



New York Taxi Workers Alliance

National TWA, AFL-CIO, Int'l. Transport Workers' Federation

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September 24, 2019

Honorable Chairwoman Maxine Waters
United States House of Representatives
Committee on Financial Services
212 Rayburn House Office Building
Washington, D.C. 20515

Dear Honorable Chairwoman Waters and Members of the Committee:

Greetings. My name is Bhairavi Desai and I am the Executive Director of the 22,000-member New York Taxi Workers Alliance, a grass-roots labor organization which represents, defends and secures the rights of men and women who serve over one million passengers a day in the country's biggest taxi and for-hire-vehicle industry. Drivers across the industry have been in a vicious race to the bottom. Eighty-six percent of App-dispatched Uber, Lyft, Via, Juno drivers were found by an independent study commissioned by the City of New York to be earning below Minimum Wage. Yellow cab drivers have seen a drop in revenue by 36% since 2011 to today, or 44% when adjusted for inflation.¹ In 2018, we lost nine of our driver brothers to suicide from the despair of poverty and debt.

For the purposes of this House Financial Services Committee Hearing, I write to you today regarding the conditions of our medallion owner-driver members, who are in a chokehold from life-long, astronomic debt.

Three among the drivers who committed suicide were yellow cab medallion owner-drivers. 33% representation for a segment of the workforce that is less than two percent of the driver population.

The medallion is a license issued by the City of New York to allow an exclusive right to pick up street hailing passengers across the city. While medallions can be sold on the open market, they are also auctioned by the City, with the "opening bid" set by the city's Taxi and Limousine Commission (TLC), a Mayoral agency under oversight from the City Council. Individual medallions which had a requirement that the owner must actively drive the medallion would be auctioned alongside "mini fleet medallions," medallions auctioned in sets of two with no such requirement. Between 2004 – 2014, New York City made \$850 Million

¹ <https://nyc.streetsblog.org/2019/05/30/komanoff-times-expose-understated-the-damage-to-yellow-cab-industry-by-uber-and-lyft/>

from 16 medallion auctions.² At the last held auction in 2014, the TLC set the opening bid for the mini fleet medallion at \$1.6 Million dollars, or \$800,000 apiece. The city counted its money, the brokers who oversaw auction applications counted their fees, and lenders counted their interest. Newly minted owner-drivers counted their stars, eager to invest in capital off which they could finance other purchases such as a larger apartment or house or college tuition, or bank on for retirement. Little did they realize that within just a couple of years, that “value” would fall to below \$200,000, leaving over 80% of the loans underwater and thousands of families in life-long debt.

There were more medallion bankruptcies in January 2019 than all of 2015, 2016 and 2017. Our own work on Loan Modification applications for owner-drivers, also called hardship letters, has found that their earnings are on average at a negative \$25,000 for the year. That’s \$25,000 worth of rent/house mortgage, gas and electricity, food, medicine, healthcare that 6,000 families in this industry are being forced to live without. All the while, they are carrying an average \$600,000 in debt on their medallion loans.

Most owner-drivers would have worked for years to build up their credit in order to qualify for a loan. Bankruptcy leaves them with the threat of losing that good credit rating, losing their house or another asset. Whether still in the loan, foreclosed upon or in bankruptcy, the debt becomes a prison sentence to poverty.

In our work helping driver members with “Hardship Applications,” or loan modification requests, we have found that older drivers pay more in monthly mortgage, regardless of how “little” the debt may be compared to younger borrowers. Men and women in their sixties and seventies continue to drive taxis because the monthly payment they used to get from renting out the medallion to a taxi broker can’t pay the mortgage anymore, let alone allow for retirement. One such member of ours drove for less than a year before he had a massive heart attack.

Retirement should not be tied up in an asset such as a medallion. There should be a universal benefit across the workforce. Once the medallion collapsed, borrowers lost their future, even if the loan repayment was completed.

Between the crushing debt and daily poverty, there is no room for basic human experience such as time off to grieve after the loss of a loved one, time off to heal after a heart attack or chemo sessions, at least one day a week off to be with your family, especially your children, or enough time everyday just to eat regular meals and sleep, let alone take care of yourself through exercise or destressing. It is heartbreaking to witness owner-drivers and their families struggle with this daily nightmare.

