, and
20 it's, when you said that the customer when they,
21 when they go and open up the app that they can
22 immediately see that it's surging right? But how
23 much transparency about around surging or dynamics
24 is, is available? So do we talk about availability
25 as well as location?

1
2 RACHEL HOLT: Yeah so you can actually,
3 if you open up your app, app you can actually see
4 there's an icon that says that surge would be on at
5 that particular time. If you hit, hit the button to
6 request, and, and the, and the actual rates at that
7 time area available in the app. If you hit the
8 button to request another screen pops up that says
9 pricing is you know one, 1.5 times normal. If the
10 price is above two times there's actually a screen
11 that requires you to push two dot zero to ensure
12 that you know exactly what you're doing and you
13 also have the option to fare estimate at any point
14 along that, that time to say hey what is the actual
15 cost here's where I, here's where I am here's where
16 I'm going what is the actual cost at this time and
17 that includes, that would include any surge, surge
18 rates. And then you also have the option to say hey
19 you know what I don't want to take a ride on surge
20 but notify me if surge goes off in the next 30
21 minutes and then you actually get a popup on your
22 screen that says hey prices are now normal in your
23 area.

24 COUNCIL MEMBER MILLER: Okay thank you.
25 And.. could you talk about, a little about the.. How

1
2 do you ensure or... customer complaints in terms of
3 being refused rides how do you document that?

4 RACHEL HOLT: Well I think, I mean I
5 think one of the, one of the things about
6 technology is actually there's, there's information
7 and, and a record of, of what's actually happening
8 on the road at a given time. So if there's a, you
9 know if, if there is an issue with a given driver
10 who you know isn't accepting any trips that's
11 something that our technology would pick up on and
12 would be a, would be you know something that we
13 would, we would immediately reach out to the driver
14 about and, and understand if they didn't understand
15 how to use the app, if there was an issue like that
16 but certainly we don't, we don't tolerate you know
17 refusal of, you know refusal of, of, of trips and
18 you know that's one of the reasons I think the
19 technology platform is, is so powerful.

20 NICOLE BENINCASA: Just to, to jump in
21 you know there's, the rides are not, in terms of
22 refusing a ride the rides are sent to the nearest
23 available driver so in terms, if a driver was
24 refusing drives, rides a lot then we would also be
25 looking into what was happening. But I don't think

1
2 that that's, that's not something that would
3 typically happen in the same way that you would
4 have an in person hail or another situation like
5 that because there would... if it's, if there's a
6 pattern then that would be a problem but I'm not
7 sure that we would experience the same type of, of
8 issues... [cross-talk]

9 COUNCIL MEMBER MILLER: Okay.

10 NICOLE BENINCASA: But we would of
11 course look into any issues.

12 COUNCIL MEMBER MILLER: And, and my
13 final question is does anyone on the panel they, do
14 you give customer information to a third party for,
15 do you have any agreements with a third party
16 around customer information?

17 DIANA DELEMERE: I would have to, and
18 I'd be happy to, get a conversation, get some
19 information from our legal department on that. I
20 don't know that personally for Lyft myself but I
21 will, I can get you that information, I'd be happy
22 to do that.

23 RACHEL HOLT: And we, we can certainly
24 follow-up as well. I think one thing that's
25 important to note is, is credit card information

1
2 for example actually isn't stored, isn't stored by
3 Uber. We have third parties that are secure payment
4 providers that, that hold credit card information.
5 So that's, that would be an example of, of you know
6 customer information that's not even, Uber doesn't
7 have any access to.

8 COUNCIL MEMBER MILLER: Just who the
9 customer is, any, any customer information, not
10 just credit card info..

11 RACHEL HOLT: I mean I, we can certainly
12 follow-up on, on anything specific but we certainly
13 have privacy policies in place that, that prohibit,
14 you know agreements with our customers and privacy
15 policies that are in place that are, that are quite
16 strict.

17 COUNCIL MEMBER MILLER: Thank you so
18 much.

19 COUNCIL MEMBER LEVIN: Thank you very
20 much Mr. Chairman. Thank you very much to this
21 panel for your testimony. So I wanted to follow up
22 a little bit on Council Member Miller's last
23 question there about privacy policies. Obviously as
24 many are aware from, in recent weeks there's been
25 numerous press accounts, disturbing press accounts.

1
2 Obviously there was a, a Uber executive that
3 threatened to look up personal information or get a
4 team of opposition researchers to look at a
5 particular journalist, a critical journalist's
6 personal information. There was one instance where
7 the top executive in New York City at Uber Mr.
8 Mohrer, Josh Mohrer said to a journalist at Buzz
9 Feed Johanna Bhuiyan B H U I Y A N when she had
10 arrived for an interview that he had been tracking
11 her and had actually also had her information from
12 Lyft rides that she had taken. And so I guess my
13 question is, and that's, I mean I could forward
14 that to you, it's from a Buzz Feed article back in
15 November 18th. What, who, who has access to.. do, do
16 executives have access to, to people's real time
17 information, the so-called god's view mode? Are you
18 familiar with the god's view mode, quote unquote
19 god's view mode? So do, do executives at Uber have
20 access to that god's view mode currently right now?

21 RACHEL HOLT: So you know any use of
22 customer private, or any use of anything that could
23 be construed as, as customer private information is
24 only given out to, to people who have a, a critical
25 business need so there isn't any one policy that

1
2 would impact all executives. And, and that's a
3 policy as I mentioned earlier that we're working
4 with a third party to ensure that we've got the
5 tightest possible privacy measures in place and
6 that riders and drivers feel very confident that
7 their, their customer information is, is being kept
8 secure.

9 COUNCIL MEMBER LEVIN: If, if that has
10 in fact happened what are the consequences,
11 internal company policy consequences to, to that
12 type of breach?

13 RACHEL HOLT: So we would, we would take
14 disciplinary action against any employee that's
15 found to violate a privacy policy that we have in
16 place and, and certainly what that disciplinary
17 action could include is, you know ranges depending
18 on the, the incident.

19 COUNCIL MEMBER LEVIN: So there's, so
20 there are executives that, that have access to, to
21 people's private information in terms of tracking
22 them, what trips they're taking, where they're
23 taking if in fact they are taking a trip at a
24 current time. They, executives have that access to
25 that information. Do they have to, every time they

1
2 want to access quote unquote god's view they have
3 to demonstrate a, a legitimate business purpose for
4 doing that or what's, if they have access to it
5 what's to stop them from accessing it?

6 RACHEL HOLT: We... [cross-talk] we have a
7 privacy policy in place. We have auditing processes
8 that are in place to ensure that when, when a
9 customer's personal, you know anytime any
10 individual rider or driver's records are being
11 looked at that there's a legitimate business need
12 behind that.

13 COUNCIL MEMBER LEVIN: Okay and can, an
14 you answer the same question from Lyft's
15 perspective? Does, does Lyft have a god's view mode
16 and do executives have access to that god's view
17 mode?

18 DIANA DELEMERE: Well as any application
19 that operates in this way in order to have trust
20 and safety checks and balances we do, or the
21 option, the ability to ensure the trust and safety
22 of the, for the passengers there is information
23 that, that is digitally available. I do not know
24 the exact, who has, who's going to have access
25

1
2 under current policies and who is not. I will, I
3 can get you the, the policies...

4 COUNCIL MEMBER LEVIN: Mm-hmm.

5 DIANA DELEMERE: ...and the details of
6 that. I, I do not have access to any of that
7 information. I don't know who does because it is
8 specifically restricted to people who have a
9 pressing daily business need to access any type of
10 information.

11 COUNCIL MEMBER LEVIN: Right. I mean
12 and, and, and you know that, I think there's you
13 know probably legitimate business reasons for
14 needing to have access to see where trips are being
15 taken. I, I don't necessarily think it needs to be
16 not anonymized. I think that... That being said
17 obviously the reports that we've seen in the press
18 are not legitimate business needs. There was this
19 situation where a guy was interviewing for a job
20 had access to this information. There's, obviously
21 there's the reporter from Buzz Feed. And, and the,
22 the top executive who is, said that he was you know
23 going to explore looking at a particular
24 journalist's you know personal information, family
25 information and so on and so forth. So that's

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2 obviously not legitimate... so I, I mean... Look the
3 whole, it's not just the New York City Council
4 that's looking at this matter, it's the entire you
5 know journalist, blogs, the, the, the press as a
6 whole is looking at this. But I think that both
7 these companies which are based on new technology
8 are not, there's a, there's a long way to go here
9 to establishing or reestablishing trust with the
10 general population about whether or not this is,
11 you know their, their privacy is going to be secure
12 and honored. And obviously these press accounts and
13 these instances that seem to be legitimate are, you
14 know are actually happening go, you know go a long
15 way towards undermining that trust. And so that,
16 you know I think that there's a long way to go
17 there and you know it, both of your companies want
18 to succeed in the future they, they're going to
19 have to step up and, and ensure that people, that
20 people's privacy and security is being honored.
21 Thank you.

22 CHAIRPERSON RODRIGUEZ: Thank you.

23 Council Member Greenfield. Two minutes.

24 COUNCIL MEMBER GREENFIELD: Thank you
25 Mr. Chairman. Thank you both for coming out, well I

1
2 guess both companies but all of three of you for
3 coming out and testifying today. We appreciate it.
4 We certainly welcome your services in New York
5 City. We're excited by it and I think many people
6 benefit from the work that you're doing but at the
7 same time obviously we do, we do have a few
8 questions as you may know. One of the areas that
9 I'm concerned about is the concept of surge
10 pricing. I'm wondering if you can just explain to
11 us a little bit more in detail what exactly goes
12 behind surge pricing. I think we understand how it
13 works right, the, the idea that you're charged more
14 depending on the time and the environment but how
15 do you, how, how does that determination actually
16 work on your end? You know I was... New York One the
17 other night and Errol Louis was joking that well is
18 it possible that 10 cabbies could simply sit around
19 and not take a call and then the surge pricing
20 would go up. So can you sort of explain to us a
21 little bit more detail of how surge pricing
22 actually works, sort of the mechanics? Can you sort
23 of peel back the layers for us please? Thank you.

24 RACHEL HOLT: Sure. So surge pricing is,
25 you know is, is dynamic pricing which is all about

1
2 matching supply and demand in a given area. And so
3 we spoke about it a little bit earlier but there're
4 geographic zones that are designated and, and when
5 supply and demand are not in balance in, in a
6 particular, in a particular are when demand is far
7 outstripping supply surge pricing could go into
8 effect. Similarly when, when demand drops in that
9 area and, and available cars enter that area the
10 price would drop and there's an option to have a
11 surge notification that you actually would get a
12 push notification when, when pricing dropped in
13 that particular area.

