

**Cab Gab**  
by **Abe Mittleman**

**All Is Not Well**

**It didn't take a genius to predict the turmoil that would be created in implementing the "Service Enhancements" that are now being installed in every NYC taxi cab. My columns have been predicting this for many months. Now the drivers are fighting back and no one is sure how this will end.**

**Many drivers staged a strike on Sept 5<sup>th</sup> and Sept 6<sup>th</sup> disrupting service and inconveniencing passengers. Another strike is planned for October 22 and will have taken place by the time you read this. On September 26, taxi drivers in great numbers demonstrated in front of the US District Court at 500 Pearl Street while a hearing was in session. The hearing was held in an attempt by "The Taxi Workers Alliance" to block the installation of the "Service Enhancements" mandated by the TLC. Although Judge Richard Berman decided not to issue a preliminary injunction blocking the installation, the**

**case is still to be finally decided. The taxi drivers that demonstrated in front of the courthouse certainly got everyone's attention. I was present as a reporter and spoke to many of the drivers there. I wanted to know exactly what the driver's objections were.**

**I spoke to drivers who already had the equipment installed. They complained of losing money because the credit cards were not accepted after the passengers had hastily swiped and left or of the signal was lost where the trip ended. They also complained of being cheated by the garage managers at the end of the shift when they were supposed to be reimbursed for the credit card transactions. Another complaint was that although drivers who lease medallions from lease managers are not supposed to be charged any of the expenses for the "Service Enhancements" some lease managers were raising the lease prices based on other expenses that they had not been previously charged for. Clearly, the raise was really for the "Service Enhancements." Then there**

**is the 5% credit card fee that drivers are being charged for the credit charge transactions.**

**When I first reported in January about the system of Taxi Tech, one of the four vendors, I was told by Taxi Tech's CEO that the credit card fees would be from 2% to 3% of the transaction but if owners wanted they could charge drivers up to 5%. When I signed my contract with DDS I was told that the credit card fee was 3.75% but I could charge my drivers up to 5%. This appears to be a hidden charge that the drivers may not be aware of. It's bad enough that the drivers have to pay anything at all. Using a credit card to pay the fare is an elective privilege the passengers should be paying for. Drivers should not have to pay for this. This aside, to make matters worse it's grossly unfair for garage managers to take advantage and charge the drivers even more than the cost is. I wonder how many drivers are aware that they can open their own merchant account and by pass having to be reimbursed by the garage managers. Did**

**anyone bother telling them?!**

**Now as far as losing money from passengers who swipe then disappear before the card is rejected or cannot pay because there is no signal, I emailed the TLC and asked what the policy should be. After all, this was not part of the plan and should have been straightened out during the testing stage. It is a crime for passengers to steal the service. If a passenger is aware that he or she has not paid the fare and says tough luck because there is a loss of a signal before leaving then that is wrong. It may be theft of service and regardless of the circumstances they should be held responsible. So, far I have not received a reply from the TLC.**

**There is no proof that garage managers are taking advantage of some drivers when it comes to reimbursing them for the credit card transactions. Considering this possibility, the TLC should take preventive measures to insure that this doesn't happen. Of course drivers can have their own merchant accounts. That would eliminate any possibility of**

**this happening.**

**Unfortunately, we are all aware that there are many drivers who may be good drivers and very capable of doing what taxi drivers do best, but are not capable of keeping accurate records or managing their own accounts. Has it ever occurred to those who created this system that this is why they drive a taxi? These drivers need to be protected from those that would take advantage. A guaranteed system of payment must be in place. Lack of such a system will eventually lead to drivers walking away from the industry.**

**As for lease managers who may improperly be passing costs onto leases, all charges should be overseen to guarantee against this practice.**

**Another objection that drivers have, unrelated to the “Service Enhancements”, is the lack of any industry-sponsored health plan. Certainly if a 5% credit card fee can unfairly be imposed on these drivers, something can be done to help them collectively pay for health**

**insurance. I think that the 5% credit card fee should be paid by the passengers that elect to use their credit cards and a small fee on all fares should go to pay for an industry wide health plan. Is that so difficult to do?**

**It’s obvious that this situation could be improved and we hope that before long it is. But for now, all is not well.**