The stories of owner-driver hardships abound: heart attacks, strokes, depression, working round the clock, foreclosures, bankruptcies, evictions. Suicide. Something has to give and it can longer be the owner-drivers.

² <https://www.nytimes.com/2019/05/19/nyregion/taxi-medallions.html>

Like most stories of poverty and debt, ours too is not merely accidental, or personal choice. A *New York Times* investigation found medallion values were inflated so lenders – many of them involved in predatory loans in the 2008 housing crash – and middlemen called brokers could make extra profits off the drivers' backs.³ Banks made money in 2017 and 2018 when owner-drivers were struggling with payments by using practice called confession of judgment, which was banned by Congress in consumer loans but not in business loans, which is how lenders classified taxi medallion loans; it is also banned by some states even in business loans, but is allowed in business loans in NYS. Borrowers sign papers saying the lender can get paid total loan once balloon ends.⁴

The *New York Times* further reported that seven government agencies knew about the scandal and did nothing.

The spike in medallion value started in 2004. The City advertised medallion prices on average 13 percent higher than they really were.⁵ TLC staff wrote a report in 2010 that the value was inflated; but the Bloomberg Administration ignored it and the auctions continued.⁶ Also in 2010, the NYS Department of Financial Services wrote warnings of inflated values and issued at least one report that the bubble would burst.⁷ In 2011, the National Credit Union Administration (NCUA) wrote a paper on the risks of the industry; in 2012, 2013, and 2014 they had reports of credit unions violating lending rules.⁸ NCUA never penalized or added oversight. In 2014, the state's DFS called a meeting of a dozen top officials.⁹ All the while, the auctions continued. After setting the 2014 auction opening bid at \$850,000, the same City, in fact some of the actual same city officials, went from directly overseeing the auction of overvalued medallions to unleashing Wall Street-backed corporate competitors such as Uber and Lyft with virtually no regulations or barriers to entry and limitless cash. They then went to work for those companies. By 2018, there were 85,000 Uber and Lyft cars competing against less than 12,000 operational yellow taxicabs.¹⁰

³ <https://www.nytimes.com/2019/05/19/nyregion/nyc-taxis-medallions-suicides.html>

⁴ See attached, "Affidavit for Entry of Judgment by Confession"

⁵ *ibid*

⁶ *ibid*

⁷ *ibid*

⁸ *ibid*

⁹ *ibid*

¹⁰ Practically the only regulation in place that attempts to treat the hyper-regulated medallion yellow cab industry and Uber, Lyft, Via and Juno the same is a vehicle cap on the companies instituted after they had collectively reached 85,000 cars, compared to less than 12,000 operational yellow cabs. There are differences in vehicle retirement requirements, inspections, taxes and fees. At the airports, taxi lines outside of terminals are being erased. App-dispatched cars are allowed to drive up to terminals while street-hailing yellow cab passengers are shuttled over. After a rare joint lobbying effort by Wall Street's companies, New York State passed a congestion surcharge where yellow cabs charge \$2.50 to

Between predatory loan terms, an inflated asset, and an uneven playing field, owner-drivers have been stuck in desperate poverty.

Through our members' experiences, we have identified several predatory practices in medallion lending to owner-drivers:

- Confessions of Judgment used to intimidate borrowers into making large sum payments toward outstanding loan balances or rush into refinancing agreements with interest, even interest-only, provisions.
- No requirement of attorney review of agreements (in contrast, home loans have three day window for review and final decision by buyer)
- Lack of credit review of borrower
- Requirement to provide guarantors for loans mid-loan, causing fear of loss of asset or bankruptcy filing even when meeting the loan obligation was nearly impossible.
- Lack of clear language or translated materials for a workforce that is over 90% immigrant
- Lack of disclosures by brokers and middle men used by lenders
- Interest-only payments
- Lack of full disclosure on loan terms, including interest rate and amortization schedule
- Balloon payments of three to five years used to encourage refinancing of loan during high turns, or to enforce Confessions of Judgment during downturns
- No consistency between monthly mortgage and outstanding loan balance. Appears to be that elderly owner-drivers are charged higher monthly rates even if their balance is lower.
- Tying medallion loan to insurance at high premiums.
- In determining medallion value, no consideration of healthcare, retirement, or distribution of revenue toward a livable income.
- Once credit unions – the majority lenders – were taken over by NYS Department of Financial Services, borrowers were not allowed to talk with loan managers or other personnel they had known for years. Many were left in the dark without any contact person, all the while facing a debt of \$500,000 - \$700,000 – some as much as \$1 million. They incurred large size debt but never extended the services given to corporate holders of similar sized debt.