14 COUNCIL MEMBER GREENFIELD: No. So I
15 understand the math of, of how things go up and
16 things go down. I guess my question is specifically
17 you know is there any information that you have
18 that you can share with us? Is there any data? Is
19 there anything that you can make public that you
20 can send to us, you can post on a website sort of
21 actually, sort of explain how it works?. Right, I
22 mean so when is there a determination that it goes
23 to two times, three times, nine times surge
24 pricing? Is it based on weather? Is it simply just
25 based on availability? How much availability? Do

1
2 you see what I'm saying? It seems just, it seems
3 you know very arbitrary in terms of, as a consumer
4 what the price is. And just to be clear my specific
5 concern as you know is that the taxi industry is
6 very regulated in the city of New York and for good
7 reason. And one of the concerns that we have is we
8 don't want people charging any price they want and
9 a Yellow cab can't charge any price they want and
10 obviously because you guys are operating as Liverys
11 you're exploiting what I view as a loophole. But I,
12 what I'm really trying to understand is what are
13 the mechanics of it right? I mean so how do we know
14 for example that if five drivers were in the same
15 neighborhood and decided hey we're not going to
16 take calls for five minutes that in fact that would
17 not result in surge pricing? You see what I'm
18 saying?

19 RACHEL HOLT: So surge... [cross-talk]

20 COUNCIL MEMBER GREENFIELD: Looking more
21 for the technical details as opposed to simply sort
22 of the vague responses that...

23 RACHEL HOLT: Yeah so... I mean it's, it's
24 pretty complicated and we can certainly follow-up
25 with, with more of that data as you think it would

1
2 be helpful. It's based on available cars. It's
3 based on number of cars that are, that are moving
4 to a particular zone at a given time and so no
5 there is no way for a five, five drivers to reject
6 a, a call. Those cars would be available and the
7 computer would pick up on those cars as available
8 and, and thus surge pricing would not go into
9 effect.

10 COUNCIL MEMBER GREENFIELD: Okay. I
11 would love to get some more data. As you know I
12 have legislation that would cap surge pricing at
13 100 percent and I certainly would be interested in
14 hearing from you and getting more of that
15 information in terms of the mechanics and how it
16 works and really what we're looking for is just
17 transparency for consumers who use a regulate
18 industry to know exactly what it is they're paying
19 and why they're paying that amount.

20 NICOLE BENINCASA: Absolutely. And
21 Council Member Greenfield we have several blog
22 posts on our, on our Uber blog that we will be more
23 than happy to share with you that kind of go into
24 more detail on the, on the way surge functions. And
25 I think one other thing we mentioned earlier is

1
2 that the drivers are also able to see where there
3 is a, a large amount of supply, a large amount of
4 demand and not a large amount of supply so that
5 they can go to those areas. And, and of course the
6 dynamic pricing incentivizes them to do that. So it
7 is both for the driver and for the, for the rider
8 something that is, is very clearly outlined to them
9 on how it functions and we're happy to share more
10 information with you about that.

11 COUNCIL MEMBER GREENFIELD: Sure, thank
12 you. And just to be clear once again we welcome
13 Uber in New York City. We think you provide a very
14 important service but at the same time our role in
15 terms of oversight is really consumer protection.
16 And so our concern is that this is all great and
17 sounds terrific in theory in terms of having the
18 ability to match up customers with supply and
19 demand we just want to make sure that it is
20 transparent and that customers in fact understand
21 how the system is working and that they're not
22 taken advantage of in any way shape or form so
23 thank you very much.

24 CHAIRPERSON RODRIGUEZ: Just two
25 question before calling the next panel which is

1
2 going to be represented by the Livery industry. One
3 is how do you work... insurance? Like if a driver is
4 using Uber application and he or she is affiliated
5 with X base but at the moment when a accident
6 happen that driver was providing the service
7 through the Uber application, who is responsible?
8 How do you coordinate the insurance?

9 RACHEL HOLT: Sure. So Uber as we've
10 mentioned before contributes 2.5 percent of every
11 fare to the Black Car fund as we are Black, we own
12 Black Car bases. So any trip that happens over the
13 Uber platform would be, would be involved in that
14 2.5 percent contribution to the Black Car fund. And
15 I think one, one important note with regard to the
16 TLC and the, and the rules that they had proposed
17 and recently passed they had some concerns about
18 worker's compensation coverage that they have, have
19 explained that they have investigated and, and
20 looked into thoroughly and the worker's
21 compensation coverage there is, is no longer a
22 concern of theirs with regard to trips that are
23 dispatched by bases whose vehicles are not
24 affiliated with those bases.

2 NICOLE BENINCASA: Within the same class
3 we looked into this very thoroughly as well and as
4 obviously did the TLC. Within the same class of
5 vehicles, so Livery base dispatching Livery
6 vehicles whether or not they're affiliated and
7 Black Car bases dispatching Black Car vehicles
8 whether or not they're affiliated.. Actually let me
9 speak more specifically to the Black Car industry
10 because I did not look as much into the, the Livery
11 industry since we're a Black Car base. We found and
12 we confirmed with the New York state Worker's
13 Compensation Board that end with representatives of
14 the Black Car fund there is no gap in coverage.

15 CHAIRPERSON RODRIGUEZ: What about the
16 passenger? Because with the compensation fund is
17 cover for the driver, covered the driver. Who is
18 responsible for the driver god forgive someone that
19 in an accident? And at that moment that driver who
20 is affiliated with another base, base X, but he was
21 using Uber application? Who does he put a loss to,
22 on Uber or the, the base that he, he or she is
23 affiliated with?

24 NICOLE BENINCASA: Sure so drivers, for-
25 hire drivers in New York are required to hold

1 insurance coverage for that very reason. So, so,
2 and as the TLC staff mentioned earlier drivers hold
3 insurance as well as Black Car bases and, and
4 Livery bases holding insurance. So it would be a
5 case by case basis so I can't say one way or
6 another what might happen in, in the case of an
7 incident. But there is insurance coverage that
8 would cover passenger... [cross-talk]

10 CHAIRPERSON RODRIGUEZ: But has, has
11 that agreement, when is that agreement established
12 between the bases where the driver is affiliated
13 and Uber?

14 NICOLE BENINCASA: I, I think with
15 regard to insurance it's, it's important to, to
16 understand that drivers hold insurance for, for
17 incidents that happen during trips that they're
18 providing.

19 CHAIRPERSON RODRIGUEZ: Okay. Are you
20 intending to ever open a Livery base?

21 RACHEL HOLT: We can't answer, I mean we
22 don't know at this time.

23 CHAIRPERSON RODRIGUEZ: So you're saying
24 that you don't know yet. Thank you. What about
25 Lyft?

2 DIANA DELEMERE: I'm not aware of plans
3 to open a Livery base. And I think we are happy,
4 happily exploring other options in the market and
5 growing our Black Car business. [cross-talk]

6 CHAIRPERSON RODRIGUEZ: ...and as a
7 corporation... that possibility in the future you can
8 open a Livery base?

9 DIANA DELEMERE: Well to be just
10 completely blunt I'm not at the level of, of the
11 company where I would be able to tell you with
12 definite, any definite opinion that I've decided
13 we're not going to open a Livery base but we are
14 happily growing in our market. We have no current
15 intentions of opening a Livery base and we would
16 like to be working with the existing industries to
17 build our Black Car service and use our technology
18 for, to create benefits for everybody.

19 CHAIRPERSON RODRIGUEZ: What, what, why
20 did you choose to be a Black Car? Both.

21 RACHEL HOLT: So this was a, this was a
22 decision that was made over three years, almost
23 four years ago for Uber. And I would say it, that
24 you know there, there are slightly different
25 requirements for Black Car and Livery bases but I

1
2 can't speak to why we particularly chose one or,
3 over the other.

4 DIANA DELEMERE: Well the industries
5 are, there are distinctions in the industries and
6 so for example we would not necessarily be able to
7 do with our type of model, binding fair quotes, the
8 Black Car sector is where... I believe the decision
9 was made because that's where the TLC directed us
10 to go because we also will never accept cash for a
11 ride. So it's more appropriate to be in the sector
12 where credit cards and electronic payments are the
13 norm.

14 CHAIRPERSON RODRIGUEZ: How much money
15 have you invest recruiting driver from other bases
16 to transfer to Uber, to Uber?

17 RACHEL HOLT: I can't answer that
18 question.

19 CHAIRPERSON RODRIGUEZ: Say 100
20 thousand, million...

21 RACHEL HOLT: I, I, I, I can't answer
22 that question. I think you know driver opportunity
23 is, is one of our core tenants [sic] and I think
24 you know, I think there's a tremendous opportunity
25 for drivers driving on, on a platform like Uber.

2 CHAIRPERSON RODRIGUEZ: Why do you, was
3 sending so many message to you drivers telling them
4 to put a statement opposition to the Livery bases?

5 NICOLE BENINCASA: I'm sorry Chairman
6 can you... [cross-talk]

7 CHAIRPERSON RODRIGUEZ: Why do you...
8 [cross-talk]

9 NICOLE BENINCASA: ...clarify?

10 CHAIRPERSON RODRIGUEZ: Why are you, why
11 were you sending so many messages to you drivers
12 giving them quote on what they should say in
13 opposition to the Livery bases?

14 NICOLE BENINCASA: In opposition to
15 Livery bases... [cross-talk]

16 CHAIRPERSON RODRIGUEZ: Yes.

17 NICOLE BENINCASA: ...in, in what sense?

18 CHAIRPERSON RODRIGUEZ: To the Livery
19 bases agreement.

20 NICOLE BENINCASA: So we're mostly
21 concerned with, with drivers being able to operate
22 independently and, and receive the, the best
23 options possible for them. We fully support them
24 supplementing their income in whatever way they,
25 they see fit and we support that driver freedom.

1
2 And of course we, we understand that you know
3 these, any proposed changes that are being made
4 are, affect drivers more than any, anyone else. And
5 we, and we are sure that they should be and want to
6 be informed on any issues that, that may impact
7 their livelihood.

8 CHAIRPERSON RODRIGUEZ: Why that
9 particular interest? Like you could see like
10 especially before TLC... the rules like the offer to
11 the drivers change for offering 700 dollars to 500
12 dollars. They leave their base what they be
13 affiliated and join Uber. And especially that
14 particular campaigning and the test where the
15 driver went to TLC not necessarily speaking by
16 themselves but sharing the quote that they got from
17 Uber. Why were you so interested in investing so
18 much money those day before TLC...

