

No. 2004-94

AN ACT

HB 2654

Amending Title 53 (Municipalities Generally) of the Pennsylvania Consolidated Statutes, reenacting and amending provisions relating to parking authorities and relating to taxicabs and limousines in cities of the first class; further providing for parking authority purposes and powers and special provisions in cities of the first class; providing for restrictions on parking authorities in cities of the first class; further providing for contract bids for parking authorities; further defining "limousine service"; making legislative findings as to taxicabs in cities of the first class; further providing, as to taxicabs in cities of the first class, for rates, for contested complaints, for driver certification, for budgets and fees, for certificates and medallions, for contested complaints, for wages, for regulations and for budget and fees; further providing, as to limousines in cities of the first class, for certificates of public convenience and for regulations; and making repeals related to allocation assessments against public utilities for regulatory expenses, to certificates of public convenience for taxicabs and to taxicabs in cities of the first class.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. The definitions of "cash flow deficit," "Federal agency," "government agency," "government obligations," "obligee of an authority," "qualified financial institution" and "rating agency" in section 5503 of Title 53 of the Pennsylvania Consolidated Statutes are reenacted to read:
§ 5503. Definitions.

The following words and phrases when used in this chapter shall have the meanings given to them in this section unless the context clearly indicates otherwise:

* * *

"Cash flow deficit." A cash deficit occurring solely because revenues and expenditures, even when in balance on a fiscal year basis or with respect to any other period of computation, are not received and disbursed at equivalent rates throughout the fiscal year or other period of computation.

* * *

"Federal agency." The Federal Government, the President of the United States and any department or corporation, agency or instrumentality heretofore or hereafter created, designated or established by the Federal Government.

"Government agency." The Governor, departments, boards, commissions, authorities and other officers and agencies of this Commonwealth, including, but not limited to, those which are not subject to the policy supervision and control of the Governor, any political subdivision, municipality, municipal or other local authority and any officer or agency of any such political subdivision or local authority. The term does not include

any court or other officer or agency of the unified judicial system or the General Assembly or its officers and agencies.

“Government obligations.”

(1) Direct obligations of or obligations the principal of and interest on which are unconditionally guaranteed by the Federal Government, including, but not limited to, evidences of a direct ownership interest in future interest or principal payments on obligations issued or guaranteed by the Federal Government, which obligations are held in a custody account by a custodian under the terms of a custody agreement.

(2) The term includes obligations issued by any state of the United States or any political subdivision, public instrumentality or public authority of any state of the United States, provision for the full and timely payment of the principal or premium of and interest on which shall have been made by deposit with a trustee or escrow agent under an irrevocable security agreement of obligations described in paragraph (1).

* * *

“Obligee of an authority.” Any holder or owner of any bond of an authority or any trustee or other fiduciary for any such holder or any provider of a letter of credit, policy of municipal bond insurance or other credit enhancement or liquidity facility for bonds of an authority.

* * *

“Qualified financial institution.” A bank, bank and trust company, trust company, national banking association, insurance company or other financial services company whose unsecured long-term debt obligations in the case of a bank, trust company, national banking association or other financial services company or whose claims-paying abilities in the case of an insurance company are rated in any of the three highest rating categories without reference to subcategories by a rating agency. For purposes of this definition, the term “financial services company” includes any investment banking firm or any affiliate or division thereof which may be legally authorized to enter into the transactions described in this chapter pertaining, applicable or limited to a qualified financial institution.

“Rating agency.”

(1) The term includes the following:

- (i) Standard & Poor’s Corporation and any successor thereto.
- (ii) Moody’s Investors Service and any successor thereto.
- (iii) Fitch Investors Service, Inc., and any successor thereto.

(2) If the rating agencies cited in paragraph (1) shall no longer perform the functions of a securities rating service, the term shall mean any other nationally recognized rating service or services.

Section 2. Section 5505(d)(9), (22), (23) and (24) of Title 53 are reenacted and the subsection is amended by adding paragraphs to read:

§ 5505. Purposes and powers.

* * *

(d) Powers.—An authority has all powers necessary or convenient for the carrying out of the purposes under this section, including:

* * *

(9) To fix, alter, charge and collect rates and other charges for its facilities at reasonable rates to be determined exclusively by it, subject to appeal under this paragraph, for the purposes of providing for the payment of the expenses of the authority; for the construction, improvement, repair, maintenance and operation of its facilities and properties; for the payment of the principal of and interest on its obligations; and for fulfilling the terms and provisions of agreements made with the purchasers or holders of such obligations or with the municipality. Any person questioning the reasonableness of rates fixed by the authority may bring suit against the authority in the court of common pleas of the judicial district where the project is located. The court of common pleas shall have exclusive jurisdiction to determine the reasonableness of the rates and other charges. This paragraph supersedes a contrary provision in any home rule charter, ordinance or resolution.

* * *

(22) In cities of the first class, to serve as the exclusive impoundment official, exclusive impounding agent or exclusive towing agent for the enforcement of impoundment orders pursuant to 75 Pa.C.S. Ch. 63 (relating to enforcement) and to authorize towing and storage of vehicles and combinations by private towing agents for such purpose as necessary.

(23) In cities of the first class, to act as an independent administrative commission for the regulation of taxicabs and limousine service.

(24) In cities of the first class, to investigate and examine the condition and management of any entity providing taxicab and limousine service.

(25) In cities of the first class, to appoint and fix the compensation of chief counsel and assistant counsel to provide it with legal assistance. The provisions of the act of October 15, 1980 (P.L.950, No.164), known as the Commonwealth Attorneys Act, shall not apply to parking authorities in cities of the first class.

(26) In cities of the first class, to pledge, hypothecate or otherwise encumber all or any of the real or personal property of the authority as security for all or any of the obligations of the authority.

* * *

Section 3. Section 5508.1(k) of Title 53 is reenacted, subsection (o) is reenacted and amended and subsection (q) is amended to read:

§ 5508.1. Special provisions for authorities in cities of the first class.

* * *

(k) Compensation.—

(1) The chair selected under subsection (l) shall receive:

(i) for fiscal year 2001-2002, a salary of \$50,000; and

(ii) for each subsequent fiscal year, a salary to be determined by the board at not less than \$50,000.

(2) Except for the chair, members shall receive \$200 per meeting for their services.

(3) Board members shall be entitled to necessary expenses, including travel expenses, incurred in the discharge of duties.

* * *

(o) Management.—

(1) The board has authority to manage the properties and business of the authority and to prescribe, amend and repeal bylaws, rules and regulations governing the manner in which the business of the authority may be conducted and in which the powers granted to it may be exercised and embodied.

(2) ~~[For]~~ *Except as necessary to administer a system of on-street parking regulations pursuant to subsection (q.1), for all budgets, contracts, bonds or obligations of any kind commenced after January 1, 2003, the authority shall not be required to obtain the approval of an entity or officer under 351 Pa. Code Art. II (relating to legislative branch) or III (relating to executive and administrative branch—organization).*

* * *

[(q) Funding.—During its fiscal year beginning in 2001, the authority shall transfer to the general fund of a school district of the first class coterminous with the parent municipality that portion of its retained earnings, not to exceed \$45,000,000, which will not jeopardize the authority's ability to meet debt service payments or to retire outstanding bonds. In subsequent years the board shall transfer the maximum amount it deems available for such purpose. The provisions of section 696(h)(1) of the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, shall not apply to amounts transferred to the school district of the first class under this subsection.]

* * *

Section 4. Section 5508.2 of Title 53 is reenacted and amended to read:

§ 5508.2. Additional special provisions for authorities in cities of the first class; mixed-use projects.

(a) Scope.—This section applies only to cities of the first class.

(b) Legislative finding.—It is hereby determined and declared that:

(1) As a matter of legislative finding, the health, safety and general welfare of the people of this Commonwealth are directly dependent upon the continual encouragement, development, growth and expansion of business, industry, commerce and tourism.

(2) Unemployment, the spread of poverty and the heavy burden of public assistance and unemployment compensation can be avoided by the promotion, attraction, stimulation, development and expansion of business, industry, commerce and tourism in this Commonwealth through the development of mixed-use projects by parking authorities in cities of the first class.

(3) Due to the size, total population and population density of a city of the first class, it may be inefficient to devote property within a city of the first class solely to parking facilities and that development of mixed-use projects that include a parking component and a commercial, industrial, residential or retail component can be an important factor in the continual encouragement, development, attraction, stimulation, growth and expansion of business, industry, commerce and tourism within a city of the first class, the surrounding counties and this Commonwealth as a whole.

(c) Mixed-use projects.—Without limiting the powers set forth in section 5505 (relating to purposes and powers), an authority shall have the power to do all acts that, in the judgment of the board, are necessary, convenient or useful to the development or operation of one or more mixed-use projects, including, **[without limitation] with the approval of a city of the first class**, the power to plan, design, locate, acquire, hold, construct, finance, improve, maintain, operate, own, lease, either in the capacity of lessor or lessee, land, buildings, other structures and personal property necessary, convenient or useful to the development and operation of a mixed-use project. An authority shall have the power to finance mixed-use projects by borrowing money and making and issuing bonds and by making loans which may be evidenced by and secured as may be provided in loan agreements, mortgages, security agreements or any other contracts, instruments or agreements which may contain such provisions as the authority shall deem necessary, convenient or useful for the security or protection of the authority or its bondholders. An authority may pledge, mortgage, hypothecate or otherwise encumber all or any part of its property, real or personal, constituting all or part of a mixed-use project, including, but not limited to, the revenues or receipts of the authority from one or more mixed-use projects, for all or any of the obligations, including bonds, of the authority incurred in connection with the development or operation of a mixed-use project. An authority shall not have the power to engage in business, trade or commerce for a profit as an owner or lessee of a mixed-use project or otherwise. An authority shall have and may exercise the powers set forth in this section notwithstanding any other provision of law or any provisions of its articles of incorporation.

(d) Definition.—As used in this section, the term “mixed-use project” means any project that includes a public parking garage component and a commercial, industrial, residential or retail component. In addition to a public parking garage, which shall be a required component of all mixed-use projects, a mixed-use project may also include public parking lots. The commercial, industrial, residential or retail component of a mixed-use project must be located within, above, below or contiguous to the parking garage.

Section 5. Title 53 is amended by adding a section to read:

§ 5508.3. Restrictions on authorities in cities of the first class.

(a) **Restricted activities, statement of financial interests; public meetings and records.—**

(1) The following apply:

(i) The provisions of the following statutes are specifically applicable to board members, officers and employees of the authority:

(A) The provisions of 65 Pa.C.S. Ch. 11 (relating to ethics standards and financial disclosure).

(B) The act of July 19, 1957 (P.L.1017, No.451), known as the State Adverse Interest Act.

(ii) For the purposes of application of statutes pursuant to subparagraph (i), employees of the authority shall be regarded as public employees of the Commonwealth, and officers or board members of the authority shall be regarded as public officials of the Commonwealth, whether or not they receive compensation.

(2) The authority shall be subject to and treated as a Commonwealth agency for purposes of the act of June 21, 1957 (P.L.390, No.212), referred to as the Right-to-Know Law.

(b) Conviction of infamous crime.—No person convicted of an infamous crime shall be a member of the board or employed as a management-level employee by the authority.

(c) Definitions.—As used in this section, the following words and phrases shall have the meanings given to them in this subsection:

“Infamous crime.” Any of the following:

(1) A violation and conviction for an offense which would disqualify an individual from holding public office pursuant to section 7 of Article II of the Constitution of Pennsylvania.

