

CHAPTER 1013. MEDALLION TAXICABS

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Subchapter A. GENERAL REQUIREMENTS

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§ 1013.1. Certificate and medallion required.

A vehicle may not provide citywide taxicab service unless a current and valid certificate is issued by the Authority to the owner of the vehicle and the medallion assigned to that certificate is attached to the vehicle.

§ 1013.2. Attachment of a medallion.

Only the Enforcement Department may attach a medallion to a vehicle. Prior to attaching the medallion, the Authority will inspect the vehicle, as provided in § 1017.2 (relating to preservice inspection).

Cross References

This section cited in 52 Pa. Code § 1011.2 (relating to definitions); 52 Pa. Code § 1013.3 (relating to removal of a medallion); 52 Pa. Code § 1017.38 (relating to change of vehicle); and 52 Pa. Code § 1027.14 (relating to attachment of medallion).

§ 1013.3. Removal of a medallion.

(a) A medallion may only be removed from a vehicle by the Authority, upon advance written approval from the Authority, or by a certificate holder only upon the granting of voluntary suspension of the medallion taxicab certificate or individual medallion as provided in § 1011.14 (relating to voluntary suspension of certificate).

(b) Upon removal from a vehicle, the medallion will be held by the Authority for safe keeping until attachment of the medallion is scheduled with the Authority as provided in § 1013.2 (relating to attachment of a medallion). If removed by the medallion owner, the medallion shall be delivered to the Authority within 2 business days after removal.

Authority

The provisions of this § 1013.3 temporarily amended under 53 Pa.C.S. § 57B02.

Source

The provisions of this § 1013.3 temporarily amended May 5, 2017, effective February 25, 2017, expire upon promulgation of final-form regulations or on November 5, 2018, whichever is later, as set forth in 53 Pa.C.S. § 57B02(b), 47 Pa.B. 2558. Immediately preceding text appears at serial page (372883).

Cross References

This section cited in 52 Pa. Code § 1011.14 (relating to voluntary suspension of certificate); 52 Pa. Code § 1017.38 (relating to change of vehicle); 52 Pa. Code § 1017.82 (relating to use of stand-by vehicles); and 52 Pa. Code § 1017.83 (relating to procedure to place a stand-by vehicle into service).

§ 1013.4. Medallion renewal.

(a) A medallion must clearly display the calendar year or years in which it is valid.

(b) The Authority will schedule each medallion taxicab then in compliance with the act, this part and all orders of the Authority to have its expiring medallion removed and a new medallion attached before December 31 of the year preceding the earliest year displayed on the new medallion.

Subchapter B. LIENS ON MEDALLIONS

Sec.

1013.21. Notice of medallion lien.

1013.22. Execution on and seizure of a medallion.

1013.23. Invalidation upon execution or seizure.

§ 1013.21. Notice of medallion lien.

A person who accepts a medallion as security shall file its lien in accordance with 13 Pa.C.S. (relating to Uniform Commercial Code). No notice or filing with the Authority of medallion liens is required.

Cross References

This section cited in 52 Pa. Code § 1011.2 (relating to definitions).

§ 1013.22. Execution on and seizure of a medallion.

(a) If a medallion lienholder executes on or seizes a medallion, it shall notify the Director of all particulars, in writing, within 5 days of taking the action. Any seized medallion shall be delivered to the Authority within 5 days of seizure and will be held by the Authority pending further disposition.

(b) A medallion shall be sold within 1 year of seizure or execution as provided in sections 5713 and 5718 of the act (relating to property and licensing rights; and restrictions) and Chapter 1027 (relating to sale of rights).

§ 1013.23. Invalidation upon execution or seizure.

(a) The execution or seizure of a medallion invalidates the medallion for purposes of providing taxicab service.

(b) Upon reclaiming a medallion from execution or seizure, a certificate holder shall petition the Director for an order reversing the invalidation imposed by this section. The petition shall be filed with the Clerk and be in a form consistent with § 1005.21 (relating to petitions generally).

(c) The petition for validation of a medallion shall be granted by the Director upon determination that the certificate holder and the relevant medallion are in compliance with the act, this part and all orders of the Authority.

