

HOUSE OF REPRESENTATIVES

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COMMONWEALTH OF PENNSYLVANIA HARRISBURG

2885

September 28, 2011

Silvan B. Lutkewitte, III Chairman Independent Regulatory Review Commission 14th Floor 333 Market Street Harrisburg, PA 17101

Re: Final Rulemaking Order (Regulation ID #126-1/IRRC # 2885)
Philadelphia Taxicab and Limousine Regulations

Dear Chairman Lutkewitte:

Representative Evans and I write in furtherance of my August 8, 2011 letter recommending that the Philadelphia Parking Authority's ("Authority") above referenced final-form regulations be approved. As noted in that earlier letter, I was the prime sponsor of Act 94 of 2004, which transferred regulatory Authority over taxicabs and limousines in Philadelphia from the Pennsylvania Public Utility Commission ("PUC") to the Authority.

Representative Evans and I write now to address issues that have been raised by the Independent Regulatory Review Commission ("IRRC") and other commentators in regard to the Authority's regulations, particularly because a question of legislative intent seems to be at issue.

Age of Vehicles.

The Authority is required by Act 94 to develop a clean, safe, reliable and well regulated taxicab and limousine industry in Philadelphia. 53 Pa.C.S. § 5701.1. We do not believe that the Authority can achieve this legislative mandate without implementing regulations related to the condition of the vehicles used to provide these services. The age and mileage of a vehicle are crucial conditions that directly impact its ability to operate in a clean, safe and reliable manner. Act 94 necessitates the Authority's regulation of those components of taxicabs and limousines.

Prior to the enactment of Act 94 there were no concrete limitations on the age of vehicles used to provide taxicab and limousine service in the Commonwealth, certainly not in Philadelphia. While the regulations of the PUC contain a ceiling as to the age of taxicabs, that age cap is not mandatory and permits the continued operation of vehicles beyond that age. *See* 52 Pa. Code. § 29.314 (d).

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We understand that wear and tear on taxicabs in rural areas may be less severe than the congested stop-and-go traffic of Philadelphia. A more fluid vehicle age limitation may work fine in those areas, but in Philadelphia we believe a maximum age ceiling was needed. That ceiling is represented by the 8 year age cap in Act 94. 53 Pa.C.S. § 5714 (a). While we believe in the need to grant administrative agencies a certain amount of latitude in regard to developing regulatory requirements, it was crucial to remove the discretion to permit vehicles older than 8 years from providing taxicab service in Philadelphia. That is why Act 94 contains that age cap.

Some have asserted in comments to these regulations that this age cap constitutes a statutory <u>right</u> to operate a vehicle until it is 8 years old. That interpretation is inconsistent with the plain meaning of the language of § 5714 (a) and the legislative intent of that section. Again, the purpose of this language was to remove discretion from the Authority to allow the use of vehicles older than 8 years, not to preclude the steady improvement of these vehicles through increasingly demanding age and mileage standards.

As noted above, age and mileage are conditions of every vehicle. We believe that it is unreasonable to limit the power of the Authority to regulate those conditions as to taxicabs or limousines simply because § 5714 (a) contains a single requirement related to one element of those conditions. Act 94 was not intended to limit the Authority's power to exercise discretion in regard to vehicle condition regulations; in fact the need for improved vehicle conditions is precisely why Act 94 became law. Act 94 does not interfere with the Authority's ability to set vehicle condition requirements related to the age of limousines or mileage for either classification of service. Statutory silence as to a potential limitation of an agency's regulatory power should not be interpreted to as a limitation in and of itself. The Authority has the power to regulate vehicle condition under this Act and those conditions include age and mileage.

We also understand that the fiscal impact of the regulations, particularly the age and mileage requirements, has been questioned by commentators. The final-form regulations maintain the same vehicle age and mileage requirements that have been in place in Philadelphia for 8 years. While these regulations may be new to our state agency level of scrutiny, they are not new to the regulated community. We are satisfied that the final-form regulations before you now will not result in a fiscal impact beyond that expressed in the Authority's Regulatory Analysis Form. We are also extremely confident that the Authority works hard to reduce unnecessary costs and streamline procedures for the taxicab and limousine industries in Philadelphia while simultaneously implementing policies and regulations to improve these services.

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We understand that you are in receipt of not less than 20 current Legislators who have already submitted comments favorable to the Authority's regulations. Support of this nature from the Legislature for any regulatory package is not common and goes strongly to belief in the form and content of the regulations and the pressing need for their prompt implementation.

We respectfully request that IRRC vote to approve the Authority's final-form regulations at your October 6, 2011 meeting.

Sincerely,

State Representative

177th Legislative District

State Representative

203rd Legislative District