

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 851 Session of
1989

INTRODUCED BY SALVATORE, FUMO, TILGHMAN, ROCKS, FATTAH, WILLIAMS
AND JONES, APRIL 25, 1989

REFERRED TO CONSUMER PROTECTION AND PROFESSIONAL LICENSURE,
APRIL 25, 1989

AN ACT

1 Amending Title 66 (Public Utilities) of the Pennsylvania
2 Consolidated Statutes, providing for the regulation of
3 taxicabs in first class cities.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 Section 1. Title 66 of the Pennsylvania Consolidated
7 Statutes is amended by adding a chapter to read:

8 CHAPTER 24

9 TAXICABS IN FIRST CLASS CITIES

10 Sec.

11 2401. Definitions.

12 2402. Medallion system created.

13 2403. Property and licensing rights.

14 2404. Certificate and medallion required.

15 2405. Contested complaints.

16 2406. Reissuance of medallion.

17 2407. Additional certificates and medallions.

18 2408. Restrictions.

1 2409. Driver licensing program.

2 2410. Wages.

3 2411. Centralized dispatcher.

4 2412. Regulations.

5 2413. Enforcement.

6 2414. Applicability.

7 § 2401. Definitions.

8 The following words and phrases when used in this chapter
9 shall have the meanings given to them in this section unless the
10 context clearly indicates otherwise:

11 "First Class City Taxicab Regulatory Fund" or "Fund." A fund
12 administered by the commission to which all moneys paid by
13 members of the taxicab industry of cities of the first class
14 pursuant to the requirements of this chapter shall be deposited
15 and from which all expenses and costs associated with
16 administration and enforcement of this chapter shall be paid.
17 Moneys deposited in the fund shall not be used for any purpose
18 not specified herein. The commission shall submit an annual
19 report to the Senate and the House of Representatives for each
20 fiscal year. The annual report shall include complete budgets
21 for the fund for the past fiscal year and the fiscal year about
22 to commence.

23 "Taxicab." A motor vehicle designed for carrying no more
24 than eight passengers, exclusive of the driver, on a call or
25 demand basis and used for the transportation of persons for
26 compensation.

27 § 2402. Medallion system created.

28 There is hereby created a medallion system in cities of the
29 first class in order to provide holders of certificates of
30 public convenience which authorize citywide call or demand

1 service the opportunity to upgrade and improve the operations of
2 taxicabs. Each current holder of a certificate of public
3 convenience which authorizes citywide call or demand service in
4 cities of the first class is entitled to apply to obtain a
5 medallion from the commission at its offices within 90 days of
6 the effective date of this chapter for an initial fee in an
7 amount to be determined by the commission, payable prior to the
8 time of issuance. In the case of a corporate certificate holder,
9 a medallion shall be issued in the name of the corporation to
10 its corporate president. The medallion shall be marked with the
11 taxicab number assigned to the corresponding certificate of
12 public convenience.

13 § 2403. Property and licensing rights.

14 (a) Property rights.--Medallions are property and may not be
15 revoked or canceled by the commission. Medallions may be pledged
16 to lenders or creditors as security on debt. All lenders or
17 creditors who accept a medallion as security shall file with the
18 commission a notice of lien which describes the loan
19 transaction. A lien on a medallion is void by operation of law
20 unless a notice of lien is filed with the commission. The
21 commission may not permit a sale of a medallion if a notice of
22 lien has been filed on the medallion until the lien is removed
23 or unless the commission is notified by the lienholder that the
24 lien will be satisfied from the proceeds of the sale. If a
25 lender or creditor executes on or seizes a medallion, it shall
26 immediately notify the commission, in writing. Any sale of the
27 medallion, upon seizure or execution, shall occur at commission
28 offices pursuant to the requirements of section 2408 (relating
29 to restrictions) within one year of the seizure or execution. If
30 the medallion is not sold within one year, the medallion will

1 become nontransferable, and possession must be surrendered to
2 the commission.

3 (b) Licensing rights.--A certificate is a licensing right
4 which accompanies each medallion and authorizes the operation of
5 one taxicab in cities of the first class. No property interest
6 shall exist in the certificate itself. A certificate may not be
7 pledged to lenders or creditors as security on debt. A
8 certificate may be canceled by the commission, upon due cause
9 shown, for violation of this title or commission regulations. If
10 the commission cancels a certificate, the certificate holder
11 shall have the right to sell the accompanying medallion within
12 six months of the date of cancellation. This six-month time
13 period shall be extended during the pendency of a petition for
14 reinstatement of the certificate of public convenience. If the
15 medallion is not sold within the statutory period, the medallion
16 will become nontransferable, and possession must be surrendered
17 to the commission.

