

NYTWA statement on Uber bill in the budget:

NYS Budget Betrays Working Class New Yorkers, Rewards Corporate Bullies

(Albany, NY) - On Sunday night, the Senate passed the New York State budget which in our state unfortunately functions as a vehicle to sneak in legislation unrelated to budget issues, trade favors, and reward lobbyists. NYTWA released the following statement on the budget:

The 2017 budget awaiting Governor Cuomo's signature includes a bill to deregulate taxi services throughout upstate New York so that companies like Uber and Lyft, who refuse to pay their drivers minimum wage or abide by labor laws, can dispatch to private motorists in their personal vehicles.

The actual text of the bill wasn't made public until the very last minute meaning that it was voted on without public scrutiny in a process that was far from transparent or democratic.

This bill is bad for workers, and it's bad for democracy. Shame on Governor Cuomo and on NYS Legislators who proved willing to turn back the gains of the \$15 minimum wage to reward corporations that refuse to abide by minimum wage laws. Our Governor took a move straight from the Trump play book - he turned a blind eye to labor violations and worker exploitation but focused razor sharp on rewarding these reprehensible practices. This ultra devotion to a Wall Street worker-crushing business model leaves questions unanswered as to whether he really intends to provide a buffer against attacks on workers from the White House.

Uber and Lyft call their drivers independent contractors and don't pay into unemployment funds, payroll taxes, or social security. They offer no guaranteed hourly wage to drivers and tell the drivers that they are not eligible for overtime pay or unemployment benefits. Meanwhile, after challenged for their poverty pay and miss classification, at least four Uber drivers have been determined employees of the company by the Governor's NYS Department of Labor and eligible of unemployment benefits. That means that other small companies are subsidizing this billion-dollar goliath while it avoids paying its fair share into the unemployment fund and continues to exploit workers.

Besides giving Uber, Lyft, and their cohorts a carve-out from existing taxi regulations, the state has also created a carve-out from existing tax laws applicable to all other corporate services in New York State, codifying a special "TNC assessment fee." The "fee" of only 4 percent per fare is also lower than other black car and taxi sales taxes.

New York State could end up just seeing pennies in revenue from this bill, while thousands of jobs are destroyed, our streets are clogged, and our labor laws are upended.

In New York City, Uber, along with its CEO Travis Kalanick and other company bosses, is currently a defendant in a federal wage theft suit for unlawfully deducting sales tax and an injured workers' fund surcharge from drivers' pay.

The bill includes zero driver protections or mandates to follow existing state labor laws.

Additionally, municipalities have zero ability to regulate these companies, meaning that Uber and Lyft can flood small towns and cities with as many vehicles as they choose and are beholden only to the state legislators they've spent millions lobbying. With one third more lobbyists than Walmart, Uber has spent big to get its way in New York State, pouring millions into influencing elects and advertising to Upstate communities.

But Upstate New Yorkers are in for a bitter surprise when they realize that Uber has no intention of providing these communities with stable jobs, and instead will only offer unpredictable and often sub-minimum wage "gigs" with no protections or workplace rights. From San Francisco to New York, cities with Uber and Lyft have seen gridlock skyrocket while driver incomes plummet as these companies flood the streets in an attempt to wipe out the competition.

And good luck to any municipality that dares to speak out about Uber's destructive practices. The company jumps ship at any hint of regulation as it did recently in Denmark and previously in Austin, Texas when the city insisted that drivers be fingerprinted. Across the globe, Uber violates labor laws, avoids paying taxes, and skirts regulations, leading to the company to be banned in cities and countries throughout the world, including most recently in Italy where Uber has been given 10 days to cease operations.

The Governor and legislature's failure to protect workers only reinforces what we have always known: ultimately, it will be organized drivers that hold Uber and its cohorts accountable, having the courage and integrity to do what the Governor and our state legislators have not.

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