



October 16, 2019

New York State Senate Standing Committee on Internet and Technology
188 State Street
315 Legislative Office Building
Albany, New York 12247

RE: Public Comment on S6538

Dear Honorable Chair Diane Savino and Members of the New York State Senate Standing Committee on Internet and Technology:

My name is Cira Angeles, and I represent the Livery Base Owners. LBO consists of over 250 livery bases in New York City, which serve approximately 150,000 New Yorkers each day in every borough across the City. Our passengers are residents of the outer boroughs and upper Manhattan who may or may not speak English as a first language. Our bases are equipped to serve these passengers because most of our membership are immigrants as well; we come from the same communities as our passengers.

In 2014, our sector of the for-hire-vehicle industry enjoyed over 25,000 affiliated vehicles. However, that year marked the entrance of the “high-volume for hire vehicle services,” who gobbled up market share and provided financial incentives to our affiliated drivers, luring them away from our bases. Those high volume FHV services operate at a loss because their goal is to eliminate all of the competition here in the City. As a result, after 5 years, the number of affiliated vehicles in our sector has dropped to approximately 10,900 vehicles; a loss of more than 14,000 vehicles.

LBO recognizes the need to protect workers in today’s “Gig Economy.” App-based services, typically headquartered in California’s Silicon Valley, have a history of enriching themselves and leaving scorched earth in the communities they serve. Exhibit “A” is the current state of the Yellow Cab and our small livery sector in the wake of UBER’s entrance in the New York market, as describe above.

However, we are concerned that our small community car service bases will be eliminated if their affiliated drivers are deemed to be “dependent workers” under S6538. Community car service bases are simply call dispatch centers. We receive calls from the community, and connect each passenger with a driver. We do not split fees with our drivers. Rather, any driver with a livery medallion can affiliate with a livery base. In order to affiliate with a base, the driver pays a fee. Once the driver picks up the passenger and completes the trip, the driver keeps the money earned. Due to the demographics of our passengers, most of our rides are paid in cash. Keep in mind, our passenger profile is New York’s immigrant community, and our average cost of ride is about \$8.00.

Community car service bases do not control when a driver works. We do not restrict any driver’s ability to receive dispatches. We do not mandate that any driver accept any ride. **Our bases do not pay the drivers.** We do not own or lease the vehicles that drivers operate. And, the drivers typically receive dispatches from our affiliated bases as well as UBER and LYFT throughout the day. The service providers do not coordinate these dispatches; rather, the drivers take it upon themselves to select whose rides to accept based on their own individual criteria. Therefore, if our affiliated drivers were deemed to be “dependent workers” under the legislation, it would be incongruent with the reality of our business model, as well as the true level of agency exercised by our affiliated drivers.

We look forward to working with Members of this Committee on this important issue. We will be reaching out to you individually for meetings so our small sector of the for-hire-vehicle industry is put in the proper context as you grapple with the complexities of protecting New York’s workforce.

Respectfully Submitted,

Cira Angeles
Livery Base Owners