Since the collapse of the market and fall of medallion value, many owner-drivers have been subject to unscrupulous and unnerving debt collection practices:

- Owner-drivers have had the medallion shield confiscated by lenders without any notice. One of our members had an individual enter into his backyard one early morning, accompanied by a tow truck. When the truck couldn't enter and seize the taxicab, the individual jumped the fence to take the shield off the car. No notice was left. Our member called around to the police and the medallion broker through whom

passengers in the zone where over 90% of their trips occur, and the App companies get to charge \$0.75 as long as the passenger requests a group ride.

he had purchased the medallion and had been making payments. No one ever gave him the information on what happened to the medallion shield.

- One such debt collector, recently arrested by the city, would present false documents implying he was a sheriff in an official capacity.
- In general, owner-drivers remain unaware or uninformed of the foreclosure process and what rights they may have to avert a foreclosure or at the time of an auction.

Today, as owner-drivers fight for survival, they are at a disadvantage with a predatory debt collection industry:

- Banks have been selling loans to each other at what we believe to be marked down rates, but owner-driver borrowers are not afforded the same mark down in the form of debt forgiveness, nor are loans modified at the mark down rate. A member of ours purchased the medallion for \$400,000 in 2006 with financing from Progressive Credit Union. The loan was sold to Capital One and from there to Field Point. In 2018, Field Point offered to sell him the medallion for \$300,000. He hired an attorney and the attorney told him that Field Point had purchased the loan for \$170,000 from Capital One. He counter offered to pay \$225,000 but Field Point wanted no less than \$300,000. To this day, that remains their offer.
- Some lenders have “restructured” by offering to forgive debt if large sums of money were paid upfront. For example, an owner-driver would be offered to have a \$750,000 loan restructured if the owner-driver paid \$200,000 at once. It would simply mean the owner-driver would go from predatory loan to another. Some of our members, desperate for the “deal,” entered into loans at 16% interest rates.
- The National Credit Union Administration acknowledged they have been helping restructure loans through “payment reductions, lower interest rates and term adjustments.” If the agency has extended flexibility and support to the lenders, again, the benefits have not trickled down to the actual owner-driver.¹¹

SOLUTIONS

Congressional action could address a number of these systemic problems – from ending Confessions of Judgment, upping penalties against menacing debt collection practices, requiring full disclosures and legal review in contracts, to generally extending consumer protections to small business commercial borrowers.

Further, while not an exclusively Congressional matter, I would like to present you with the solutions which we have proposed to the City Council and the Mayor.

¹¹ <https://www.cutimes.com/2019/07/09/ncua-says-its-helping-nyc-taxi-drivers-preserve-their-livelihoods/>

