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**Before the
Consumer Affairs Committee;
HB-2445, HB-2446, HB – 2453, HB-2468**

Four bills have recently submitted that will amend Title 66

Amending Title 66 (Public Utilities) of the Pennsylvania Consolidated Statutes, in general provisions, further providing for definitions; in powers and duties, further providing for power of commission to require insurance; in contract carrier by motor vehicle and broker, further providing for declaration of policy and definitions; and providing for transportation network services.

Passing these bills will bring a tremendous hardship on the taxicab and limousine industry already approved in the state of Pennsylvania; all but one of the Bills **HB-2445** does not exclude Philadelphia which is the city of the first class which is only serviced by medallion taxicabs and regulated by the Philadelphia Parking Authority (PPA) and not the Pa. Public Utility Commission (PUC).

We would first want to mention that these new modern tech services are not motor carriers and should not be put in the same category as taxicabs and/or limousines; they are a dispatch company at most that over charge the public.

None of the proposed bills set rates or tariffs for these new companies. Taxicabs and limousines have to submit their rates and their tariffs before their applications are approved and if they don't follow those rates or tariffs they will be fined and could have their certificate suspended. In the case of the taxi industry the rates are set by meter that is sealed by the regulators and published on their websites.

In the new proposed legislation(s) there is very little mention of their territory or can they operate anywhere in the state? Why is there no mention of geographical territory? Taxis and limousines must submit a tariff to the PPA and/or PUC to include its proposed rate and territory they want to serve before an application is approved. Philadelphia taxis have a set rate and set geographical territory.

In Philadelphia (First Class Cities) the regulating authority (PPA) have been able to keep these vehicles from operating illegally without discrimination or prejudice and offered them the opportunity to provide service once they became legal and fit all PPA requirements.

These new modern tech services are an undercover rip-off to the public and they take 20% of the fare from the driver plus whatever deals they have with the credit card industry. They only take credit cards. They service a selected group of people, and this selected group of people is the meat and potatoes of the taxi industry.

How do we enforce these new regulations? How do the regulators know what is charged to the customer on what day? On Monday the charge could be lower than a taxi (which is a direct conflict between two regulated industries) and on Friday and Saturday nights it could be higher than a plane ticket. Will these services be available 24 hours or only during peak hours when there is heavy traffic. Again these hours are the meat and potatoes for the taxi drivers who are trying to pay their lease and put food on the table.

Neither the PUC nor the PPA stops anyone or any corporation from becoming a common carrier operator; all anyone has to do is submit an application. No matter how they want to dress it up, "it's a limo or taxi service". So why do we have to create a whole new chapter in our laws.

The technology is not new there have been many people trying to implement the same thing with different ideas they may have even been better, the difference is; they had to follow the rules and regulations. These new companies disregarded the laws of this state and moved forward.

They are dispatch companies and not common carrier services they do not own a vehicle nor are they responsible for the vehicle. These vehicles will not be used only for private use anymore it will also be used for their commercial use which will surely increase the mileage along with wear and tear of these vehicles drastically, from our experience what will happen to these vehicles after taking a beating.

What about accidents? Who does the driver report too? Who inspects the vehicle after an accident? In Philadelphia if a taxicab is involved in an accident we must report that accident to the regulators if the damages are above \$500.00 before it is allowed to go back on the road. Suppose one of these vehicles is involved in an accident where the wheel or the frame was seriously damaged; who inspects this vehicle before letting it go back on the road?

Understanding that there is pressure from some legislators for the commission to adopt regulations for these new bills but we really need to take a step back including and especially the legislators, why are we creating new laws and new regulations when there are already both in place now. It just doesn't make sense. Why are we opening this door when all of us know it's not the right thing to do? The PUC has been doing this since the beginning of the taxi industry in Pennsylvania and I'm sure people in your transportation department know what headaches are at hand.

