

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 RE-REPORTED FROM COMMITTEE ON APPROPRIATIONS, HOUSE OF REPRESENTATIVES, AS AMENDED, SEPTEMBER 24, 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 AND FOR FEES. <--

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 SECTION 1. SECTIONS 5707(A)(1) AND (C)(2), 5708 AND 5710(A) <--
12 OF TITLE 53 OF THE PENNSYLVANIA CONSOLIDATED STATUTES ARE
13 AMENDED TO READ:

14 § 5707. Budget and assessments.

15 * * * <--

16 (A) BUDGET SUBMISSION.-- <--

17 (1) THE AUTHORITY SHALL PREPARE AND, THROUGH THE
18 GOVERNOR, SUBMIT ANNUALLY TO THE GENERAL ASSEMBLY A PROPOSED
19 BUDGET CONSISTENT WITH ARTICLE VI OF THE ACT OF APRIL 9, 1929

1 (P.L.177, NO.175), KNOWN AS THE ADMINISTRATIVE CODE OF 1929,
2 CONSISTING OF THE AMOUNTS NECESSARY TO BE APPROPRIATED BY THE
3 GENERAL ASSEMBLY OUT OF THE [FUNDS] RESTRICTED ACCOUNTS
4 ESTABLISHED UNDER SECTION 5708 (RELATING TO FUNDS) NECESSARY
5 FOR THE ADMINISTRATION AND ENFORCEMENT OF THIS CHAPTER FOR
6 THE FISCAL YEAR BEGINNING JULY 1 OF THE FOLLOWING YEAR. THE
7 AUTHORITY [SHALL] MAY BE AFFORDED AN OPPORTUNITY TO APPEAR
8 BEFORE THE GOVERNOR AND THE APPROPRIATIONS COMMITTEE OF THE
9 SENATE AND THE APPROPRIATIONS COMMITTEE OF THE HOUSE OF
10 REPRESENTATIVES REGARDING ITS PROPOSED BUDGET. EXCEPT AS
11 PROVIDED IN SECTION 5710 (RELATING TO FEES), THE AUTHORITY'S
12 PROPOSED BUDGET SHALL INCLUDE A PROPOSED FEE SCHEDULE.

13 * * *

14 (c) Assessments.--

15 * * *

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

17 (i) The limousine utility group shall be comprised
18 of each limousine service authorized by the authority
19 pursuant to section 5741(a) (relating to certificate of
20 public convenience required). Vehicles approved by the
21 authority to provide limousine service pursuant to
22 section 5741(a.3)(2) shall not be considered part of the
23 limousine utility group for assessment purposes but may
24 be required to pay fees as provided in section 5710.

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

29 (iii) The portion of the total assessment allocated
30 to the limousine utility group shall be divided by the

1 number of limousines estimated by the authority to be in
2 service during the next fiscal year, and the quotient
3 shall be the limousine assessment. The limousine
4 assessment shall be applied to each limousine in the
5 limousine utility group and shall be paid by the owner of
6 each limousine on that basis.

7 (iv) The authority may not make an additional
8 assessment against a vehicle substituted for another
9 already in limousine service during the fiscal year and
10 already subject to assessment as provided in subparagraph
11 (iii). The authority may, by order or regulation, provide
12 for reduced assessments for limousines first entering
13 service after the initiation of the fiscal year.

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

19 (vi) ~~For fiscal year 2018~~ FOR THE FISCAL YEAR ENDING <--
20 JUNE 30, 2019, THE ANNUAL ASSESSMENT ISSUED BY THE
21 AUTHORITY TO LIMOUSINE OPERATORS MAY NOT EXCEED \$550 PER
22 VEHICLE. FOR THE FISCAL YEAR ENDING JUNE 30, 2020, and
23 each fiscal year thereafter, annual assessments issued by
24 the authority to limousine owners shall not exceed 1% of
25 the annual gross revenue of a limousine owner generated
26 within a city of the first class or an airport located,
27 in whole or in part, within a city of the first class for
28 the provisioning of limousine service. Assessments may
29 only be made upon the rates collected for the
30 provisioning of limousine service within a city of the

1 first class or an airport located, in whole or in part,
2 within a city of the first class and may not include tips
3 or tolls.