**FORGIVE
DEBT**

**ADDRESS
HARDSHIP
caused by
Falling
Revenue**

**ESTABLISH
PERMANENT
OVERSIGHT**

1. Restructure loans at current market value of \$150,000
2. Cap medallion mortgage at \$900 per month.
3. Set up Retirement Fund for all drivers, and give a payout to owner-drivers over 62 whose retirement was lost when the medallion crashed.
4. Pass a resolution to repeal the current congestion surcharge on all taxi trips and call for taxis to be exempt from a pending surcharge as owner-drivers and lease drivers work to get past our current crisis.
5. Regulate one meter rate across the industry so fares cannot be undercut and drivers can have a modest raise
6. Outlaw upfront pricing where E-hail vendors receive one amount of payment from the passenger (or contractor, such as in the case of Access-A-Ride trips) and pay the driver at a lower rate – whether off the meter or at a flat rate
7. Assist the taxi industry to meet its Accessibility Mandate by, among other things, expanding Access-A-Ride, exploring grants, and fixing airport dispatching failures which otherwise could lead to more trips, especially for drivers operating vans.
8. Establish a permanent medallion market regulatory board, fully authorized to cap prices, mortgages and freeze sales.
9. Stop predatory lending practices: require credit review, ban confession of judgment, ban interest only payments, and require attorney review of agreements.
10. Require banks and credit unions to report when loans are sold to other lenders and the amount of the sale so owner-drivers can negotiate over the mark-downs and lease drivers who rent taxis and medallions can benefit from lower leases
11. Investigate predatory practices with liability insurance premiums
12. Mandate practice that in setting medallion prices, the board must consider the cost of healthcare, retirement, and paid-time off.
13. Explore other ways of organizing the medallion market: in San Francisco, the city sets the amount and then buyers are decided by lottery so there is no “bidding” to raise up values; in Toronto there is an ambassador medallion given to drivers at no cost through a lottery of veteran drivers.

Owner-Driver Medallion Debt Forgiveness. A public-private temporary entity can buy underwater loans at reduced rates which banks are now offering to hedge funds. We estimate this cost will be no more than \$900 Million.

Current Market Value	\$150,000	\$200,000.00	\$250,000.00
Number of medallions	6,000	6,000	6,000
Total Cost	\$900,000,000	\$1,200,000,000	\$1,500,000,000

The entity would restructure loan agreements with owner-drivers at fair market value, reflecting the new loan amount. At a current market value of \$150,000, a mortgage should not be more than \$900 per month, allowing owner-driver families to end the year without debt. And the public-private temporary entity would not lose money. Once stabilized, the loans can then be transferred to more permanent lenders.

The \$2.7 Billion Question:

Our study shows that the average outstanding debt among owner-drivers is \$600,000. If the current market value of the medallion is determined to be \$150,000 then the balance to be forgiven by the lenders is \$450,000. With 6,000 individual medallion loans, that amounts to \$2.7 Billion loan restructuring.

Average Debt	\$ 600,000
Current Market Value	\$150,000
Balance to be forgiven	\$ 450,000
Number of medallions	6,000
Outstanding Debt to be forgiven	\$2,700,000,000

MONTHLY MORTGAGE MUST BE SET AT \$900: It is not enough to have debt be forgiven. We have found there to be no correlation between the debt amount and the monthly mortgage. That is, an owner-driver with less than \$100,000 may pay more each month than an owner-driver with \$700,000 debt.

Setting the monthly mortgage at \$900 will allow owner-drivers to wipe out the current average annual debt of \$26,000.

	Average
Month Medallion Financing	\$2,811
NEW RATE	\$ 900
Savings	\$ 1,911
Annual Savings	\$ 22,932
CURRENT Annual Household Debt	(\$24,904)
NEW Balance	\$ (1,972)

Below is a profile of one of our members. He, his wife and their three children – aged 20, 12 and eight - live in a one family home in Queens.

Medallion	
Medallion Type	Individual
Loan Amount	\$851,000.00
Balance	\$719,093.33
Medallion Purchase	2014
Medallion Type	WAV
Vehicle Type	Toyota Sienna 2014
Vehicle Retirement	2021 but too many mechanical problems, so most likely 2020
Driver Status	Lease driver works 2 days double shift per week; Owner-driver works 5 days double shift

EXPENSES		
MEDALLION EXPENSES	MONTHLY	AT REDUCED MORTGAGE
Medallion Financing	\$3,194.60	\$900.00
Liability Insurance	\$649.00	\$649.00
Workers Comp.	\$217.00	\$217.00
Car Payment	\$-	\$ -
Car Maintenance	\$650.00	\$650.00
Gasoline	\$600.00	\$600.00
TPEP	\$40.00	\$40.00
Car Parking (Garage)	\$ -	\$ -
Toll to and from work	\$ -	\$ -
Cell Phone and Other	\$34.00	\$34.00
Medallion Renewal	\$68.75	\$68.75
Tax Stamp	\$83.33	\$83.33
TLC Hack Renewal	\$7.00	\$7.00
Lab Corp.	\$2.08	\$2.08
Vehicle Registration	\$4.72	\$4.72
TOTAL	\$5,550.48	\$ 3,255.88

After modest cost of living, and despite having additional income from a tenant, medallion lease, and income from the spouse's job, the family still ends the year with a negative \$34,000. At the reduced monthly mortgage, they would reduce the annual debt to \$6,000. With additional gain of fares, the family could break even.

