

Communication from Public

Name: Leon Slomovic

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Comments for Public Posting: Honorable Council Members, In its haste to rush through reforms LADOT has misstated the expiration of franchise by 2 months, implementation of up-front pricing by a month and asked for approval of Board Order 82, passed in April of 2017, when in fact Board Order 89 was being considered. Most of the company managers and drivers did not know or had no access to supporting documentation, because it was published and provided to us only after protestations and a demand from Commission President. Four of the 6 items LADOT asked to be approved were eliminated, other items were changed and still others added, beyond what was contained in the proposed Board Order 089. In fact, after two hours of discussion, some commissioners complained they did not understand what they are voting for. Also in violation of the Brown act, the Commission President allowed public comment only after the vote has been taken, on a board order that was not spelled out, without specific language and Commissioners unsure of its details. Worse still, the proposed Board order 89 infringes on Council's authority. It alters composition and number of operating permits, in contravention of section 71.12 of Municipal Code, and existing franchise agreements which the Council recently extended and which required 'convenience and necessity' finding, a 30 day notice, a hearing and is subject to Council approval. Creating a 100-vehicle minimum fleet size at the time when only TWO companies can comply with this requirement is misguided. At present, two companies stopped operating, and others are operating at 30% capacity. As part of altering the fleet composition, LADOT is requesting elimination of color schemes/branding (which serves as a safety feature to identify licensed vehicles), altering definition of a topline requirement and acceptance of TNC vehicles into the fleet. It allows companies to change or adjust taxicab rates set by the Council in contravention of section 71.25 of municipal code. Moreover, it allows 'adjustment' of Council established rates based on type of vehicle (ADA), service area and time of day. In addition, allowing companies to compel independent contractors to charge set prices will expose both companies and drivers to questions of control and price coordination, prohibited by AB5 and Sherman Act. LADOT wants to allow, even require, that drivers be logged into multiple dispatch systems, most outside

companies knowledge or control, while holding companies liable and responsible for driver violation of the rules. In this scenario, drivers could easily accept multiple orders simultaneously and even sell them to other drivers, with predictable and dire consequences for the public. LADOT also wants to create an annual company permit renewal and to eliminate low emission vehicles. This substantially increases cost and removes stability and certainty needed for capital investment, especially for wheelchair accessible vehicles which cost \$20,000 - \$50,000 to purchase and outfit. At the same time LADOT wants to retain 10% wheelchair accessible van requirement. This is an unjust and unsustainable financial burden on both driver-owners and companies. All this is being done without an assessment of how these changes and new rules will impact driver earnings. Increasing the fleet to 8,000, as LADOT envisions, and removing price controls will inevitably reduce, the an already meager, driver incomes. The City is essentially planning to create a regulatory framework based on a TNC model at the same time it is suing these companies for excesses and exploitation it is recreating itself.. At the time when TNCs' basic rate in Los Angeles is about \$0.60/mi compared to taxis \$2.65/mi and the size of the fleet that is 100 times larger, the idea that deregulating cabs in Uber's image, which according to a transportation expert's analysis is subsidizing its trips by 61%, would not, under any conceivable scenario, provide 'economic opportunities' or significantly change the dynamics of the passenger demand. It is simply irresponsible! We strenuously object to the conduct of Taxicab Commission, the process which misleads stakeholders and Commissioners and the haste of this Committee to rush through the most consequential for-hire-vehicle reforms in the last 30 years. We demand that Council Members ensure lawful adherence to applicable regulations of the rule-making process and Municipal Code, adequate access and opportunity for comment by stakeholders and a thorough examination and analysis of the implications of proposed changes to taxicab regulatory framework. Taxi Workers Association of Los Angeles