



PRESS RELEASE
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For Immediate Release

United Taxi Workers mobilize to support open taxicab licensing, standardized contracts

Members and leaders of the United Taxi Workers of San Diego (UTWSD) joined a news conference held at City Administration Building in support of policy changes that City Council Member Marti Emerald introduced to reform the taxicab industry in San Diego. Council Member Emerald, with legal support from City Attorney Jan Goldsmith, proposed lifting the cap on taxicab medallions and standardizing lease contracts between cab drivers and permit holders.

“Historically, lease drivers have been marginalized by the taxi industry. Drivers work over 12 hour days to pay 24-hour leases costing more than \$800 per week. Permits have been traded in an underground market. While the city fee was \$3,000 for a permit, the underground transfers have been documented at exorbitant prices far exceeding \$100,000,” explained Mikaiil Hussein, President of UTWSD. “Opening the licensing system to provide deserving and qualified taxi drivers an opportunity to work under their own permit will increase equality in the industry and help lift families out of poverty.”

“Opening the current cap on taxi permits not only creates economic freedom for lease drivers, but this also increases safety for passengers and the taxi industry as a whole. The previous scarcity of taxi permits only promoted corruption and exploitation in the industry,” underscored Sarah Saez, UTWSD Program Director. “Taxi riders will benefit from this policy change because fares will be lowered and service improved from reduced working hours. First, lease rates will be more affordable with increased competition in the industry. Secondly, this reform will encourage those who are committed to serving the needs of the public to be eligible for taxi permits and will remove the economic incentive for those who simply aim to profit from underground trading in the monopoly of taxi permits. A more open permit system will allow the taxi drivers to gain control over the terms of their employment, allow higher earnings for taxi drivers without driving up costs to consumers, and improve safety in the public transportation system.”

Saez thanked Council Member Emerald and the Public Safety and Livable Neighborhoods Committee for recognizing inputs from different industry stakeholders. UTWSD also advocated for uniform leases that clearly delineate the rights of drivers and will protect workers from one-sided contracts.

UTWSD supports Emerald’s proposal to move toward a more open licensing system. Prior to Emerald’s proposal, under Council Policy 500-02, the Metropolitan Transit System restricts the release of taxicab permits based on a formula that computes the number of taxicabs allowed in the City of San Diego. Computed every three years, the formula considers the total demand for taxicabs and the feasibility of operating an additional taxicab in the City. According to UTWSD, “While the intent was to maintain a supply level that is sufficient to meet the needs of residents and visitors, this system has not been responsive to consumer demand, as evidenced by the entry of thousands of vehicles operating under app-based transportation services. Furthermore, the previous system has harmed the working poor by resulting in a monopoly of the industry by a small number of taxicab permit holders.”

“While this is a major advancement, this is still the beginning of our struggle. We call for strong unity among drivers. We stay resolved to support reforms that promote fairness and integrity in the taxi industry,” emphasized Hussein.

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