Attached, you will find the full economic profile.

NYTWA Survey of Owner-Drivers:

Based on 32 in-depth interviews for owner-drivers seeking hardship letters

TABLE A:	Average	Median	Min	Max
Medallion Loan				
Loan Amount	\$490,023	\$413,500	\$84,000	\$1,091,000
Balance	\$595,284	\$630,588	\$92,000	\$907,878
Driver Age				
Driver Age	57	59	41	71
Medallion Financing				
Month Medallion Financing	\$2,811	\$2,794	\$1,563	\$4,508
Month TOTAL Medallion Operating Expenses	\$5,003	\$5,381	\$2,773	\$7,432
Annual Medallion Financing	\$33,727	\$33,528	\$18,751	\$54,096
Annual TOTAL Operating Expenses	\$60,034	\$64,576	\$33,276	\$89,184
Living Expenses				
Month Total, Living Expenses	\$5,849	\$6,072	\$1,403	\$13,039
Annual Total, Living Expenses	\$69,981	\$72,860	\$16,839	\$156,466

TABLE B:	Average	Median	Min	Max
Annual Driving Income and Expenses 2018				
Driving Income				
Driving Income Cash	\$18,700	\$19,495	\$0	\$29,031
Driving Income Credit Cards	\$56,889	\$60,464	\$0	\$95,275
Driving Income Total	\$75,829	\$82,139	\$0	\$124,306
FARE Expenses				
Credit Card Processing Fee	\$3,211	\$3,254	\$0	\$5,899
Toll	\$1,870	\$1,550	\$0	\$5,163
MTA	\$2,835	\$2,909	\$0	\$4,990
Improvement Surcharge	\$1,945	\$1,481	\$0	\$7,673
Total	\$10,243	\$9,413	\$0	\$41,667
Net DRIVING INCOME	\$67,170	\$73,026	\$0	\$110,505
Other Income				
Tot LEASE REVENUE	\$11,736	\$12,480	\$0	\$33,600

WAV Maintenance and Driver TIF	\$3,722	\$2,960	\$1,757	\$6,452
Tot OTHER INCOME	\$27,484	\$26,000	\$0	\$72,713
Net Total Annual Income				
INCOME, TOTAL	\$101,208	\$102,293	\$28,248	\$140,496
EXPENSES, TOTAL	\$126,112	\$120,660	\$41,107	\$177,216
BALANCE	-\$24,904	-\$19,891	-\$66,361	\$1,304

RETIREMENT Fund And other Benefits

One of, if not the, primary reasons that lease drivers pulled money together through savings and personal loans to invest into a medallion has always been to have a retirement. If the market value goes up, a retired owner-driver could cash in by selling or could make money from leasing to a broker who in turn would finance the vehicle and lease the medallion to a driver, or lease both the medallion and vehicle. Many owner-drivers forego life insurance plans and instead rely solely on the medallion as a safety net for their surviving family. That safety net is no more.

The spouse of one of our members who passed away now finds herself in debt of \$13,000 per year as she doesn't earn enough leasing revenue to cover the mortgage, but depends on the revenue as cash flow support. They never bought a house or invested in another business. The medallion went underwater before they thought to sell it. She lives in a modest one-bedroom apartment, with barely any leisure and no luxury.

