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January 28, 2011

Dennis Weldon, Esquire  
General Counsel  
Philadelphia Parking Authority  
3101 Market Street  
Philadelphia., PA 19104

Re: Docket Number PRM-10-001  
Philadelphia Taxicab and Limousine Regulations

Dear Mr. Weldon:

We<sup>1</sup> are writing to allow you to know of our intent to comment on the substance of the Authority's proposed taxicab and limousine regulations and the process by which the PPA developed these proposed regulations. We are a strong supporter of regulations that provide quality taxicab service at a reasonable cost to the region, while providing drivers, owners and other necessary participants the ability to make a living. On November 22, 2010, the Authority adopted proposed regulations to replace the regulations, originally adopted in April of 2005. The 2005 regulations are an enormous improvement over the Public Utility Commission's regulations under which we previously operated, as the largest and only medallion cab system in the state. We agree that PPA needs to take action (e.g., submit its existing regulations to IRRC) as a result of the decisions of the Supreme Court and more recently the Commonwealth Court in *Germantown Cab Co. v. Philadelphia Parking Authority*, 993 A.2d 933 (2010).

The PPA developed taxicab and limousine regulations adopted in 2005 with significant input from and dialogue between the industry and the Authority. We were represented in numerous stakeholder meetings that discussed the 2005 regulations prior to adoption from the perspective of medallion owners, dispatchers and financial service providers. We opened our doors and our business to the authority to assist in the rulemaking process and provided them with important contacts to other medallion cities around the country. Unfortunately, the PPA did not use the same process to develop the regulations that the Authority adopted at its November 2010 meeting. We were also the first medallion holder and dispatch company to volunteer our medallions, vehicles and business to implement the GPS/dispatch initiative that included the credit card processing devices in all taxicabs (a major service improvement to the public). Even with our business interest touching over 40% of medallion cabs and our commitment to quality taxicab service and advancing the industries standards, PPA did not engage us in this round of developing regulations. Our conversations with other stakeholders indicate that many were in the

<sup>1</sup> The Abitbol family is major stakeholder in the Philadelphia taxicab industry. We own and operate in excess of 130 medallions and dispatch approximately 200 taxicabs as PHL Taxi. We also provide operating, financing, brokering and insurance services under PPA's current regulations to hundreds of additional cabs. At any time, we are likely to have a business interest in over 40% of the 1,600 medallions in service. Simon has been involved in the taxi industry, starting as a driver, for almost forty years.

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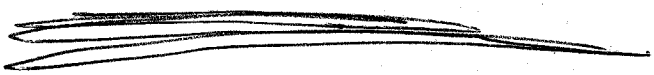
same excluded position. While these proposed regulations are similar to the previous regulations in some aspects, there are a number of provisions that are significantly different. These regulations, especially the limitations placed upon the number of drivers and the use of part time drivers, will limit the industry's ability to provide 24/7 taxi service. The proposed changes to vehicle and insurance requirements are likely to undermine the financial foundations of the industry and lead to bankruptcies of small businesses, job losses, higher rates and less service to the public.

We believe that it would have been more appropriate for the Authority to have promulgated a proposed rulemaking through IRRC that mirrored the 2005 regulations, possibly with a few minor "red lined" changes. This would have allowed the Authority and IRRC to quickly adopt regulations consistent with the Court's decision, while it discussed more significant revisions with all major stakeholders. We also note that the process followed by the PPA to does not appear to follow its existing regulations (section 3.k) for amending its regulations. We, the industry, continue to operate under these regulations. We get inspected, pay fines and fees, are cited for violations, provide service, etc in accordance with the PPA's existing regulations. PPA has chosen to ignore its own regulations regarding the process to amend regulations. We believe that there is still time for the Authority and stakeholders to engage in a constructive dialogue. We are preparing comments which we will be submitting to the Authority on or before the February 14, 2011. Once these comments have been submitted, we will be contacting your office to set up meeting so that we can begin this dialogue.

We note that your current regulations omit many of the provisions of the regulations that you have had in force for the past five years. We also note that you have not supported even your major proposed changes with any supporting rationale. For example, do PPA's records indicate that drivers that do not drive at least twenty-four hours per week have a statistically significant higher amount of complaints lodged against them or violations? Do your records indicate that cabs over a certain mileage or age have a statistically significant greater number of violations or service complaints? Given your vast experience as our regulator with information on every vehicle, every driver, every inspection, every training test, every owner, every trip, every violation, every complaint, every dispatched call, every accident, we trust that in our discourse, including other stakeholders, you can illustrate why changes to the regulations are needed at this time.

We look forward to meeting with you and your staff to discuss these important issues.

Sincerely,



Everett Abitbol  
On behalf of the Abitbol Family of Companies

cc: Sylvan B. Lutkewitte, III, Chairman, Independent Regulatory Review Commission  
Gene Yaw, Chairman, Senate Committee for Urban Affairs and Housing  
James R. Brewster, Minority Chairman, Senate Committee for Urban Affairs and Housing  
Chris Ross, Chairman, House Committee for Urban Affairs  
W. Curtis Thomas, Minority Chairman, House Committee for Urban Affairs  
Hon. John Taylor, State Representative, Committee Urban Affairs  
James Ney, Director of the PPA Taxi and Limousine Division  
Alfred Taubenberger, Chariman Taxi & Limousine Committee