

UPSTATE TRANSPORTATION ASSOCIATION TESTIMONY
to the
TRANSPORTATION JOINT BUDGET HEARING
Wednesday, February 15, 2017

Thank you to Chairman Farrell, Chairwoman Young, Assembly Transportation Chairman Gantt, Senate Transportation Chairman Robach and distinguished members of the Assembly and the Senate for the opportunity to offer comments on the Governor's proposed Executive Budget.

My name is John Tomassi and I'm here on behalf of the Upstate Transportation Association, which represents transportation companies across New York State. We agree with Governor Cuomo's expressed statement that Upstate New York should have the same level of service that exists in New York City. That same fairness of service should include the same standards of regulation including commercial liability insurance, worker's compensation insurance, drivers who were fingerprint-background checked, drug tested and medically cleared to drive in NYC, and professional drivers in vehicles that are adequately inspected.

The only reason that ride-share companies do not operate in New York is their aversion to complying with current rules and responsibilities that the taxi and transportation companies abide by every day.

Ground transportation has been regulated in New York State for good reasons and these regulations that exist in our towns and counties have developed over time to protect both the public and our drivers. Transportation Network Companies do the exact same thing as any licensed professional transportation operator in New York State and should not be regulated any differently. We do not believe that there should be any sweetheart deals on safety, insurance rates, tolls and taxes for multinational companies to cut their own operating costs. We are here today to raise several issues that we do not believe are currently covered adequately in the Governor's proposal or in any current ride-share legislation, and also to suggest that the State budget include adequate funding, through licensing fees, to cover the costs of providing real regulation for these transportation network companies.

INSURANCE

We do not agree that the state should create a special insurance product for ride-share companies, which has already proven in other jurisdictions to be dangerous and costly for everyone except for the TNC companies, by creating major gaps in insurance policies. These special insurance products offer no guarantee that any person who is injured in any ride-share vehicle accident will ever see compensation. As an example, an Uber driver in San Francisco struck a mother and her two young children, one of who tragically passed away, while the driver was in between trips but actively seeking to pick up a passenger. Uber immediately denied any liability in the case, and was sued by the family for the hundreds of thousands of dollars that incurred in medical bills. We urge this body to consider the danger that they are putting our communities through, by offering incomplete and inadequate insurance products.

BACKGROUND CHECKS

We have also seen in jurisdiction after jurisdiction, across our country, that Uber and Lyft's own background checks are inadequate in preventing individuals with prior violent criminal histories from becoming a driver and have subsequently committed violent crimes against their own passengers. Transportation drivers in New York State, including ride-share drivers in New York City, are fingerprinted. If Uber and Lyft are claiming that fingerprinting as criminal background checks are not the gold standard, then the NYS legislature should cease fingerprinting all child care workers, or law enforcers or any other highly sensitive position.

UNDERSERVED COMMUNITIES

We understand that the legislature has raised the lack of transportation services in some communities. However, there is nothing in any version of the ride-share legislation that will ensure that any ride-share vehicle, in actuality, will operate in these underserved areas. It is more likely that these TNCs will congregate in the bigger cities and population centers. Another major concern that this legislature should be aware of, in particular if regulations are imbalanced and varied in the State, is that nothing in the Governor's proposal could physically stop a TNC driver from registering a vehicle in one jurisdiction but deploying that vehicle in another. For example, a TNC driver could register in Rockland County, where registration could theoretically be easier and less expensive, but then turn around and operate in New York City. This, again, put passengers at risk while continuing to neglect these underserved communities.

ENVIRONMENTAL IMPACTS

There is no language in the proposal that addresses the environmental impact of adding hundreds, if not thousands, of new vehicles to our roads. As these ride-share operations grow, we need the ability to assess the impact that these added vehicles will have on our streets, and we need to ensure that the environment is not negatively impacted in communities where these vehicles congregate, operate and do business. We urge this legislature to ensure that an environmental impact study is part of the ride-share proposal.

JOB LOSS

Finally, we urge this legislature to seriously consider and publicly address the number of full time jobs with full benefits that they are putting at risk and that will never be replaced in Upstate New York or Long Island. One report states that as many as 11,150 full-time, non-driver jobs within the taxi industry will be eliminated if ride-share companies expand as quickly as their models predict. The jobs that ride-share companies claim to create are part-time, gig work, with no benefits or protections for the drivers.

The promise of technology does not mean that we must also import the problems and unfortunate tragedies that we have learned along the way. Our New York State legislature and our Governor needs to show the rest of our country and the world how to make deployment of ride-share vehicles safe, equitable and fair for all New Yorkers. Thank you for your time and consideration.

ABOUT UPSTATE TRANSPORTATION ASSOCIATION

The UTA is a new non-profit trade association for private passenger transportation companies. The mission of the UTA is to promote safe and sustainable transportation solutions for New York State. Our members include; taxi, livery, medical transportation, and paratransit fleets in all areas of New York State north of NYC and Long Island. Our work will improve the effectiveness of private transportation services to meet the growing needs of consumers, through public and private partnerships. We will work cooperatively local and state government improve the regulatory environment within the for-hire transportation industry to create a fair and competitive playing field for everyone in the business of transporting passengers for compensation.