EXPENSES	
Medallion Financing	1,562.62
TOTAL	\$ 1,562.62
Annual	\$ 18,751.44
Living Expenses:	
House Mortgage	773
Gas and Electric	150
Telephone	91
Health Care	79
Food and Household Supplies	400
Cell Phone	20
Subway	100
Funeral Expenses + Other	250
Total, Living Expenses	\$ 1,863.00
Annual	\$ 22,356.00

INCOME	
Social Security	904.00
Medallion Rental Income	1,450.00
OTHER, Total Income	\$ 2,354.00
Annual	\$ 28,248.00
SUMMARY	
INCOME, TOTAL	\$ 28,248.00
EXPENSES, TOTAL	\$ 41,107.44
BALANCE	\$ (12,859.44)

Lack of retirement savings and pensions is a growing problem across the country. 29% of households aged 55 and older have neither.¹² An American worker who accrued social security through employer contribution is expected to average \$17,500 per year in social security. Meanwhile, cost of living is on average \$38,600 for US cities. That leaves a shortfall of \$21,100.¹³

A Retirement Fund for yellow cab drivers with immediate cash out of \$15,000 for those over 62 who have not yet been able to retire, assuming such a population is no more than 20%, could cost \$60 Million.

Number of owner-drivers	6,000
Number of lease drivers	14,000
Percentage at 62 or older	20%
Total	4000
Pension Immediate Cash Out	\$15,000
Total Cost	\$60,000,000

The entity which purchases underwater loans could calculate such expense while restructuring loans with borrowers. At just \$5,500 per year, a pension could be established for drivers and their families.

Further, an industry-wide health and other benefits fund for up to 95,000 full-time yellow cab, green cab, livery, black car, and App drivers could be established through as little as 32 cents per fare by converting the city's Health and Hospital Corporation's sliding scale, pay as you use Options Program, into a low-cost premium program.

¹² https://www.bloomberg.com/opinion/articles/2019-04-10/employers-can-buy-retirement-security-for-2-64-an-hour?srnd=opinion&utm_content=view&utm_source=twitter&cmpid%3D=socialflow-twitter-view&utm_campaign=socialflow-organic&utm_medium=social

¹³ ibid

Monthly Premium	\$350	\$450	\$550	HHC Options Program
Annual Cost	\$4,200	\$5,400	\$6,600	\$920
Health Insurance total cost	\$399,000,000	\$513,000,000	\$627,000,000	\$87,400,000
Other Services (vision, dental, hearing, mental health hotline, life insurance + more)	\$30,000,000	\$30,000,000	\$30,000,000	\$30,000,000
Total	\$429,000,000	\$543,000,000	\$657,000,000	\$117,400,000
Over 365 days	\$1,175,342	\$1,487,671	\$1,800,000	\$321,644
Number of Trips per day	1,000,000	1,000,000	1,000,000	1,000,000
Cost of surcharge to cover plan	\$1.18	\$1.49	\$1.80	\$0.32

Combining the cost of a pension fund with the Health and Other Benefits utilizing HHC Options Program would bring the total cost to \$1.75 per fare. Over 48 weeks of the year, the cost for healthcare, other benefits, and retirement per driver would be between \$140 to \$233 per week, or \$23 to \$39 per shift over six shifts. Returning this revenue to yellow cab drivers would allow for a healthy life with the dignity of retirement.

Cost Per Individual Driver

Health Care	\$920.00	\$5,400.00
Other Benefits	\$315.79	\$315.79
Retirement	\$5,500.00	\$5,500.00
Total	\$6,735.79	\$11,215.79
Hours per week	60	60
Weeks per year	48	48
Total hourly cost	\$2.34	\$3.89
Per 48 weeks	\$140.33	\$233.66
Per 6 shifts per week	\$23.39	\$38.94

ADDRESSING Hardship, Predatory Lending And Long-Term Oversight

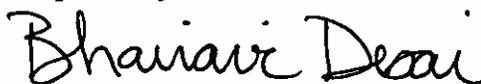
While this paper is meant to provide a sense of the numbers involved, we reiterate our proposals to address the hardship from loss of revenue, along with proposals to establish long-term oversight and an end to predatory practices:

- Pass a resolution to repeal the current congestion surcharge on all taxi trips and call for taxis to be exempt from a pending surcharge as owner-drivers and lease drivers work to get past our current crisis.

