

So Many Questions, So Little Time
By Larry Fisher

Last fall, the NY City Council announced the creation of a task force to study the NYC taxi industry. On July 19, 2019, they announced the 19 members of this group which includes labor leaders, academics, politicians, and some industry interested parties, among others. So, it only took the City Council 9 months to get started on this project. In that time, much consternation over bankruptcies, foreclosures, devaluation of the medallion, and suicides has roiled the industry and the city to some extent. Talk of bailouts has reentered the conversation.

I have a few questions about how we got to this point. Did the city government, through its regulatory entity, the Taxi and Limousine Commission, have an interest in decimating the medallion during the Bloomberg and DeBlasio administrations? Why did the TLC take the rate of fare off the doors of the yellow cab? Why did Katrina Wyman, Professor of Law, perform a study on the medallion as problematic property in 2012? If the TLC knew that the medallion was significantly over-valued as is indicated by the "Roth Report," as far back as 2010, why didn't the TLC publicize it or notify interested industry partners? If the National Credit Union Administration also believed that the medallion was in an asset bubble, why didn't they take stronger regulatory action? Why did the TLC post bogus "average medallion sales" as late as 2013? Why did the TLC insist that auction bidders include in their bid package a commitment letter from an approved lender of at least 80% of the bid amount? Did the city, via the TLC, take a position of willful neglect of the medallion in support of Uber and Lyft's efforts to supplant the medallion taxi? What were the results of the investigation of TLC employees going to work for Uber and Lyft? Why did the city agree to 50% of the taxi medallion fleet becoming wheelchair accessible? Why did the TLC agree that 25% of the app fleet be wheelchair accessible? Why did the NY City Council put no limits on the expansion of Uber and Lyft between 2013-2018? Does it make sense that the medallion taxi industry cannot expand its fleet without an environmental impact study but the livery or black car fleet can?

I have a few other questions about where we go from here. Does the city want to have a vibrant medallion system which regulates the supply of taxis to ensure that drivers can make a sufficient living in order to serve the public in a reasonable way and to be able to repair and replace their vehicles as need be? Does the city want to have the support systems necessary to maintain a medallion industry such as fair and competitive insurance and lending products? Does the city have an interest in the future sales of medallions, yellow or green, as a way of serving an expanding population and raising revenue? Does the city have any ideas other than congestion pricing to combat the overwhelming chokehold that currently exists in Manhattan and surrounding areas? How would you assess the WAV program thus far? Are users being served better than with Access-o-ride? Are drivers being incentivized sufficiently to maintain a level of service commensurate with its purpose? Is there really any enforcement against illegal street hails especially at hotels, airports, and restaurants? How does the city government feel about hedge funds and private equity buying up blocks of medallions in foreclosure sales and loans from legacy lenders? Is there really any difference in the service being provided by yellow taxi drivers, black car drivers and Uber drivers getting people from point A to point B? Why is it

necessary to differentiate them? Do the members of this task force believe that it is the lenders fault for the crash of the medallion, as the NY Times has theorized, or is the entrée of app-based competition really the cause? Is the NY Daily News correct in estimating a 44% drop in yellow taxi driver revenue over the last five years? Does the TLC need to be reformed or eliminated? Is the taxi industry itself most responsible for turning the public against them for geographic and racial discrimination in picking and choosing fares? Is the same thing occurring with regular frequency with app-based providers? Have initiatives like pedestrian plazas and bike lanes made driving a taxi more difficult and more time consuming for passengers? What is the TLC's role in allowing the expansion of app-based drivers and the concomitant increase in accidents?

So many people have gotten hurt and financially destroyed in the last five years, and government's response has been lacking. If this task force is just a means to placate the interested parties with no action down the line, then the most important questions will have been answered. Does the city want a medallion system, and did the city actively pursue a policy to destroy it?