



NEW YORK CITY LAW DEPARTMENT
OFFICE OF THE CORPORATION COUNSEL

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Press Release

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For Immediate Release

**APPELLATE COURT UNANIMOUSLY UPHOLDS
TAXI & LIMOUSINE COMMISSION'S AUTHORITY
TO REVOKE DRIVERS' LICENSES FOR REFUSING SERVICE**

DECISION REAFFIRMS IMPORTANCE OF PROTECTING RIGHTS OF NEW YORKERS AND CITY VISITORS

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New York, January 13, 2004 – Reversing a lower Supreme Court decision, the Appellate Division, First Department unanimously held today in *Arif v. New York City Taxi and Limousine Commission (TLC)* that the TLC may revoke a taxi driver's license as punishment for improperly refusing service to prospective passengers. The TLC implemented this revocation policy in 1999 in response to passenger complaints regarding taxi driver service refusals – especially refusals allegedly based on the race of prospective passengers. In the TLC's view, revocation was justified for even one improper service refusal because such refusals are intolerable as well as serious violations of the public's trust.

The Court held that the TLC's determination to revoke licenses after one unjustified service refusal was neither arbitrary, capricious or irrational. "There can be no dispute," the Court reasoned, "that any unjustified service refusals by licensed taxicab drivers threaten the best interests of the public, since such refusals not only perpetuate the insidious problem of discrimination but also adversely impact a vital and integral component of the transportation system of New York City." In addition, the Court recognized that recent changes to the City's Administrative Code did nothing to restrict the TLC's revocation policy.

Scott Shorr, the attorney who handled *Arif* on appeal, said the Court's decision "reflected careful analysis and interpretation of numerous TLC rules and City Administrative Code provisions."

Michael Cardozo, the Corporation Counsel of the City of New York, commented both on today's decision in *Arif* and the Second Circuit's recent decision in *Padberg v. McGrath-McKechnie*. "Now that Federal and State appellate courts have upheld the TLC's revocation authority against a variety of legal claims, all New Yorkers should feel more confident that, when they hail a cab, the driver will offer them appropriate service."

(In *Padberg*, the plaintiffs claimed that the TLC's revocation policy violated their Constitutional rights to substantive due process, because the TLC supposedly implemented the policy in excess of its authority under the New York City Charter, the New York City Administrative Code, and the Rules of the City of New York. However, the District Court for Eastern District of New York granted the City's motion for summary judgment. The Second Circuit Court of Appeals affirmed this in March 2003. The U.S. Supreme Court later denied the plaintiff's petition for certiorari or request to hear the case.)

TLC Commissioner Matthew Daus noted, "The TLC has always maintained that the vast majority of drivers respect their clients and provide outstanding service. It is only a small number who have exhibited this egregious behavior." He added, "The Appellate Court's decision today represents a clear victory for riding public by upholding the fairness of the TLC's procedures and reaffirming that the handful

of drivers who illegally refuse service simply do not belong behind the wheel of a taxicab."

Senior Counsel Scott Shorr of the Law Department's Appeals Division handled the appeal with assistance from Appeals Division Senior Counsel Jerald Horowitz and Assistant Chief Kristin Helmers of the Administrative Law Division. Former Assistant Corporation Counsel, also of the Administrative Law Division, Dina Mastellone represented the TLC in the lower court (Supreme Court).

General Counsel Peter Mazer of the TLC also worked on significant aspects of both the lower and appellate court cases.

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