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

13 * * *

14 § 5708. Funds.

15 (a) Regulatory Fund.--The Philadelphia Taxicab and Limousine
16 Regulatory Fund is established as a special fund in the State
17 Treasury. [A balance remaining in the regulatory fund and
18 previously held by the authority shall be transferred to the
19 special fund in the State Treasury upon the effective date of
20 section 5710 (relating to fees).] A Taxicab Medallion Account
21 and Limousine Account are established AS RESTRICTED ACCOUNTS <--
22 within the regulatory fund and shall be kept separate and not
23 commingled. The [regulatory fund] RESTRICTED ACCOUNTS shall be <--
24 the primary operating [fund] ACCOUNTS of the authority for the <--
25 administration and enforcement of this chapter and Chapter 57B
26 (relating to regulation of taxicabs and limousines in cities of
27 the first class) and shall be administered as follows:

28 (1) [Except as provided in subsection (a.1), the <--
29 assessments, fees, penalties and other revenues, interest
30 earned by the regulatory fund, refunds and repayments related

1 to the administration and enforcement of this chapter ~~and~~ <--
2 ~~Chapter 57B~~ shall be deposited into ~~either the Taxicab~~ <--
3 ~~Medallion Account or Limousine Account established within the~~
4 ~~regulatory fund.] ASSESSMENTS, FEES, PENALTIES AND OTHER <--~~

5 REVENUES, INTEREST EARNED BY THE TAXICAB MEDALLION ACCOUNT,
6 REFUNDS AND REPAYMENTS AND OTHER DEPOSITS FROM THE SALE OF
7 MEDALLIONS AS PROVIDED IN SECTION 5717(B) (RELATING TO
8 ADDITIONAL CERTIFICATES AND MEDALLIONS) RELATED TO THE
9 ADMINISTRATION AND ENFORCEMENT OF TAXICABS UNDER THIS CHAPTER
10 AND CHAPTER 57B SHALL BE DEPOSITED INTO THE TAXICAB MEDALLION
11 ACCOUNT.

12 (1.1) ASSESSMENTS, FEES, PENALTIES AND OTHER REVENUES,
13 INTEREST EARNED BY THE LIMOUSINE ACCOUNT, REFUNDS AND
14 REPAYMENTS, AND OTHER DEPOSITS RELATED TO THE ADMINISTRATION
15 AND ENFORCEMENT OF LIMOUSINES UNDER THIS CHAPTER AND CHAPTER
16 57B SHALL BE DEPOSITED INTO THE LIMOUSINE ACCOUNT.

17 (2) Money deposited in the [regulatory fund] RESTRICTED <--
18 ACCOUNTS is reserved for the use of the authority and shall
19 be transferred in equal amounts each month by the State
20 Treasurer to the authority for the purposes of administering
21 and enforcing this chapter ~~and Chapter 57B.~~

22 (3) Upon the effective date of this paragraph, the money
23 in the regulatory fund shall be [held and maintained] <--
24 ALLOCATED as provided in [paragraph] PARAGRAPHS (1) AND (2). <--

25 ~~[(a.1) Taxicab Medallion {Fund} Account.--{The Philadelphia~~ <--
26 ~~Taxicab Medallion Fund is established as a special fund in the~~
27 ~~State Treasury.~~

28 (1)† The consideration, revenue, fees, interest earned <--
29 by the ~~taxicab~~ medallion {fund} ~~account~~, refunds, repayments <--
30 and other deposits related to the sale of medallions as

1 provided in section 5717(b) (relating to additional
2 certificates and medallions), shall be deposited into the
3 medallion ~~{fund} account.~~ <--

4 †(2) Money deposited in the medallion fund is reserved <--
5 for the use of the authority and shall be transferred in
6 equal amounts each month by the State Treasurer to the
7 authority solely for the purposes of administering and
8 enforcing taxicab regulation under this chapter.]

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

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

19 (2) Except as provided under subsection (c), money
20 deposited in the Limousine Account is appropriated SHALL BE <--
21 UTILIZED for the purposes specified under this chapter only
22 as it relates to the regulation of limousines and shall not
23 be used for the regulation of taxicab medallions or
24 transportation network companies established under Chapter
25 57A or for any purpose not specified under this chapter.