(2) Any conviction for a violation of 18 Pa.C.S. § 4113 (relating to misapplication of entrusted property and property of government or financial institutions) or 18 Pa.C.S. Ch. 47 (relating to bribery and corrupt influence), 49 (relating to falsification and intimidation), 51 (relating to obstructing governmental operations) or 53 (relating to abuse of office).

(3) Any other violation of the laws of this Commonwealth for which an individual has been convicted within the preceding ten years and which is classified as a felony.

(4) A violation of the law of any other Federal or state government which is similar to the crimes listed in paragraphs (1) through (3).

Section 6. Sections 5510.1 and 5510.2 of Title 53 are reenacted and amended to read:

§ 5510.1. Management of authority funds in cities of the first class.

(a) General rule.—

(1) Except as otherwise provided in this chapter, all funds of an authority received from any source shall be delivered to the treasurer of the authority or to such other agent of the authority as the board may designate.

(2) The funds shall be promptly deposited in the name of the authority in a bank or banks, bank and trust company or bank and trust companies, trust company or trust companies in this Commonwealth chosen by the authority.

(3) The moneys in the account or accounts may be withdrawn or paid out only by check or draft upon the bank, bank and trust company or trust company, signed by the treasurer or other designated agent of the authority on warrant of the treasurer of the authority and countersigned by the chairman of the board or by such persons as the board may authorize. Moneys in the account or accounts may be withdrawn or paid out by electronic funds transfer on instructions signed and countersigned in the manner provided for checks or drafts.

(4) The board may designate any of its members or any officer or employee of the authority to affix the signature of the chairman to any check or draft for payment of salaries or wages and for the payment of any other obligation of not more than \$100,000. The executive director may designate any officer or employee of the authority to affix the signature of the treasurer to any check or draft for payment of salaries or wages and for the payment of any other obligation of not more than \$100,000.

(b) Management of funds.—

(1) All bank, bank and trust company or trust company balances of the authority, to the extent the same are not insured, shall be continuously secured by a pledge of direct obligations of the United States, of the Commonwealth or of any municipality or municipalities in the metropolitan area having an aggregate market value exclusive of accrued interest at all times at least equal to the balance on deposit in such bank, bank and trust company or trust company. The securities shall either be deposited with the treasurer of the authority or be held by a trustee or agent satisfactory to the authority. All depository institutions are authorized to give security for the deposits.

(2) In the case of money collected or received by the authority on behalf of a municipality under section 5505(d)(21) (relating to purposes and powers), the money shall be pledged to the use of the municipality and disbursed to the municipality as provided by ordinance or resolution.

(3) Subject to the provisions of any agreements with obligees of the authority, the authority shall have full power to invest and reinvest its funds as provided in this chapter, subject, however, to the exercise of that degree of judgment and care under the circumstances then prevailing which persons of prudence, discretion and intelligence who are familiar with such matters exercise in the management of their own affairs, not in regard to speculation, but in regard to the permanent disposition of the funds, considering the probable income to be derived and the probable safety of the capital.

(4) The board shall provide for an investment program subject to restrictions contained in this chapter and in any other applicable statute and any resolutions on this subject adopted by the board.

(c) Authorized investments.—The authorized types of investments for authority funds shall be any of the following:

(1) Government obligations.

(2) Debt obligations issued by any of the following Federal agencies or such other like Federal agencies which may be designated by the board: Bank for Cooperatives, Federal Farm Credit Banks, Federal Financing Bank, Federal Home Loan Bank System, Federal National Mortgage Association, Export-Import Bank of the United States, Farmers Home Administration, Resolution Funding Corporation, Small Business Administration, Student Loan Marketing Association, Inter-American Development Bank, International Bank for Reconstruction and Development, Federal Land Banks or Government National Mortgage Association, and their predecessor or successor agencies.

(3) Short-term or long-term debt obligations of any state or political subdivision thereof or any agency or instrumentality of such a state or political subdivision or of any municipal corporation, provided that the obligations are rated by a rating agency in any of the three highest rating categories, without reference to subcategories, assigned by the rating agency.

(4) Rights to receive the principal of or the interest on obligations of states, political subdivisions, agencies or instrumentalities meeting the requirements set forth in paragraphs (2) and (3), whether through direct ownership as evidenced by physical possession of the obligations or unmatured interest coupons or by registration as to ownership on the books of the issuer or its duly authorized paying agent or transfer agent or through the purchase of certificates or other instruments evidencing an undivided ownership interest in payments of the principal of or interest on the obligations.

(5) Negotiable and nonnegotiable certificates of deposit, time deposits or other similar banking arrangements which are issued by banks, bank and trust companies, trust companies or savings and loan associations, provided that, unless issued by a qualified financial institution, any such certificate, deposit or other arrangement shall be continuously secured as to principal in the manner and to the extent provided in subsection (d).

(6) Repurchase agreements for investment securities described in paragraph (1) or (2) with a qualified financial institution or with dealers in government bonds which report to, trade with and are recognized as primary dealers by a Federal Reserve Bank and are members of the Securities Investors Protection Corporation, provided that the repurchase price payable under any agreement shall be continuously secured in the manner and to the extent provided in subsection (d).

(7) Investment agreements with qualified financial institutions.

(8) Commercial paper rated in the highest rating category, without reference to subcategories, by a rating agency.

(9) Shares or certificates in any short-term investment fund rated in the highest rating category, without reference to subcategories, by a rating agency, which short-term investment fund invests solely in obligations described in paragraphs (1) and (2).

(10) Debt obligations of any foreign government or political subdivision thereof or any agency or instrumentality of foreign government or political subdivision, provided that the obligations are rated by a rating agency, without reference to subcategories, in the highest rating category assigned by the rating agency.

(11) Such other investments which at the time of the acquisition thereof shall be listed as permissible investments for trust funds in an indenture or resolution with respect to indebtedness which is incurred under this chapter.

(d) Security for investment securities.—Any security required to be maintained as collateral for investment securities in the form of certificates of deposit, time deposits, other similar banking arrangements and repurchase agreements described in subsection (c)(5) and (6) shall be subject to the following requirements:

(1) The collateral shall be in the form of obligations described in subsection (c)(1) and (2), except that the security for certificates of deposit, time deposits or other similar banking arrangements may include other marketable securities which are eligible as security for trust funds under applicable regulations of the Comptroller of the Currency of the United States of America or under applicable state laws and regulations.

(2) The collateral shall have an aggregate market value, calculated not less frequently than monthly, at least equal to the principal amount (less any portion insured by the Federal Deposit Insurance Corporation or any comparable insurance corporation chartered by the United States of America) or the repurchase price secured thereby, as the case may be. The instruments governing the issuance of and security for the Investment Securities shall designate the person responsible for making the foregoing calculations.

(3) The authority shall have a perfected security interest in the collateral securing certificates of deposit, time deposits or other similar banking arrangements, and the collateral shall be held free and clear of the claims of third parties. The collateral shall be deposited with the authority, with a Federal Reserve Bank for the account of the authority or with a bank, bank and trust company or trust company (other than the obligor) which is acting solely as agent for the authority and has a combined net capital and surplus equal to at least \$100,000,000.

(4) Collateral for repurchase agreements shall be held free and clear of the claims of third parties by the authority, or by a Federal Reserve Bank for the account of the authority, or by a bank, bank and trust company or

trust company which is acting solely as agent for the authority and has a combined net capital and surplus at least equal to \$100,000,000. A perfected first priority security interest for the benefit of the authority shall be created in the collateral under Title 13 (relating to commercial code) or book-entry procedures prescribed by applicable Federal regulations.

(e) Audit.—An authority shall have at least an annual examination of its books, accounts and records by a certified public accountant. A copy of the audit shall be delivered to the parent municipality, the Governor, the Secretary of the Senate and the Chief Clerk of the House of Representatives. **[If the authority fails to have an audit, then the]** *The* controller, auditor or accountant designated by the municipality is authorized to perform an **[examination at the expense of the authority. The examination may include]** *annual examination of* the receipts, disbursements, contracts, leases, sinking funds, investments **[and other matters relating to the finances, operation and affairs of the authority.]** *relating to the administration of a system of on-street parking regulations in a city of the first class pursuant to section 5508.1(q.1) (relating to special provisions for authorities in cities of the first class).*

(f) Financial statement.—A concise financial statement shall be published annually at least once in a newspaper of general circulation in the municipality where the principal office of the authority is located. If publication is not made by the authority, the municipality shall publish such statement at the expense of the authority.

(g) Attorney General.—The Attorney General shall have the right to examine the books, accounts and records of an authority.

(h) Applicability.—This section shall only apply to authorities in cities of the first class.

§ 5510.2. Special funds in cities of the first class.

(a) General rule.—An authority, under resolutions adopted from time to time by the board, may establish and create such special funds as may be found desirable by the board and, in and by such resolutions, may provide for payments into all special funds from specified sources with such preferences and priorities as may be deemed advisable and may provide for the custody, disbursement and application of any moneys in any such special funds consistent with the provisions of this chapter and consistent with generally accepted accounting principles. The authority shall maintain the **[First Class City Taxicab]** *Philadelphia Taxicab and Limousine* Regulatory Fund as a separate fund from all other funds.

(b) Applicability.—This section shall only apply to authorities in cities of the first class.

Section 6.1. Sections 5510.3, 5510.4 and 5510.5 of Title 53 are reenacted to read:

§ 5510.3. Bonds in cities of the first class.

(a) General rule.—

(1) The bonds of the authority shall be authorized by resolution of the board. The resolution shall specify all of the following:

- (i) Series.
- (ii) Date or dates of maturity.
- (iii) Interest at such rate or rates, fixed or variable, as shall be determined by the board as necessary to issue and sell the authorized bonds.
- (iv) Denominations.
- (v) Form, either coupon or fully registered without coupons.
- (vi) Certificated or book-entry-only form.
- (vii) Registration and exchangeability and interchangeability privileges.
- (viii) Medium of payment and place of payment.
- (ix) Terms of redemption.
- (x) Priorities of payment in the revenues or receipts of the authority as the resolution or trust indenture adopted or approved by the authority may provide.

(2) The bonds shall be signed by or shall bear the facsimile signatures of such officers as the board shall determine, and coupon bonds shall have attached thereto interest coupons bearing the facsimile signature of the treasurer of the authority, and all bonds shall be authenticated by an authenticating agent, fiscal agent or trustee, all as may be prescribed in the resolution or trust indenture.

(3) Any such bonds may be issued and delivered notwithstanding that one or more of the officers signing bonds or the treasurer whose facsimile signature shall be upon the coupon, or any thereof, shall have ceased to be an officer or officers at the time when the bonds shall actually be delivered.

(4) The proceeds of an issue of bonds may be used to pay the costs of a project, subject to the limitations of subsection (b), to finance any cash flow deficit of the authority, to reimburse any costs of a project initially paid by the authority or any person, to fund any required reserves, to capitalize interest or to pay costs of issuance, including, but not limited to, costs of obtaining credit enhancement for the bonds.

(b) Maturity.—Bonds issued to finance the costs of a project shall mature at such time or times not exceeding 40 years from their respective dates of original issue as the authority shall by resolution determine. Bonds issued in anticipation of income of the authority shall mature within one fiscal year after the fiscal year of the date of issuance thereof except for bonds issued in anticipation of grants with respect to the cost of a project, which bonds shall mature no later than six months beyond the time of anticipated receipt of the final payment of the grant.

(c) Sale.—

(1) Bonds may be sold at public sale or invited sale for such price or prices and at such rate or rates of interest as the authority shall determine.

Bonds may be sold at private sale by negotiation at such price or prices and at such rate or rates of interest as the authority shall determine, but only if the authority makes a written public explanation of the circumstances and justification for the private sale by negotiation.

(2) Pending the preparation of the definitive bonds, interim receipts may be issued to the purchaser or purchasers of such bonds and may contain such terms and conditions as the authority may determine.