(d) Determinations of the Director may be appealed as provided in § 1005.24 (relating to appeals from actions of the staff).

Subchapter C. MEDALLION SALES BY THE AUTHORITY

Sec.

- 1013.31. Purpose and definitions.
- 1013.32. Bidder qualifications.
- 1013.33. General provisions.
- 1013.34. Notice of medallion sale by the Authority.
- 1013.35. Procedures for bidding.
- 1013.36. Bid opening.
- 1013.37. Medallion bid approval process and closing on sale.

Source

The provisions of this Subchapter C adopted July 25, 2014, effective July 26, 2014, 44 Pa.B. 5017, unless otherwise noted.

§ 1013.31. Purpose and definitions.

(a) This subchapter establishes the public bidding process through which the Authority will sell taxicab medallions as authorized by the act.

(b) The following words and terms, when used in this subchapter, have the following meanings, unless the context clearly indicates otherwise:

Bidder—

(i) A person qualified under § 1013.32 (relating to bidder qualifications) to submit a sealed bid for a taxicab medallion sold by the Authority.

(ii) The term includes a person with a controlling interest in an entity that submits a bid for one or more medallions.

Closing deadline—The date by which a successful bidder shall complete the approval process and the closing on the sale of a medallion.

Special restriction—Limitations placed upon a medallion by the Authority in addition to restrictions provided for in the act, this part or an order of the Authority. For example, a medallion sold by the Authority may include a restriction that the medallion only be attached to a wheelchair accessible vehicle.

Upset price—The dollar amount below which a medallion will not be sold.

§ 1013.32. Bidder qualifications.

(a) To participate as a bidder, a person shall be a medallion taxicab certificate holder or person authorized as provided in subsection (b) and a person in good standing with the Authority. A person in good standing with the Authority:

(1) Is qualified to buy transferable rights as provided in Chapter 1027 (relating to sale of rights).

(2) Is qualified to renew a transferable right as provided in § 1011.3 (relating to annual rights renewal process).

(3) Does not currently own and is not a person having a controlling interest in an entity that owns a medallion that is in a suspended status as provided in § 1011.14 (relating to voluntary suspension of certificate).

(b) A person that is not a medallion taxicab certificate holder may submit a bid for a medallion if the person has requested a new medallion taxicab certificate through the filing of an SA-1 application as provided in § 1027.6 (relating to application for sale of transferable rights) and the request has not been denied by the Authority prior to the date bids are due. To qualify to bid as a pending medallion taxicab certificate holder, the SA-1 shall be filed 30 days or more before the date bids are due. Participation in the bidding process does not guarantee the issuance of the medallion taxicab certificate by the Authority.

(c) Bids submitted in violation of this section will be considered nonresponsive.

Cross References

This section cited in 52 Pa. Code § 1013.31 (relating to purpose and definitions); and 52 Pa. Code § 1013.37 (relating to medallion bid approval process and closing on sale).

§ 1013.33. General provisions.

(a) *Sale by sealed bid.* The Authority will sell taxicab medallions by sealed bid.

(b) *Restriction of medallion rights.* A medallion offered for sale by the Authority may have restrictions attached to it that will run with the medallion in perpetuity or for a shorter expressed period. The Authority will issue restrictions by order and identify a medallion to which a restriction will apply in the notice of the sale as provided in section 5717(b)(1) of the act (relating to additional certificates and medallions).

(c) *Separate public sales.* Separate sales may be conducted for each medallion to be sold by the Authority.

§ 1013.34. Notice of medallion sale by the Authority.

Notice of a proposed sale of a medallion by the Authority will be published in the *Pennsylvania Bulletin* 60 days or more before the sealed bids are due from bidders. The notice will include:

(1) The date and time on which bids are due.

- (2) The location where bids are due.
- (3) The number of medallions to be sold.
- (4) Special restrictions that have been attached to a medallion. Restrictions will be identified and linked to the medallion number identified in the public notice.
- (5) The upset price for each medallion.
- (6) The maximum number of medallions a bidder may purchase at each public bidding session.
- (7) The mandatory closing date.

