Last week, the New York City Council enacted a temporary cap on Uber, Lyft and other transportation network company (TNC) vehicles in the city, blocking the issuance of new vehicle licenses for a 12-month period while the city conducts a study to determine whether to enact long-term regulations limiting the number of TNC vehicles on city streets. Much of the coverage of the measure has rightly focused on driver welfare; the cap was paired with a mandate to set a minimum wage for TNC drivers, and the city's yellow cab industry has struggled to keep pace with the influx of new vehicles, resulting in a precipitous drop in the value of a taxi license and a rash of taxi driver suicides linked to TNC-related financial pressures. A minimum wage could provide a significant boost for TNC drivers currently earning low wages for long hours—by one estimate, an average net earnings increase of over $6,000 per year for over 80% of drivers—and a limit on total vehicles may eventually support a healthy market for both yellow cabs and TNCs (although the long-term trend certainly seems to favor the latter).

But the other, equally significant issue the measure can address is road congestion and the associated vehicle miles traveled (VMT) and greenhouse gas emissions. There are approximately 80,000 TNC vehicles on New York streets, all of which have been introduced since 2011. While New York Mayor Bill DeBlasio has stated that the cap "will stop the influx of cars contributing to the congestion grinding our streets to a halt," the exact extent to which TNCs can be blamed for increased traffic on New York City's already-congested streets is unknown. It is also far from clear that TNCs are fully responsible for the recent decline in subway ridership: while some city leaders have seized on evidence of a correlation between increased TNC usage and decreased subway trips, a crisis of service problems and a lack of system coverage in outer boroughs are also major factors. The major TNCs could help inform these inquiries by better sharing their ride data with cities.

However, it is highly likely that the rise of TNCs has increased VMT on New York City streets: according to city data compiled by researchers at the New School's Center for New York City Affairs and the UC Berkeley Center on Wage and Employment Dynamics, between January 2015 and January 2018 yellow taxi trips decreased by about four million per month, while app-based TNC trips increased by over 15 million per month. It's unknown how many of the over 10 million additional trips were "original" (i.e., would not have occurred at all but for the availability of a TNC ride), how many replaced trips that otherwise would have been made by personal vehicle or taxi, and how many replaced trips by public transit, bicycle, or foot. But city data indicate that over half of TNC trips replace transit, walk, or bike trips. The rise of TNCs is likely responsible for some substantial increases in VMT, congestion, and greenhouse gas emissions.

Uber, Lyft, and other TNCs offer increased and efficient mobility, service to areas not

traditionally reached by taxis and public transit, and an alternative to crowded and often-delayed public transit. But with transportation responsible for a plurality of national greenhouse gas emissions (and over 40 percent in California), TNCs may also be contributing to the global climate crisis by increasing VMT (and thus emissions) in cities that have the ability to support public transit, walking, and bicycle travel. It will be essential for state and local governments to study and understand these dynamics as demand for TNC services continues to expand in coming years. While disruption of the traditional vehicle ownership model could produce environmental benefits, and disruption of traditional taxi services may increase economic efficiency and access to underserved areas, this should not come at the cost of replacing lower-emitting transportation options with higher-emitting ones. State and local governments have the ability to prevent this with intelligent regulation (potentially including service limits as well as price mechanisms) and investments in modernizing and expanding public transit networks. Congestion pricing, for example, which Uber says it supports but which the city and state have been unable (or unwilling) to implement, would be a better solution to reduce VMT than a long-term vehicle cap. A year to study the congestion impacts of TNCs and the high profile of the cap could help increase technical and political support for a pricing plan.

New York’s move is not without controversy, facing significant opposition from the TNC industry, as well as serious arguments that restricting service will harm vulnerable and outlying communities (although it’s important to note that the cap includes exceptions for wheelchair-accessible vehicles and geographic areas with particular needs where new vehicles will not substantially affect congestion). However, taken at face value, it is a temporary pause in growth to allow the city to study, and develop policies to limit, the negative social and environmental impacts of TNCs. While similar measures may not be merited for California cities that do not have transportation ecosystems like New York’s, the cap nonetheless presents an interesting model, especially at a time when the state is studying innovative methods to assess and mitigate increases in VMT from development projects. (A CLEE research report on this topic is forthcoming). As TNC services portend a transformation of how we move around our cities, it is incumbent on state and local governments to investigate and document their impacts now to ensure that transformation is beneficial both to citizens and to the environment in the future.