(d) Negotiable instruments.—Bonds of an authority shall have the qualities of negotiable instruments under Title 13 (relating to commercial code).

(e) Refunding.—

(1) Subject to the provisions of the outstanding bonds, notes or other obligations issued under this chapter or prior acts and subject to the provisions of this chapter, the authority shall have the right and power to refund any outstanding debt, whether the debt represents principal or interest, in whole or in part, at any time.

(2) As used in this subsection, “refund” and its variations shall mean the issuance and sale of obligations the proceeds of which are used or are to be used for the payment or redemption of outstanding obligations upon or prior to maturity. Refunding bonds shall mature at such time or times not exceeding 40 years from their dates of original issuance as the authority shall determine by resolution.

(f) Credit of Commonwealth and political subdivisions not pledged.—Under no circumstances shall any bonds issued by the authority or any other obligation of the authority be or become an indebtedness or liability of the Commonwealth or of any government agency, provided that any government agency may guarantee bonds of an authority to the extent and for the purposes for which the government agency may make loans or grants to an authority.

(g) Nonliability.—Neither the board members, any employees of the authority nor any person executing the bonds shall be liable personally on any bonds by reason of the issuance thereof. Bonds of an authority shall contain a statement of the limitation set forth in this subsection.

(h) Bonds deemed valid.—Any bond reciting in substance that it has been issued by the authority to accomplish the public purposes of this chapter shall be conclusively deemed in any suit, action or proceeding involving the validity or enforceability of the bonds or security therefor to have been issued for such purpose.

(i) Notice and challenges.—

(1) The authority may cause a copy of any resolution authorizing the issuance of bonds adopted by it to be filed for public inspection in its office and in the office of the clerk of the governing body of each county and the governing body of a city of the first class and may thereupon cause to be published in a newspaper published or circulating in its service area a notice stating the fact and date of the adoption, the places

where the resolution has been so filed for public inspection, the date of publication of the notice and that any action or proceeding of any kind or nature in any court questioning the validity or proper authorization of bonds provided for by the resolution or the validity of any covenants, agreements or contract provided for by such resolution shall be commenced within 20 days after the publication of the notice.

(2) If any notice shall at any time be published and if no action or proceeding questioning the validity or proper authorization of bonds provided for by the resolution or the validity of any covenants, agreements or contract provided for by such resolution shall be commenced within 20 days after the publication of the notice, then all residents, taxpayers and owners of property in a city of the first class and all other persons whatsoever shall be forever barred and foreclosed from instituting or commencing any action or proceeding in any court or pleading any defense to any action or proceedings questioning the validity or proper authorization of such bonds or the validity of any such covenants, agreements or contracts, and said bonds, covenants, agreements and contracts shall be conclusively deemed to be valid and binding obligations in accordance with their terms and tenor.

(3) After issuance of bonds, all bonds shall be conclusively presumed to be fully authorized and issued by all the laws of this Commonwealth, and any person shall be estopped from questioning their sale, execution or delivery by the authority.

(j) Applicability.—This section shall only apply to authorities in cities of the first class.

§ 5510.4. Contracts with obligees of an authority in cities of the first class.

(a) General rule.—Except as otherwise provided in any resolution of an authority authorizing or awarding bonds, the terms thereof and of this chapter as in effect when the bonds were authorized shall constitute a contract between the authority and obligees of the authority, subject to modification in such manner as the resolution, the trust indenture securing such bonds or the bonds shall provide.

(b) Applicability.—This section shall only apply to authorities in cities of the first class.

§ 5510.5. Commonwealth pledges in cities of the first class.

(a) General rule.—The Commonwealth does hereby pledge to and agree with:

(1) Any person, firm or corporation, government agency, whether in this Commonwealth or elsewhere, or Federal agency subscribing to or acquiring the bonds to be issued by the authority that the Commonwealth will not limit or alter the rights hereby vested in the authority in any manner inconsistent with the obligations of the authority to the obligees of the authority until all bonds at any time issued, together with the interest thereon, are fully paid or provided for. The Commonwealth does further pledge to and agree with any Federal agency that, in the event that any

Federal agency shall contribute any funds for the authority or any project, the Commonwealth will not alter or limit the rights and powers of the authority in any manner which would be inconsistent with the due performance of any agreements between the authority and any Federal agency.

(2) Any person who, as owner thereof, leases or subleases property to or from an authority that the Commonwealth will not limit or alter the rights and powers hereby vested in the authority or otherwise created by this chapter in any manner which impairs the obligations of the authority until all obligations of the authority under the lease or sublease are fully met and discharged.

(b) Applicability.—This section shall only apply to authorities in cities of the first class.

Section 6.2. Section 5510.6 of Title 53 is reenacted and amended to read: § 5510.6. Provisions of bonds and trust indentures in cities of the first class.

(a) General rule.—In connection with the issuance of bonds or the incurring of obligations under leases and in order to secure the payment of the bonds and obligations, the authority, in addition to its other powers, shall have the power to:

(1) Pledge or grant a security interest, senior, parity or subordinated, in all or any part of its revenues, to which its right then exists or may thereafter come into existence.

(2) Grant a lien on or a security interest, senior, parity or subordinated, in all or any part of its real or personal property then owned or thereafter acquired. This paragraph does not apply to the **[First Class City Taxicab] Philadelphia Taxicab and Limousine** Regulatory Fund.

(3) Provide for the issuance of unsecured bonds, limited recourse bonds or nonrecourse bonds.

(4) Enter into trust indentures securing bonds, including, but not limited to, master trust indentures.

(5) Covenant against pledging or granting a lien on or security interest in all or any part of its revenues or all or any part of its real or personal property to which its right or title exists or may thereafter come into existence or against permitting or suffering any lien on the revenues or property, covenant with respect to limitations on its right to sell, lease or otherwise dispose of any of its real property and covenant as to which other or additional debts or obligations may be incurred by it.

(6) Covenant as to the bonds to be issued and as to the issuance of such bonds, in escrow or otherwise, and as to the use and disposition of the proceeds thereof, provide for the replacement of lost, destroyed or mutilated bonds, covenant against extending the time for the payment of its bonds or interest thereon and covenant for the redemption of bonds and provide the terms and conditions thereof.

(7) Covenant as to the amount of revenues to be raised in each fiscal year or other period of time by the authority as well as to the use and

disposition to be made thereof, create or authorize the creation of special funds for debt service or other purposes and covenant as to the use and disposition of the moneys held in such funds.

(8) Prescribe the procedure, if any, by which the terms of any contract with obligees of the authority may be supplemented, amended or abrogated, prescribe which supplements or amendments will require the consent of obligees of the authority and the amount of bonds to be held by obligees to effect such consent and prescribe the manner in which such consent may be given.

(9) Covenant as to the use of any or all of its real or personal property, warrant its title and covenant as to the maintenance of its real and personal property, the replacement thereof, the insurance to be carried thereon and the use and disposition of insurance proceeds.

(10) Covenant as to the rights, liabilities, powers and duties arising upon the breach by it of any covenant, condition or obligation.

(11) Vest in the obligees of the authority or any proportion of them the right to enforce the payment of the bonds or any covenants securing or relating to the bonds, vest in a trustee the right in the event of default by the authority to take possession and use, operate and manage any real or personal property and to collect the rents and revenues arising therefrom and to dispose of such moneys in accordance with the agreement of the authority with such trustee, provide for the powers and duties of a trustee and to limit liabilities thereof and provide the terms and conditions upon which the trustee or the obligees of the authority or any proportion of them may enforce any covenant or rights securing or relating to the bonds.

(12) Negotiate and enter into interest rate exchange agreements, interest rate cap, collar, corridor, ceiling and floor agreements, forward agreements, float agreements and other similar arrangements which, in the judgment of the authority, will assist the authority in managing the interest costs of the authority.

(13) Obtain letters of credit, bond insurance and other facilities for credit enhancement and liquidity.

(14) Exercise all or any part or combination of the powers granted in this section to make covenants other than and in addition to the covenants expressly authorized in this section, to make such covenants and to do any and all such acts and things as may be necessary or convenient or desirable in order to secure its bonds or, in the absolute discretion of the authority, as will tend to accomplish the purposes of this chapter by making the bonds more marketable, notwithstanding that such covenants, acts or things may not be specifically enumerated in this section.

(15) The revenues of the authority and the real and tangible personal property of the authority shall be pledged or otherwise encumbered only as expressly provided in this section and, except to the extent necessary to effectuate such pledge or encumbrance, shall not be subject to attachment nor levied upon by execution or otherwise.

(b) **Applicability.**—This section shall only apply to authorities in cities of the first class.

Section 6.3. Section 5510.7 of Title 53 is amended to read:

[§ 5510.7. Funds collected on behalf of a municipality.

(a) **General rule.**—Funds collected or received by the authority on behalf of a municipality under section 5505(d)(21) (relating to purposes and powers) shall not be deemed to constitute revenues and receipts of the authority under this chapter or be subject to any debt or obligation of the authority.

(b) **Applicability.**—This section shall only apply to authorities in cities of the first class.]

Section 6.4. Sections 5510.8, 5510.9, 5510.10 and 5510.11 of Title 53 are reenacted to read:

§ 5510.8. Bonds to be legal investments.

(a) **General rule.**—Bonds issued under this chapter are hereby made securities in which all public officers and the instrumentalities and agencies of the Commonwealth and its political subdivisions, all insurance companies, banks, bank and trust companies, trust companies, banking associations, banking corporations, savings banks, investment companies, executors, trustees, the trustees of any retirement, pension or annuity fund or system of the Commonwealth and other fiduciaries may properly and legally invest funds, including capital, deposits or other funds in their control or belonging to them. These bonds are hereby made securities which may properly and legally be deposited with and received by any Commonwealth or municipal officer or any agency or instrumentality or political subdivision of the Commonwealth for any purpose for which the deposit of bonds or other obligations of the Commonwealth now or may hereafter be authorized by law.

(b) **Applicability.**—This section shall only apply to authorities in cities of the first class.

§ 5510.9. Validity of pledge.

(a) **General rule.**—Any pledge of or grant of a lien on or security interest in revenues of an authority or real or personal property of an authority made by an authority shall be valid and binding from the time when the pledge is made, the revenues or other property so pledged and thereafter received by the authority making such pledge shall immediately be subject to the lien of any such pledge, lien or security interest without any physical delivery thereof or further act, and the lien of any such pledge or security interest shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the authority irrespective of whether the parties have notice thereof. Neither the resolution nor any other instrument of the authority by which a pledge, lien or security interest is created need be recorded or filed to perfect such pledge or security interest.

(b) **Applicability.**—This section shall only apply to authorities in cities of the first class.

§ 5510.10. Security interest in funds and accounts.

(a) General rule.—Any moneys deposited in any fund created by the authority pledged to be used to pay debt service on bonds of the authority, including any sinking fund or debt service reserve fund, and all investments and proceeds of investments thereof shall, without further action or filing, be subjected to a perfected security interest for the obligees of the authority with respect to the bonds until such moneys or investments shall be properly disbursed in accordance with this chapter and subject to the terms of any trust indenture or other contract between the authority and the obligees of the authority with respect to the bonds.

(b) Applicability.—This section shall only apply to authorities in cities of the first class.

§ 5510.11. Limitation on authority under Federal bankruptcy code.

(a) General rule.—So long as an authority shall have outstanding any bonds issued under this chapter, the authority shall not be authorized to file a petition for relief under 11 U.S.C. Chapter 9 (relating to adjustment of debts of a municipality), and no public officer or agency or instrumentality of the Commonwealth shall authorize the authority to become a debtor under 11 U.S.C. Chapter 9 so long as any bonds issued under this chapter are outstanding.