19 RACHEL HOLT: So we have offers that are
20 constantly going on that depend on, you know depend
21 on supply and demand and, and other factors. Those
22 were the factors that, that impacted the offers
23 that we were, that we were offering at that time.
24 December is one of our busiest months for context.

2 CHAIRPERSON RODRIGUEZ: What percentage
3 of the, of people who use the application Uber or
4 live in the city are tourist or in what percentage
5 are resident of our city.

6 RACHEL HOLT: We can follow-up with
7 what's, with more specifics there but you know
8 there is, there are a lot of, of New York City
9 residents that rely on this each and every week to
10 get around their city. And I think you know. I
11 think that, that we, that we know conclusively.

12 [background comments]

13 CHAIRPERSON RODRIGUEZ: Who do you think
14 is getting, is under demand for using the
15 application, the largest number..

16 RACHEL HOLT: The vast majority of, of
17 users are residents of New York City.

18 CHAIRPERSON RODRIGUEZ: So in, in my,
19 look my point is aside from the beginning New York
20 City present a great opportunity for everyone where
21 we have 53 million tourist coming, it was a number
22 that we got last year. And especially your, the
23 institution that you represent are in many other
24 cities and other nation too. So no doubt that they
25 potential to grow with the tourist population is

1
2 great there. And I just hope again that you
3 continue being a good partner with the rest of the
4 player that we have in the industry with the Black
5 Car, with the Yellow, with the Livery, with the
6 Green Car. I think that there's opportunity for,
7 for everyone. But what you should know is that we
8 are watching how the dynamic on how the industry is
9 changing and moving and we want to be sure that we
10 create like a fair situation for everyone. Where
11 like it, a multi-billion dollar corporation should
12 know that no one will break the Livery industry. No
13 one will destroy the Black Car, no one will destroy
14 the Yellow car. We want to be sure that Uber get
15 the best return, that Lyft get the best return. But
16 also we want to be sure that the value of the
17 medallion continue in, as we have in the city
18 because 100 thousand of people rely on those value.
19 We as a city rely too. That the Livery and the
20 Green Car also has the opportunity to continue
21 growing. They can be partners of Uber and Lyft but
22 know they growing of Uber should not be with a
23 price of displacing the Livery bases industry that
24 we have. So you know good luck in, in your
25 investment and I hope that you do good but I, we,

2 also that we can continue working together and see
3 how it, condition is better for everyone; for the
4 people who have the big money and for the ma and
5 pop a small business. Thank you.

6 RACHEL HOLT: Thank you.

7 CHAIRPERSON RODRIGUEZ: The next one is
8 be the voice of those that represent the Livery
9 Carolyn Castro, Cira Angeles, Derrick Warmington,
10 and Tarek Mallah.

11 [background comments]

12 CHAIRPERSON RODRIGUEZ: You may begin,
13 anyone.

14 CIRA ANGELES: Actually good afternoon
15 Mr. Chairman, members of the committee and industry
16 colleagues. My name is Cira Angeles, a spokesperson
17 for Livery base owners. I want to thank Chair
18 Ydanis Rodriguez and the members of the New York
19 City Council Transportation Committee for allowing
20 us to speak regarding the oversight of app
21 technology in the transformation as a taxi and for-
22 hire industry today. We are here to discuss very
23 important issues as to what's happening in app base
24 technology in companies they're working in New York
25 City and with our industry such as the most

1 commonly known Uber Lyft. Agreements can only work
2 when they address the interest of all parties
3 involved and when they protect against loopholes
4 and cracks that can alter the intent of the initial
5 agreement and ultimately the safety of the parties
6 involved. More importantly we must look for
7 solutions to the real problems at hand and address
8 the entrance of wireless technologies into our
9 industry cohesively. The Liver base industry has
10 embraced the use of technology throughout our bases
11 and vehicles for years and we strongly support
12 innovation that protects and help drivers and
13 passengers alike. However thoughtfully constructed
14 oversight that protects the industry is critical to
15 the safety of passengers and drivers across New
16 York City. The history of technology, first I would
17 like to take a look at basically how technology has
18 evolved. In the 80s and 90s the taxi industry
19 operated with two radio frequencies heavily
20 regulated by the FCC. Our industry as a result had
21 very clear delineations as to how we were to
22 operate. In late 90s with the introduction of cell
23 phones, Y five technological opportunities expanded
24 creating entry for startups in the industry. By
25

1
2 2004 the taxis, the Yellow taxis began using
3 wireless credit cards payments. A lot of people
4 resistant to those changes but later we found that
5 it was a great benefit not only to them but also to
6 the passengers. By 2011 Uber begins operating in
7 New York City as a Black Car base. We see many
8 increases in changes in our industry. Over 18
9 thousand new vehicles and drivers have come in as a
10 result of looking at new opportunities which we
11 welcome. Over the past decade the Livery industry
12 has begun to employ technology in its own,
13 including dispatch on demand as well, mobile data,
14 smartphone payments, tablets. Technology like
15 VeriFone, CMT, TPEP, LPEP, who can track a trip.
16 However our use of technology has not kept with the
17 pace with the technological advances available
18 right now. This has been due mainly to the lack of
19 access to capital funding, resources, and a lot of
20 the times training. We welcome the introduction and
21 new technologies that improve the delivery of
22 services. But we are very concerned about abrupt
23 changes to the industry that ignore decades of
24 oversight and protection for both drivers and
25 passengers. These safeguards have been in place to

1
2 protect the safety of all parties and cannot be
3 undermined just to accommodate a new business
4 model. Our primary concerns allowing highly
5 capitalized companies to rewrite the rules to their
6 benefit. And also I would like to address our main
7 concerns allowing these highly capitalized
8 companies to, to basically come in and change the
9 model undermining the work of our industry. The
10 government's job is to ensure that that doesn't
11 happen and there is a level playing field as many
12 of us have said before for all the industry players
13 ensuring safety for the public and for our drivers.
14 One point that I need to basically stress out when
15 we talk about the changes and we saw it on the
16 regulations that TLC will be implementing on
17 December 31st. We talk about cross-class
18 dispatching and one thing that is very important
19 that has not been mentioned and a lot of people
20 talk about the benefits to the drivers in making
21 money but leaves our drivers in a limbo, in a legal
22 limbo when it comes to worker's comp and no one has
23 addressed that. Yes it's okay to make more money,
24 of course with 20 percent plus the tax, plus the
25 worker's comp that sometimes if it is a Livery

1 driver it, it, the driver doesn't get the benefits
2 especially because we have two separate different
3 funds that cover totally completely different
4 injuries when it comes to our drivers versus the
5 Black Car drivers. So it's important that we keep
6 that in mind. And the message that is being given
7 to the driver is you losing wages but it's not
8 necessarily the case. It's also a protection as to
9 who is responsible, who is accountable. Our bases
10 have been accountable. The ideal scenario here is
11 to have an agreement. As it is customary and has
12 been customary in our industry. But the truth is
13 that we have issues with driver's mobility and the
14 ideal that I can guarantee you 10 thousand dollars
15 as some of these companies are proposing just for
16 the month of December. Who is not going to move
17 base on this amount of money and how long they can
18 keep that. They can take our drivers and tomorrow
19 our industry is going to dissipate and what is the
20 next thing that they will be able to do?

22 CHAIRPERSON RODRIGUEZ: And for the rest
23 we're going to be limiting on three minutes because
24 our timing. I will have few question probably you

2 will be able to elaborate based on those question
3 that, that I will asking.

4 CAROLYN CASTRO: Good afternoon members
5 of the council. My name is Carolyn Castro and I am
6 the Executive Director of the Livery Roundtable.
7 I'd like to take, I'd like to thank the
8 Transportation Committee and its Chair Council
9 Rodriguez for holding this important hearing for
10 members of the industry. But we have always
11 welcomed the introduction of technology within the
12 industry. We are concerned that the push for new
13 regulation without the proper discussions between
14 the TLC and the industry stakeholders will cause
15 more harm to the industry than good. Unfortunately
16 the, the entire industry is already seeing the, the
17 effects as we speak. And the TLC is holding its
18 first ever fair to assist and bridging the gaps of
19 drivers that the industry cannot recoup. We had
20 hoped the TLC was going to assist the industry with
21 the implementation of the affiliate rules to
22 protect bases by preventing app services from
23 infringing on the substantial investments Livery
24 bases have made and continue to make to support
25 their networks of affiliated drivers. We were

1 shocked when we were informed just a few days
2 before the November commission hearing that the
3 base contract requirements were being removed from
4 the rules and then unanimously voted on November
5 20th. The removal of the base requirement is
6 detrimental in that bases no longer have the power
7 to secure trips requested by passengers. If the
8 same driver that is being dispatched receives an
9 app dispatch for a higher fare that driver is
10 likely to leave longstanding customers waiting.
11 This diminishes base credibility within the
12 community and ultimately forces the bases to be
13 seen as unreliable to the community it has spent
14 years establishing relationships with. This cannot
15 be the future for the Livery industry. We ask the
16 council to pay closer attention to the needs of, of
17 the industry in securing long term success for all
18 businesses involved whether it be for the
19 traditional businesses or new technology companies
20 that are here. One way to do so is to reinstate the
21 base agreements so that owners can have some
22 control in securing not only their brand within the
23 community but have a level playing field within
24 this time of change. Thank you.
25

2 DERRICK WARMINGTON: Good afternoon

3 members of the Transportation Committee. I want to
4 say thanks for the opportunity to speak today. My
5 name is Derrick Warmington and I'm the owner of
6 Rose and Dale Car Service located in Rosedale
7 Queens, New York. I'm also a member of the New York
8 City Independent Livery Owners Corporation that
9 represent Caribbean owned bases primarily in
10 Brooklyn and Queens. Rose and Dale is a small
11 Livery base of 15 affiliated vehicles. We cherish
12 the excellent relationship we have with members of
13 our Community and their support over the years.

14 Many of our passengers are known on the first name
15 basis and have been customers for many years. Mr.
16 Chairman I'm here today to ask the Transportation
17 Committee to support the draft rule heard at the
18 public hearing in October 2014 that requires places
19 to have consent before dispatching a driver from
20 another base via an agreement. I am appealing to
21 you not to support measures that will force our
22 small community bases into extinction.