This is crazy! Maybe we should offer Verizon or Comcast or Sprint or any other company with mobile or IT solutions there not in the transportation business either but if you can make billions of dollars and all you have to do is create an APP why not. If one of these bills goes through it's too late, the horse is out of the barn!

If these guys want to dispatch taxicabs and/or limos let them; nobody is arguing that, but that's what they are. If the public is crying out for better service and equipment from the taxi industry; let the taxi industry charge the rates these guys are charging and the way they are charging and I'm sure the taxi driver will wear a shirt and tie and open doors and buy newer vehicles but with our rates and heavy regulations we cannot afford to compete with these people on that level. Taxicabs are not in the luxury limousine business.

We should be very careful of what we wish for; this could open a whole new can of worms. Maybe someone could come up with an APP for buses, or airport shuttles, or para-transit or any other person to person communications for a ride for hire. These people are making a ton of money with the 20% they receive maybe Verizon or Comcast could develop an APP to do the same thing and they have much more of the public's information.

Suppose these companies come up with an app for the airlines and start telling the public they no longer have to wait in line just use your cell phone and connect you with private aircraft carrier that are not licensed to carry passengers for hire. This is not being extreme the airlines have some of the same complaints if not more than the taxi industry. Once you open this door where do we stop.

These people will be cutting deep into the taxicab industry by soliciting these rides to the public as an alternative to an already regulated taxicab industry, (there has got to be some kind of conflict here).

Could someone explain, what does it mean reasonable classification of service? And what does unreasonable preference or advantage mean? Why? What about more and more vehicles being on the streets with the states' efforts to reduce traffic and pollution this could really get out of hand.

These companies are promoting or lobbying that they are offering part-time job opportunities sounds good but the taxi industry has been providing job opportunities to the public for years they just have to follow the rules and regulations of the state.

Another reason to stop or at least slow down these bills being passed is the fact that there are many people who have entered into the taxi business and have put up their life savings and obligated themselves thinking that the industry was a safe and regulated industry. We also have banks that have lent these people and/or corporations a lot of money using taxi medallions as collateral. Has anyone taking the time to really think about the risk that the industry has taken as a whole to provide service to the public?

What about the recent laws in reference to using cell phones and/texting while driving, all of the information to these drivers are dispatched thru cell phones.

If tomorrow the APP or tech companies, just in the Philadelphia and area counties get another thousand drivers to join in; how will they make a living? These guys will be fighting over each other for the work, it is happening already here in Philadelphia and other places with these companies. Their concern is the 20%. We know it to be true because we already have dispatch companies who had to face the same issue. The more drivers you have the more work you have to provide for them.

Even the burden that will be put on the PUC is tremendous because of the effort they will be faced with to enforce these new regulations and legislation.

I've been in this business since 1976, from driving a taxi to owning medallions and running fleets in New York and Philadelphia in those nearly forty years I have seen and faced all kinds of concerns including public complaints, safety, demand, regulations, insurance etc. and I have learned that all of it is generated around 3 to 6 hours of service,

From about 5am to 8am and from 3pm to 7pm in any city in the country is where it all takes place and the public is demanding service trying to get to their destination, even if you put a zillion cars on the road that problem will still exist.

And, we need to not feed into the stereo type of the cab driver, we always here at least publicly how bad the cabs are in any city, but what about all the good that we do? FYI the taxi industry across the country has the highest homicide rate among any other occupation and still they do their jobs, some better than others but they still do their jobs day in and day out with the thought they may not return home at or if they make it to the end of their shift. We provide a valuable service to cities across the country and put our lives on the line every day.

With all that I have seen in my nearly 40 years in this industry, I have never seen such a direct attack from any entity outside of the transportation industry. These people are not in the transportation business but using it as a means to generate revenue. It is just and APP.

It is our wish that we may show that there is no need to draft new legislation, at least at this time. We hope to show that there is legislation and regulations already in place to satisfy the need of the public and its safety.

Respectfully,

Simon Abitbol