(b) Applicability.—This section shall only apply to authorities in cities of the first class.

Section 6.5. Section 5511(a)(1), (b) and (h) of Title 53 are amended and the section is amended by adding a subsection to read:

§ 5511. Competition in award of contracts.

(a) Services.—

(1) Except as set forth in paragraph (2), all construction, reconstruction, repair or work of any nature made by an authority if the entire cost, value or amount, including labor and materials, exceeds **[\$10,000] \$25,000** shall be done only under contract to be entered into by the authority with the lowest responsible bidder upon proper terms after public notice asking for competitive bids as provided in this section.

(b) Supplies and materials.—All supplies and materials costing at least **[\$10,000] \$25,000** shall be purchased only after advertisement as provided in this section. The authority shall accept the lowest bid, kind, quality and material being equal, but the authority shall have the right to reject any or all bids or select a single item from any bid. The provisions as to bidding shall not apply to the purchase of patented and manufactured products offered for sale in a noncompetitive market or solely by a manufacturer's authorized dealer.

(h) Evasion.—

(1) An authority may not evade the provisions of this section as to bids or purchasing materials or contracting for services piecemeal for the

purpose of obtaining prices under **[\$10,000] \$25,000** upon transactions which should, in the exercise of reasonable discretion and prudence, be conducted as one transaction amounting to more than **[\$10,000] \$25,000**.

* * *

(i) Procurement.—Notwithstanding any provision of this chapter or of Title 62 (relating to procurement) to the contrary, an authority shall be considered a State-affiliated entity for purposes of compliance with Title 62.

Section 6.6. Section 5701 of Title 53 is reenacted and amended to read:
§ 5701. Definitions.

The following words and phrases when used in this chapter shall have the meanings given to them in this section unless the context clearly indicates otherwise:

“Authority.” A parking authority in a city of the first class.

“First Class City Taxicab Regulatory **[Fund” or “fund.] Fund.**” A fund *formerly* administered by the **[authority to which all moneys collected pursuant to the requirements of this chapter shall be deposited and from which all expenses and costs associated with administration and enforcement of this chapter shall be paid. Money deposited in the fund shall not be used for any purpose not specified in this chapter]** *Pennsylvania Public Utility Commission under the former 66 Pa.C.S. Ch. 24 (relating to taxicabs in first class cities).*

“Limousine service.” Local, nonscheduled common carrier service for passengers on an exclusive basis for compensation. The term does not include taxicab service, paratransit service or employee commuter van pooling.]

“Limousine service.”

(1) Except as provided in paragraph (2), a motor vehicle providing any of the following services:

(i) Local, nonscheduled common carrier service for passengers on an exclusive basis for compensation.

(ii) Common carrier service for passengers for compensation:

(A) from any airport, railroad station or hotel located in whole or in part in a city of the first class; or

(B) to any airport, railroad station or hotel located in whole or in part in a city of the first class from a point within the city of the first class.

(2) The term does not include any of the following:

(i) Taxicab service.

(ii) Service that was otherwise exempt from the jurisdiction of the commission prior to the effective date of this subparagraph.

(iii) Other paratransit service.

(iv) Employee commuter van pooling.

“Philadelphia Taxicab and Limousine Regulatory Fund” or “fund.” A fund administered by the authority established by section 5708 (relating to

fund) for fulfilling the purposes of this chapter to regulate taxicabs and limousines in a city of the first class.

“**[Taxi driver’s] Driver’s certificate.**” A certificate or permit to drive a taxicab *or limousine* issued pursuant to section **[5719] 5706** (relating to driver certification program).

“**Taxicab.**” A motor vehicle designed for carrying no more than eight passengers, exclusive of the driver, on a call or demand basis and used for the transportation of persons for compensation.

Section 7. Title 53 is amended by adding a section to read:

§ 5701.1. Legislative findings.

The General Assembly finds and declares as follows:

(1) The health, safety and general welfare of the people of this Commonwealth are directly dependent upon the continual encouragement, development, growth and expansion of business, industry, commerce and tourism.

(2) Unemployment, the spread of poverty and the heavy burden of public assistance and unemployment compensation can be avoided by the promotion, attraction, stimulation, development and expansion of business, industry, commerce and tourism in this Commonwealth through the development of a clean, safe, reliable and well-regulated taxicab and limousine industry locally regulated by parking authorities in cities of the first class.

(3) Due to the size, total population, population density and volume of both tourism and commerce of a city of the first class, it may be more efficient to regulate the taxicab and limousine industries through an agency of the Commonwealth with local focus than an agency with diverse Statewide regulatory duties. Well-regulated local focus on improving those industries can be an important factor in the continual encouragement, development, attraction, stimulation, growth and expansion of business, industry, commerce and tourism within a city of the first class, the surrounding counties and this Commonwealth as a whole.

Section 8. Section 5702 of Title 53 is reenacted to read:

§ 5702. Advisory committee.

(a) Establishment.—There is hereby established an advisory committee to be known as the City of the First Class Taxicab and Limousine Advisory Committee. The authority shall submit to the advisory committee issues and questions for their consideration regarding the regulation, enforcement, compliance and operation of taxicabs and limousines in cities of the first class. The advisory committee may thoroughly consider the questions and issues submitted by the authority and may prepare and transmit to the authority and the public written comments. The advisory committee may submit suggestions and proposals to the authority in writing on topics considered important by a majority of the members. All actions of the advisory committee shall be considered strictly advisory, and the authority

shall give careful and due consideration to the comments and proposals of the advisory committee.

(b) Membership.—

(1) The advisory committee shall consist of the following members:

(i) Ten members appointed by the chairman of the authority or his designee as follows:

(A) One taxi driver.

(B) One medallion owner.

(C) One dispatch owner.

(D) One member of the public who utilizes taxicabs or limousines.

(E) One limousine owner.

(F) One representative of the hospitality industry from a list of five nominees assembled by the Philadelphia Convention and Visitors Bureau.

(G) One resident of a second class A county.

(H) One resident of a third class county.

(I) One representative of the Philadelphia International Airport.

(J) One representative of a major train station in a city of the first class.

(ii) One member appointed by the mayor of a city of the first class or his designee.

(iii) One member appointed by the Public Utility Commission.

(2) The advisory committee may consist of up to ten additional members appointed by the chairman of the authority or his designee.

(c) Terms.—The members shall serve two-year terms, except that one half of the initial appointees shall be appointed for a one-year term and one half of the initial appointees shall be appointed for a two-year term. No member shall serve more than three consecutive terms.

(d) Officers.—The authority shall designate a chairman, vice chairman and secretary of the advisory committee from the members of the advisory committee.

(e) Quorum.—A majority of the members of the advisory committee plus one additional member shall constitute a quorum.

(f) Compensation.—Members of the advisory committee shall not receive any compensation for the performance of their duties.

Section 9. Section 5703 of Title 53 is reenacted and amended to read: § 5703. Rates.

(a) Rates to be just and reasonable.—Every rate made [**demanded or received by a**] **for authority-certified** taxicab [**or**], limousine **or medallion taxicab** service shall be just and reasonable and in conformity with regulations or orders of the authority.

(b) Tariffs.—Under regulations as the authority may prescribe, every taxicab or limousine service shall file with the authority, within the time and in the form as the authority may designate, tariffs showing all rates

established by it and collected or enforced or to be collected or enforced within cities of the first class. Every taxicab or limousine service shall keep copies of tariffs open to public inspection under rules and regulations as the authority may prescribe. Upon request, the taxicab or limousine service shall make available at least one copy of any rate filing at a convenient location and for a reasonable length of time within a city of the first class for inspection and study by customers.

(c) Adherence to tariffs.—No taxicab or limousine service shall, directly or indirectly, by any device whatsoever or in any way, demand or receive from any person, corporation or municipal corporation a greater or lesser rate for any service rendered or to be rendered by the taxicab or limousine service than that specified in the tariffs of the taxicab or limousine service.

(d) Discrimination in rates.—No taxicab or limousine service shall make or grant any unreasonable preference or advantage to any person, corporation or municipal corporation or subject any person, corporation or municipal corporation to any unreasonable prejudice or disadvantage concerning its rate. No taxicab or limousine service shall establish or maintain any unreasonable difference as to rates. This subsection shall not prohibit the establishment of reasonable zone or group systems or classifications of rates.

(e) Voluntary changes in rates.—

(1) Unless the authority otherwise orders, no taxicab or limousine service shall make any change in any existing and duly established rate except after 60 days' notice to the authority which shall plainly state the changes proposed to be made in the rates then in force and the time when the changed rates will go into effect. The taxicab or limousine service shall also give notice of the proposed changes to other interested persons as the authority, in its discretion, may direct. The notices regarding the proposed changes which are provided shall be in plain, understandable language as the authority prescribes. All proposed changes shall be shown by filing new tariffs or supplements to existing tariffs filed and in force at the time. The authority, for good cause shown, may allow changes in rates without requiring the 60 days' notice under conditions as it may prescribe.

(2) Whenever there is filed with the authority by any taxicab or limousine service any tariff stating a new rate, the authority may, either upon complaint or upon its own motion and upon reasonable notice, conduct a hearing concerning the lawfulness of the rate. Pending the hearing and its outcome, the authority, upon filing the tariff and delivering to the taxicab or limousine service affected a statement in writing of its reasons may, at any time before it becomes effective, suspend the operation of the rate for a period not longer than nine months from the time it would otherwise become effective. The rate in force when the tariff stating the new rate was filed shall continue in force during the period of suspension unless the authority shall establish a temporary rate. The authority shall consider the effect of the suspension in finally determining

and prescribing the rates to be charged and collected by the taxicab or limousine service.

(3) If, after the hearing conducted pursuant to paragraph (2), the authority finds any rate to be unjust or unreasonable or in any way in violation of law, it shall determine the just and reasonable rate to be charged or applied by the taxicab or limousine service for the service in question and shall fix the rate by order to be served upon the taxicab or limousine service. The rate shall then be observed until changed.

(f) Temporary rates.—The authority may, in any proceeding involving the rates of a taxicab or limousine service, after reasonable notice and hearing and, if the public interest requires, immediately fix, determine and prescribe temporary rates to be charged by a taxicab or limousine service, pending the final determination of the rate proceeding.

(g) Fair return.—In fixing any rate of a taxicab or limousine service engaged exclusively as a common carrier by motor vehicle, the authority may fix the fair return by relating the fair and reasonable operating expenses, depreciation, taxes and other costs of furnishing service to operating revenues.

(h) Refunds.—If, in any proceeding involving rates, the authority determines that any rate received by a taxicab or limousine service was unjust or unreasonable or was in violation of any regulation or order of the authority or was in excess of the applicable rate contained in an existing and effective tariff of the taxicab or limousine service, the authority shall have the power to make an order requiring the public utility to refund the amount of any excess paid by any patron.

Section 10. Section 5704 of Title 53 is reenacted to read:

§ 5704. Power of authority to require insurance.

The authority may, by regulation or order, prescribe for a taxicab or limousine service requirements as it may deem necessary for the protection of persons or property of their patrons and the public, including the filing of surety bonds, the carrying of insurance or the qualifications and conditions under which carriers may act as self-insurers with respect to the requirements.

