



Press Release
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**TLC ANNOUNCES PASSAGE OF SWEEPING RULES
TO RAISE DRIVER EARNINGS**

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FHV drivers will see earnings increase of almost \$10,000 per year; Rule package benefits yellow taxi drivers with lower credit card processing fees and higher accessible service payments

The New York City Taxi and Limousine Commission (TLC) today announced the passage of its landmark comprehensive Driver Income and Transparency Rules. The rules, voted upon Tuesday morning by the TLC's Board of Commissioners, are expected to significantly increase the earnings of more than 80,000 For-Hire Vehicle (FHV) drivers who work for large app companies, as well as providing other important benefits for drivers across multiple sectors.

"New York City is the first city globally to recognize that the tens of thousands of men and women who are responsible for providing increasingly popular rides that begin with the touch of a screen deserve to make a livable wage and protection against companies from unilaterally reducing it," said **TLC Chair Meera Joshi**. "Convenience costs, and going forward, that cost will no longer be borne by the driver. Today's rules will raise driver earnings by on average \$10,000 a year and require companies to be completely transparent on how they calculate pay and car leasing costs. Companies are saying paying drivers fairly will cause longer wait times and higher prices. But I believe all New Yorkers are willing to pay a little more and wait a little longer so the people transporting them are able to provide for themselves and their families."

The passage of these rules follows a groundbreaking, TLC-commissioned report by the New School's Center for New York City Affairs and the Center on Wage and Employment Dynamics at the University of California, Berkeley. The analysis found that 96% of high-volume FHV drivers earn less than \$17.22 - the independent contractor equivalent of a \$15 minimum wage. It also revealed that their median earnings declined more than 10% between 2016 and 2017. Analysis of driver expenses has also shown that drivers spend an average of \$425 a week on the operation of their vehicles.

The rules, which can be viewed in detail [here](#), set a per-minute and per-mile minimum trip payment formula, which the TLC anticipates will represent a raise to 96% of the 80,000 drivers who work for Uber, Lyft, Via, and Gett/Juno (the High Volume FHV service providers) in New York City.

While the companies themselves will be held responsible for ensuring they pay the driver at least the regulated minimum for each trip they dispatch, drivers will have an innovative resource to assist them in calculating the earnings owed them. The TLC has designed and will make available by December 6 a Driver Pay Calculator that will assist them in determining the earnings they are due.

To closely-monitor the effects of the new policy, the TLC will begin to receive from high-volume FHV app companies detailed fare information, more extensive trip data, and data on passenger wait times.

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Highlights of the New Rules:

- High volume FHV drivers will earn at a minimum a trip pay standard that is the equivalent of \$27.86 per hour, or \$17.22 per hour after expenses, the minimum wage standard for independent contractors, who pay additional payroll taxes and do not get paid time off.
- 96% of Uber, Lyft, Gett/Juno, and Via drivers in New York City will receive almost a \$10,000 a year raise. They previously had no earnings or minimum wage protections.
- High volume FHV drivers will receive higher minimum pay for wheelchair accessible vehicles to account for the additional expense of operating these vehicles. The rules also set new minimum pay rates for out-of-town trips, where drivers spend greater time without a passenger while returning to New York City.
- Drivers will also receive detailed pay and deduction information, as well as lease information that is written in plain language, specifies all costs, and receipts that itemize all deductions and charges.
- More wheelchair accessible taxi owners will be able to receive payments of \$14,000 a year when a car is put on the road, and then \$4,000 a year while in service. The TLC recently doubled payments to wheelchair accessible taxi drivers per trip. A typical accessible taxi driver now earns an additional \$1,700 a year.
- The rules reduce the maximum amount that taxi fleets can charge drivers for credit card processing, saving the average fleet driver \$1000 a year.

The administration anticipates the new rules being in effect as of mid-January 2019.

“One of the Council’s main goals in bringing a regulatory framework to the for-hire vehicle business in the city was to help drivers in every part of the industry, and today marks a milestone in our continued efforts in this area,” said **New York City Council Speaker Corey Johnson**. “App based drivers will now earn at least the equivalent of the City’s minimum wage, bringing more fairness to a gig economy that too often leaves working people behind. The Council is proud of the progress we have made and will continue working to help drivers, reduce congestion, and increase fairness in the for-hire vehicle industry.”

“Access to transportation is a vital part of the New York City economy,” said **Finance Commissioner and TLC Board Member Jacques Jih**. “Rideshare drivers should be better compensated for the important service they provide. New York is an expensive city, and these rules make it easier for drivers to better provide for themselves and their families.”

“These regulations will serve to help ensure that the drivers will earn a fair wage for the service that they provide and also provide a higher degree of transparency with regard to how driver pay and related costs are calculated and measured,” said **TLC Commission Member Thomas Sorrentino**,

“Seeing this pioneering work through lens of achievements such as the ‘Fight for 15’, we can all appreciate the fairness that this brings to a group of workers that has historically had to absorb the risks faced by the companies they work with,” said **TLC Commission Member Steve Kest, a Senior Advisor at The Center for Popular Democracy**. “They’ve earned a raise, and they’ve certainly earned a chance to share those risks in an equitable and proportional way.”

“The fact that the rules we approved today will result in such a difference in the lives of so many hardworking men and women and their families,” said **Commission Member Kenneth C. Mitchell**, “makes these groundbreaking earnings protections one of the most meaningful things we’ve done as a commission, and I am grateful for the opportunity to have participated in the process.”

"Over the last several years as the largest for-hire vehicle companies have incentivized drivers to flood our streets in a race to the bottom," said **Gale Brewer, Manhattan Borough President**. "Today the TLC is taking the badly needed step of establishing driver pay protection. These meaningful and just reforms will help tens of thousands of drivers support themselves and their families, a win for all New Yorkers."

