

TLC drivers secure \$140 million from city following court ruling about license suspensions and arrests

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*TLC drivers secured a \$140 million class-action settlement with NYC.
Photo by Dean Moses*

Licensed Taxi and Limousine Commission (TLC) drivers won a multi-million dollar settlement after a court ruled that the city “unconstitutionally deprived” drivers of fair hearings to challenge their license suspensions following arrests, lawyers for the group announced on Monday.

Attorneys for the New York Taxi Workers Alliance (NYTWA) and other plaintiffs said that a class of nearly 20,000 taxi, app and for-hire vehicles reached a \$140 million settlement with the City of New York following 19 years of litigation around the Taxi and Limousine Commission’s (TLC) “failure to provide fair hearings” allowing drivers to challenge their license suspensions after they were arrested.

Many drivers would not be permitted to work while their cases played out, as their TLC licenses were suspended, lawyers said.

However, the lawyers on the case, as well as their clients, claim that a whopping 90% of the arrests that led to the license suspensions were found to be without merit—or at least reduced to minor infractions.

Shannon Liss-Riordan, an attorney on the case, explained that many of the arrests were for misdemeanors and stemmed from arrests that took place off duty.



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“Ninety percent or possibly more of the charges were thrown out altogether or reduced to something as a much more minor infraction,” she explained. “And most of the drivers did get back to work, it’s just that they had to go through the whole criminal justice system to get their charges disposed or dismissed before they could go back to work. That was the whole issue. Did they really need to be out of work during this period?”

Damages, lawyers said, included a collective loss of more than 3 million workdays from 2003 to 2020 — and tens of millions of dollars in income.

“While this litigation has dragged on for too long, we are glad to see the City of New York working with us to correct the wrong that was done to these drivers,” Liss-Riordan said. “We are very pleased to have finally achieved this historic and just result.”

Dan Ackman, a lawyer who began the case in 2006, said the settlement is long overdue.

“To suspend hardworking cabbies based on an arrest, not a conviction, just an arrest, and to follow it up with a sham hearing was always odd and outrageous,” Ackman said. “It was also unconstitutional as the Second Circuit held six years ago. Some compensation for drivers abused by this regime is long overdue.”

Bhairavi Desai, executive director of the NYTWA, called the settlement a “semblance of justice” for many plaintiffs in the case.

“This historic and long overdue settlement is a semblance of justice for so many drivers whose lives were destroyed when they were presumed guilty, stripped of due process and left unable to work and have the time to fully defend their innocence after an unfair arrest,” she said. “The victories in this case are a reminder of the dark period when cab drivers were treated as second-class citizens and the inalienable value of our constitutional rights as Americans.”

In a statement to amNewYork Metro, a spokesperson for NYC's law department called the settlement fair and in the city's best interest.

“This settlement is in the best interest of the city and a fair resolution for over 19,000 class members, bringing an end to litigation that has lasted for nearly two decades,” the statement read. “In 2020, TLC amended its processes, which have been upheld as constitutional and demonstrate the agency's commitment to protecting the rights and fair treatment of taxi drivers.”