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Senate of Pennsylbania

January 7, 2014

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POLICY

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

Re: Philadelphia Parking Authority Proposed Regulation 126-6 (IRRC #3039)

Dear Chairman Lutkewitte:

I am writing to highlight several concerns with the Philadelphia Parking Authority's proposed regulation 126-6 (IRRC #3039): Taxicab Medallion Sales by the Authority.

As specified in Act 119 of 2012, the Authority is authorized to issue up to 150 new medallions over the next ten years, a minimum 15 of which are required to be issued for the operation of wheelchair accessible vehicles (WAVs). While the statute states this minimum increase in WAV medallions, it gives the Authority discretion on how to allocate the remaining 135 medallions.

The proposed regulation does nothing to address how many of the 135 non-statutorily-designated medallions will be issued for WAV use, nor any other specified use. The intent of Act 119 was clearly to provide better and more robust service for disabled residents and visitors of Philadelphia by increasing the city's WAV taxicab fleet. Without some specification in the regulations as to the particular number of each type of medallion the Authority plans to issue, it has the potential to amount to a windfall for the PPA rather than making a meaningful impact on wheelchair-accessible transportation options in the City. The Authority should specify a minimum number of WAVs to be licensed. Furthermore, that minimum number can (and should) exceed the 15 mandated by statute.

Also troublesome is §1013.33(a) of the regulations, which would authorize the Authority to sell taxicab medallions by sealed bid. When best practices dictate openness and transparency in government transactions, I do not understand why the Authority would want to open itself up to potential improprieties, accusations and even investigation. In Philadelphia and certain jurisdictions in other states where closed bidding on medallions has taken place, lengthy investigations and accusations of fraud and impropriety have also taken place. We do not want to see a repeat happen in this regard in the City. Instead, the Authority should open this up to a public, open bidding process.

The last area with which I have concerns is the bidder qualifications section (§1013.32). While I understand the Authority wants to ensure they have quality certificate holders operating in Philadelphia, the requirements set forth with regards to who may bid are overly restrictive. In order to allow more non-medallion owner taxicab drivers and potential new and reputable companies to buy medallions, the qualifications should be opened up to more than just current or pending medallion owners. As the Authority has already commented that their proposed regulations, with the addition of up to 150 new medallions hitting the streets, should not require additional staff or resources to implement, I would think increasing investigations of new, potential medallion owners would also prove a nominal increase in workload and resources, as the protocols are already in place.

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Ultimately, the intent of Act 119 of 2012 was to provide for more wheelchair accessible taxicabs in Philadelphia. The regulations, as currently written, do not adequately represent this intent. Thank you for your consideration of my concerns.

Very truly yours,

Lawrence M. Farnese/

State Senator

1st Senatorial District