Section 10.1. Title 53 is amended by adding sections to read:

§ 5705. *Contested complaints.*

(a) Adjudication.—Contested complaints brought before the authority alleging violations of this chapter or rules and regulations promulgated by the authority pursuant to this chapter shall be assigned by the authority to a hearing officer for adjudication. Hearing officers assigned to cases pursuant to this chapter may be removed by the authority only for good cause shown. Following the taking and receiving of evidence, the hearing officer shall issue a decision which determines the merits of the complaint and assesses a penalty if warranted. The hearing officer may require the filing of briefs prior to issuing a decision. The hearing officer's decision shall not be subject to exception or administrative appeal. In its discretion,

the authority may exercise review of a hearing officer's decision within 15 days of the date of issuance. If the authority does not perform a timely review of a hearing officer's decision, the decision will become a final order without further authority action. The authority may establish orders or regulations which designate rules and procedures for the adjudication of complaints brought pursuant to this chapter.

(b) Commencement of complaints.—Authority enforcement officers, Pennsylvania Public Utility Commission enforcement officers and police officers or licensing officials within cities of the first class may commence and prosecute the following:

(1) A complaint which is brought before the authority pursuant to this chapter and authority regulations applicable to taxicab or limousine operations in cities of the first class.

(2) A complaint which:

(i) arises out of service to or from a city of the first class against a taxicab or limousine operation not certified to provide service between points within a city of the first class; and

(ii) is brought before the commission to enforce commission regulations for taxicab or limousine service.

(c) Other penalties.—Nothing in this section shall be deemed to limit the ability of any city of the first class to prosecute violations and seek criminal penalties in a court of law.

§ 5706. Driver certification program.

(a) General rule.—The authority shall provide for the establishment of a driver certification program for drivers of taxicabs and limousines within cities of the first class. Standards for fitness of all drivers shall be established under such rules and regulations as the authority may prescribe. The authority may revoke or suspend a driver's certificate upon a finding that the individual is not fit to operate a taxicab or limousine, as applicable. Each applicant for a driver's certificate shall pay a fee in an amount to be determined pursuant to the requirements of section 5707 (relating to budget and fees). Upon approval, a picture driver's certificate will be issued to an applicant. No individual shall operate a taxicab or limousine at any time unless the individual is certified as a driver by the authority. Each certified driver shall carry and display in full view a driver's certificate at all times of operation of a taxicab or limousine. The authority may establish orders or regulations which designate additional requirements governing the certification of drivers and the operation of taxicabs or limousines by drivers, including, but not limited to, dress codes for drivers.

(b) Violations.—Operating a taxicab or limousine without a driver's certificate or authorizing or permitting the operation of a taxicab or limousine by a driver who is not certified as a driver by the authority within cities of the first class is a nontraffic summary offense in the first instance and a misdemeanor of the third degree for each offense thereafter. The

authority may, by regulation, provide for suspension and revocation of drivers' certificates for violations of this chapter and authority regulations.

(c) Agreements delegating responsibilities.—The authority is hereby authorized to enter into agreements or contracts delegating the duties and responsibilities designated in subsection (a) to a different governmental entity or to another party.

§ 5707. Budget and fees.

(a) Initial budget and fees.—The authority shall complete an initial budget and fee schedule necessary to advance the purposes of this chapter. The fee schedule shall include all fees for initial issuance of a medallion, transfer of a medallion and all taxicab and limousine certificates. The authority's initial budget and fee schedule shall be submitted to the Appropriations Committee of the Senate and the Appropriations Committee of the House of Representatives. Unless either the Senate or the House of Representatives acts to disapprove through adoption of a resolution within ten legislative days from the date of submittal, the authority's fee schedule shall become effective, and the authority shall notify each certificate holder of the initial fee schedule.

(b) Fiscal year budget and fees.—The fiscal year for the fund shall commence on July 1 of each year. Before March 15 of each year, the authority shall submit a budget and proposed fee schedule, necessary to advance the purposes of this chapter, for the coming fiscal year along with comprehensive financial data from the past fiscal year to the Appropriations Committee of the Senate and the Appropriations Committee of the House of Representatives. Unless either the Senate or the House of Representatives acts to disapprove through adoption of a resolution by April 15 of each year, the authority fee schedule shall become effective. The authority shall notify all certificate holders of the fee schedule for the coming fiscal year. The procedure for notifying certificate holders must be specified in the regulations of the authority. If either the Senate or the House of Representatives acts to disapprove the authority's fee schedule and budget, the authority may submit a revised budget and fee schedule to the Appropriations Committee of the Senate and the Appropriations Committee of the House of Representatives within 15 days of such disapproval or shall utilize the fee schedule and budget for the prior year. Unless either the Senate or the House of Representatives acts to disapprove, through adoption of a resolution within ten legislative days from the date of submission of the revised budget and fee schedule, the revised budget and fee schedule of the authority shall become effective.

(c) Philadelphia Taxicab and Limousine Regulatory Fund.—Money deposited in the Philadelphia Taxicab and Limousine Regulatory Fund is hereby specifically appropriated for the purposes of this chapter and shall not be used for any purpose not specified in this chapter. All interest earned by the fund and all refunds or repayments shall be credited to the fund.

(d) Examination of records.—The chairperson and the minority chairperson of the Appropriations Committee of the Senate and the chairperson and the minority chairperson of the Appropriations Committee of the House of Representatives shall have the right to examine the books, accounts and records of the authority at any time.

§ 5708. Fund.

(a) Establishment.—The Philadelphia Taxicab and Limousine Regulatory Fund is established. The fund shall consist of the following accounts, which shall be kept separate and not commingled:

(1) Taxicab Account.

(2) Limousine Account.

(3) Other accounts as determined by the authority.

(b) Use of funds.—Money in the fund may be used as follows:

(1) Except as provided by subsection (c), money deposited in the Taxicab Account is specifically appropriated for the purposes of this chapter only as it relates to the regulation of taxicabs and shall not be used for limousine regulation and for any purpose not specified by this chapter.

(2) Except as provided by subsection (c), money deposited in the Limousine Account is specifically appropriated for the purposes of this chapter only as it relates to the regulation of limousines and shall not be used for taxicab regulation and for any purpose not specified by this chapter.

(c) Shared regulatory expenses.—Expenses to the fund that are not exclusively related to either taxicabs or limousines shall be divided as follows:

(1) Except as provided by paragraph (2), any expense incurred by the authority for the regulation of taxicabs and limousines which is not exclusively related to either taxicabs or limousines shall be divided and charged to both the Taxicab Account and the Limousine Account in a fair and equitable manner as determined by the authority.

(2) Any expense incurred by the authority for the regulation of taxicabs and limousines which is not exclusively related to either taxicabs or limousines and the relative share of those costs cannot be determined shall be divided in a fair and equitable manner between the Taxicab Account and the Limousine Account as determined by the authority, and the authority may adjust this measure from time to time.

(d) Revenues.—All sources of revenue, including fees and other revenues, interest earned by the fund, refunds, repayments and other deposits, shall be credited as follows:

(1) All revenues exclusively related to taxicabs shall be deposited in the Taxicab Account.

(2) All revenues exclusively related to limousines shall be deposited in the Limousine Account.

(3) *All revenues that are not exclusively related to either taxicabs or limousines shall be divided in a manner determined by the authority to be fair and equitable.*

(e) *Borrowing from the account.—As may be necessary to fulfill its duty in carrying out this chapter, the authority may borrow money from one account established by this section for the purpose of the other account established by this section provided that the borrowed amount is repaid.*

(f) *Allocation of revenue and expenses.—The authority, at its discretion, may allocate expenses and revenues to the appropriate accounts.*

§ 5709. *Transfer of money from fund.*

All money in the First Class City Taxicab Regulatory Fund is appropriated to the Taxicab Account under section 5708(a)(1) (relating to fund) upon the effective date of this section. Obligations of the First Class City Taxicab Regulatory Fund shall be charged to the Taxicab Account. Revenue due to the First Class City Taxicab Regulatory Fund shall be transferred and deposited to the Taxicab Account.

Section 10.2. Section 5711 of Title 53 is reenacted and amended to read:
§ 5711. Power of authority to issue certificates of public convenience.

(a) *General rule.—In addition to the powers conferred upon the authority by other provisions of this title, the authority is empowered to issue certificates of public convenience in accordance with this subchapter.*

(b) *Application.—Every application for a certificate of public convenience shall be made to the authority in writing, be verified by oath or affirmation and be in such form and contain such information as the authority may require.*

(c) *Procedure.—*

(1) *A certificate of public convenience to provide taxicab service within cities of the first class shall be granted by order of the authority without proof of the need for the service if the authority finds or determines that the applicant is capable of providing dependable taxicab service to the public according to the rules and regulations of the authority.*

(2) *The authority is authorized to issue a maximum of 1,600 certificates of public convenience for taxicab service and no more than five certificates of public convenience for limited service in any city of the first class.*

(3) *It is hereby declared to be the policy of the General Assembly to regulate the provision of taxicab service within cities of the first class in such a manner that any certificate of public convenience hereinafter granted by order of the authority shall, in addition to any other conditions imposed by the authority, require that at least 40% of such trips of such taxicab service shall be derived from such service provided to and from points within specific geographical areas to be determined by the authority as being in the public interest. The authority shall have the*

power to rescind or revoke any certificate of public convenience granted to any existing holder or any new recipient for the operation of taxicabs within a city of the first class whenever it is shown that the holder of the certificate is not operating the taxicabs on an average of 50% of the time over any consecutive three-month period.

(4) The authority shall have the authority to grant immediate temporary certificates of public convenience for taxicab service within cities of the first class. Such temporary certificates are subject to further investigation before a permanent certificate shall be granted by the authority.

(5) The transfer of a certificate of public convenience, by any means or device, shall be subject to the prior approval of the authority which may, in its sole or peculiar discretion as it deems appropriate, attach such conditions, including the appropriate allocation of proceeds, as it may find to be necessary or proper.

(6) A certificate of public convenience to convey or transmit to and from taxicabs messages or communications within cities of the first class through the use of centralized dispatch systems shall be granted by order of the authority if the authority finds that the applicant is capable of providing dependable service according to the rules and regulations of the authority.

Section 10.3. Sections 5712 and 5713 of Title 53 are reenacted to read:
§ 5712. Medallion system.

(a) System.—There is a medallion system within cities of the first class in order to provide holders of certificates of public convenience which authorize citywide call or demand service the opportunity to upgrade and improve the operations of taxicabs. In the case of a corporate certificate holder, a medallion shall be issued in the name of the corporation to its corporate president. The medallion shall be marked with the taxicab number assigned to the corresponding certificate of public convenience.

(b) Requirement.—Notwithstanding 75 Pa.C.S. § 1305(b) (relating to application for registration), before registering any taxi which is required to obtain a certificate of public convenience from the authority to operate in a city of the first class, the Department of Transportation shall require evidence that the certificate has been issued and has not been revoked or has not expired.

§ 5713. Property and licensing rights.

(a) Property rights.—Medallions are property and may not be revoked or canceled by the authority. Medallions may be pledged to lenders or creditors as security on debt. All lenders or creditors who, after the effective date of this section, accept a medallion as security shall do so in conformance with 13 Pa.C.S. (relating to commercial code). If a lender or creditor executes on or seizes a medallion, it shall immediately notify the authority in writing. Any sale of the medallion, upon seizure or execution, shall occur at authority offices pursuant to the requirements of section 5718 (relating to restrictions)

within one year of the seizure or execution. If the medallion is not sold within one year, the medallion will become nontransferable, and possession must be surrendered to the authority unless the authority finds exigent circumstances exist which warrant extending the one-year period.

(b) **Licensing rights.**—A certificate of public convenience is a licensing right which accompanies each medallion and authorizes the operation of one taxicab within a city of the first class. No property interest shall exist in the certificate itself. A certificate may not be pledged to lenders or creditors as security on debt. A certificate may be canceled by the authority, upon due cause shown, for violation of this subchapter or authority regulations. If the authority cancels a certificate, the certificate holder shall have the right to sell the accompanying medallion within six months of the date of cancellation, and the certificate holder must turn the medallion over to the authority office within five days of cancellation of the certificate for safekeeping until the medallion is sold. This six-month time period shall be extended during the pendency of a petition for reinstatement of the certificate of public convenience. If the medallion is not sold within the statutory period, the medallion will become nontransferable, and possession must be surrendered to the authority.

