



TLC and A.G.'s Office Team-Up To Protect Drivers' Rights

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Investigation resolution yields \$1.6 Million-plus in Driver Restitution and Penalties

New York City Taxi and Limousine Commission (TLC) Chair/Commissioner Meera Joshi and New York State Attorney General Eric T. Schneiderman today announced the successful resolution of an investigation of allegations that Yellow Cab SLS Jet Management Corp. had overcharged drivers leasing their taxicabs in excess of the TLC's lease cap rules. As a result of the joint TLC/O.A.G. investigation's findings, SLS Jet has now paid \$1,387,500 in restitution that will be restored to victims, plus an additional \$250,000 in penalties to both TLC and O.A.G., plus \$25,000 that would be used to defray the costs of monitoring the company's future compliance with TLC rules.

This investigation and its resolution is the second product of an ongoing close collaboration between the TLC and the O.A.G. to protect the consumer rights of taxicab drivers.

"Taxi drivers are among the hardest working New Yorkers," said TLC Chair Meera Joshi, "and the resolution of this case, including the recouping of over \$1.39 million in restitution for victimized drivers and their families, sends a powerful message to anyone considering this kind of abuse that it will not be tolerated. The Attorney General's Office and the TLC are fully and jointly-committed to putting an end to this, and other forms of abuse where monies rightly belonging to drivers are illegally withheld, and drivers can feel confident that we will investigate every credible allegation we see."

"Every worker in New York deserves an honest day's pay for an honest day's work, and taxicab drivers are no exception," said Attorney General Schneiderman. "With most cabbies already struggling to make ends meet, our agreement will put money back in their pockets and prevent this company from cheating drivers out of their hard-earned wages. Working with Commissioner Joshi and the TLC, we will continue to vigorously enforce lease cap rules and ensure that all taxi companies follow the law and respect drivers' rights."

The TLC's Lease Cap rules ensure that the costs associated with the operation of yellow medallion taxicabs by taxi leasing agents, of which SLS Jet is one of 62, are fairly shared with drivers who are their customers. Drivers pay the lease fees, which range from \$105 to \$132 per 12-hour shift for those who lease by the day, prior to starting their shifts, with their



day's earnings going to recoup lease fees and other expenses, such as fuel and taxes.

The first investigative collaboration with the A.G.'s Office culminated in a December 2013 settlement with four taxi lease agents, in which these agents had overcharged drivers for taxi leases. The parties in that case paid almost \$750,000 in driver restitution, and \$500,000 in penalties.

"The drivers who came forward are the heroes who forced cap enforcement practices in the industry. They took on retaliation and harassment in the name of justice and today they have triumphed," said NY Taxi Workers Alliance organizer Bhairavi Desai. "Given a driver who overcharges by \$10 loses their license and faces prosecution for multiple offenses, the SLS Jet owners should be relieved for not facing criminal charges. We thank the leadership of A.G. Schneiderman and the Labor Bureau and TLC Chair Joshi and her prosecutors for staying the course and sending the message that drivers' economic rights will be protected."

TLC Lease Cap Unit Prosecuting Attorney David Ross took lead on this case for TLC and was named a Special Assistant Attorney General, working alongside fellow Special Assistant Attorney General Jason Gonzales, under the supervision of Deputy Commissioner Raymond Scanlon and Assistant Commissioner Sherry Cohen. The TLC team worked in close coordination with O.A.G. staff members Assistant Attorney General Elizabeth Wagoner, Special Counsel Patricia Kakalec, Labor Bureau Chief Terri Gerstein, and Executive Deputy Attorney General for Social Justice Alvin Bragg.

The New York City Taxi and Limousine Commission (TLC) was created in 1971, and is the agency responsible for the regulation and licensing of almost 200,000 yellow medallion taxicabs and for-hire vehicles, their drivers, and the businesses that operate and support their industries. It is recognized as the largest and most active taxi and limousine regulatory body in the United States.

To find out more about the TLC, or to review its rules, regulations and procedures, we encourage you to visit our official web site at WWW.NYC.GOV/TAXI or call 311 in New York City, or 212-NEW-YORK from outside of New York City.