

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2473 Session of 2018

INTRODUCED BY GODSHALL, DAY, DELOZIER, DeLUCA, HAHN, HELM, KEEFER AND THOMAS, JUNE 7, 2018

AS REPORTED FROM COMMITTEE ON CONSUMER AFFAIRS, HOUSE OF REPRESENTATIVES, AS AMENDED, JUNE 20, 2018

AN ACT

1 Amending Title 53 (Municipalities Generally) of the Pennsylvania
2 Consolidated Statutes, in taxicabs and limousines in first
3 class cities, establishing a Taxicab Medallion Account and
4 Limousine Account within the Philadelphia Taxicab and
5 Limousine Regulatory Fund; and further providing for budget
6 and assessments and for funds.

7 The General Assembly of the Commonwealth of Pennsylvania
8 hereby enacts as follows:

9 Section 1. Sections 5707(c)(2) and 5708 of Title 53 of the
10 Pennsylvania Consolidated Statutes are amended to read:

11 § 5707. Budget and assessments.

12 * * *

13 (c) Assessments.--

14 * * *

15 (2) The following relate to assessments for limousines:

16 (i) The limousine utility group shall be comprised
17 of each limousine service authorized by the authority
18 pursuant to section 5741(a) (relating to certificate of
19 public convenience required). Vehicles approved by the

1 authority to provide limousine service pursuant to
2 section 5741(a.3)(2) shall not be considered part of the
3 limousine utility group for assessment purposes but may
4 be required to pay fees as provided in section 5710.

5 [(ii) On or before March 31 of each year, each
6 limousine service owner shall file with the authority a
7 statement under oath estimating the number of limousines
8 it estimates to have in service in the next fiscal year.

9 (iii) The portion of the total assessment allocated
10 to the limousine utility group shall be divided by the
11 number of limousines estimated by the authority to be in
12 service during the next fiscal year, and the quotient
13 shall be the limousine assessment. The limousine
14 assessment shall be applied to each limousine in the
15 limousine utility group and shall be paid by the owner of
16 each limousine on that basis.

17 (iv) The authority may not make an additional
18 assessment against a vehicle substituted for another
19 already in limousine service during the fiscal year and
20 already subject to assessment as provided in subparagraph
21 (iii). The authority may, by order or regulation, provide
22 for reduced assessments for limousines first entering
23 service after the initiation of the fiscal year.

24 (v) The limousine assessment for fiscal years ending
25 June 30, 2013, and June 30, 2014, shall be \$350. By order
26 or regulation, the authority may discount the limousine
27 assessment for each limousine service owner operating 16
28 or more limousines authorized by the authority.]

29 (vi) For fiscal year 2018 and each fiscal year
30 thereafter, annual assessments issued by the authority to

1 limousine owners shall not exceed 1% of the annual gross
2 revenue of a limousine owner generated within a city of
3 the first class or an airport located, in whole or in
4 part, within a city of the first class for the
5 provisioning of limousine service. Assessments may only
6 be made upon the rates collected for the provisioning of
7 limousine service within a city of the first class or an
8 airport located, in whole or in part, within a city of
9 the first class and may not include tips or tolls.

10 (vii) Assessments may be payable to the authority in
11 a lump sum or on a quarterly basis. The first quarter
12 shall begin on July 1 and end on September 30. The second
13 quarter shall begin on October 1 and end on December 31.
14 The third quarter shall begin on January 1 and end on
15 March 31. The fourth quarter shall begin on April 1 and
16 end on June 30. The assessment payment shall be due
17 within 30 days after service of the notice of assessment
18 from the authority.

19 * * *

20 § 5708. Funds.

21 (a) Regulatory Fund.--The Philadelphia Taxicab and Limousine
22 Regulatory Fund is established as a special fund in the State
23 Treasury. [A balance remaining in the regulatory fund and
24 previously held by the authority shall be transferred to the
25 special fund in the State Treasury upon the effective date of
26 section 5710 (relating to fees).] A Taxicab Medallion Account
27 and Limousine Account are established within the regulatory fund
28 and shall be kept separate and not commingled. The regulatory
29 fund shall be the primary operating fund of the authority for
30 the administration and enforcement of this chapter and Chapter

1 57B (relating to regulation of taxicabs and limousines in cities
2 of the first class) and shall be administered as follows:

3 (1) Except as provided in subsection (a.1), the
4 assessments, fees, penalties and other revenues, interest
5 earned by the regulatory fund, refunds and repayments related
6 to the administration and enforcement of this chapter and
7 Chapter 57B shall be deposited into EITHER THE TAXICAB <--
8 MEDALLION ACCOUNT OR LIMOUSINE ACCOUNT ESTABLISHED WITHIN the
9 regulatory fund.

10 (2) Money deposited in the regulatory fund is reserved
11 for the use of the authority and shall be transferred in
12 equal amounts each month by the State Treasurer to the
13 authority for the purposes of administering and enforcing
14 this chapter and Chapter 57B.

15 (3) Upon the effective date of this paragraph, the money
16 in the regulatory fund shall be held and maintained as
17 provided in paragraph (2).

18 (a.1) Taxicab Medallion [Fund] Account.--[The Philadelphia
19 Taxicab Medallion Fund is established as a special fund in the
20 State Treasury.