- NYTWA submitted a Petition to Initiate Rulemaking to the TLC toward these proposals:
 - Regulate one meter rate across the industry so fares cannot be undercut and drivers can have a modest raise
 - Outlaw upfront pricing where E-hail vendors receive one amount of payment from the passenger (or contractor, such as in the case of Access-A-Ride trips) and pay the driver at a lower rate – whether off the meter or at a flat rate
- Assist the taxi industry to meet its Accessibility Mandate by, among other things, expanding Access-A-Ride, exploring grants, and fixing airport dispatching failures which otherwise could lead to more trips, especially for drivers operating vans.
- Establish a permanent medallion market regulatory board, fully authorized to cap prices, mortgages and freeze sales.
- Stop predatory lending practices: require credit review, ban confession of judgment, ban interest only payments, and require attorney review of agreements.
- Require banks and credit unions to report when loans are sold to other lenders and the amount of the sale so owner-drivers can negotiate over the mark-downs and lease drivers who rent taxis and medallions can benefit from lower leases
- Investigate predatory practices with liability insurance premiums
- Mandate practice that in setting medallion prices, the board must consider the cost of healthcare, retirement, and paid-time off.
- Explore other ways of organizing the medallion market: in San Francisco, the city sets the amount and then buyers are decided by lottery so there is no “bidding” to raise up values; in Toronto there is an ambassador medallion given to drivers at no cost through a lottery of veteran drivers.

On behalf of the 22,000-plus members of the New York Taxi Workers Alliance, I thank you for this opportunity to discuss the issues of debt and poverty effecting thousands of our families. Debt and poverty are inextricably connected on our members' lives and the presence of debt – a life sentence to poverty – serves as a reminder that the future for an indebted borrower is dark, with little protections and rights. Poor people struggle everyday to see the light at the end of that tunnel, and debt is the bolder that blocks the exit. The hopelessness, helplessness and anxiety can build into a despair that is life-threatening. Congressional action to ensure borrowers are protected against predatory lending and menacing debt collection, and a rapacious debt purchasing industry could save lives.

Respectfully Submitted:



Bhairavi Desai, Executive Director
New York Taxi Workers Alliance

company to the order of the plaintiff executed on even date herewith. The terms of the note stated that each installment of payment would be applied first to the payment of interest on said principal sum, or on so much thereof as shall from time to time remain unpaid, and the balance to the payment of said principal sum.

- ii. In addition, defendant limited liability company agreed to pay one payment of interest only on the first day of the first month following the date of the loan. The foregoing is evidenced by defendant limited liability company's installment promissory note payable to the order of plaintiff.
- iii. The promissory note contains clauses accelerating installments in the event of default and for payment of reasonable attorneys' fees and for collection fees, which are to be added thereto. A copy of the promissory note is annexed hereto and made a part hereof.

5. The purposes for the sums borrowed were to pay off certain existing obligations and/or to provide working capital and/or to purchase certain assets for the use of the defendant limited liability company.

6. The sums set forth in the promissory note are justly owed to plaintiff.

7. Defendant limited liability company recognizes that the court must hold an inquest with respect to reasonable attorneys' fees and defendant limited liability company authorizes that part of the judgment respecting attorneys' fees be severed and sent to inquest.

8. Defendant limited liability company agrees that the execution and delivery of this confession of judgment and entry of judgment thereon shall be without prejudice to any and all rights of plaintiff by virtue of any and all collateral security plaintiff holds and/or any guaranties of the obligations of defendant limited liability company delivered to plaintiff, and acknowledges that plaintiff reserves all of its rights and remedies against all collateral security and guaranties it holds and that plaintiff's rights and remedies shall always be and be deemed to be cumulative and not exclusive.

9. This confession of judgment is not for the purpose of securing plaintiff against a contingent liability.

IN WITNESS WHEREOF, each of the undersigned has signed his name on behalf of the defendant limited liability company.

