



# New York Taxi Workers Alliance

*Union of NYC Taxi Drivers!*

*AFL-CIO, NYC CLC, NYS AFL-CIO, Intl. Transport Workers' Federation*

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## Taxi Drivers Celebrate Legal Triumph

Taxi drivers succeeded today in opposing the Metropolitan Taxicab Board of Trade's legal challenge to the new TLC lease cap rules enacted as part of this year's fare raise increase. MTBOT, a garage owners association, filed a lawsuit challenging the first-time lease cap on the amount taxi agents can charge to drivers who lease both a medallion and to purchase the vehicle. These "Driver-Owned-Vehicle" drivers are the biggest segment of lease drivers. The MBOT's lawsuit was the only hold up to the full implementation of the new fare increase rules, the first one since 2004.

The taxi companies' lawsuit was filed against the Taxi and Limousine Commission, and alleged that the new lease cap rules violated the contract clause of the United States Constitution. The New York Taxi Workers Alliance, represented by the law firm of Sheppard Mullin, intervened as a defendant in the lawsuit to defend the regulations and protect the drivers whose livelihoods were at stake. Today, the MTBOT withdrew the case with prejudice. As a result, effective immediately, all drivers should be charged no more than at the TLC-regulated lease cap. NYTWA is encouraging all drivers to bring in their lease copies to make sure their rights are being preserved.

Executive Director Bhairavi Desai of the 16,000-member New York Taxi Workers Alliance issued the following statement: "We are ecstatic that hard-working taxi drivers have prevailed. The case was an unjust attack on the livelihoods of thousands of drivers who for years have suffered from predatory leasing practices and arbitrary overcharges. Even with the TLC numbers, drivers still bear a heavy burden - \$1,389 per week plus fuel (and vehicle maintenance and insurance) before breaking even. In the absence of lease cap regulations, those numbers were even higher and always going up. In fact, for a \$30,000 vehicle, taxi drivers would end up paying \$60,000. This is a huge victory for taxi drivers. We extend a heartfelt thank you to our legal champions, our attorneys Dan Brown and his colleagues at Sheppard Mullin, for helping drive justice into the taxi industry. We call on all drivers to be vigilant in defending our rights and standing up against any lease cap violations."