Section 11. Section 5714 of Title 53 is reenacted and amended to read:
§ 5714. Certificate and medallion required.

(a) **Procedure.**—A vehicle may not be operated as a taxicab *with citywide call or demand rights* in cities of the first class unless a certificate of public convenience is issued *by an authority* authorizing the operation of the taxicab and a medallion is attached to the hood of the vehicle. Prior to the issuance of a medallion, the certificate holder shall have its vehicle inspected by the authority. The authority shall require, by order or regulation, that each medallion holder submit to a periodic vehicle inspection of its taxicab by authority personnel to ensure that the vehicle meets the requirements of this subchapter and authority regulations. Authority inspection requirements shall be in addition to the vehicle requirements set forth in Title 75 (relating to vehicles). Authority inspection and recording requirements shall be established by regulations. No vehicle which is more than eight years old shall continue in operation as a taxicab. Notwithstanding the foregoing, the authority may authorize the operation of antique vehicles in call or demand service in such circumstances as the authority may deem appropriate. Each medallion holder's tariff rates shall be clearly and visibly displayed in each taxicab. A medallion shall not be removed from a vehicle without prior notification to and permission of the authority. A medallion authorizes operation of a vehicle as a taxicab only for the fiscal year for which the medallion is issued.

(b) **Protective barrier.**—Each taxicab within cities of the first class shall be equipped with a protective barrier for the protection of the driver, separating the front seat from the back seat. The authority may provide for additional driver protection measures by order or regulation.

(c) Service.—A vehicle authorized by a certificate to provide call or demand service within cities of the first class may transport persons and their baggage upon call or demand and parcels, packages and property at the same basic metered rates charged to passengers:

(1) between points in the city of the first class for which its certificate is issued;

(2) from any point in the city of the first class for which its certificate is issued to any point in this Commonwealth;

(3) from any point in this Commonwealth to any point in the city of the first class for which its certificate is issued if the request for service for such transportation is received by call to its centralized dispatch system; and

(4) from any point in the city of the first class for which its certificate is issued to any point outside this Commonwealth as a continuous part of a trip.

(d) Other vehicles.—

(1) A vehicle which is not authorized by a certificate to provide call or demand service within cities of the first class but which is operated by the holder of a certificate of public convenience from the Pennsylvania Public Utility Commission authorizing call or demand service elsewhere in this Commonwealth may transport persons and property:

(i) to cities of the first class in accordance with the service authorized under its certificate of public convenience; and

(ii) from any point in a city of the first class to any point in this Commonwealth beyond that city of the first class if the request for service for such transportation is received by call to its radio dispatch service.

(2) Carriers currently authorized to provide service to designated areas within cities of the first class on a non-citywide basis shall retain their authorization *through the authority*. The authority shall not grant additional rights to new or existing carriers to serve designated areas within cities of the first class on a non-citywide basis.

(e) Penalties involving certificated taxicabs.—Operating a certificated taxicab in violation of subsections (a) and (b) or authorizing or permitting such operation is a nontraffic summary offense. Offenders of subsections (a) and (b) may also be subject to civil penalties pursuant to section 5725 (relating to civil penalties).

(f) Unauthorized vehicles.—Operating an unauthorized vehicle as a taxicab, or giving the appearance of offering call or demand service with an unauthorized vehicle, without first having received a certificate of public convenience and a medallion is a nontraffic summary offense in the first instance and a misdemeanor of the third degree for each offense thereafter. The owner and the driver of a vehicle being operated as or appearing as a taxicab without a certificate of public convenience and a medallion are also

subject to civil penalties pursuant to section 5725. Civil penalties which have been assessed and collected shall be deposited in the fund.

(g) Confiscation and impoundment of vehicles.—

(1) In addition to penalties provided for in subsection (f), **[police officers in cities of the first class are] the authority** is empowered to confiscate and impound vehicles **[and equipment]**, **medallions and equipment which are** utilized to provide call or demand service without a **proper** certificate of public convenience **[and a medallion.] in cities of the first class or which are in violation of regulations of the authority.** Upon satisfaction of all penalties imposed and all outstanding fines assessed against the owner or operator of the **[unauthorized] confiscated** vehicle and payment of the **[city's] costs of the authority** associated with confiscation and impoundment, the vehicle, **medallion** and equipment shall be returned to its **[owner. Failure to timely satisfy these conditions within 90 days of impoundment may result in the sale of confiscated property by a city of the first class at auction. Proceeds received from the sale of confiscated property, after payment of the city's costs associated with confiscation, shall be deposited into the fund.]** **registered owner or registered lienholder.**

(2) (i) *If an owner or operator does not satisfy all penalties imposed and all outstanding fines assessed within 45 days of the date of impoundment, the authority may publicly auction all confiscated property.*

(ii) *The authority shall, at least 30 days before the date of the public auction, provide notice by regular mail to the registered owner and any registered lienholder of the public auction of confiscated vehicles and equipment. The notice required under this subparagraph may be provided within the period of 45 days of the date of impoundment.*

(3) *The authority shall apply the proceeds from the sale of all confiscated property in the following order:*

(i) *To the costs of the authority associated with the confiscation, impoundment and auction.*

(ii) *To all penalties imposed and all outstanding fines assessed against the owner and operator of the confiscated property.*

(iii) *Except as provided in subparagraph (v), to the lien of any registered lienholder of the confiscated property upon demand.*

(iv) *Except as provided in subparagraph (v), to the registered owner of the confiscated property upon demand.*

(v) *When not claimed by any registered lienholder or registered owner within one year of the auction date, remaining proceeds shall be deposited into the fund.*

(g.1) *Assessment.—After application of the proceeds from the sale of confiscated property under subsection (f), the uncompensated costs of the authority associated with the confiscation, impoundment and auction and*

all outstanding penalties imposed and all outstanding fines assessed against the registered owner or operator of the confiscated property may be assessed against the registered owner or operator of the confiscated property as the authority may prescribe by regulation.

(h) Counterfeit medallions.—The manufacture or possession of a counterfeit medallion is a misdemeanor of the third degree for each offense.

Section 11.1. Section 5715 of Title 53 is amended to read:

[§ 5715. Contested complaints.

(a) **Adjudication.**—Contested complaints brought before the authority alleging violations of this subchapter or rules and regulations promulgated by the authority pursuant to this subchapter shall be assigned by the authority to a hearing officer for adjudication. Hearing officers assigned to cases pursuant to this subchapter may be removed by the authority only for good cause shown. Following the taking and receiving of evidence, the hearing officer shall issue a decision which determines the merits of the complaint and assesses a penalty if warranted. In extraordinary circumstances, the hearing officer may require the filing of briefs prior to issuing a decision. The hearing officer's decision shall not be subject to exception or administrative appeal. In its discretion, the authority may exercise review of a hearing officer's decision within 15 days of the date of issuance. If the authority does not exercise its authority to review a hearing officer's decision, the decision will become a final order without further authority action. The authority may establish orders or regulations which designate rules and procedures for the adjudication of complaints brought pursuant to this subchapter.

(b) **Commencement of complaints.**—Authority enforcement officers, Pennsylvania Public Utility Commission enforcement officers and police officers or licensing officials within cities of the first class may commence and prosecute complaints brought before the authority pursuant to this subchapter and authority regulations applicable to taxicab operations in cities of the first class.

(c) **Other penalties.**—Nothing in this section shall be deemed to limit the ability of any city of the first class to prosecute violations and seek criminal penalties in a court of law.]

Section 11.2. Section 5716 of Title 53 is reenacted to read:

§ 5716. Reissuance of medallion.

Within 30 days of the close of each fiscal year, a medallion holder shall apply to obtain from the authority a reissued medallion for a fee in an amount to be determined pursuant to the requirements of section 5723 (relating to budget and fees). Each year's medallion shall designate the year of issuance and shall be identifiable by a distinctive tint or color and shape to be determined by the authority. A medallion may not be issued by the authority unless all outstanding authority fines, penalties and fees have been paid in full and unless all insurance, tariff and vehicle inspection filings are current.

Immediately prior to reissuance of a medallion, a medallion holder shall remove the prior year's medallion from the hood of its taxicab and surrender it to the authority. Upon reissuance, the new medallion shall be immediately attached to the vehicle.

Section 11.3. Section 5717 of Title 53 is reenacted and amended to read: § 5717. Additional certificates and medallions.

Subject to the limits established in section 5711(c) (relating to power of authority to issue certificates of public convenience), the authority may increase the number of certificates and medallions if it finds a need for additional taxicab service in cities of the first class by issuing certificates and corresponding medallions to applicants on a first-come-first-served basis. Each applicant shall pay a fee in an amount equal to the reasonable market value of the medallions at the time of issuance as determined by the authority. The fee is payable prior to the time of issuance. In determining the reasonable market value of a medallion, the authority shall consider the purchase price in medallion transactions over the prior year as reflected in authority records. The authority in its discretion may hold hearings to determine the reasonable market value of a medallion. In no case shall the number of *citywide call or demand service taxicab* certificates and medallions issued by the authority exceed 1,600 each.

Section 11.4. Section 5718 of Title 53 is reenacted and amended to read: § 5718. Restrictions.

(a) Place of transaction.—A medallion may not be sold or transferred to another party unless the closing of the sales transaction occurs at authority offices in the presence of a designated authority staff member. The authority staff member shall witness the execution of each contract of sale to evidence staff presence at the execution. All contracts for the sale of medallions which are not executed at authority offices and witnessed by an authority staff member are void by operation of law. All sales contracts shall conform to such rules and regulations as the authority may prescribe. Prior to each closing, the buyer of the medallion shall pay a fee in an amount to be determined pursuant to the requirements of section **[5723] 5707** (relating to budget and fees).

(b) Issuance of certificate.—Upon the witnessing of a sale of a medallion and upon application of the purchaser and compliance with authority tariff, insurance and inspection requirements, the authority staff shall issue an accompanying certificate to the new medallion holder unless the authority determines that the transfer of the certificate is inconsistent with the public interest. Where there is a determination that a transfer is not in the public interest, the new medallion holder shall have six months from the date the adverse determination is entered to sell the medallion to a new owner. If a sale is not consummated before authority personnel within six months, the medallion will become nontransferable, and possession must be surrendered to the authority.

(c) Criminal records.—No person or corporation may purchase a medallion or apply for a certificate if the person or corporation or an officer or director of the corporation has been convicted or found guilty of a felony within the five-year period immediately preceding the transfer. All applications for a certificate shall contain a sworn affidavit certifying that the purchaser has not been convicted of a felony in the previous five years. If, at any time, the authority finds that a medallion holder has been convicted of a felony while holding the medallion or during the five years immediately preceding its purchase, the authority shall cancel the corresponding certificate.

Section 11.5. Section 5719 of Title 53 is amended to read:

[§ 5719. Driver certification program.

(a) General rule.—The authority shall provide for the establishment of a driver certification program for drivers of taxicabs within cities of the first class. Standards for fitness of taxi drivers shall be established under such rules and regulations as the authority may prescribe. The authority may revoke or suspend a taxi driver's certificate upon a finding that the individual is not fit to operate a taxicab. Each applicant for a taxi driver's certificate shall pay a fee in an amount to be determined pursuant to the requirements of section 5723 (relating to budget and fees). Upon approval, a picture taxi driver's certificate will be issued to an applicant. No individual shall operate a taxicab at any time unless the individual is certified as a taxi driver by the authority. Each certified taxi driver shall carry and display in full view a taxi driver's certificate at all times of operation of a taxicab. The authority may establish orders or regulations which designate additional requirements governing the certification of drivers and the operation of taxicabs by drivers, including, but not limited to, dress codes for drivers.