23 Unfortunately the amended rule from November 2014
24 is a recipe for chaos and a death ride for small
25 community bases like Rose and Dale Car Service. The

1
2 amended rule does not answer the serious question
3 of accountability of worker's compensation. Who
4 will have the final say in the accountability of
5 the passenger's concern? Or who will be responsible
6 for governmental inquiries. Small bases are
7 concerned about the questionable business tactics
8 that companies like Uber is using. The use of
9 operation slug [sic] can be construed as unethical
10 and unfair recruitment practice. Under this
11 operation drivers are paid a large sum of money to
12 be snatched from bases. These are drivers Mr.
13 Chairman in whom bases have invested their limited
14 resources for training. Small community bases do
15 not have the resources to snatch drivers. The, this
16 business, this business tactic will only serve to
17 eliminate competition instead of encouraging it.
18 Council Members will remember that Wal-Mart, the
19 giant supermarket chain moving to some communities,
20 how it forced many of the neighbor's businesses
21 into economic oblivion. I urge you not to allow
22 this to happen to us. Many of us Mr. Chairman have
23 mortgages, we have slept in our cars and, in order
24 to build the business. The TLC affiliated rule that
25 remove base contract requirements will force small

1
2 business into extinction. Mr., Mr. Chairman again I
3 be seat you sir and the committee not to allow
4 billion dollar companies to close down our small
5 businesses. I ask sir that a draft rule heard in
6 October 2014 that require bases to have consent
7 before dispatching a driver from another base via
8 agreement be fully supported. Thank you sir.

9 TAREK MALLAH: I guess when I prepared
10 this was morning. So let, let me reverse that. Good
11 afternoon Council members, Chairman Ydanis, and
12 everybody from my colleagues and friends from the,
13 from the industry. My name is Tarek Mallah. I'm the
14 General Manager of Dial 7 Car and Limousine Service
15 and a founding member of the Livery Roundtable.
16 Today I'll be speaking on behalf of Dial 7 the, the
17 company that I work for. Dial 7 provides
18 approximately between 3,500 to 4,000 trips on a
19 daily basis. We have approximately successfully
20 maintained an affiliation of approximately 1,000
21 affiliated drivers. And we're privileged enough to
22 employ 175 employees all live within the five
23 boroughs of New York. We'd like to believe that we
24 play a significant role in providing transportation
25 services in New York City and the surrounding

1 metropolitan areas. I thank the council for
2 passing, for pausing and examining the direction
3 the ground transportation market is heading. From
4 the perspective of running an operation as large as
5 Dial 7 the most important issue is for us to ensure
6 our ability to provide reliability and honor
7 commitments for our riding and, riders and
8 customers. We serve majority of our work is what we
9 refer to in the industry as prearranged or made in
10 advance reservation with a smaller percentage on
11 demand which other segments of the industry today
12 covers mainly the Yellow taxi and other car
13 services. The accountability, the amount of, the,
14 the amount of emphasis the, what we need to count
15 on on the drivers the, the... for us to predict how
16 many drivers are working and able to accept
17 reservations, honor reservations it is monumental.
18 Unfortunately Livery bases increasingly losing, not
19 just us, the whole industry is losing the ability
20 to identify how many drivers are available for any
21 shift, how many drivers that are claiming that they
22 are ready for the shift are actually available for
23 the shift. Therefore our ability to provide a
24 predictable honoring of agreements to our customers
25

1
2 and commitments as maybe as light as going out to
3 dinner or maybe as serious as going to a doctor's
4 appointment or making a flight. I'm trying to skip
5 and, and keep with the time. Let me skip that.
6 It's, it's the, the biggest concern really is, is
7 how do we, how can we maintain being held
8 accountable according to the existing laws that the
9 honorable council put in and the rules that would
10 made out, out of these rule, out of these laws and
11 still be able to provide a reliable service. We
12 feel our, that we are continuing to be under the
13 pressure of be held accountable without being able
14 to be reliable. And I will be happy to demonstrate
15 this with questions.

16 CHAIRPERSON RODRIGUEZ: Short question.
17 Will you, do you think that the Livery base
18 agreement needs, needed yes or no?

19 CIRA ANGELES: I do believe it's ideal.
20 But that does not guarantee that a driver will stay
21 with the base affiliated. I believe that there are
22 other challenges in the industry that alongside
23 with a agreement among bases as it has been
24 customary throughout the years I think it will, it
25 will be something that we need to look at as, as

2 Livery Roundtable also stated I think there's many
3 moving parts to a solution and I think we have to
4 look at all of them cohesively.

5 CHAIRPERSON RODRIGUEZ: For the other
6 groups think the Livery is a... is needed yes or no,
7 the Liver base agreement.

8 TAREK MALLAH: Without the, without the
9 agreements, the proposed, the actual rules are
10 going to go into effect are, have no teeth, have no
11 value. The fact of... to answer you simply yes or no,
12 absolutely yes.

13 CHAIRPERSON RODRIGUEZ: Okay. Do you
14 think that this, there should be a cap of a number
15 of driver that base you have? If you put a cap on
16 let's say 1,000 would that be something that will
17 be important for the Livery base industry?

18 TAREK MALLAH: To be very quickly evaded
19 by opening another base and have another 1,000? It,
20 it, putting in rules for rules sakes is never been
21 anything that we've in the industry have been in
22 support of. Putting in a rule that would make sense
23 and having everybody be accountable to the same set
24 of rules is what we are advocating for. I'm sorry
25 so base caps, it's irrelevant. A few years ago Mr.

1
2 Chair there, there has been a suggestion and a rule
3 went out into the making of the TLC that, that at
4 that time was, where the purpose for it was to
5 protect against street hail. The rule said in
6 essence if you have more drivers that you can
7 sustain work for you're going to held liable for
8 the street hail violations. It came up from the
9 basic logic is, it, it is, it's not just for you
10 to, to affiliate as many drivers as you can,
11 collect affiliation fees but turn them out on the
12 street to collect, to do street hails without being
13 able to provide marketing or business in
14 dispatching jobs to them. So the formula should
15 always be how much work are we be able to generate
16 for, for our affiliated drivers and sustain them
17 before we go into another..

18 CHAIRPERSON RODRIGUEZ: Okay.

19 CAROLYN CASTRO: I do believe that in,
20 in an open market I think each business has to
21 determine the amount of drivers technically
22 speaking that it needs in order to respond to the
23 calls whether or not they're prearranged contracts
24 that they might have with a count or with the
25 community itself. I think that is left.. and, and

1
2 the beauty of the industry it is that each business
3 will adapt. He has 15 cars, he has 1,000, others
4 have 300 and 400. Each model within the community
5 work because they have a unique relationship that
6 it, it's different. It's not necessarily, it has to
7 not necessarily be ruled as to how many drivers you
8 have to have.

9 CHAIRPERSON RODRIGUEZ: Okay. How many
10 drivers do your base, the bases that you represent,
11 can you say that you lose or that they, that they
12 already have moved to Uber?

13 CIRA ANGELAS: Well the, the reality is
14 that we don't have a set number because of, of
15 those drivers remaining affiliated with us. We do
16 know that there is an availability issue that
17 sometimes you feel that there is a driver that it
18 needs to respond to a call but maybe he is in, in a
19 app call, that it's undisclosed. Therefore we don't
20 know who's dispatching that vehicle at the
21 particular moment. We only find out, and it has
22 been instances where there is a lawsuit that comes
23 to the base because the base is responsible, the
24 base that is listed as affiliating that vehicle or
25 it goes to either worker's compensation fund and it

1
2 gets rejected and our driver gets into a limbo and
3 then sues the base or the owner of the vehicle for
4 that matter because nobody responds and we will say
5 that that vehicle was not dispatched by us.

6 CHAIRPERSON RODRIGUEZ: Okay. How, how
7 do you see a coexistence between Uber Lyft and the
8 bases that you represent and a... how do you see, how
9 do you see a situation be created where Uber will
10 be in business because I, listening to you I get
11 some concern, even a little bit of being afraid
12 that you know we can, the situation can be that,
13 Livery can be, many Livery can be destroyed unless
14 there's some agreement. So what do you think is the
15 solution? And what have you hear from the
16 presenting owner of the bases that you represent
17 when it come to what should be the next step in
18 order for working in this new environment.

19 CIRA ANGELAS: I do believe that there
20 is space as it was stated earlier by, by, by, by
21 you chairman. There is space in New York City for
22 us to, to be able to be successful in, in our
23 different business models. I do feel that at this
24 moment instead of being reactive we need to be
25 proactive and we need to look at what are the

1
2 moving parts of the changes that are occurring in
3 our industry. We have, our bases are definitely
4 concerned as every segment of the industry. It's
5 not only the Liverys. I think the Blacks, the
6 Limousines, the Yellow Cabs, everyone has been
7 affected by technology in one form or another. Now
8 we need to sit down and look at what are those
9 moving parts that will make our job sustainable for
10 the next three to five year, short term, long term
11 approach. It's time to, to sit down and to have a
12 serious discussion as to what those parts are.
13 Having an agreement without knowing exactly that we
14 have the capital to compete and to sustain our
15 investment and to make it viable, having agreements
16 without knowing exactly what we are going to do
17 with driver's mobility; their ability to go from
18 here to there. I'm incubating, I'm, I'm training
19 drivers. I'm working with my drivers. I'm showing
20 them the community and somebody else is getting 20
21 percent for it. So at the end of the day that's
22 exactly what we are facing and with the promise of
23 making more money at, if I guarantee you 10
24 thousand dollars can I, a small base like ours, can
25 I guarantee 10 thousand dollars in a month? Maybe

1 not. So these are the disparities of, of what the,
2 the feel presents today. And we need to, let's say
3 the Livery industry cohesively has to sit down,
4 look at those issues, wire the moving parts, come
5 together, and create a collective approach as to
6 how we going to sustain our bases and how we going
7 to remain viable?
8

9 TAREK MALLAH: To answer the question
10 how do we coexist with technology companies are
11 working as transportation, very simply, we are, we
12 have always been in existence with technology
13 companies. We've always been using the technology.
14 How do we all coexist and play in the same game? By
15 having rules. Without the rules there cannot be
16 winners or losers. If the technology companies
17 today that are, are presenting themselves as
18 transportation or transportation companies hiding
19 behind the fact that they're technology companies
20 we have to call it the way it is. First of all
21 apply the same rules on the companies regardless of
22 the bank balance. We are not looking for, for the
23 council or the TLC or the government to protect us
24 against fair competition. We love first
25 competition. Livery industry to be specific about

1
2 Dial 7 we always coexisted competing with giants
3 like the Yellow taxis in the industry, 13 thousand
4 vehicles. The competition with our, within, with
5 our range. Carmel for instance is also equal. There
6 is nothing wrong with competition. What is wrong is
7 not applying the rules equally. To give you an
8 example today DPA laws are not being applied when
9 Uber is working. Uber today is saying these are
10 Uber, Uber is dispatching but Uber is not
11 officially a DPA in any of them. As simple as
12 technicalities as those we are being held
13 accountable for. We have to file DPAs. We have to
14 operate within the law and Uber is not. Many many
15 cases of those that are presenting unequal
16 application of the law. Again we're not looking for
17 someone to protect us whether they are offering 10
18 thousand dollars to attract a driver or not it is a
19 substantial issue and we recognize it. However
20 what's worse than that is not even transferring the
21 driver to them. If you think you have a supply for
22 a driver that you can take, attract, and more power
23 to them. The drivers should have the option where
24 to go and find the best living situation for them
25 and the best company to work for. If they want to

1 work for my company today that's great. If they
2 want to work for my friend's company tomorrow
3 that's their choice and the competition would lie
4 in that. It is very difficult for us to be able to
5 not compete but be able to operate without clarity
6 and transparency in the rules. Again I want to be
7 held accountable for everything that I can control.
8 I want to control everything that I'm held
9 accountable for. My customers hold me to that, the
10 TLC holds me to that. I expect everybody else holds
11 all other players to the same scale. That's all.