18 § 2404. Certificate and medallion required.

19 (a) Procedure.--A vehicle may not be operated as a taxicab
20 in cities of the first class unless a certificate is issued,
21 authorizing the operation of the taxicab, and a medallion is
22 attached to the hood of the vehicle. Prior to the issuance of a
23 medallion, the certificate holder shall have its vehicle
24 inspected by the commission. The commission shall require, by
25 order or regulation, that each medallion holder submit to a
26 periodic vehicle inspection of its taxicab by commission
27 personnel to ensure that the vehicle meets the requirements of
28 this title and commission regulations. Commission inspection
29 requirements shall be in addition to the vehicle requirements
30 set forth in Title 75 (relating to vehicles). No vehicle which

1 is more than five years old shall be initially placed into
2 service as a taxicab. No vehicle which is more than eight years
3 old shall continue in operation as a taxicab. Notwithstanding
4 the foregoing, the commission may authorize the operation of
5 antique vehicles in call or demand service in such circumstances
6 as the commission may deem appropriate. Each medallion holder's
7 tariff rates shall be clearly and visibly displayed in each
8 taxicab. A medallion shall not be removed from a vehicle without
9 prior notification to and permission of the commission. A
10 medallion authorizes operation of a vehicle as a taxicab only
11 for the calendar year for which the medallion is issued.

12 (b) Protective barrier.--Each taxicab in cities of the first
13 class shall be equipped with a protective barrier for the
14 protection of the driver, separating the front seat from the
15 back seat. The commission may provide for additional driver
16 protection measures by order or regulation.

17 (c) Service.--A vehicle authorized by a certificate to
18 provide taxicab service in cities of the first class may
19 transport persons and their baggage upon call or demand and
20 parcels, packages and property at the same basic metered rates
21 charged to passengers:

22 (1) between points in the city of the first class for
23 which its certificate is issued;

24 (2) from any point in the city of the first class for
25 which its certificate is issued to any point in this
26 Commonwealth; and

27 (3) from any point in this Commonwealth to any point in
28 the city of the first class for which its certificate is
29 issued, if the request for service for such transportation is
30 received by call to its radio dispatch service.

1 (d) Other vehicles.--A vehicle which is not authorized by a
2 certificate to provide taxicab service in cities of the first
3 class, but which is operated by the holder of a certificate of
4 public convenience from the commission authorizing taxicab
5 service elsewhere in this Commonwealth, may transport persons
6 and property:

7 (1) to cities of the first class in accordance with the
8 service authorized under its certificate of public
9 convenience; and

10 (2) from any point in a city of the first class to any
11 point in this Commonwealth beyond that city of the first
12 class if the request for service for such transportation is
13 received by call to its radio dispatch service.

14 (e) Penalties involving certificated taxicabs.--Operating a
15 certificated taxicab in violation of subsections (a) and (b), or
16 authorizing or permitting such operation, is a nontraffic
17 summary offense. Offenders of subsections (a) and (b) may also
18 be subject to civil penalties pursuant to section 3301 (relating
19 to civil penalties for violations).

20 (f) Unauthorized vehicles.--Operating an unauthorized
21 vehicle as a taxicab, or giving the appearance of offering
22 taxicab service with an unauthorized vehicle, without first
23 having received a certificate of public convenience and a
24 medallion is a nontraffic summary offense in the first instance
25 and a misdemeanor of the third degree for each offense
26 thereafter. The owner and the driver of a vehicle being operated
27 as or appearing as a taxicab without a certificate of public
28 convenience and a medallion are also subject to civil penalties
29 pursuant to section 3301. Civil penalties which have been
30 assessed and collected shall be deposited in the fund.

1 (g) Confiscation and impoundment of vehicles.--In addition
2 to penalties provided for in subsection (f), police officers in
3 cities of the first class are empowered to confiscate and
4 impound vehicles and equipment utilized to provide taxicab
5 service without a certificate of public convenience and a
6 medallion. Upon satisfaction of all penalties imposed and all
7 outstanding fines assessed against the owner or operator of the
8 unauthorized vehicle and payment of the city's costs associated
9 with confiscation and impoundment, the vehicle and equipment
10 shall be returned to its owner. Failure to timely satisfy these
11 conditions may result in the sale of confiscated property at
12 auction. Proceeds received from the sale of confiscated
13 property, after payment of the city's costs associated with
14 confiscation, shall be deposited into the fund.

15 (h) Counterfeit medallions.--The manufacture or possession
16 of a counterfeit medallion is a misdemeanor of the third degree
17 for each offense.