(b) Violations.—Operating a taxicab without a taxi driver's certificate or authorizing or permitting the operation of a taxicab by a driver who is not certified as a taxi driver within cities of the first class is a nontraffic summary offense in the first instance and a misdemeanor of the third degree for each offense thereafter. The authority may, by regulation, provide for suspension and revocation of taxi drivers' certificates for violations of this subchapter and authority regulations.

(c) Agreements delegating responsibilities.—The authority is hereby authorized to enter into agreements or contracts delegating the duties and responsibilities designated in subsection (a) to a different governmental entity or to another party.]

Section 11.6. Section 5720 of Title 53 is reenacted and amended to read:
§ 5720. Wages.

(a) Minimum wage.—Each medallion holder shall pay at least a prevailing minimum wage rate or, in the alternative, charge at most a prevailing maximum lease amount to the drivers of its taxicab, as determined by the authority upon investigation. The minimum wage rate and the

maximum lease amount, as established by the authority, may include employee benefits.

(b) Uniform rates.—All taxicabs **[within] with citywide call and demand rights in** cities of the first class shall charge a uniform rate to passengers, as determined by the authority upon investigation.

(c) Reopen investigations.—Any **[medallion holder or licensed] holder of a certificate of public convenience or certified** driver may petition the authority to reopen the investigations addressed by subsections (a) and (b) no less than 18 months after the close of the preceding investigation.

Section 12. Section 5721 of Title 53 is reenacted to read:

§ 5721. Centralized dispatcher.

In cities of the first class, all medallion holders shall utilize the services of a centralized dispatch system. Any owner of a centralized dispatch system shall make such system available to all medallion holders for a reasonable fee, as described in a rate schedule to be filed with the authority. The authority, in its discretion, may review the rate schedules of dispatch associations to determine if rates charged discriminate against new applicants. Medallion holders shall utilize only centralized dispatch systems that are in conformance with authority rules and regulations. Medallion holders shall have no obligation to use any particular centralized dispatch system.

Section 13. Section 5722 of Title 53 is reenacted and amended to read:

§ 5722. Regulations.

The authority may prescribe such rules and regulations as it deems necessary to govern the regulation of taxicabs within cities of the first class under this **[subchapter.] chapter. The authority has the powers set forth in this section notwithstanding any other provision or law or of the articles of incorporation of the authority.**

Section 13.1. Section 5723 of Title 53 is amended to read:

§ 5723. Budget and fees.

(a) **Initial budget and fees.—The authority shall complete an initial budget and fee schedule. The fee schedule shall identify the initial fees for initial issuance of a medallion, transfer of a medallion and issuance of a taxi driver's license. The authority's initial budget and fee schedule shall be submitted to the Appropriations Committee of the Senate and the Appropriations Committee of the House of Representatives. Unless either the Senate or the House of Representatives acts to disapprove through adoption of a resolution within ten legislative days from the date of submittal, the authority's fee schedule shall become effective, and the authority shall notify each medallion holder by certified letter of the initial fee schedule.**

(b) **Fiscal year budget and fees.—The fiscal year for the fund shall commence on July 1 of each year. Before March 15 of each year, the authority shall submit a budget and proposed fee schedule for the coming fiscal year along with comprehensive financial data from the**

past fiscal year to the Appropriations Committee of the Senate and the Appropriations Committee of the House of Representatives. Unless either the Senate or the House of Representatives acts to disapprove through adoption of a resolution by June 15 of each year, the authority fee schedule shall become effective. The authority shall notify all medallion holders of the fee schedule for the coming fiscal year by certified letter. If either the Senate or the House of Representatives acts to disapprove the authority's fee schedule and budget, the authority shall utilize the fee schedule and budget for the prior year.

(c) **First Class City Taxicab Regulatory Fund.**—Money deposited in the First Class City Taxicab Regulatory Fund is hereby specifically appropriated for the purposes of this chapter and shall not be used for any purpose not specified in this chapter. All interest earned by the fund and all refunds or repayments shall be credited to the fund.

(d) **Examination of records.**—The chairperson and the minority chairperson of the Appropriations Committee of the Senate and the chairperson and the minority chairperson of the Appropriations Committee of the House of Representatives shall have the right to examine the books, accounts and records of the authority at any time.]

Section 14. Sections 5724 and 5725 of Title 53 are reenacted to read:
§ 5724. Criminal penalties.

For the purpose of this subchapter, any person or corporation convicted of:

(1) a summary offense shall be sentenced to pay a fine of \$500 and may be sentenced to a term of imprisonment not to exceed 90 days or both; or

(2) a misdemeanor shall be sentenced to pay a fine of \$2,500 and may be sentenced to a term of imprisonment not to exceed one year or both.

§ 5725. Civil penalties.

(a) **General rule.**—If any person or corporation subject to this subchapter shall violate any of the provisions of this subchapter or shall do any matter or thing prohibited under this subchapter; or shall fail, omit, neglect or refuse to perform any duty enjoined upon it by this subchapter; or shall fail, omit, neglect or refuse to obey, observe and comply with any regulation or final direction, requirement, determination or order made by the authority or to comply with any final judgment, order or decree made by any court, the person or corporation for the violation, omission, failure, neglect or refusal shall forfeit and pay to the Commonwealth a sum not exceeding \$1,000 to be recovered by an action of assumpsit instituted in the name of the Commonwealth. In construing and enforcing the provisions of this section, the violation, omission, failure, neglect or refusal of any officer, agent or employee acting for or employed by the person or corporation shall in every case be deemed to be the violation, omission, failure, neglect or refusal of the person or corporation.

(b) Continuing offenses.—Each and every day's continuance in the violation of any regulation or final direction, requirement, determination or order of the authority, or of any final judgment, order or decree made by any court, shall be a separate and distinct offense. If any interlocutory order of supersedeas or a preliminary injunction be granted, no penalties shall be incurred or collected for or on account of any act, matter or thing done in violation of such final direction, requirement, determination, order or decree so superseded or enjoined for the period of time such order of supersedeas or injunction is in force.

Section 15. Section 5741 of Title 53 is reenacted and amended to read:
§ 5741. Certificate of public convenience required.

(a) General rule.—In order to operate a limousine service within a city of the first class, *the limousine service must have* a certificate of public convenience [**must be**] issued by the authority[.] *under section 5741.1 (relating to power of authority)*. The authority may grant a certificate of public convenience to provide limousine service if the authority determines that the applicant is capable of providing safe, adequate, lawful and dependable service to the public. *The authority may by regulation define categories of limousine service. The authority may separately grant certificates of public convenience for each category of limousine service and specify the rights associated with the certificates of public convenience by category of limousine service.*

(a.1) *Advance reservation limousine service.—A vehicle authorized by a certificate of public convenience issued by the authority to provide limousine service within a city of the first class may transport persons and their baggage upon advance reservation:*

(1) *between points in the city of the first class for which its certificate is issued;*

(2) *from any point in the city of the first class for which its certificate is issued to any point in this Commonwealth;*

(3) *from any point in this Commonwealth to any point in the city of the first class for which its certificate issued; and*

(4) *from any point in the city of the first class for which its certificate is issued to any point outside this Commonwealth as part of a continuous trip.*

(a.2) *Other limousine service.—A vehicle authorized by a certificate of public convenience issued by the authority to provide nonexclusive, scheduled limousine service may transport persons and their baggage to or from any airport, railroad station or hotel located in whole or in part in a city of the first class without advance reservation in accordance with rules and regulations established by the authority.*

(a.3) *Commission limousine certificate holders.—A vehicle which is not authorized by a certificate of public convenience issued by the authority to provide limousine service in a city of the first class but which is operated by the holder of a certificate of public convenience from the*

commission authorizing limousine service elsewhere in this Commonwealth may transport persons and their baggage:

(1) to a city of the first class upon advance reservation and in accordance with the service authorized under its certificate of public convenience; and

(2) from any point in a city of the first class to any point in this Commonwealth beyond the city of the first class upon advance reservation in accordance with the service authorized under its certificate of public convenience, excluding service from any airport, railroad station and hotel located in whole or in part in a city of the first class.

(b) Enforcement.—

(1) The provisions of this subchapter and the rules and regulations promulgated by the authority pursuant to this subchapter shall be enforced within cities of the first class by authority personnel.

(2) The Pennsylvania Public Utility Commission may initiate actions before the authority.

(c) Restrictions.—Certificates issued pursuant to this subchapter shall be nontransferable unless a transfer is approved by the authority.

(d) Penalties involving certified limousines.—Operating a certificated limousine in violation of this subchapter and authority regulations with regard to limousine service in a city of the first class or authorizing or permitting such operation is a nontraffic summary offense. Offenders may also be subject to civil penalties pursuant to section 5745 (relating to civil penalties).

(e) Unauthorized vehicles.—Operating an unauthorized vehicle as a limousine or giving the appearance of offering limousine service with an unauthorized vehicle, without first having received a certificate of public convenience, is a nontraffic summary offense in the first instance and a misdemeanor of the third degree for each subsequent offense. The owner and the driver of a vehicle being operated as a limousine without a certificate of public convenience are also subject to civil penalties pursuant to section 5745. Civil penalties which have been assessed and collected shall be deposited in the fund.

(f) Confiscation and impoundment of vehicles.—

(1) In addition to penalties provided for in subsections (d) and (e), the authority is empowered to confiscate and impound vehicles and equipment which are utilized to provide limousine service without a proper certificate of public convenience in a city of the first class or which are in violation of regulations of the authority. Upon satisfaction of all penalties imposed and all outstanding fines assessed against the owner or operator of the confiscated vehicle and equipment and payment of the authority's costs associated with confiscation and impoundment, the vehicle and equipment shall be returned to its registered owner or registered lienholder.

(2) (i) *If an owner or operator does not satisfy all penalties imposed and all outstanding fines assessed within 45 days of the date of impoundment, the authority may publicly auction all confiscated property.*

(ii) *The authority shall, at least 30 days before the date of the public auction, provide notice by regular mail to the registered owner and any registered lienholder of the public auction of confiscated vehicles and equipment. The notice required under this subparagraph may be provided within the period of 45 days of the date of impoundment.*

(3) *The authority shall apply the proceeds from the sale of all confiscated property in the following order:*

(i) *To the costs of the authority associated with the confiscation, impoundment and auction.*

(ii) *To all penalties imposed and all outstanding fines assessed against the owner and operator of the confiscated property.*

(iii) *Except as provided in subparagraph (v), to the lien of any registered lienholder of the confiscated property upon demand.*

(iv) *Except as provided in subparagraph (v), to the registered owner of the confiscated property upon demand.*

(v) *When not claimed by any registered lienholder or registered owner within one year of the auction date, remaining proceeds shall be deposited into the fund.*

(f.1) *Assessment.—After application of the proceeds from the sale of confiscated property under subsection (f), the uncompensated costs of the authority associated with the confiscation, impoundment and auction and all outstanding penalties imposed and all outstanding fines assessed against the registered owner or operator of the confiscated property may be assessed against the registered owner or operator of the confiscated property as the authority may prescribe by regulation.*

Section 16. Title 53 is amended by adding a section to read:

§ 5741.1. *Power of authority.*

(a) *General rule.—In addition to the other powers conferred upon the authority by other provisions of this title, the authority is empowered to issue certificates of public convenience in accordance with this subchapter.*

(b) *Application.—An application for a certificate of public convenience must be made to the authority in writing, be verified by oath or affirmation, be in the form required by the authority and contain information required by the authority.*

(c) *Procedure.—*

(1) *The authority has the power to rescind or revoke a certificate of public convenience granted to an existing holder or a new recipient for the operation of limousines within a city of the first class.*

(2) *The authority has the power to grant immediate temporary certificates of convenience for limousine service within cities of the first*

class. Temporary certificates are subject to further investigation before a permanent certificate shall be granted by the authority.