12 CHAIRPERSON RODRIGUEZ: Yes.

13 DERRICK WARMINGTON: I agree with what
14 my colleagues have said especially in
15 accountability. But I don't know how easy it will
16 be to coexist if you have an issue of what I think
17 is unfair competition. When a person with two
18 billion dollars is able to provide unbelievable
19 incentives to drivers how do a small base which is
20 almost operating of less than say ten percent or
21 even one percent of, of, of two or 11 billion
22 dollars. It's, it's, it's difficult. So that we
23 have to have rules that will ensure that these
24 multibillion corporations will not come into
25

2 industry and then eliminate the mop, the mom and
3 pops industry. This is what my concern is about
4 when it comes to coexistence.

5 CHAIRPERSON RODRIGUEZ: Thank you. We
6 will continue getting your feedback on this
7 important issue. You are the one the voice of, of
8 hundreds of, of Livery bases and, and we are
9 committed to continue working with you and the rest
10 of the stakeholder of the, of this industry,
11 thanks. The next group is David Pollack, Jason
12 Mischel, Jasmine Le Veaux, and Nancy Soria,... Mallo,
13 Stella Mateo [sic]. Sorry we didn't... I just ask you
14 to please help me with the time seeing as there's
15 other... it's going to be three minutes.

16 NANCY SORIA: Okay good afternoon Chair
17 Rodriguez and everybody in this room. My name is
18 Nancy Soria. I've been a TLC Licensee for five
19 years. The last sixteen months I'm a Green Cab
20 driver. And even though what they're trying to
21 introduce here today doesn't really affect the
22 Green cabs because we're on a pilot plan with Uber
23 I do have a lot of colleagues and a lot of friends
24 who are in the FHV industry who have a lot of, a
25 position against these measures about having to

1
2 have their affiliated base owners decide if they
3 can cross dispatch or not with another base and all
4 I hear is a lot resentment from them because
5 they're saying that why should they be deterred
6 from making extra money from their livelihood. I am
7 not here to defend over, I'm not here to defend
8 base owners. I defend my drivers. And I feel if
9 drivers can make the extra ends meet with Uber or
10 Lyft as long as not cross dispatching of classes
11 which I know can be negative and it's not right I
12 don't see why, and the drivers don't see why they
13 shouldn't be able to have a choice and say well my
14 base is quiet now or I'm in certain area let me
15 turn on the Uber or Lyft phone and see if I can
16 make some extra money. We have talked, I've talked
17 to numerous of my colleagues and I explained to
18 them what was originally TLC approved two weeks ago
19 about the classes, the difference. They understand
20 that. I, I said this is really like not right
21 because they're different compensations and funds
22 and everything, I understand that. But if it's a
23 Black Car and, and dispatching through an Uber I,
24 we find it's okay and if it's a Livery base and you
25 know a driver wants to drive with Lyft which is

1
2 supposedly a Livery base why not be able to make
3 the extra money? They don't feel that the base
4 owners should have the power right to tell them
5 they can't do it. So there is a lot of
6 discrepancies and there is a lot of resentment with
7 the drivers right now with the base owners towards
8 this, this, what, method they want to take. But
9 onside, I'm, I'm okay for technology. I'm here. I
10 want everything to be reasonable. I want the same
11 regulated industry. I want everybody to have a
12 choice and I think there's people for Yellow, for
13 Green, for Livery, for Black it should be like
14 that. I'm not here. I don't want anybody to
15 monopolize our industry either but I feel that
16 drivers should have a saying and go to where they
17 can make their money because they really need their
18 extra money and sometimes honestly some bases
19 cannot provide all the time. And this is why some
20 drivers go out and do the legal street hails. If
21 they can do it with another base that's in the same
22 class why not let them. So I appreciate you
23 listening to me and this on behalf of a lot of my
24 colleagues up in the Bronx, Washington Heights, all

2 the FHV Livery bases who are expressing and I am
3 here to express for them. Thank you.

4 JASMINE LE VEAUX: Good afternoon

5 Chairman Rodriguez and members of the Committee on
6 Transportation. Thank you for holding this very
7 important oversight hearing on app technology and
8 the transformation of the for-hire vehicle
9 industry. My name is Jasmine Le Veaux and I am an
10 associate at the law firm Windels Marx Lane and
11 Mittendorf. We represent the International
12 Association of Transportation Regulators, the IATR,
13 a nonprofit educational and advocacy group
14 comprised of members of governments which include
15 taxis and limousine commissions, law enforcement
16 agencies, transportation agencies, and airport
17 authorities from around the world that regulate
18 for-hire ground transportation vehicles,
19 businesses, drivers of which the New York City TLC
20 is a member. It is indisputable that the
21 introduction of new transportation network
22 companies or smart phone apps has had a game
23 changing impact on the traditional transportation
24 industry. Approximately 10 jurisdictions have
25 recently passed regulation or legislation which

1
2 officially recognize transportation network
3 companies as a separate licensing category of for-
4 hire vehicle. However even in these jurisdictions
5 where network companies are required to obtain a
6 network company permit or license there have been
7 reports of non-compliance and regulatory disregard.
8 Over 30 lawsuits have been filed around the United
9 States by every party possible; passengers,
10 drivers, taxi cab and limousine businesses, owners,
11 insurance companies, and even government agencies
12 and officials in which a plethora of legal claims
13 under federal and state laws are being asserted
14 against transportation network companies or in
15 which municipalities are being sued for passing
16 allegedly unconstitutional transportation network
17 company legislation. A detailed analysis and
18 summary of most of the litigation that has been
19 commenced against these companies may be found in a
20 report published by my firm entitled the disruptive
21 transportation technology movement, a litigation
22 primer and roadmap of which I brought several
23 copies for the committee. A common sense approach
24 is the most appropriately way to assess the issue
25 of how to deal with transportation network

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2 companies or smartphone apps. At the end of the day
3 the underlying acts being regulated are essentially
4 the same. A passenger getting into a vehicle either
5 prearranged or hailed by a smartphone app and being
6 transported from point A to point B. There are no
7 other variants or differences between traditional
8 taxi cab and for-hire vehicle companies and the new
9 breed of transportation network companies other
10 than a smartphone app which is also being used by
11 the incumbent industry in a legal manor. If laws
12 that apply to taxicab and for-hire vehicle
13 companies drivers and vehicles require insurance,
14 safety vetting i.e. background checks drug testing
15 driving record review and other regulatory
16 requirements such as fair regulation permit
17 limitations admissions compliance, overcharging
18 safe cards and requirements to serve disabled
19 individuals in underserved communities there must
20 be an underlying public policy rational that
21 justifies having two sets of standards for
22 transportation companies and for transportation
23 network companies. Other than vague references to
24 innovation or sharing economies no logical rational
25 basis for creating two classes of licenses has

1
2 emerged. The New York City TLC has taken a common
3 sense approach and has used a heavy hand to ensure
4 that our regulations are being equally enforced on
5 all for-hire vehicle companies which include
6 smartphone app companies. Although the initial
7 introductions of some of these companies came with
8 the usual flouting of local laws most of the
9 network companies operating in New York City have
10 obtained the necessary base licenses required by
11 the TLC and have taken steps to operate in
12 compliance with all applicable regulations. We
13 support the role that the committee is playing and
14 the TLC to ensure that there's a level playing
15 field for transportation providers regardless of
16 the technology used for the service.

17 CHAIRPERSON RODRIGUEZ: Thank you.

18 ETHAN GERBER: Good afternoon Council
19 Member Rodriguez Chairman. I'm Ethan Gerber, I'm
20 the executive director of the Greater New York Taxi
21 Association, an organization comprised of
22 progressive taxi fleet owners who provide clean air
23 and wheelchair accessible service for all New
24 Yorkers. I represent Black Car fleets, I represent
25 Yellow Taxi Cab Medallion Industry, the most

1 regulated sector of the industry. The TLC tells us
2 what color the cars must be, what the marking must
3 be, whether we install petitions, what type of
4 vehicles we can use, how many must be accessible to
5 people depending on wheel chairs, what type of GPS
6 devices we must have, how many shifts we must
7 operate, what to charge passengers, what to charge
8 drivers, and over hundreds of other rules. We
9 compete on the other hand with a virtually non-
10 regulated industry competing for the same
11 passengers and the same drivers. Worse, while the
12 app companies are developing their technology we
13 are stifled, frozen in time on obsolete technology
14 that the TLC will not let us improve ourselves.
15 Every adaptation, every change must be approved by
16 them at a gracious, glacially slow process if at
17 all. While we greatly contribute to the economy of
18 the city technology silicone based technology
19 companies do nothing for the New York bottom line.
20 The New York City budget is highly dependent on the
21 health of a medallion industry. The four year
22 projected budget for the city of New York voted on
23 by this council and signed by the mayor and
24 approved by both the New York City and New York
25

1 state controller all require and have spent 1.2
2 billion dollars of anticipated revenue for
3 medallion sales. Indeed the Office of the State
4 Controller projected the city would be even
5 healthier based on anticipated medallion prices
6 would go up. Meanwhile the city has been act,
7 enacting rules that make it harder for medallion
8 owners to operate and easier for app competitors to
9 operate. The results are predictable. Medallion
10 prices are plummeting. Worse there are a few banks
11 willing to finance medallion purchases at auction.
12 Without a level playing field the value of
13 medallions will disintegrate and there will be no
14 auction. It's not that it would be less. You know
15 Mr. Chairman it would be none because no one will
16 invest in a decreasing asset. The city estimates
17 that next year 400 million will be generated by the
18 auction and continue at that rate for three more
19 successful years. Where will the money come? which
20 fire houses will close? How many police officers
21 will not be hired? What Pre-K programs will be
22 shut? What teachers will be fired when there is a
23 1.2 billion dollar shortfall over the next four
24 years? Nor is this the only money generated by
25