18 (i) Penalty dispositions.--For the purpose of this chapter,
19 any person convicted of:

20 (1) a summary offense shall be sentenced to pay a fine
21 of \$500 and may be sentenced to a term of imprisonment not to
22 exceed 90 days, or both; or

23 (2) a misdemeanor shall be sentenced to pay a fine of
24 \$2,500 and may be sentenced to a term of imprisonment not to
25 exceed one year, or both.

26 § 2405. Contested complaints.

27 (a) Adjudication.--Contested complaints brought before the
28 commission, alleging violations of this chapter or rules and
29 regulations promulgated by the commission pursuant to this
30 chapter, shall be assigned by the commission to a special agent

1 or administrative law judge for adjudication. Special agents or
2 administrative law judges assigned to cases pursuant to this
3 chapter may be removed by the commission only for good cause
4 shown. Following the taking and receiving of evidence, the
5 special agent or administrative law judge shall issue a decision
6 which determines the merits of the complaint and assesses a
7 penalty, if warranted. In extraordinary circumstances, the
8 presiding officer may require the filing of briefs prior to
9 issuing a decision. The presiding officer's decision shall not
10 be subject to exception or administrative appeal. In its
11 discretion, the commission may exercise review of a presiding
12 officer's decision within 15 days of the date of issuance. If
13 the commission does not exercise its authority to review a
14 presiding officer's decision, the decision will become a final
15 order without further commission action. The commission may
16 establish orders or regulations which designate rules and
17 procedures for the adjudication of complaints brought pursuant
18 to this chapter.

19 (b) Commencement of complaints.--Commission enforcement
20 officers and police officers or licensing officials in cities of
21 the first class may commence and prosecute complaints brought
22 before the commission pursuant to this chapter and provisions of
23 this title and commission regulations applicable to taxicab
24 operations in cities of the first class.

25 (c) Other penalties.--Nothing in this section shall be
26 deemed to limit the ability of any city of the first class to
27 prosecute violations and seek criminal penalties in a court of
28 law.

29 § 2406. Reissuance of medallion.

30 Within 30 days of the close of each calendar year, a

1 medallion holder shall apply to obtain from the commission a
2 reissued medallion for a fee in an amount to be determined by
3 the commission, payable prior to the time of reissuance. Each
4 year's medallion shall designate the year of issuance and shall
5 be identifiable by a distinctive tint or color and shape, to be
6 determined by the commission. A medallion may not be issued by
7 the commission unless all outstanding commission fines,
8 penalties and fees have been paid in full and unless all
9 insurance, tariff and vehicle inspection filings are current.
10 Immediately prior to reissuance of a medallion, a medallion
11 holder shall remove the prior year's medallion from the hood of
12 its taxicab and surrender it to the commission. Upon reissuance,
13 the new medallion shall be immediately attached to the vehicle.
14 § 2407. Additional certificates and medallions.

15 The commission may increase the number of certificates and
16 medallions if it finds a need for additional taxicab service in
17 cities of the first class by issuing certificates and
18 corresponding medallions to applicants on a first-come-first-
19 served basis. Each applicant shall pay a processing fee in an
20 amount to be determined by the commission, payable prior to the
21 time of issuance. In no case shall the number of certificates
22 and medallions issued by the commission exceed 2,000 each.

23 § 2408. Restrictions.

24 (a) Place of transaction.--A medallion may not be sold or
25 transferred to another party unless the closing of the sales
26 transaction occurs at commission offices in the presence of a
27 designated commission staff member. The commission staff member
28 shall witness the execution of each contract of sale to evidence
29 staff presence at the execution. All contracts for the sale of
30 medallions which are not executed at commission offices and

1 witnessed by a commission staff member are void by operation of
2 law. All sales contracts shall conform to such rules and
3 regulations as the commission may prescribe. Prior to each
4 closing, the buyer of the medallion shall pay a fee in an amount
5 to be determined by the commission.

6 (b) Issuance of certificate.--Upon the witnessing of a sale
7 of a medallion and upon application of the purchaser and
8 compliance with commission tariff, insurance and inspection
9 requirements, the commission staff shall immediately issue an
10 accompanying certificate to the new medallion holder unless the
11 commission determines that the transfer of the certificate is
12 inconsistent with the public interest. Where there is a
13 determination that a transfer is not in the public interest, the
14 new medallion holder shall have six months from the date the
15 adverse determination is entered to sell the medallion to a new
16 owner. If a sale is not consummated before commission personnel
17 within six months, the medallion will become nontransferable and
18 possession must be surrendered to the commission.

