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STATE OF MARYLAND



PUBLIC SERVICE COMMISSION

December 18, 2015

Senator Thomas M. Middleton
Chairman, Senate Finance Committee
Miller Senate Office Building, Ste 3E
11 Bladen Street
Annapolis, MD 21401

Delegate Dereck E. Davis
Chairman, House Economic Matters Committee
House Office Building, Room 231
6 Bladen Street
Annapolis, MD 21401

Re: *Interim Report of the Public Service Commission in Public Conference 41 to Review the Regulation of Sedan, Limousine, and Taxicab Services*

Dear Chairmen Middleton and Davis:

In accordance with § 2-1246 of the State Government Article, *Annotated Code of Maryland*, the Commission submits this Interim Report concerning Maryland Public Service Commission ("Commission") Public Conference 41, relating to the regulation of Taxis and Passenger-for-Hire Carriers.

As you know, Section 4 of Senate Bill 868 of 2015 required the Public Service Commission to "study the laws and regulations that apply to sedan services, limousine services, and taxicab services for purposes of modernizing and streamlining application processes and other requirements and allowing these services to better compete in the marketplace." As required by SB 868, on October 7, 2015, the Commission initiated Administrative Docket – Public Conference 41 (PC41) to solicit stakeholder comments and begin the required study. The Commission noted that although the Commission is already in the process of finalizing modifications to passenger-for-hire regulation to conform them to the statutory changes made by SB 868, the Commission has not yet addressed its taxicab regulations.

The Commission has received eight sets of written comments to date, which are available in the online docket for PC41 at www.psc.state.md.us. The Commission's Notice convening PC 41 is enclosed. The Commission's Notice tasked its Staff with filing a proposed timeline for PC 41 by December 15, and Staff has proposed convening a stakeholder workgroup three times. The meetings would occur during the weeks of January 18, February 1, and February 15, with an eye toward filing a draft regulation by March 11, 2016. Staff has also suggested that after the


Chairman Middleton
Chairman Davis
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regulation is filed, the Commission seek comments from other parties three to five weeks later, and hold a rule making session approximately one month after the date for submission of comments.

The Commission has not evaluated, addressed, or decided to support any of the ideas raised by the comments or by Staff in PC41. The Commission looks forward to continuing to inform the General Assembly on these issues, and to submitting a final report by July 1, 2016.

Please feel free to contact the Commission with any questions or if the Commission may be of further assistance.

By Direction of the Commission,

A handwritten signature in black ink, appearing to read "David J. Collins", written over a horizontal line.

David J. Collins
Executive Secretary

DJC:lvs

Enclosure

cc: Tamela D. Burt
Robert K. Smith

W. KEVIN HUGHES
CHAIRMAN

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STATE OF MARYLAND

**PUBLIC SERVICE COMMISSION**

October 7, 2015

In the Matter of the Modification of
Maryland Taxi and Passenger-for-Hire
Statutes and Regulation

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Administrative Docket
PC 41

NOTICE CONVENING PUBLIC CONFERENCE

To: All Interested Persons

The Public Service Commission of Maryland ("Commission") hereby initiates Public Conference 41 ("PC41") to review the current status of statutes and regulations affecting Taxis and Passenger-for-Hire Carriers, and to consider whether modifications are necessary to enable sedan, limousine, and taxicab services to better compete in the market. All parties interested in this topic shall file written comments, and responses to the five information requests listed below in this Notice on or before November 13, 2015.

During the 2015 legislative session, the Maryland General Assembly passed Senate Bill 868 ("SB 868"), which addressed Transportation Network Services and for-hire transportation. Section 4 of SB 868 requires:

"That the Public Service Commission shall: (1) study the laws and regulations that apply to sedan services, limousine services, and taxicab services for purposes of modernizing and streamlining application processes and other requirements and allowing these services to better compete in the marketplace; and (2) on or before December 1, 2015, submit an interim report and, on or before July 1, 2016, submit a final report with any findings and recommendations, including

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legislative and regulatory actions, to the Senate Finance Committee and the Ch.
204 2015 LAWS OF MARYLAND – 44 – House Economic Matters Committee,
in accordance with § 2–1246 of the State Government Article.”

On May 12, 2015, Governor Hogan signed the bill into law. By July 1, 2016 the Commission must submit a final report to the General Assembly, with an interim report due on December 1, 2015. The final report must include the Commission’s findings and recommendations regarding whether statutory or regulatory changes are necessary to enable sedan, limousine, and taxicab services to better compete in a rapidly changing transportation market. The Commission notes that in Rule Making 55 (“RM 55”), it is currently in the process of finalizing modifications to its passenger-for-hire regulations to conform them to the statutory changes made by SB 868. However, the Commission has not yet addressed its taxicab regulations. Some modifications to the taxicab regulations are possible under existing law, but others may require changes to the law.

Accordingly, the Commission initiates this Public Conference to obtain and review information regarding possible modification to statutes and regulations affecting taxicab, sedan, and limousine services. Each interested person or party shall file by November 13, 2015, written comments responding to the following questions:

1. After the completion of the current rulemaking addressing passenger-for-hire regulations, are further statutory or regulatory changes required to enable sedan and limousine services to better compete in the market for transportation services?
2. If your answer to Question 1 is affirmative, what additional changes do you recommend to the regulations and laws governing sedan and limousine services?
3. Do you believe changes to the regulations and laws governing taxicabs are necessary to enable them to compete more effectively in the market?

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4. If your answer to Question 3 is affirmative, what changes are required?
5. For the changes you recommend, which can be done through regulatory action by the Commission, and which require action by the Maryland General Assembly?

Interested parties are invited to include in their Comments draft proposals for changes to the statutes and regulations pertaining to taxicab services, as well as proposals that would improve the ability of sedan and limousine services to compete in the market. Such proposals should avoid modifying provisions that were recently addressed by SB 868 and RM 55.

Finally, the Commission directs the Staff of the Commission to convene a Work Group to address modifying the existing taxicab regulations (COMAR 20.90), and to consider the question of what statutory changes may be necessary to enable taxicab services to better compete in the changing marketplace for transportation services. The Staff is hereby tasked with filing a proposed timeline for the Work Group activity on or before December 15, 2015.

An original and seventeen (17) copies, and an electronic copy, of all filings, identified as PC41, shall be filed with the Commission and addressed to David J. Collins, Executive Secretary, Maryland Public Service Commission, William Donald Schaefer Tower, 6 St. Paul Street, 16th Floor, Baltimore, Maryland 21202. Five of the copies shall be three-hole punched. The interested parties are encouraged to use the Commission's "e-file" system that is available on the Commission's website, www.psc.state.md.us.

By Direction of the Commission,

/s/ David J. Collins

David J. Collins
Executive Secretary