1 medallions. Five percent of each medallion
2 transaction is taxable. Tax money that goes
3 directly to the coffers of New York City. Thus each
4 time a medallion sells at the current rate, or what
5 was the current rate, the recovery, the city
6 recovers 50 thousand dollars to use in its budget
7 as needed. Beyond the budget crisis will exist a
8 problem, if not solved there will be financial ruin
9 for the 42 percent of medallion owners who are
10 owner/operators. In other words drivers of
11 medallions they operate and they own. There will be
12 financial ruin for the fleet operators who employ
13 mechanics, paying attendants, gas men, parking
14 attendants, car washes, dispatchers, bookkeepers,
15 secretaries, and other office staff. There'll be
16 financial collapse for the lenders and the banks
17 invested heavily in this industry. But more than
18 the banks, more than the city's finances, more than
19 the drivers, more than the owners the real victim
20 will be the consumer, the passengers. When Uber's
21 allowed to become a monopoly, when our legitimate
22 well established Livery and taxi businesses fail
23 there'll be no way to control the beast. Already in
24 other cities this has happened; in San Francisco
25

1
2 soon after announcing the death toll they
3 drastically increased the amount of money they took
4 from drivers. If I could just finish up. We ask
5 simply that we're allowed to play on a level
6 playing field. Let the regulated Yellow and Green
7 cabs have a uniform app, make Uber and Lyft abide
8 by the same rules, let us innovate as we see fit.
9 Recently the Taxi and Limousine Commission has
10 turned down our request for a universal app, turned
11 down our request to put Wi-Fi in our cabs, turned
12 down our request to install charging devices. We
13 need the oversight of this committee Mr. Chairman.
14 We trust this committee and with your help we can
15 make this better transportation for everyone. Thank
16 you.

17 DAVID POLLACK: Good afternoon Chairman
18 Rodriguez and Council Members of the Transportation
19 Committee for organizing this important hearing and
20 for inviting us to testify here today. My name's
21 David Pollack and I'm the Director of the Taxi
22 Action Center for Melrose Credit Union, the largest
23 financer of Yellow taxi medallions in New York City
24 and a member of the TSA. Based in Queens Melrose
25 Credit Union provides personal and business banking

1 services to its wide membership. We serve
2 approximately 26 thousand members with assets of
3 more than two billion dollars. Melrose has
4 representing ownership of over 3,000 medallions,
5 roughly 25 percent of the entire taxi industry.
6 Melrose Credit Union was originally established in
7 1922 to supply financial services to the Bronx
8 community. Contrary to what many think most
9 medallion holders are individuals of modest means.
10 They are thousands of small businessmen and
11 businesswomen who saved to borough to purchase
12 medallions. The driver pool and the Yellow taxi
13 industry must include 42 percent of driver owner
14 medallions meaning they own one medallion. In
15 addition to that there were additional small
16 businessmen and women that only the one or two
17 corporate medallions. The entry of Uber and other
18 tech based transportation companies has had a
19 negative effect on both the small business taxi
20 medallion owner and the Yellow taxi industry as a
21 whole. These tech based companies are not subject
22 to the same rules and regulations that govern the
23 Yellow cab and Livery industry. The fact has
24 created an unlevel playing field for all those in
25

1
2 the transportation service industry. One of the
3 most striking examples of this unlevel playing
4 field is the fact that Uber drivers can choose
5 whichever vehicle they like leaving no financial
6 incentive to retrofit cars to increase
7 accessibility for the disabled community. Medallion
8 holders in Yellow cab, in the Yellow cab industry
9 are subject to heavy regulation regarding
10 wheelchair accessibility resulting in cabs that are
11 far more expensive to purchase, maintain, and fuel.
12 This is forcing those individuals interested in
13 purchasing, purchasing medallions or driving a
14 Yellow cab to leave the Yellow cab industry to work
15 for companies like Uber creating both a workforce
16 development problem for the Yellow cab industry and
17 decreasing revenue for the city of New York. The
18 issue seen by cab drivers once they're employed by
19 Uber are a separate problem in itself that likely
20 needs its own hearing. While Uber entices drivers
21 with higher wages and vehicle selection many
22 drivers end up barely making minimum wage after
23 taking into account all the fees and charges paid
24 to Uber as reported by the media. Also reported
25 when these drivers decide they want to come back to

1
2 the Yellow cab industry they're finding themselves
3 stuck in contracts that they cannot break creating
4 a cost of living crisis for many individuals.

5 Drivers are so unhappy with Uber that they decided
6 to strike in an attempt to create better working

7 conditions for themselves. These tech based

8 companies have no approved driver training and no

9 business accountability or oversight creating a

10 safety issue for both the riding and walking

11 public. Aside from hurting the small business

12 medallion owners and the Yellow cab industry

13 companies like Uber are also socking it to the

14 consumers as they operate with no fair pricing

15 controls. Uber is allowed to charge surge pricing

16 according to a supply demand algorithm and can

17 include pricing from well below the normal price to

18 eight times the going rate. As Council Member

19 Greenfield most recently noted a Yellow cab in New

20 York may not charge you 225 dollars for a 25 dollar

21 ride simply because it's snowing, neither should

22 Uber. And by the way Uber last Tuesday had a rate

23 of three times their normal rate. There are many

24 other issues I could mention but the interest of

25 time I'll focus on the major ways that the tech

1
2 based companies are negatively impacting the Yellow
3 cab industry. We urge this committee to examine
4 ways in which the city might help to regulate these
5 tech based companies while simultaneously
6 protecting those who have contributed so much to
7 New York's economy. Creating a transportation
8 company or TNC, a separate segment of the
9 transportation industry could allow for tech based
10 companies to operate under specific rules and
11 regulations. The TLC took a right step in the right
12 direction at their last meeting by requiring that
13 Uber keep track of trip records, however we need to
14 do more. Thank you for your time and I look forward
15 to working with the council to help level the
16 playing field for all stakeholders in this
17 important industry.

18 JASON MISCHEL: Good afternoon Chairman
19 Rodriguez and members of the Transportation
20 Committee of the City Council. I am pleased that
21 you have called this oversight hearing regarding
22 the proliferation of transportation network company
23 or TNC for short and the taxi for-hire industries.
24 And I'd like to make a few comments regarding their
25 effect on accessibility for people with

1 disabilities. By way of background my name is Jason
2 Mischel and I'm the former commissioner and general
3 counsel of the New York City Mayor's Office for
4 People with Disabilities and served there in the
5 previous administration for almost ten years. The
6 relationship between TNC and accessibility is
7 currently a hot button issue as there are a number
8 of lawsuits around the country alleging that TNCs
9 are discriminating against people with
10 disabilities. While TNCs have sporadically
11 responded to these allegations such as introducing
12 new apps in certain jurisdictions that provide for
13 a, a passenger to be able to request an accessible
14 vehicle or entering into affiliation with certain
15 bases that maintain accessible vehicles to provide
16 these vehicles even though these bases might be
17 located far away from the passenger requesting the
18 vehicle. The general feeling to date is that TNCs
19 have not met the needs of people with disabilities.
20 Whatever the case may be it is necessary for the
21 city council to be provided with an overview of the
22 laws that would potentially apply in this arena.
23 The Americans with Disabilities Act provides a
24 number of relevant clauses that are designated to
25

1
2 prevent discrimination against people with
3 disabilities. For example Title 3 of the ADA states
4 that no individual shall be discriminated against
5 on the basis of disability and the full and equal
6 enjoyment of specified public transportation
7 services provided by a private entity that is
8 primarily engaged in the business of transporting
9 people and whose operations affect commerce and
10 that such discrimination includes the failure to
11 make reasonable modifications, the failure provide
12 auxiliary aids and services and the purchase of, by
13 the entity of a new vehicle unless the new vehicle
14 is to be used solely in a demand responsive system.
15 That also applies to the New York City TL. The
16 failure to make reasonable modifications as defined
17 in the DA as a failure to make reasonable
18 modifications and policies, practices, or
19 procedures, when such modifications are necessary
20 to afford such good services, facilities,
21 privileges, advantages, or accommodations to
22 individuals with disabilities unless the entity can
23 demonstrate that making such modifications would
24 fundamentally alter the nature of such good, good
25 services, facilities, privileges, advantages, or

1
2 accommodations. And the, similarly that same
3 language provide, is provided when talking about
4 providing auxiliary aids and services. And a demand
5 responsive system is defined as any system of
6 providing transportation of individuals by a
7 vehicle other than a system which is a fixed route
8 system. But the key lot to look at in New York City
9 is Title 8 of the Administrative Code to the City
10 of New York otherwise known as New York City Human
11 Rights Law which states that it shall be an
12 unlawful discriminatory practice for any person
13 being the owner, lessee, proprietor, manager,
14 superintendent, agent, or employee of any place or
15 provider of public accommodation because of the
16 actual or perceived disability to refuse, withhold
17 from, or deny to such person any of the
18 accommodations, advantages, facilities, or
19 privileges thereof. And it defines place or
20 provider of public accommodation as providers
21 whether licensed or licensed or unlicensed of
22 goods, services, facilities, accommodations,
23 advantages, or prelude of any kind and places
24 whether licensed or unlicensed whether, where good
25 services, facilities, accommodations, advantages or

1 provides of any kind are extended, offered, sold,
2 or otherwise made available. So what does this all
3 mean? It seems clear that whether or not TNCs can
4 argue that they are not covered by the ADA TNCs
5 under the New York City Human Rights Law are in
6 fact providers of a public accommodations. And it's
7 of no consequence that it's place of public
8 accommodation is in the digital space. When taking
9 into account this city's commitment to the
10 inclusiveness of all and everything the city has to
11 offer as well as the recent legislation with the
12 outer borough street hail law providing for a
13 mandated long term disability plan for the city's
14 taxi and for-hire vehicle industries and the
15 litigation settlement providing for the 50 percent
16 accessible taxi fleet by 2020 it's imperative that
17 this council holds TNCs to the mandate that people
18 with disabilities must enjoy equal and unfettered
19 access to the services that they are providing
20 without compromise. And let me just finish by
21 saying chairman you asked Commissioner Joshi this
22 morning, one of the first questions you asked her
23 was what regulations are the TNCs not following?
24

1
2 Look no further than section 8-107 of the New York
3 City Human Rights Law. Thank you.