(3) The transfer of a certificate of public convenience by any means or device shall be subject to the prior approval of the authority, which may attach conditions it deems proper.

Section 17. Section 5742 of Title 53 is reenacted and amended to read:
§ 5742. Regulations.

The authority is authorized to prescribe such rules and regulations as it deems necessary to administer and enforce [this chapter.] *the regulation of limousine service certified through the authority under this chapter. The authority has the powers set forth in this section notwithstanding any other provision of law or of the authority's articles of incorporation.*

Section 18. Section 5743 of Title 53 is amended to read:
[§ 5743. Budget and fees.

(a) **Initial budget and fees.**—The authority shall complete an initial budget and fee schedule. The fee schedule shall identify the initial fees for the holder of a certificate of public convenience for limousine service. The authority's initial budget and fee schedule shall be submitted to the Appropriations Committee of the Senate and the Appropriations Committee of the House of Representatives. Unless either the Senate or the House of Representatives acts to disapprove through adoption of a resolution within ten legislative days from the date of submittal, the authority's fee schedule shall become effective, and the authority shall notify each certificate holder by certified letter of the initial fee schedule.

(b) **Fiscal year budget and fees.**—The fiscal year for the fund shall commence on July 1 of each year. Before March 15 of each year, the authority shall submit a budget and proposed fee schedule for the coming fiscal year along with comprehensive financial data from the past fiscal year to the Appropriations Committee of the Senate and the Appropriations Committee of the House of Representatives. Unless either the Senate or the House of Representatives acts to disapprove through adoption of a resolution by June 15 of each year, the authority fee schedule shall become effective. The authority shall notify all certificate holders of the fee schedule for the coming fiscal year by certified letter. If either the Senate or the House of Representatives acts to disapprove the authority's fee schedule and budget, the authority shall utilize the fee schedule and budget for the prior year.

(c) **First Class City Taxicab Regulatory Fund.**—Money deposited in the First Class City Taxicab Regulatory Fund is hereby specifically appropriated for the purposes of this chapter and shall not be used for any purpose not specified in this chapter. All interest earned by the fund and all refunds or repayments shall be credited to the fund.

(d) **Examination of records.**—The chairperson and the minority chairperson of the Appropriations Committee of the Senate and the chairperson and the minority chairperson of the Appropriations

Committee of the House of Representatives shall have the right to examine the books, accounts and records of the authority at any time.]

Section 18.1. Sections 5744 and 5745 of Title 53 are reenacted to read:
§ 5744. Criminal penalties.

For the purpose of this subchapter, any person or corporation convicted of:

(1) a summary offense shall be sentenced to pay a fine of \$500 and may be sentenced to a term of imprisonment not to exceed 90 days or both; or

(2) a misdemeanor shall be sentenced to pay a fine of \$2,500 and may be sentenced to a term of imprisonment not to exceed one year or both.

§ 5745. Civil penalties.

(a) General rule.—If any person or corporation subject to this subchapter shall violate any of the provisions of this subchapter or shall do any matter or thing prohibited under this subchapter; or shall fail, omit, neglect or refuse to perform any duty enjoined upon it by this subchapter; or shall fail, omit, neglect or refuse to obey, observe and comply with any regulation or final direction, requirement, determination or order made by the authority or to comply with any final judgment, order or decree made by any court, the person or corporation for the violation, omission, failure, neglect or refusal shall forfeit and pay to the Commonwealth a sum not exceeding \$1,000 to be recovered by an action of assumpsit instituted in the name of the Commonwealth. In construing and enforcing the provisions of this section, the violation, omission, failure, neglect or refusal of any officer, agent or employee acting for or employed by the person or corporation shall in every case be deemed to be the violation, omission, failure, neglect or refusal of the person or corporation.

(b) Continuing offenses.—Each and every day's continuance in the violation of any regulation or final direction, requirement, determination or order of the authority, or of any final judgment, order or decree made by any court, shall be a separate and distinct offense. If any interlocutory order of supersedeas or a preliminary injunction be granted, no penalties shall be incurred or collected for or on account of any act, matter or thing done in violation of such final direction, requirement, determination, order or decree so superseded or enjoined for the period of time such order of supersedeas or injunction is in force.

Section 19. The provisions of 66 Pa.C.S. §§ 510(b)(5) and 1103(c) and 66 Pa.C.S. Ch. 24 are repealed.

Section 20. The following provisions shall not apply to or affect the validity of any contract otherwise within the purview of such provisions entered into by the Pennsylvania Public Utility Commission prior to the effective date of this section:

(1) The reenactment of 53 Pa.C.S. § 5505(d)(23).

(2) The reenactment of 53 Pa.C.S. § 5508.1(o).

(2.1) The reenactment of 53 Pa.C.S. § 5508.2.

(3) The reenactment of 53 Pa.C.S. §§ 5510.1 through 5510.11.

(4) The reenactment, amendment or addition of 53 Pa.C.S. §§ 5701, 5701.1, 5702, 5703, 5704, 5705, 5706, 5707, 5711, 5712, 5713, 5714, 5715, 5716, 5717, 5718, 5719, 5720, 5721, 5722, 5723, 5724, 5725, 5741, 5741.1, 5742, 5743, 5744 and 5745.

(5) Section 19 of this act.

(6) Section 21 of this act.

(7) Section 22 of this act.

(8) Section 24 of this act.

Section 21. The following provisions do not affect any act done, liability incurred or right accrued or vested or affect any civil or criminal proceeding pending or to be commenced to enforce any right or penalty or punish any offense under any provision of law repealed by section 19¹ of this act:

(1) The reenactment of 53 Pa.C.S. § 5508.1(o).

(2) The reenactment of 53 Pa.C.S. § 5508.2.

(3) The reenactment of 53 Pa.C.S. §§ 5510.1 through 5510.11.

(4) The reenactment, amendment or addition of 53 Pa.C.S. §§ 5701, 5701.1, 5702, 5703, 5704, 5705, 5706, 5707, 5711, 5712, 5713, 5714, 5715, 5716, 5717, 5718, 5719, 5720, 5721, 5722, 5723, 5724, 5725, 5741, 5741.1, 5742, 5743, 5744 and 5745.

(5) The provisions of 66 Pa.C.S. §§ 510(b)(5) and 1103(c) and Ch. 24.

(6) Section 20 of this act.

(7) Section 22 of this act.

(8) Section 24 of this act.

Section 22. The following shall apply:

(1) The Pennsylvania Public Utility Commission's appropriations, allocations, documents, records, equipment, materials, powers, duties, contracts, rights and obligations which are utilized or accrue in connection with the functions under 66 Pa.C.S. Ch. 24 and in connection with limousine regulation in cities of the first class shall be transferred to the Philadelphia Parking Authority in accordance with an agreement between the commission and the authority.

(2) Regulations, orders, programs and policies of the commission under 66 Pa.C.S. Ch. 24 and concerning limousine service regulation within cities of the first class shall remain in effect until specifically amended, rescinded or altered by the authority.

(3) The State Treasurer shall coordinate with the authority and transfer the First Class City Taxicab Regulatory Fund to the authority. Upon transfer, fiduciary responsibility over the fund shall pass from the State Treasurer to the authority.

(4) The commission shall assist the authority to prepare for the transfer and to ensure a smooth transition with as little disruption as possible to public safety, consumer convenience and the impacted industries. The

¹"4" in enrolled bill.

commission and the authority are empowered to resolve by mutual agreement any jurisdictional issues that may be associated with the transfer. Any agreement shall be reported to the Appropriations Committee of the Senate and the Appropriations Committee of the House of Representatives and will be considered effective unless either the Senate or the House of Representatives rejects the submitted agreement by resolution within ten legislative days of submission. Upon becoming effective, an agreement shall be published in the Pennsylvania Bulletin.

(4.1) Any revenues generated by a taxicab or limousine while operating under the jurisdiction of the authority shall be exempt from assessment by the commission. The provisions of this paragraph shall have no effect on the fees allowed to be charged by the authority in accordance with the provisions of section 5707.

(5) As soon as is practical but no later than 60 days after the effective date of this paragraph, subject to negotiations between the commission and the authority, the authority shall notify all current employees of the commission whose jobs would be impacted by the transfer of its intention to hire. All employees who receive and accept offers to be transferred shall be employees of the authority, and the authority shall make provisions to transfer longevity credits, payroll credits and other personnel benefits, except for retirement accounts, in a fair and reasonable manner. Notwithstanding the provisions of 53 Pa.C.S. §§ 5505(d)(8) and (20) and 5508.1(1), any ordinance of any city of the first class or any agreement or contract between a city of the first class and the authority, the pension and retirement rights of employees of the commission at the time of the transfer whose jobs are impacted by the transfer and who receive and accept offers to be transferred and be employees of the authority upon the transfer of the funds and programs pursuant to this section shall be determined by the provisions of 71 Pa.C.S. Pt. XXV, and for such employees the authority shall have the obligations and duties of employers under Pt. XXV. The authority shall make every reasonable effort to provide a position similar to that held with the commission.

(6) Reasonable costs of transfer of the Pennsylvania Public Utility Commission shall be paid by the First Class City Taxicab Regulatory Fund.

(7) Employees of the Philadelphia Parking Authority who were employees of the Pennsylvania Public Utility Commission immediately prior to becoming employees of the Philadelphia Parking Authority and who have been continuously employed by the Philadelphia Parking Authority since the time of becoming an employee of the Philadelphia Parking Authority shall not, after termination of service from the Philadelphia Parking Authority, be considered to be State employees or performing State service if subsequently reemployed as an officer or employee of the Philadelphia Parking Authority.

Section 23. The following shall apply:

(1) A sum of \$1,500,000 is hereby appropriated to the Philadelphia Parking Authority from the First Class City Taxicab Regulatory Fund under 66 Pa.C.S. Ch. 24 (relating to taxicabs in first class cities) for reasonable costs of transfer, including reasonable costs of transfer incurred prior to the effective date of this section. On August 31, 2005, money not encumbered under this appropriation shall lapse into the taxicab account of the Philadelphia Taxicab and Limousine Regulatory Fund. Additional reasonable costs of transfer shall be paid by the fund upon completion of the transfer.

(2) A sum of not more than \$2,000,000 is hereby appropriated to the authority from the First Class City Taxicab Regulatory Fund under 66 Pa.C.S. Ch. 24 for a hospitality initiative making taxicab service within cities of the first class more consumer friendly. On December 30, 2005, money not encumbered under this appropriation shall lapse into the taxicab account of the Philadelphia Taxicab and Limousine Regulatory Fund established by the addition of 53 Pa.C.S. Ch. 57.

Section 24. The Pennsylvania Public Utility Commission shall transmit notice of the entry into the agreement under section 22(4) of this act to the Legislative Reference Bureau for publication in the Pennsylvania Bulletin.

Section 25. This act shall take effect as follows:

(1) The following provisions shall take effect in 270 days or on the date of publication of the notice under section 24 of this act, whichever is earlier:

- (i) The addition of 53 Pa.C.S. Ch. 57.
- (ii) Section 19 of this act.
- (iii) Section 22(4.1) and (7) of this act.

(2) The remainder of this act shall take effect immediately.

APPROVED—The 16th day of July, A.D. 2004.

EDWARD G. RENDELL