



MEMORANDUM IN OPPOSITION

TITLE: A LOCAL LAW to amend the administrative code of the city of New York, in relation to the wrongful deactivation of high-volume for-hire vehicle drivers

LEGISLATIVE REFERENCE: Intro 276 (Krishnan)

REASONS FOR OPPOSITION:

Intro 276 which would replace a hard-fought and successful grievance procedure for “deactivated” Uber and Lyft drivers negotiated by the International Association of Machinists and Aerospace Workers (IAMAW), with a weaker process run by the city. This is an unprecedented assault on organized labor and workers. This bill is being promoted by taxi medallion owners who profit when Uber/Lyft drivers are kicked off their apps and forced to rent yellow cabs. We urge you to oppose this attempt to exploit drivers further.

The City Should Not Interfere When Organized Labor Has an Established and Effective Grievance Procedure - Especially at the Behest of Management

Organized labor routinely negotiates fair grievance procedures for their workers. We are unaware of any time in New York City history when the city stepped in and replaced an existing grievance procedure that was negotiated and hard-won by the workers. The city should not start now.

The Machinists originally negotiated the current system, which has protected drivers since 2016. The grievance procedure is now run by a Machinist affiliate, the Independent Drivers Guild (IDG). The IDG represents over 100,000 for-hire vehicle drivers in New York State.

This attempt to undermine the workers is being spearheaded by the New York Taxi Workers Alliance (NYTWA). CM Krishnan discusses their involvement in his letter supporting the bill. NYTWA is a medallion owner alliance best known for its work fighting for debt relief for medallion owners. Unfortunately for the drivers impacted by this bill, medallion owners make much or all of their profits renting their medallions for \$165 per shift to TLC-licensed drivers who can not afford their own medallion. Since Uber and Lyft have given these drivers an alternative, this market has collapsed and is one of the leading causes of the crisis medallion owners are in. By undermining drivers’ ability to effectively grieve when they are thrown off the apps, or “deactivated”, it will force desperate drivers to work for medallion owners. Note that the bill offers NO protections for drivers if a medallion owner chooses to “deactivate” a driver by withholding their medallion.

The Current System is Better Than the One Proposed in a Number of Ways

The Machinists Union has worked with black car drivers in New York City since the 1990s. Since 2016, any rideshare driver in New York who Uber or Lyft has deactivated has a right to be represented by trained IDG advocates. In cases where there is a disagreement, the driver can appeal all the way up to a worker panel run by a

third-party arbitrator from the American Arbitration Association. CM Krishnan falsely claims that the companies determine who can appeal and then act as the final judge.

This labor-run process routinely gets 80% of workers who come to us back to work so they can pay their rent and feed their families. The current procedure is fair, effective and costs taxpayers nothing.

Currently, when drivers are deactivated, they are represented for free by trained worker advocates from the moment they contact us until final disposition before an outside arbitrator. Under the Intro 276, drivers who are deactivated would be left on their own to navigate a complex two-tiered system administered by a city agency they are unfamiliar with, the department of consumer and worker protection. Almost all workers would be left to defend themselves in an arbitration process. Those who had somehow opted out of arbitration beforehand when clicking “accept” to the terms and conditions of the app would enter a different but equally complicated system run by department “fact-finders.” This system will not work for drivers, 91% of whom are immigrants, and 100% have never faced this process, leading to far more deactivated drivers.

CONCLUSION:

Replacing a successful, worker-friendly, union-won grievance procedure run by a city agency that leaves workers to fend for themselves at a time of great distress is bad for workers, bad for organized labor, and bad for the city’s taxpayers. Only the medallion owners, who would have a larger pool of drivers to prey on, would win. The Council must reject this proposal.

The Independent Drivers Guild (IDG)

The IDG is a nonprofit affiliate of the International Association of Machinists and Aerospace Workers (IAMAW), and our organization represents over 140,000 for-hire vehicle drivers in New York State and 250,000 in Connecticut, Massachusetts, New Jersey and Illinois. The IAMAW is the only union to successfully organize black car workers in New York City and has been doing so for over twenty years.

For More Information Contact:

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