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

30 (1) Expenses incurred by the authority for the

1 regulation of taxicab medallions and limousines that are not
2 exclusively related to either taxicab medallions or
3 limousines shall be allocated to the Taxicab Medallion
4 Account and the Limousine Account based upon the proportion
5 to which the gross operating revenue of taxicab medallions
6 and the applicable gross operating revenue of limousines bear
7 to the total gross operating revenues for the fiscal year.

8 (2) If the relative share of the expenses under
9 paragraph (1) cannot be determined, the expenses shall be
10 shared equally between the Taxicab Medallion Account and the
11 Limousine Account.

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

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

17 (1) Within 30 days of the effective date of this
18 subsection, the Department of the Auditor General shall
19 investigate and audit the authority's use of the Philadelphia
20 Taxicab and Limousine Regulatory Fund and the assessment
21 formulas, processes and procedures imposed by the authority
22 for fiscal years ending June 30, 2015, June 30, 2016, and
23 June 30, 2017, to determine whether:

24 (i) The regulatory fund was used solely for the
25 regulation of taxicab medallions and limousines under
26 this chapter.

27 (ii) Expenses from the regulatory fund were used by
28 the authority to regulate transportation network
29 companies operating within a city of the first class or
30 an airport located, in whole or in part, within a city

1 of the first class before and after the effective date of
2 the amendatory act of November 4, 2016 (P.L.1222,
3 No.164).

4 (iii) Expenses or transfers from the regulatory fund
5 were made by the authority for unrelated purposes and the
6 amount or extent of the expenses or transfers.

7 (iv) Increased assessments imposed on taxicab
8 medallion owners and limousine operators were just and
9 reasonable.

10 (v) Increased assessments and fees imposed on
11 taxicab medallion owners and limousine operators were
12 utilized by the authority to pay operational or
13 administrative expenses unrelated to the regulation of
14 taxicab medallions and limousines.

15 (vi) Increased assessments imposed on taxicab
16 medallion owners and limousine operators were used for
17 pay raises, bonuses, fringe benefits or lobbying services
18 authorized by the authority and the amount or extent of
19 the pay raises, bonuses, fringe benefits or lobbying
20 services.

21 (vii) The authority's statutory authorization to
22 regulate limousines within a city of the first class or
23 an airport located, in whole or in part, within a city of
24 the first class should be transferred to the Pennsylvania
25 Public Utility Commission and if so, the estimated costs
26 associated with the transfer.

27 (2) The Auditor General shall issue its findings under
28 paragraph (1) in a report to the chair of the Consumer
29 Protection and Professional Licensure Committee of the Senate
30 and the chair of the Consumer Affairs Committee of the House

1 of Representatives within 15 months of the effective date of
2 this subsection.

3 (d) (Reserved).

4 (e) (Reserved).

5 (f) (Reserved).

6 § 5710. FEES. <--

7 (A) FEES AUTHORIZED.--THE AUTHORITY MAY COLLECT FEES
8 NECESSARY FOR THE ADMINISTRATION AND ENFORCEMENT OF THIS
9 CHAPTER. PAYMENT OF FEES MAY BE ENFORCED IN THE SAME MANNER AND
10 TO THE EXTENT PROVIDED FOR THE PAYMENT OF ASSESSMENTS UNDER
11 SECTION 5707 (RELATING TO BUDGET AND ASSESSMENTS). FEES
12 COLLECTED UNDER THIS SECTION MUST BE DEPOSITED INTO THE PROPER
13 RESTRICTED ACCOUNT WITHIN THE REGULATORY FUND. THE AUTHORITY
14 SHALL POST THE CURRENT FEE SCHEDULE ON ITS INTERNET WEBSITE.

15 * * *

16 Section 2. The following apply:

17 (1) The authority shall, within 30 days of the effective
18 date of this section, promulgate temporary regulations to
19 effectuate the amendment of 53 Pa.C.S. §§ 5707(c)(2) and
20 5708. The temporary regulations shall not be subject to the
21 following:

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

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

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

30 (2) The temporary regulations shall expire upon the

1 promulgation of final-form regulations or two years following
2 the effective date of this section, whichever is later.
3 Section 3. This act shall take effect in 60 days.