"New York City is leading the way when it comes to ensuring that drivers receive a fair and living wage. By increasing standards around pay and utilization, New York City is setting the standard for other cities. Thank you to the Taxi and Limousine Commission for their leadership," said **Council Member Keith Powers**.

"I am thrilled to see the passage of the Driver Income and Vehicle Lease Transparency rules, which will ensure for-hire vehicle drivers earn livable wages to support their families. I would like to thank my colleague, Council Member Lander, as well as Mayor de Blasio and Commissioner Joshi for taking the necessary steps to protect these workers," said **Council Member Diana Ayala**.

"Both FHV and yellow cab drivers have seen their labor increasingly exploited, and livelihoods destroyed, by an emerging economy that supposedly brings more benefits to the consumer. I commend the De Blasio administration for taking on the incredibly serious question of how workers in our "gig" economy can be fairly compensated and maintain a decent standard of living in one of the most expensive cities in the world," said **Council Member Helen Rosenthal**.

"I'm proud that my bill will make New York City the first major U.S. city to establish a minimum pay standard and living wage requirements for Uber and Lyft drivers," said **Council Member Brad Lander**. "I'm thrilled the TLC is voting to finalize the rules today, which will protect drivers, level the playing field and support accessibility. Huge thanks to the New York Taxi Workers Alliance, Independent Drivers Guild, 32BJ SEIU, the Taxi and Limousine Commission, Mayor de Blasio and Council Speaker Corey Johnson for their incredible leadership on this issue."

"Creating a new driver pay standard will address some of the hardships faced by for-hire vehicle drivers in the current marketplace. The minimum pay standard will maximize the time drivers are on duty, leading to a reduction in cruising time that squeezes drivers and adds to increasing traffic congestion. Additionally, taxi drivers will no longer be burdened by high credit card processing fees. This is the right step towards advancing livable working wages for FHV and taxi drivers equally," said **Council Member Ydanis Rodriguez, Chair of the Committee on Transportation**.

"FHV drivers make up one of the largest job sectors in New York City, yet these 80,000 New Yorkers worked with no minimum wage. That changes now, thanks to our legislation passed in the Council and the rules voted on today by the TLC. No matter the field you work in, you should always be guaranteed a living wage, and we are one step closer to that promise today," said **Councilwoman Carlina Rivera**.

"Sensible regulations that ensure fair pay for our city's FHV drivers is not only the right thing to do, but smart policy," said **Assemblyman David I. Weprin**. "By providing a standard of pay for some of our city's hardest workers, who often work long hours in a stressful work environment, we put more money in the hands of the New Yorkers who earned it, keeping even more in our local economy by providing a higher standard of living for drivers. I praise Mayor Bill de Blasio and TLC Commissioner Meera Joshi for implementing this groundbreaking policy, which will serve as a template for fair regulations across the country and provide a much needed boost to our city's drivers."

"These rules will lift thousands of New York City drivers out of poverty wages into a living wage of at least \$15 an hour. For thousands of drivers, that means an income boost of about \$10,000 a year, which for working class families can mean the difference between making rent or getting evicted, between feeding a family or going to sleep hungry. I'm proud to be part of a City Council that passed landmark legislation to protect these workers' earnings and I applaud the TLC and the Mayor's Office for supporting this unprecedented package," said **Council Member Francisco Moya**.

"Through the passage of these rules, our City is taking a critical step to level the playing field for drivers across all backgrounds and sectors, and improve transparency in a system that leaves thousands of hardworking men and women without a stable wage and benefits," said **Council Member Margaret S. Chin**. "We cannot be passive observers in an economy that is increasingly reliant on apps; at the core of a culture based on instant gratification and immediate convenience are real human lives. Instead of asking these workers to simply 'catch up,' we must continue the fight for economic justice for all."

"Today's historic TLC vote is the first real attempt anywhere to stop app driver pay cuts, which is an Uber and Lyft business practice at the heart of poverty wages," said **Bhairavi Desai, Executive Director, New York Taxi Workers Alliance**. "It's an important step toward solving the crisis hurting drivers in every sector. We commend Chair Joshi and the TLC for regulating companies that together have more lobbyists than Amazon, Walmart, and Microsoft combined. The TLC held hearings and commissioned a ground-breaking report, securing its legal authority by leading with moral clarity. We will continue the fight to make sure the landmark pay standard is a stepping stone for all drivers across the industry."

"Today we brought desperately needed relief to more than 70,000 working families. All workers deserve the protection of a fair, livable wage and we are proud to be setting the new bar for contractor workers' rights in America," said **Jim Conigliaro, Jr., founder of the Independent Drivers Guild, which led a two year campaign for the new pay rules**. "We are thankful to the Mayor, Commissioner Joshi and the Taxi and Limousine Commission, City Council Member Brad Lander and all of the city officials who listened to and stood up for drivers."

"These policies will bring earnings for about 80,000 New York City drivers up to the city's \$15 minimum wage, while also better aligning the interests of Uber, Lyft et al. with those of the drivers and consumers," said **Michael Reich, Professor, University of California, Berkeley, and one of the study's principal authors**.

"I congratulate Mayor de Blasio, Commissioner Joshi and Speaker Johnson for their leadership in embracing this innovative policy to regulate the pay of 'gig economy' drivers who supply the capital investment and labor effort that make possible convenient app-dispatch services," said **James A. Parrott, PhD, Director, Economic and Fiscal Policy, Center for New York City Affairs, The New School, and a principal author of the study**.

About the NYC TLC

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 300,000 yellow medallion taxicabs and for-hire vehicles, their drivers, and the businesses that operate and support them. It is recognized as the largest and most active taxi and For-Hire Vehicle 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 contact 311/311 Online.