19 (c) Criminal records.--No person or corporation may purchase
20 a medallion or apply for a certificate if the person or
21 corporation or an officer or director of the corporation has
22 been convicted or found guilty of a felony within the five-year
23 period immediately preceding the transfer. All applications for
24 a certificate shall contain a sworn affidavit certifying that
25 the purchaser has not been convicted of a felony in the previous
26 five years. If, at any time, the commission finds that a
27 medallion holder has been convicted of a felony while holding
28 the medallion or during the five years immediately preceding its
29 purchase, the commission shall immediately cancel the
30 corresponding certificate.

1 § 2409. Driver licensing program.

2 (a) General rule.--Within 90 days of the effective date of
3 this chapter, the commission shall provide for the establishment
4 of a driver licensing program for drivers of taxicabs in cities
5 of the first class. Standards for fitness of taxi drivers shall
6 be established under such rules and regulations as the
7 commission may prescribe. The commission may revoke or suspend a
8 chauffeur's license upon a finding that the individual is not
9 fit to operate a taxicab. Each applicant for a chauffeur's
10 license shall pay a fee in an amount to be determined by the
11 commission. Upon approval, a picture chauffeur's license will be
12 issued to an applicant. No individual shall operate a taxicab at
13 any time unless the individual is licensed as a chauffeur by the
14 commission. Each licensed taxi driver shall carry and display in
15 full view a chauffeur's license at all times of operation of a
16 taxicab. The commission may establish orders or regulations
17 which designate additional requirements governing the licensing
18 of drivers and the operation of taxicabs by drivers, including,
19 but not limited to, dress codes for drivers.

20 (b) Violations.--Operating a taxicab without a chauffeur's
21 license or authorizing or permitting the operation of a taxicab
22 by a driver who is not licensed as a chauffeur in cities of the
23 first class is a nontraffic summary offense in the first
24 instance and a misdemeanor of the third degree for each offense
25 thereafter.

26 (c) Agreements delegating responsibilities.--The commission
27 is hereby authorized to enter into agreements or contracts
28 delegating the duties and responsibilities designated in
29 subsection (a) to a different governmental entity or to another
30 party.

(d) Penalty dispositions.--For the purpose of this chapter,
any person convicted of:

(1) a summary offense shall be sentenced to pay a fine
of \$500 and may be sentenced to a term of imprisonment not to
exceed 90 days, or both; or

(2) a misdemeanor shall be sentenced to pay a fine of
\$2,500 and may be sentenced to a term of imprisonment not to
exceed one year, or both.

§ 2410. Wages.

(a) Minimum wage.--Each medallion holder shall pay at least
a prevailing minimum wage rate or, in the alternative, charge at
most a prevailing maximum lease amount to the drivers of its
taxicab, as determined by the commission upon investigation. The
minimum wage rate and the maximum lease amount, as established
by the commission, may include employee benefits.

(b) Uniform rates.--All taxicabs in cities of the first
class shall charge a uniform rate to passengers, as determined
by the commission upon investigation.

(c) Reopen investigations.--Any medallion holder or licensed
driver may petition the commission to reopen the investigations
addressed by subsections (a) and (b) no less than 18 months
after the close of the preceding investigation.

§ 2411. Centralized dispatcher.

In cities of the first class, all medallion holders shall
utilize the services of a centralized dispatch radio system. Any
owner of a centralized radio dispatch system shall make such
system available to all medallion holders for a reasonable fee,
as described in a rate schedule to be filed with the commission.
The commission, in its discretion, may review the rate schedules
of radio associations to determine if rates charged discriminate

1 against new applicants. Medallion holders shall have no
2 obligation to use any particular radio system.

3 § 2412. Regulations.

4 The commission may prescribe such rules and regulations as it
5 deems necessary to govern the regulation of taxicabs in cities
6 of the first class pursuant to the provisions of this chapter.

7 § 2413. Enforcement.

8 The provisions of this chapter and the rules and regulations
9 promulgated by the commission pursuant to this act shall be
10 enforced by commission personnel in conjunction with the police
11 department in each first class city to the degree funding is
12 provided. The commission shall enter into contracts with each
13 first class city or its police department to provide for
14 continuous enforcement of this chapter and to provide for full
15 funding of the city enforcement activities from the fund.

16 § 2414. Applicability.

17 Where other provisions of this title or other laws of this
18 Commonwealth are in conflict with the provisions of this
19 chapter, the provisions of this chapter shall govern taxicabs in
20 cities of the first class and other conflicting provisions are
21 inapplicable.

22 Section 2. This act does not affect any act done, liability
23 incurred or right accrued or vested or affect any civil or
24 criminal proceeding pending or to be commenced to enforce any
25 right or penalty or punish any offense under any statute or part
26 of a statute repealed by this act.

27 Section 3. This act shall take effect in 60 days.