4 CHAIRPERSON RODRIGUEZ: Which is the
5 one?

6 JASON MISCHEL: Section 8-107 of the New
7 York City... [cross-talk]

8 CHAIRPERSON RODRIGUEZ: Great.

9 JASON MISCHEL: ...Human Rights Law.

10 CHAIRPERSON RODRIGUEZ: Thank you.

11 JASON MISCHEL: Thank you.

12 CHAIRPERSON RODRIGUEZ: Thank you for
13 your contribution. We will continue discussing this
14 in another places. And now we need to keep moving
15 to the next panel since we're doing the Mayor
16 signing bill at 2:00 p.m. So, but there's a lot of
17 question and of course as I said from the beginning
18 we are, still are looking to see where the industry
19 has to be better regulator. And we believe that we
20 should be welcome everyone but we need to do more
21 work and be sure that everyone... Thank you. The next
22 panel... Bill Lindauer, Edith Prentiss, and Tweeps
23 Phillips.

24 BILL LINDAUER: Hello. My name is, my
25 name is Bill Lindauer. I'm with the New York Taxi

1
2 Workers Alliance. We got a lot of bland assurances
3 from the people at Uber and Lyft that have made
4 many wild claims, many phony promises. There's
5 assurance of a privacy policy is not reassuring
6 because what, what is in practice is more important
7 than what policy is in their rule book. As for
8 drivers they claim they're making \$25.00 an hour,
9 maybe that one hour they're making \$25.00 an hour
10 but their claims of drivers earnings are wildly
11 exaggerated. They said they are in a productive
12 relationship with the TLC. They were dragged
13 screaming and yelling so to speak to a, to abide by
14 the TLC rules that apply to everybody in this
15 industry, kicking and screaming. We also had,
16 needed the attorney general... The public be damned
17 right? Insurance, you have to look into their
18 insurance policy covering passenger and driver.
19 Their vehicles, they weren't going to inspect them.
20 They weren't going to check to see if the potential
21 driver was an ethical person. Could be a serial
22 killer they wouldn't, they wouldn't know. And the
23 worse thing of all is the so-called dynamic
24 pricing, price surge. If a Yellow cab driver
25 charged a dollar more than he should it would be

1
2 called price gouging. I assure you come this
3 Christmas day at New Year's Eve if you want to go
4 from the upper east side to the east village you
5 probably will be... to spend like 300 or 400 dollars
6 via these high tech apps. That's thievery. We have
7 to protect the public. What they could charge
8 should be regulated by the TLC. And they should
9 abide by all rules that the Yellow cab industry and
10 the Livery cab industry have to abide by. Otherwise
11 it's not fair. Thank you.

12 CHAIRPERSON RODRIGUEZ: Thank you.

13 TWEEPS PHILLIPS: Good afternoon. My
14 name is Tweeps Phillips and I'm the Executive
15 Director of the Committee for Taxi Safety. It's a
16 great privilege and honor that you're actually
17 holding this hearing. And it's too bad that so many
18 people left because I think there's a lot of things
19 that have been said that should have been heard by
20 both the TLC and the tech companies. It's pretty
21 clear that we're, when we discuss apps we are
22 discussing Uber. I think Uber has taken advantage
23 of many loopholes in the system. And while others
24 of us are highly regulated Uber is not. And they
25 have used their money and their high priced public

1 relations experts to exploit the system. I actually
2 agree with the member of the panel, and this is
3 probably the first time ever, that you know when it
4 comes to passengers and their rights I think
5 whether you call it dynamic pricing or price
6 surging I think it's, it's really an unfair system.
7 It is true that Yellow cabs cannot do that and that
8 is just... I mean you, what we've created here is an
9 unlevel playing field and I think that's really
10 what we need to, to discuss. I'd like to say
11 actually for the record that we're not against
12 technology. In fact we were, and are very in favor
13 of technology and we supported Hailo. Unfortunately
14 the TLC made it just about impossible for Hailo to
15 actually be even, to operate in the city, and so
16 they left. And that was actually an app that was
17 dedicated to the Yellow taxi industry and could
18 have helped our drivers tremendously. So that's
19 really disappointing. Finally you know I think it's
20 kind of curious and you know from my background I,
21 I worked in the past administration for about 10
22 years with a, with a stint at TLC. And it's
23 interesting to note that two of my bosses, two
24 commissioners left to both tech companies, one of
25

1
2 which was a former council member. So you know at
3 this point I'd just like to say I think this
4 conversation has to continue. I think that the
5 playing field needs to be leveled and I look
6 forward to more legislation with, with bigger
7 teeth. Thank you.

8 EDITH PRENTISS: Hi, my name is Edith
9 Prentiss. And in the efforts to finish this on time
10 I will speed through mine. Apps are ubiquitous in
11 the entire industry. You have apps for Yellow, the
12 E-Hail, you have apps for street hails, you have
13 apps for for-hire vehicles, and each of these apps
14 has its own interesting set of rules. I actually
15 was reading them last night. You know Yellow taxis
16 can't make an arrangement to pick someone up at the
17 airport. Yellow taxis can't make a reservation to
18 pick you up in two hours. There are all sorts of
19 app criteria within the Green industry and within
20 the for-hire industry. But I'd like to speak
21 briefly about the fact that apps also require the
22 individual passenger to first have a smart phone,
23 secondly be able to afford that iPhone, much less
24 to service that iPhone, and thirdly be
25 technologically savvy to maintain that iPhone. I

1
2 did have the wow on my, app on my phone but in,
3 never was possible to find an accessible taxi on
4 the app where I was and when I needed it. So I just
5 sort of passed, gave it up. I think that's
6 important to realize that Uber... Lyft... and the list
7 go on believe that they are in some ways by being a
8 tech company not necessarily responsible and
9 obligated to support all the rules and regulations
10 of the Taxi and Limousine Commission. I have to say
11 it was so great to hear the last two panels
12 actually talk about accessibility. I'm sorry, for
13 how many years have I heard everyone in the
14 industry speaking... accessibility. It really was
15 nice to hear the support for it. It is very
16 concerning that the industry, the for-hire vehicle
17 industry not be, and the Yellow industry not be
18 victims to Uber because the bottom line is Uber's
19 not providing accessible services. At present Uber
20 is utilizing Green vehicles. I wonder whether
21 they're on the list of their companies that are
22 allowed to provide services. We've had a number of
23 people who have had problems with the training of
24 these individuals. And it's been very, very much an
25 issue. We would, we are very concerned about the

1
2 issue of the for-hire vehicle rule and how it
3 continues to be implemented and supported by the
4 Taxi and Limousine Commission. We have requested
5 meetings several times. We have not had one yet. No
6 matter how we get a taxi never going to be equal,
7 it's never going to be equivalent until there's a
8 large enough number of accessible vehicles. And
9 when the accessible vehicles are frequent enough we
10 will be a very happy community. Yesterday I sat out
11 on Park Row with a journalism student from NYU who
12 is doing a video on transportation disparity,
13 inequity. And I had to explain to her that no not
14 every you know van was accessible. And what, what
15 the issues of are it. So it's very important that
16 we continue to educate the public as to
17 accessibility issues and move forward with this,
18 thank you.

19 [background comments]

20 CHAIRPERSON RODRIGUEZ: ...to have in the
21 future when the TLC put out their report. Thank
22 you.

23 [background comments]

24 CHAIRPERSON RODRIGUEZ: ...Anna Garcia,
25 Carmisa Fry [sic], and Daniel Jean.

2 ANNA GARCIA: Good afternoon Chairman

3 Rodriguez and the committee members. My name is
4 Anna Garcia. I'm a single mom of a beautiful two
5 and half year old daughter named Abigale which is
6 here with me. I was laid off last year exactly
7 yesterday it was a year, December 2nd, 2013. As a
8 single parent with a young child this was very
9 frightening an experience for me. When I started
10 looking for a new opportunity I had a conversation
11 with a friend of mine name Alee. And he told me
12 that he worked for Uber. He explained to me how
13 drivers can partner with Uber and what a great
14 experience it is. What I like about Uber the most
15 is the flexibility. As a woman I like the fact that
16 it is very safe for, for me because of the GPS
17 tracking and cashless payment. Overall I like how
18 reliable it is. I know that if I work hard I would
19 make good money, if you don't you don't make money.
20 In fact I'm encouraging my friends and family to
21 becoming Uber drivers. I personally help them with
22 the process of the paperwork and getting their
23 driver's license a class E and the TLC license and
24 I will personally drive them there to the, to
25 Queens place. And every time a customer asked me if

1
2 I like, how do I like my job I tell them that I
3 love it. And you can actually see it as soon as you
4 come inside my car because I always have a big
5 smiled, a very welcome friendly smiled, and as soon
6 as I started driving customer knows that they will
7 be very pleasant, they will be, they will be having
8 a very pleasant ride, soft music, conversation if
9 its wanted, and mutual respect and professionalism
10 no matter what. I also offer my car charger for
11 iPhone 5, iPhone 4, and Android devices and give
12 passenger a bottle water which everyone loves. I
13 often ask if they like to choose a Pandora station
14 for the music but they usually love what I'm
15 playing which also makes me happy. Many people give
16 me compliments of how clean my car is and I take
17 pride of that. When it comes to ride, to my riders
18 I have so many good experience that I had, it's
19 hard for me to pick one to choose. And, but at
20 this, this one stand out. My first week driving
21 with Uber I met a gentleman very pleasant and well
22 educated. He ask me if I like my job and I said I
23 love Uber, that was my very first week. So I, I, I
24 asked him the same question and he told me that he
25 just came from Dubai where he volunteers doing open

1
2 heart surgery on toddlers. He was back to New York
3 just to raise more money to go back. Especially as
4 a mom I thought that was the most incredible story
5 every. You never know who you might meet and what
6 amazing things they might do. I have big plans that
7 include my two year old daughter Abigale. I have
8 always had the faith and knowledge that I could
9 accomplish my goals for us. But this is the first
10 time that I could really see a bright future for my
11 daughter. I want to save, I want to save up for her
12 to pay for her college and with Uber I know I will
13 be able to. Thank you for letting me share my
14 story.

15 CHAIRPERSON RODRIGUEZ: ...daughter.

16 ANNA GARCIA: Thank you.

17 CHAIRPERSON RODRIGUEZ: So I have my two
18 years old so when I look at her if thinking about
19 my daughter too so...

20 ANNA GARCIA: Thank you so much.

21 CHAIRPERSON RODRIGUEZ: And being here I
22 know is a, very important for her to look at her
23 mother... advocate. Thank you.

