



NEW YORK CITY LAW DEPARTMENT
OFFICE OF THE CORPORATION COUNSEL

Michael A. Cardozo, *Corporation Counsel*

Press Release

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MANHATTAN STATE COURT DISMISSES CHALLENGE TO CITY'S E-HAIL PILOT

PILOT PROGRAM CAN NOW PROGRESS, ENABLING RIDERS TO TEST THE LATEST TECHNOLOGY OPTIONS

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New York, N.Y., April 23, 2013 – Today New York City Corporation Counsel Michael A. Cardozo and Taxi & Limousine Commissioner David Yassky announced that a challenge by black car industry groups to the City's "e-hail" pilot program has been dismissed. The pilot allows electronic applications ("apps") to be used by medallion taxis to accept electronic hails ("e-hails"). As a result of the ruling, the TLC is now free to proceed with testing this technology.

"This decision is a victory for all the riders who want to decide for themselves what technologies and services they want to use," said TLC Commissioner David Yassky. "The market will ultimately decide which apps rise or fall and we have an obligation to give the riding public that choice. Thanks to today's ruling, they have that choice."

"We are very pleased," said New York City Corporation Counsel Michael A. Cardozo. "The ruling confirms our position that the pilot was completely proper. The TLC must be able to pilot new technology like e-hail apps to stay on the cutting edge of industry and to best serve the public."

The petitioners—consisting of 10 industry groups and 2 individuals—had argued that the pilot program exceeded the TLC's authority and that it violated several provisions of the New York City Charter and New York City Administrative Code, City rulemaking procedures, the City Human Rights Law, and State and City environmental statutes. They also argued that the program impermissibly blurred the legal distinction between black cars and yellow medallion taxis that was deliberately established by the Legislature. In addition, they claimed that the pilot program would authorize medallion taxi owners to discriminate by impermissibly refusing service to passengers based on their appearance or location. Justice Carol E. Huff's decision today rejected each one of the petitioners' seven claims, and dismissed the lawsuit in its entirety. The petitioners had also contended that the pilot program would have a disparate impact on the elderly. The Court found no clear evidence of this and in particular observed, "A possible beneficial effect upon the elderly is the potential ability to more efficiently locate an available taxi, reducing time spent standing or walking."

Senior Counsel Michelle Goldberg-Cahn of the New York City Law Department's Administrative Law Division handled the case for the City. Assistant Corporation Counsel Amy McCamphill of the Environmental Law Division also worked on aspects of the case.

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