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May 24, 2018

Chairman Robert W. Godshall  
Pennsylvania House of Representatives  
Consumer Affairs Committee  
150 Main Capitol Building  
PO Box 202053  
Harrisburg, PA 17120

Re: Act 164 of 2016

Dear Chairman Godshall and Members of the Consumer Affairs Committee:

Thank you for taking the time to listen to our position regarding Act 164. Since the Act's passage almost two years ago, much in the taxicab industry has changed for the better, although there is still a lot of room for improvement.

Despite the legislature's best efforts to even the playing field between taxis and TNCs, taxis are still overburdened with regulation and enforcement while TNCs manage to operate on a massive scale in Philadelphia with little oversight. Rather than address these incongruities at their core by implementing regulations for TNCs, the PPA proposes to impose additional surcharges on customers of both taxis and TNCs. The PPA's idea of fairness is to make its proposed per-trip surcharge of 50-cents the same for both taxi and TNC customers, even though there are roughly 1,300 taxicabs currently operating in Philadelphia compared to upwards of 20,000 TNCs. Needless to say, these disproportionate numbers require different levels of enforcement, but the PPA believes taxi customers should subsidize its enforcement of TNCs—enforcement that is essentially meaningless because there are no regulations governing TNCs in Philadelphia outside of Act 164.

The PPA also wants to overhaul many of the provisions of Act 164 that have made life easier for taxicab operators, despite an otherwise distressing business climate, like raising vehicle inspection fees, changing dispatcher requirements and getting rid of regulations that allow taxicabs to be more flexible with their operations. As always, the PPA only has its sights on its bottom line, regardless of what it may mean for taxicab operators.

Instead, the PPA and this legislative body should focus on the true problems facing the for-hire transportation industry in Philadelphia: predatory lenders going after taxicab operators;

overly congested city streets due to an influx of TNCs from outside the Commonwealth; a lack of transparency over TNC operations in Philadelphia and the PPA's failure to adopt regulations for TNCs in Philadelphia.

Throwing money at this problem is not the solution, despite what the PPA may have you believe. Instead, the PPA and the General Assembly need to focus on substantive changes that will make life better for operators and customers of for-hire transportation in Philadelphia.

Thank you for your time and attention.

Sincerely,

215 Get A Cab

# BY THE NUMBERS



## TRANSPORTATION NETWORK COMPANIES VS. PHILADELPHIA TAXI CABS

### TNC REQUIREMENTS BY CITY

#### PHILADELPHIA

- A vehicle or driver can be from any state and provide service at anytime in the commonwealth



#### NEW YORK CITY



- Must have commercial license
- TLC approval for every vehicle
- NY registered vehicles ONLY

#### WASHINGTON D.C.



- Vehicles and drivers must be from the DC Metro Area (DC, Virginia, & Maryland)

### NUMBER OF VEHICLES SERVICING PHILADELPHIA (EACH REPRESENTING 1,000)



**PHILADELPHIA  
TAXIS  
1,400**

**TNC  
(UBER & LYFT)  
20,000+**

- The number of taxi cabs in service has steadily decreased since the introduction of TNCs
- Unlike TNCs, taxicabs charge a tariff passed by the state
- The additional burden of regulation and enforcement has not been placed on the PPA by taxi cabs
- A 50 cent surcharge should be solely applicable to TNCs

**40%↓**

**DECREASE IN PHILADELPHIA  
TAXI REVENUE SINCE TNC  
INTRODUCED IN THE MARKET**

**The Insurance Federation of Pennsylvania, Inc.**  
[www.ifpenn.org](http://www.ifpenn.org)

June 7, 2018

To: The Honorable Members of the House Consumer Affairs Committee

From: Samuel R. Marshall

Re: Act 164 implementation – the insurance requirements

We're happy to report that we haven't heard complaints about this act since its enactment in October, 2016. Normally, we'd say that's because it is too soon: Insurance problems tend to take time to surface, especially when dealing with insurance requirements on liability coverage.

In this case, though, we are tentatively optimistic that the lack of complaints reflects an act that was well-crafted, with the difficult issues and differences addressed at the outset.

Time has a way of softening these things, but insurance coverage issues for TNCs were hotly contested in the early days not just of this bill, but of the PUC's licensing of TNCs. That wasn't always a pleasant process: It rarely is when dealing with a new service and having to set the statutory parameters of insuring that service in a way that provides certainty to future claimants, be they TNC passengers, TNC drivers, or other drivers and pedestrians.

But it was an open and thorough process, in the General Assembly and at the PUC, with everyone forced to answer and work through issues big and small. It worked, not just in getting a law enacted, but in getting a law enacted that has proven itself in its implementation.

Yes, claims involving TNCs have an added wrinkle, because the TNC driver is using his personal car in a commercial capacity. But under Act 164, the insurance requirements are clear – and at least from our experience, have been efficiently monitored and enforced.

That's to the credit of this committee and many others: The best insurance laws are the ones where the years after enactment are far smoother than the years beforehand.

The focus in the deliberations on this bill was on making sure the right insurance coverage is being provided, and is readily accessible when needed. As with most insurance issues, that is always a more bipartisan endeavor than the stereotypes suggest. We worked through insurance issues here with Chairmen Godshall and Daley, and with Executive Directors Amanda Rumsey and Beth Rosentel, and I hope their recollections are the same.

We thank you for having taken a thorough approach in enacting Act 164, and we're happy to report that at least with respect to the insurance issues that come from TNCs, that approach is working to the benefit all consumers.