21 (1)] The consideration, revenue, fees, interest earned
22 by the taxicab medallion [fund] account, refunds, repayments
23 and other deposits related to the sale of medallions as
24 provided in section 5717(b) (relating to additional
25 certificates and medallions), shall be deposited into the
26 medallion [fund] account.

27 [(2) Money deposited in the medallion fund is reserved
28 for the use of the authority and shall be transferred in
29 equal amounts each month by the State Treasurer to the
30 authority solely for the purposes of administering and

1 enforcing taxicab regulation under this chapter.]

2 (b) [(Reserved).] Use of funds.--The following apply:

3 (1) Except as provided under subsection (c), money
4 deposited in the Taxicab Medallion Account is appropriated
5 for the purposes specified under this chapter only as it
6 relates to the regulation of taxicab medallions and shall not
7 be used for the regulation of limousines or transportation
8 network companies established under Chapter 57A (relating to
9 transportation network companies) or for any purpose not
10 specified under this chapter.

11 (2) Except as provided under subsection (c), money
12 deposited in the Limousine Account is appropriated for the
13 purposes specified under this chapter only as it relates to
14 the regulation of limousines and shall not be used for the
15 regulation of taxicab medallions or transportation network
16 companies established under Chapter 57A or for any purpose
17 not specified under this chapter.

18 (c) [(Reserved).] Shared regulatory expenses.--Expenses from
19 the Philadelphia Taxicab and Limousine Regulatory Fund that are
20 not exclusively related to taxicab medallions or limousines
21 shall be divided as follows:

22 (1) Expenses incurred by the authority for the
23 regulation of taxicab medallions and limousines that are not
24 exclusively related to either taxicab medallions or
25 limousines shall be allocated to the Taxicab Medallion
26 Account and the Limousine Account based upon the proportion
27 to which the gross operating revenue of taxicab medallions
28 and the applicable gross operating revenue of limousines bear
29 to the total gross operating revenues for the fiscal year.

30 (2) If the relative share of the expenses under

1 paragraph (1) cannot be determined, the expenses shall be
2 shared equally between the Taxicab Medallion Account and the
3 Limousine Account.

4 (c.1) Audit.--The authority shall have at least one annual
5 examination of its books, accounts and records related to each
6 of the funds established by this section by [a] an independent
7 third party certified public accountant.

8 (c.2) Auditor General duties.--The following apply:

9 (1) Within 30 days of the effective date of this
10 subsection, the Department of the Auditor General shall
11 investigate and audit the authority's use of the Philadelphia
12 Taxicab and Limousine Regulatory Fund and the assessment
13 formulas, processes and procedures imposed by the authority
14 for fiscal years ending June 30, 2015, June 30, 2016, and
15 June 30, 2017, to determine whether:

16 (i) The regulatory fund was used solely for the
17 regulation of taxicab medallions and limousines under
18 this chapter.

19 (ii) Expenses from the regulatory fund were used by
20 the authority to regulate transportation network
21 companies operating within a city of the first class or
22 an airport located, in whole or in part, within a city
23 of the first class before and after the effective date of
24 the amendatory act of November 4, 2016 (P.L.1222,
25 No.164).

26 (iii) Expenses or transfers from the regulatory fund
27 were made by the authority for unrelated purposes and the
28 amount or extent of the expenses or transfers.

29 (iv) Increased assessments imposed on taxicab
30 medallion owners and limousine operators were just and

1 reasonable.

2 (v) Increased assessments and fees imposed on
3 taxicab medallion owners and limousine operators were
4 utilized by the authority to pay operational or
5 administrative expenses unrelated to the regulation of
6 taxicab medallions and limousines.

7 (vi) Increased assessments imposed on taxicab
8 medallion owners and limousine operators were used for
9 pay raises, bonuses, fringe benefits or lobbying services
10 ~~authroized~~ AUTHORIZED by the authority and the amount or <--
11 extent of the pay raises, bonuses, fringe benefits or
12 lobbying services.

13 (vii) The authority's statutory authorization to
14 regulate limousines within a city of the first class or
15 an airport located, in whole or in part, within a city of
16 the first class should be transferred to the Pennsylvania
17 Public Utility Commission and if so, the estimated costs
18 associated with the transfer.

19 (2) The Auditor General shall issue its findings under
20 paragraph (1) in a report to the chair of the Consumer
21 Protection and Professional Licensure Committee of the Senate
22 and the chair of the Consumer Affairs Committee of the House
23 of Representatives within 180 days of the effective date of
24 this subsection.

25 (d) (Reserved).

26 (e) (Reserved).

27 (f) (Reserved).

28 Section 2. The following apply:

29 (1) The authority shall, within 30 days of the effective
30 date of this section, promulgate temporary regulations to

1 effectuate the amendment of 53 Pa.C.S. §§ 5707(c) (2) and
2 5708. The temporary regulations shall not be subject to the
3 following:

4 (i) Sections 201, 202, 203, 204 and 205 of the act
5 of July 31, 1968 (P.L.769, No.240), referred to as the
6 Commonwealth Documents Law.

7 (ii) Sections 204(b) and 301(10) of the act of
8 October 15, 1980 (P.L.950, No.164), known as the
9 Commonwealth Attorneys Act.

10 (iii) The act of June 25, 1982 (P.L.633, No.181),
11 known as the Regulatory Review Act.

12 (2) The temporary regulations shall expire upon the
13 promulgation of final-form regulations or two years following
14 the effective date of this section, whichever is later.

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