Cross References

This section cited in 52 Pa. Code § 1013.35 (relating to procedures for bidding); and 52 Pa. Code § 1013.36 (relating to bid opening).

§ 1013.35. Procedures for bidding.

(a) *Bid submissions.* Each bidder shall:

- (1) Submit the bid in a 9" x 12" sealed envelope. The exterior of the sealed envelope must identify, in the English language and Arabic numerals, the medallion number for which the bid is intended and additional information identified in the notice provided under § 1013.34 (relating to notice of medallion sale by the Authority). Information required under this paragraph must be in black ink with characters no smaller than 1 inch high and 1/2 inch wide. For example, a sealed bid for medallion 9999 must display the following on the outside of the sealed envelope: "Bid for medallion 9999."
- (2) Submit only one bid, rounded to the nearest dollar increment, for one medallion per envelope.
- (3) Submit the bid amount on a completed Form No. MA-1 "Bid Cover" in the sealed and marked envelope. Form No. MA-1 is available at www.philapark.org/tld.
- (4) Include the following with each bid inside the sealed envelope:
 - (i) A deposit of 10% of the bid amount in a certified check, bank check or money order drawn on a Federally- or State-insured bank payable to the "Philadelphia Parking Authority." The deposit will be nonrefundable as to the highest conforming bidder and credited toward the sale price if the sale is approved. The deposit will be returned to unsuccessful bidders.
 - (ii) A bank statement in the name of the bidder evidencing sufficient funds to purchase the medallion or a letter of commitment for no less than 80% of the bid amount, issued by a bank, credit union or other lender licensed to do business in this Commonwealth.
- (5) Submit each sealed bid by hand delivery at the time and place designated in the sale notice as provided in § 1013.34.

(b) *Late bids.* A bid presented to the Authority after the time designated or to a location other than that designated in the sale notice as provided in § 1013.34 will not be accepted.

(c) *Required certifications.* Form No. MA-1 will include provisions through which each bidder shall provide the following information with an accompanying verification:

(1) The bidder has not relied on statements or representations from the Authority in determining the amount of the bid.

(2) The bidder has not colluded, consulted, communicated or agreed in any way with another bidder or prospective bidder for the purpose of restricting competition or of inducing another prospective bidder to submit or not to submit a bid for the purpose of restricting competition.

(3) The bidder has not disclosed a bid price, directly or indirectly, to another bidder for the purpose of restricting competition or of inducing another prospective bidder to submit or not to submit a bid for the purpose of restricting competition.

(4) The bidder is not an owner, partner, member, officer, shareholder or key employee of another bidder.

(5) The bidder is not a person with a controlling influence over another bidder.

(d) *Nonresponsive bids.* The following will be considered nonresponsive bids and rejected:

(1) Bids that do not comply with the requirements of this section.

(2) Bid packages containing bids for more than one medallion.

(3) Bids that are nonresponsive or nonconforming in any other respect.

(4) Bids below the upset price.

(e) *Bids final.* All bids are considered final and a bidder will not be allowed to correct a bid after submission.

Cross References

This section cited in 52 Pa. Code § 1013.36 (relating to bid opening).

§ 1013.36. Bid opening.

(a) *Opening of bids.* The sealed bids will be opened in public and not before the time designated in the notice of a proposed sale provided under this subchapter.

(1) Each bidder, or an individual authorized as the bidder's representative as provided in § 1001.28 (relating to power of attorney), shall be present at the bid opening to address issues that may arise during the bidding process, including the event of a tie bid.

(2) The winning bid for each medallion will be the highest bid for that medallion that is complete and responsive.

(3) Tie bids will be decided through subsequent sealed bids between only the tied bidders. The sealed bids to break the tie shall be submitted on the same day as the bid opening pursuant to the instructions of the Director. This process will also be used to determine tie bids for placement on the list as provided in subsection (b).

(4) The winning bids will be announced at the public sale, posted in the lobby of the TLD Headquarters and listed on the Authority's web site at www.philapark.org/tld.

(5) The winning bidder will be notified by the Authority of its winning bidder status as provided in § 1001.51(b)(3) (relating to service by the Authority).

