

Congress of the United States
Washington, DC 20515

October 6, 2021

Honorable Mayor Bill de Blasio
City Hall
New York, New York 10007

Dear Honorable Mayor de Blasio:

We write to request that you add a City-backed guarantee, as proposed by the New York Taxi Workers Alliance (NYTWA), to the Medallion Relief Program that the New York City Taxi and Limousine Commission (TLC) announced on March 9, 2021. While a debt relief program is desperately needed, the rule the TLC announced makes it clear that New York City's (the City) program fails to achieve this goal. The City must add a guarantee to the existing grant program to transform it into meaningful debt relief, and ensure that drivers have sustainable monthly mortgage payments that allow them to take home a living wage.

Under NYTWA's proposal, the City would guarantee medallion loans in exchange for firm commitments from lenders to restructure medallion loans to a viable market value of the medallions. With this guarantee in place, your proposed Medallion Relief Program would then provide drivers the needed resources to restructure their medallion loans and resume their lives without the fear of being personally liable in case of a future downturn in the taxi industry.

As you are aware, the current New York City Medallion crisis began long before your administration. In a series of investigative reports, the *New York Times* exposed how predatory lending practices, as well as regulatory failures, led to this crisis. Between 2004 and 2014, the City earned \$850 million from medallion sales and fees. In 2013, the City set the opening bid for a medallion at \$850,000; today, that value has plummeted. Individual medallion owner-drivers, a largely immigrant workforce, have borne the brunt of this financial distress. Sadly, this crisis has led to three owner-drivers taking their own lives. Many others, including seniors, have been robbed of their retirement, and thousand faces the prospect of foreclosure and bankruptcy.

The City has a moral obligation to right this injustice. We applaud your administration's efforts in starting that process by establishing this Medallion Relief Program. As we understand it, the program provides drivers a \$20,000 grant which they can use towards restructuring their medallion loans. While these funds provide lenders an incentive to restructure medallion loans, the proposed rule currently allows for monthly mortgage payments that drivers cannot afford to pay; it condemns drivers to a lifetime of making subminimum wage, and fails to restructure medallion loans so they are in line with the market value of the medallion. What's worse, the loans will remain personally guaranteed by owner-drivers, which would continue to expose owner-drivers' homes, wages, and other assets in the event of a foreclosure.

NYTWA's proposal would provide a global solution which would not only stabilize the medallion industry but ensure that drivers' make a living wage while shifting the risk away from owner-drivers. The guarantee is a sensible, equitable, and cost-effective solution to a crisis that

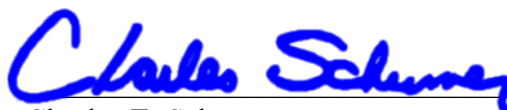
has been far too long in the making. We owe it to these New Yorkers to fix this crisis and to get it right.

The taxi industry remains a vital—and iconic—part of the transportation infrastructure of our city that is relied on by millions of New Yorkers. Driving a yellow taxi and acquiring a medallion has been a path into the middle class for generations of immigrant New Yorkers and their families. We urge you to take this opportunity to preserve that pathway for thousands of New Yorkers.

Sincerely,



Ritchie Torres
Member of Congress



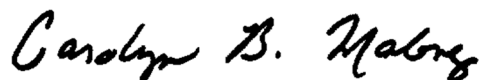
Charles E. Schumer
United States Senator



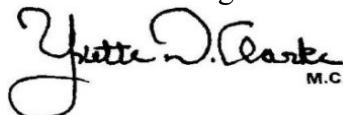
Gregory W. Meeks
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