24 ANNA GARCIA: Yes, thank you.

25

2 UNKNOWN: Good afternoon Chairman

3 Rodriguez, committee. My name is... I been here for
4 25 years living in New York. I work at least 16
5 years as a driver. Almost too many companies I work
6 with. What make me come to Uber I feel like when I
7 start with Uber I come from a dark room to a room
8 with a light with the technology. Technology I work
9 with Uber make me feel very secure to work, to work
10 with it and make me focus in my road and to, to
11 save a lot of time to myself and to my family. I
12 don't have to wait for any dispatch to give me a
13 job at the time I don't need or the time I don't
14 and the day I don't want to work. With Uber I do
15 not have to do that. I just open my, my app the
16 time I want and the day I want. I have four kids. I
17 never have a time before to go to school to see
18 them. Whatever they have, one in college right now
19 and I have a middle school, high school, and the
20 small is a, a elementary school. Anytime they have
21 anything I will be there for them now this why
22 because I work with Uber. And also my security,
23 secure payments that I have every Thursday that
24 direct deposit and the money I make with Uber I
25 never make anywhere else and this is true. I

1
2 support my kid, I help him with his college, with
3 his money without to ask anybody for anything. This
4 why I really work for Uber. The technology Uber
5 give me I don't have to go nowhere. I just start my
6 app, I push a small button when I receive a job I
7 receive everything where the customer going, where
8 the customer, the last destination for the
9 customer. This is the way... each driver when he have
10 this opportunity he can concern to drive and to
11 focus in the way where he going and to know what
12 happen in New York City what, how many people
13 around you. So all this make me really enjoy Uber
14 and to work for Uber. Thank you.

15 DANIEL JEAN: Good afternoon Chairman
16 Rodriguez and committee members. Thank you for the
17 opportunity to share my story. My name is Daniel
18 Jean and I've been driving with Uber for over two
19 years. Uber has given me incredible opportunity for
20 me and many other New Yorkers like myself. I feel
21 so much more confidence in my ability to earn money
22 I need to, that I need to provide for myself and
23 for my, and for my family including my 14 month old
24 daughter, congratulations..., the reliability of Uber
25 as well as the flexibility it gives me in my

1
2 schedule makes it ideal for me. And it can also be
3 rewarding. One of my favorite stories is when I
4 picked up a couple on the way to a hospital to have
5 their first baby. The woman in labor was handling
6 it pretty well but the guy was in total shock. I
7 have been listening to a lot of you know hip hop
8 music in my car and I asked the guy you know do you
9 want to hear some rock and roll music, anything
10 like that? But since I seen that his nerves was
11 real high I just put on some Beethoven to calm him
12 down. And we started chatting and I realized he was
13 concerned because he didn't know what to expect.
14 Unlike me when my first child my friends told me
15 everything was all pleasant, don't worry about it,
16 it's happy, until I got there it was not what,
17 that's not what they told me. So I gave him a nice
18 advice as a first father, first time father and I
19 told him don't worry you got this and everything's
20 going to be okay. The guy, when got out the car the
21 guy gave me a big hug. That's when I realized that
22 this job isn't about getting from point A to point
23 B, more often than we realize we have the
24 opportunity to actually have an impact on people's
25 lives sometimes at very significant moments. The

1
2 moment can be birth of your child or even just your
3 birthday. In fact, matter of fact this morning at
4 3:00 in the morning driving I overheard a customer
5 telling, telling each other oh it's my birthday.
6 And as soon as I heard that I turned around and
7 asked them like it's your birthday so I surprised
8 them with a birthday playlist with at least 20
9 straight birthday songs. And you know that really
10 made them happy because who doesn't love a little
11 extra attention on their birthday. I know that
12 there's been a lot of discussion throughout the
13 city and in the media about Uber. From my
14 experience is, the truth is Uber gives everyone a
15 chance to own a business and be your own boss. If
16 you don't own a vehicle Uber will even help you
17 find the best options to finance one. This is the
18 American dream at its best and what New York City
19 has always been about. Work hard enough and you'll
20 earn a good living. It's an opportunity I'm very
21 thankful for and I know a lot of people feel the
22 same way. Thank you for your time.

23 CHAIRPERSON RODRIGUEZ: Let me take
24 advantage of that the Mayoral bill signing has been
25 moved to 2:45 to ask you a few question to get a

1
2 driver perspective of Uber. You know do you drive,
3 before Uber did you drive Black Car, Liver, or, or
4 Yellow Taxi.

5 UNKNOWN: I drive everything.

6 CHAIRPERSON RODRIGUEZ: The last, before
7 coming to Uber what did you... [cross-talk]

8 UNKNOWN: Before I come to Uber. I
9 thought, I, I drive for 16 years I... [cross-talk]

10 CHAIRPERSON RODRIGUEZ: And I said
11 before you join Uber what type of car did you, what
12 were you driving? Were... [cross-talk]

13 UNKNOWN: Oh Black Car.

14 CHAIRPERSON RODRIGUEZ: Black Car?

15 UNKNOWN: Yeah.

16 CHAIRPERSON RODRIGUEZ: And the rest of
17 you.

18 ANNA GARCIA: This is my first time.

19 CHAIRPERSON RODRIGUEZ: First time.

20 DANIEL JEAN: I was driving the Black
21 Car.

22 CHAIRPERSON RODRIGUEZ: You were driving
23 Black Car. And how long you been working?

24 ANNA GARCIA: A month and a half.
25

1
2 CHAIRPERSON RODRIGUEZ: A month and a
3 half?

4 ANNA GARCIA: Yes.

5 CHAIRPERSON RODRIGUEZ: And what is like
6 the weekly amount of money that you're making, how
7 much are you making every week?

8 ANNA GARCIA: From 1500 to 12, that was
9 the lowest, 1200.

10 CHAIRPERSON RODRIGUEZ: 1500s?

11 ANNA GARCIA: Yeah.

12 CHAIRPERSON RODRIGUEZ: In a Black Car?

13 ANNA GARCIA: Yes.

14 CHAIRPERSON RODRIGUEZ: You driving a
15 Black Car right now? [cross-talk]

16 ANNA GARCIA: Yes.

17 CHAIRPERSON RODRIGUEZ: And mainly the
18 passenger that you are getting through Uber, what
19 are, what are the location of those passenger?

20 ANNA GARCIA: Meat packing and also
21 Washington Heights by the hospital, 168th Street.

22 CHAIRPERSON RODRIGUEZ: Okay, and the
23 rest of you?

24 DANIEL JEAN: Anywhere, anywhere...
25

2 CHAIRPERSON RODRIGUEZ: I know, I used
3 to Livery, I used to be a taxi too so you know
4 like... [cross-talk] I know that we go to whatever
5 you get the passengers so what is the demand that
6 you have during the time that you been working with
7 Uber right now, most of the passenger where are
8 they coming from?

9 UNKNOWN: All of them from the city,
10 some of them going long distance which mean New
11 Jersey going to Long Island. We have jobs like that
12 from the city going there.

13 CHAIRPERSON RODRIGUEZ: Okay.

14 DANIEL JEAN: Williamsburg, Brooklyn, a
15 lot of that and then Manhattan lower east side.
16 Everywhere in Manhattan.

17 CHAIRPERSON RODRIGUEZ: And how many
18 hours a week you been working?

19 ANNA GARCIA: A week I would say from 28
20 to 35 hours. I don't work 40 hours.

21 CHAIRPERSON RODRIGUEZ: A week?

22 ANNA GARCIA: Yeah.

23 CHAIRPERSON RODRIGUEZ: I will leave
24 this council and join the Uber.

25 [laughter]

2 CHAIRPERSON RODRIGUEZ: Yeah like I know
3 that Livery driver you know in order to make
4 probably 600 dollar, 700 dollar right now they have
5 to be working 50 and 60 hours.

6 ANNA GARCIA: Wow.

7 DANIEL JEAN: Sure.

8 CHAIRPERSON RODRIGUEZ: So if you making
9 1500 and you only got to work 25 hours I see all
10 the driving going to work you know to Uber leaving
11 whoever is coming with the new technology.

12 ANNA GARCIA: I have five of my friends
13 leaving their job to come for Uber.

14 CHAIRPERSON RODRIGUEZ: You know
15 drivers, we talk a lot.

16 ANNA GARCIA: Yes.

17 CHAIRPERSON RODRIGUEZ: And we know a
18 lot about everything.

19 DANIEL JEAN: Yes.

20 CHAIRPERSON RODRIGUEZ: And we have
21 friend who share the same opinion and we have
22 friend who have different opinion. Even in my own
23 family there's a different opinion about Uber Lyft,
24 some agree, some for, so what is it that when you
25 hear from you know other friends who are not at

1
2 Uber who is the concern that they have? What is the
3 concern that they have, those drivers that they are
4 not Uber or why are not joining Uber?

5 UNKNOWN: They... I can say that? They
6 work at the time they want and this is very
7 important to us, ready to driver, to know what time
8 have to work and what time he want to work. This is
9 a, first your relax, your mind is different, you
10 think good, and when, when your body relax then you
11 can do a lot of things especially when you don't
12 have any the stress for other things.

13 CHAIRPERSON RODRIGUEZ: But those, those
14 who are not in Uber, when you go and eat together
15 or you know socialize because.. drivers we get, you
16 get together some are in Uber some that are not,
17 what is, what is that you, what is the feedback
18 that you are getting from those that are not Uber
19 Lyft or are enrolled in all the other... [cross-talk]

20 ANNA GARCIA: Friends of mine or
21 customers?

22 CHAIRPERSON RODRIGUEZ: Friends.

23 ANNA GARCIA: Friends, well they always...
24 [cross-talk]

2 CHAIRPERSON RODRIGUEZ: I mean other
3 drivers yeah who are not Uber.

4 ANNA GARCIA: Oh, that are not Ubers... I
5 don't, well I don't have taxi friends.

6 DANIEL JEAN: Well they usually say, is
7 usually real slow and you know the pay is not a
8 lot. That's what a lot of them complain about. So I
9 tell them like switch over. You can make extra
10 money and work on your own schedule.

11 CHAIRPERSON RODRIGUEZ: Good. I say
12 congratulation. If you make the decision I hope
13 that you continue having the best experience that
14 you continue making as much as possible. Our son
15 and daughter deserve the support that we need,
16 especially providing the best education we can so
17 that they can achieve the dream to be the best... the
18 next Obama, the next president so congratulation.
19 Again like for us it's all about being sure that
20 everyone play by the rule. We will continue
21 working. We will continue conversation. We know
22 there's opportunity again for everyone and I just
23 hope to see that happening. With that this hearing
24 is adjourned.

25 [gavel]

C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date _____ December 08, 2014 _____