~~FOIA b(7) - D~~

By: _____
Name: ~~MANAGER~~
Title: MANAGER

Sworn to before me this ~~11-11-19~~ 2019

Notary Public

Medallion	
Medallion Type	Individual
Loan Amount	\$851,000.00
Balance	\$719,093.33
Date	11/1/2018
Agreement Date	2014
Medallion Type	WAV
Vehicle Type	Toyota Sienna 2014
Vehicle Retirement	2021 but too many mechanical problems, so most likely 2020
Driver Status	Lease driver works 2 days double shift per week; He works 5 days double shift

EXPENSES		
MEDALLION EXPENSES	MONTHLY	AT REDUCED MORTGAGE
Medallion Financing	\$ 3,194.60	\$ 900.00
Liability Insurance	\$ 649.00	\$ 649.00
Workers Comp.	\$ 217.00	\$ 217.00
Car Payment	\$ -	\$ -
Car Maintenance	\$ 650.00	\$ 650.00
Gasoline	\$ 600.00	\$ 600.00
TPEP	\$ 40.00	\$ 40.00
Car Parking (Garage)	\$ -	\$ -
Toll to and from work	\$ -	\$ -
Cell Phone and Other	\$ 34.00	\$ 34.00
Medallion Renewal	\$ 68.75	\$ 68.75
Tax Stamp	\$ 83.33	\$ 83.33
TLC Hack Renewal	\$ 7.00	\$ 7.00
Lab Corp.	\$ 2.08	\$ 2.08
Vehicle Registration	\$ 4.72	\$ 4.72
TOTAL	\$ 5,550.48	\$ 3,255.88
Annual	\$ 66,605.80	\$ 39,070.60

HOUSEHOLD: 2 ADULTS AND THREE CHILDREN (20, 12, 8 years of age)

LIVING EXPENSES	MONTHLY	ANNUAL
House Mortgage	\$ 2,378.72	\$ 28,544.64
House Repairs	\$ 600.00	\$ 7,200.00
Gas and Electric and Water	\$ 1,000.00	\$ 12,000.00
Medicine and Healthcare	\$ 20.00	\$ 240.00
Telephone, Internet, Cable	\$ 136.00	\$ 1,632.00
Car Payments	\$ -	\$ -
Car Insurance	\$ 100.00	\$ 1,200.00
Gasoline	\$ 200.00	\$ 2,400.00
Food	\$ 1,300.00	\$ 15,600.00
Student Schooling Fees	\$ 83.33	\$ 1,000.00
Other	\$ 200.00	\$ 2,400.00
Cell Phone	\$ -	\$ -
2nd Home	\$ -	\$ -
Property Taxes	\$ -	\$ -
Subway	\$ 121.00	\$ 1,452.00
Credit Card / Loan Repayment	\$ 1,383.33	\$ 16,600.00
Total, Living Expenses	\$ 7,522.39	\$ 90,268.64

DEBT	Balance	Monthly
Student Loan	7000	583.3333333
Met Life Life Insurance		300
Personal Loans	50000	500
Total	\$ 57,000.00	\$ 1,383.33

INCOME	
2018 DRIVING INCOME	
WAV Money	\$ 1,757.00
Cash	\$ 20,781.94
Credit	\$ 60,459.83
Total	\$ 82,998.77
Fare Expenses	
Credit Card Processing Fee for self and lease driver	\$ 3,022.99
Toll	\$ 4,127.48
MTA	\$ 2,817.10
Improvement Surcharge	
Total	\$ 9,967.57
DRIVING INCOME	\$ 73,031.20

Lease Income	
Weekly	\$ 260.00
On average number of weeks	48
LEASE REVENUE	\$ 12,480.00

OTHER	
Other Household Income	\$ 19,200.00
Rental Income	\$ 18,000.00
OTHER INCOME	\$ 37,200.00

SUMMARY		AT REDUCED MORTGAGE
INCOME, TOTAL	\$ 122,711.20	\$ 122,711.20
EXPENSES, TOTAL	\$ 156,874.44	\$ 129,339.24
BALANCE	\$ (34,163.24)	\$ (6,628.04)

DEBT	Balance	Monthly
Student Loan	7000	583.3333333
Met Life Life Insurance		300
Personal Loans	50000	500
Total	\$ 57,000.00	\$ 1,383.33