

Communication from Public

Name: TAXI WORKERS ASSOCIATION OF LOS ANGELES

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Comments for Public Posting: TWALA, as the taxi driver advocacy organization, is, once again, strongly urging this Committee to extend the existing franchise regulatory scheme for at least 6 months, so that significant regulatory, legal and logistical issues, which the stakeholders have been bringing up for two years and the LADOT and the Board of Taxicab Commissioners have been ignoring far too long, can be addressed. It would be unconscionable to move forward with an untested and unproven regulatory scheme without addressing vital driver concerns regarding wages and working conditions, employment classification, as related to co-op rate setting, efficacy of using private license plates, examining CEQA implications of 10-fold fleet expansion and Council oversight. Under these circumstances, the risk of failure and the economic and emotional price that would be paid by thousands of drivers and employees and their families, already strained to the limit by the pandemic and unfair competition, dwarf any conceivable, short-term benefits to the public or political advantage gained by being the first to uberize the taxi industry. Critical to such a comprehensive reorganization is an in-depth examination of historical precedent, academic research and current societal and economic conditions. Regrettably, unlike the previous attempt at reforming the taxicab industry, in 2009, the current proposal lacks the rigor and transparency of the earlier effort. Gone are the in-depth comparison of various regulatory models, evaluation of the wages and working conditions of the drivers, evaluation of economic and legal implications and data driven analysis showing the practicality or efficacy of the proposal. Instead, we're left with intermodal transportation of the future, automated and air mobility options and LADOT hyperbole about lack of flexibility to manage fleet size, insufficient access to data and the promise of expanding economic opportunity and expansion of transportation equity. The truth is that LADOT has and always had flexibility to add or remove underperforming companies, the catch always was that there was a process and the oversight, which the new scheme lacks. Between 1990 and 2011 the LA taxicab fleet grew 75%! The sad reality is that the "economic opportunity" and "equity" in this proposal are simply placeholders, the same ones Uber and Lyft used at their inception, to allow companies, rather than workers and elected officials, to determine fleet size and rates,

which as the authors of the study caution have the potential for oversupply, mistreatment, and lower wages. Protections needed to “ensure that drivers earn a living wage” are nowhere to be found in the Department’s proposal and neither are there any provisions for reporting to the Council or the public on the health of the industry. Nowhere is this abrogation of their obligations better seen than in LADOT’s unilateral decision to stop performing semi-annual rate review or annual performance reports and more recently the department’s decision, without consultation, notification or regulatory approval, to change fleet’s trade dress to “light color scheme”. For all the talk by the Department about stakeholder outreach and research, it has failed to deliver the very study on which your decision is based or the very industry feedback they tout. Neither has LADOT been responsive to our own requests for this very commentary by the industry or the terms and conditions of the consultant’s contract. When the consultant’s study itself says that “LADOT desires to remove any restriction on taxi fare setting”, it seems the outcome of this so called “research” had been pre-determined well before it was written. This process has been fatally flawed from the start and moving forward with this proposal, before essential elements are resolved is simply irresponsible! There is a myriad of alternative ways to achieve improved service and sustainability of the industry. We have spoken about them at length and will continue our outreach to experts and scholars and hope so will this Committee. Once the decision is made to eliminate reasonable measures to ensure accountability, wage standards, as has been done in NYC, without regulating rates for the TNCs, once the fleet of cabs is increased, the damage done will be nearly impossible to reverse and much greater than the cost of a temporary delay to resolve critical issues necessary for ensuring a sustainable and accessible transportation for the public. We strongly urge this Committee to delay elimination of franchise system of regulating the all-co-op, driver empowered system until all of the issues we have brought to you attention have been addressed. Worker’s wages and oversight cannot be an afterthought to be fixed at a later date! Specific and effective preemptive mechanisms must ensure a living wage and oversight and it must be the basis of any system you approve, not simply the hope or a promise to be implemented at a later date!