(6) The winning bidder shall appear before the Director or a designee at TLD Headquarters within 5 business days of notice of the winning bid to acknowledge acceptance of the medallion and to confirm that all sale documentation has been properly completed and filed as provided in Chapter 1027 (relating to sale of rights).

(7) Winning bids that are not acknowledged as required under paragraph (6) will be deemed withdrawn.

(b) *Nonsuccessful bid review.*

(1) A list of the responsive, nonsuccessful bids in the order from the highest bid amount will be produced and maintained by the Authority for each medallion subject to sale by the Authority.

(2) If the sale of the medallion to the original successful bidder is withdrawn or terminated for any reason or the successful bidder is not approved by the Authority or fails to close on the sale of the medallion by the date designated in § 1013.34 (relating to notice of medallion sale by the Authority), the Director may notify the highest nonsuccessful bidder as provided in § 1001.51(b)(3) and allow the bidder the opportunity to be a successful bidder and complete the sale process.

(3) The highest nonsuccessful bidder shall notify the Director of his decision to become a successful bidder within 5 business days of notice and re-deposit the required deposit amount with the Authority in the form provided in § 1013.35(a)(4)(i) (relating to procedures for bidding). In the event the noticed nonsuccessful bidder elects not to become a successful bidder, the Director may proceed to notify nonsuccessful bidders in order of highest to lowest bid until a successful bidder is obtained.

(4) The Director may amend the mandatory closing date by a period no greater than the time between the bid date and the date the next highest ranking bidder accepts the Director's invitation to become a successful bidder.

(5) The Director may decline to make a selection from the list in paragraph (1) and request authorization from the Board to readvertise the bid process for a medallion after the sale of the medallion to the original successful bidder is withdrawn or terminated for any reason or fails to close by the date designated in § 1013.34.

(c) *Assignment of the winning bid.* A winning bidder may not assign his rights to the winning bid status. An assignment such as this is void.

§ 1013.37. Medallion bid approval process and closing on sale.

(a) The sale of a medallion to a successful bidder is prohibited if that bidder is not qualified to be a medallion certificate holder under the act and this part.

(b) For purposes of reviewing the potential sale of a medallion, the Authority will consider the successful bidder to be the proposed buyer as provided in this part.

(c) If the Director determines that the successful bidder is qualified as provided in the act, this part or an order of the Authority, a recommendation to approve the sale will be presented to the Board for approval at its next regularly scheduled meeting.

(d) Upon approval of the sale by the Authority, the Director will schedule the parties to meet at a time and location where an Authority staff member will witness the closing of the transaction.

(e) An Authority staff member will witness the execution of each document by the proposed buyer or his designated agent. A closing not witnessed by Authority staff is void as provided in sections 5711(c)(5) and 5718 of the act (relating to power of authority to issue certificates of public convenience; and restrictions).

(f) The Authority will issue a new medallion taxicab certificate to the new medallion owner after the closing process if requested by the proposed buyer as provided in § 1013.32(b) (relating to bidder qualifications).

(g) Except as provided in subsection (h), a medallion subject to a completed closing after sale by the Authority may not be transferred or sold for 1 year from the date of closing.

(h) Subsection (g) does not apply to the sale of a medallion in all of the following circumstances:

(1) When each person that owns securities of the corporation, partnership, limited liability company or other form of legal entity that owns a medallion sold under this subchapter has died or is declared incapacitated.

(2) When a person that owns securities of the corporation, partnership, limited liability company or other form of legal entity that owns a medallion sold under this subchapter has died or is declared incapacitated and that person's securities are transferred to the medallion owning entity or another owner of securities in the entity that owns the medallion.

Authority

The provisions of this § 1013.37 temporarily amended under 53 Pa.C.S. § 57B02.

Source

The provisions of this § 1013.37 temporarily amended May 5, 2017, effective February 25, 2017, expire upon promulgation of final-form regulations or on November 5, 2018, whichever is later, as set forth in 53 Pa.C.S. § 57B02(b), 47 Pa.B. 2558. Immediately preceding text appears at serial pages (372890) to (372891).

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