

# Bus Drivers Working Alongside Silicon Valley Millionaires Struggle to Afford Rent, Some Sleep in Cars

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Silicon Valley is a shining beacon of American success, home to some of the most profitable and innovative companies in the world, including Google, Facebook, PayPal, Oracle and Apple.

Many employees at these tech giants enjoy large paychecks and a host of perks ranging from free dry cleaning to free food to gyms on site.

But there are thousands of other people working alongside them who don't make enough money to afford housing near their jobs so many sleep in their cars between shifts. Some sleep in their cars because they are homeless.

Terrence Rollins is a 51-year-old bus driver who drives the shuttles that ferry tech employees across Silicon Valley to company campuses. He only has a few hours a night at home before he has to be back at work.

"I love my job," Rollins said. "I get up at 3 [a.m.], I make it home about 11, 10 o'clock at night, and I'm constantly traveling. I mean, I have to take care of my family."

The bus drivers who spoke with ABC News starting in 2015 work for independent contractors hired by tech companies. When we first met these drivers, they said their jobs provided few benefits and didn't offer paid company holidays.

Some drivers are contracted to work what's called a "split shift," meaning they arrive for work at 6 a.m. to take tech employees to their offices, then have to wait around for a number of hours, unpaid, until it's time to take the employees back home at the end of the day. These drivers work and are paid for a total of eight hours but over a 16-hour period.

They said the houses they can afford on their wages are too far away for them to get home between shifts, so many of them stay in their cars or nap at the bus depot.

In the bus depot where he is based, Rollins said there was one room with two beds for female drivers and another room with two beds for male drivers. But it wasn't enough to accommodate the 35 to 40 drivers there on any given day.

"It's just awful when you park inside and you have drivers covering their cars' [windows] with blankets and towels," said another driver named Jimmy.

Since ABC News began this report a year and a half ago, some service workers have unionized and their employers have worked with tech companies to raise wages and offer better benefits to many contract workers who lived at the edge of poverty.

These workers are an example of a growing trend in the U.S., in which large corporations contract out service jobs from other companies.

Scott Peebles, another driver ABC News spoke to in 2015, said he had been sleeping on an air mattress in his car for months. Peebles used a windshield reflector to help block out the light from the parking lot streetlamps while he slept.

"This is foreign to me," he said, gesturing to his car. "It's not the way you're supposed to live. No, it's just a mirror of society that we're in right now and that's -- I'm probably part of millions of people that are doing this."

"It's sad that it comes down to this," Peebles continued. "I mean, if people would know this, if corporations or businesses they work for, they would probably be aghast that their employees were living in a car or a van."

At night, if they needed a restroom, the drivers would get out of their cars and walk into the bus depot.

Under union pressures and publicity about drivers receiving few benefits, Facebook now requires contractors to pay contract employees a minimum of \$15 an hour, 15 days of paid time off, and a \$4,000 stipend for new parents if their contractors don't provide parental leave. Apple and Google followed suit with announcing 25 percent wage increases for all drivers.

Many security jobs are also now contracted out. Michael Johnson, who worked as a security guard for several companies, told ABC News the job has changed over the years.

"When I first started there were paid vacation, paid holidays, lots of times we got bonuses," Johnson said. "It was like a regular job, it's just that you were contract-working. You were treated like one of the gang."

Eventually, Johnson said at the time he stopped receiving paid vacation time or paid sick leave and the hourly rate dropped.

“It was incredible what was happening,” he said. “It seemed like it just happened overnight.”

In Silicon Valley, amidst the luxury homes, the streets are lined with service workers who live in RVs and trailers.

“The folks that are living in these RVs, they are part of the low-wage economy that’s created around the tech industry,” said activist Derecka Mehrens. “There’s a real connection between these families and what happens in the industry.”

Some experts on contract workers say some of the jobs provide opportunities that didn’t exist before. Arthur Brooks of the Conservative American Enterprise Institute said, many workers “say that it gives them flexibility. Many of them are immigrants.”

But Tamara Draut, Vice President of Demos, a progressive think tank, disagreed that contracting and subcontracting helps workers, arguing that “in each link down that chain, the pressures grow to lower labor costs.”

Irma Alvarado is 72 years old and says she spent her life cleaning the offices at Visa, working the night shift from 6 p.m. to 2:30 a.m. She shares a small house with her children and grandchildren. She is a legal immigrant who says she has lived and worked in the U.S. nearly 30 years.

When ABC News spoke to her in 2015, Alvarado said it was hard to watch Visa employees throw away food she would love to have and to see them take vacations. She said she once saw a \$7,000 check lying on a desk, and was surprised at the gap between her pay and theirs.

In a statement to ABC News, Visa said their janitorial staff is contracted through a third party vendor. “All wages, bonuses and benefits are handled directly by the service vendors,” the statement said. “We greatly appreciate their work and dedication to our facilities.”

Her grandchildren say they still believe in the American dream. Her grandson Danny said he would like to be an astronaut one day. But for now, he said he just wants a drawer to himself.

“It’s hard living in the house because you don’t have that much room, gets crowded,” he said. “I would have a drawer to put all my clothes in.”

*About half of American adults lived in middle-income households in 2014, according to a new Pew Research Center analysis of government data. Pew Research offers an income calculator feature **on their website** that allows you to see whether you are part of the American middle class.*