

Subpart C. LIMOUSINES

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Cross References

This subpart cited in 52 Pa. Code § 1011.2 (relating to definitions); 52 Pa. Code § 1021.3 (relating to designation of taxicab driver's certificates); 52 Pa. Code § 1027.2 (relating to transferable rights); and 52 Pa. Code § 1029.1 (relating to purpose).

CHAPTER 1051. GENERAL PROVISIONS

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§ 1051.1. Purpose.

This subpart establishes and prescribes Authority regulations and procedures for limousine service in Philadelphia.

§ 1051.2. Definitions.

The following words and terms, when used in this subpart, have the following meanings, unless the context indicates otherwise:

Broker—An individual authorized by the Authority as provided in § 1061.1 (relating to broker registration) to prepare application-related documents, appear at settlement and otherwise act on behalf of a party as to matters related to the sale or transfer of transferable rights.

Controlling interest—

(i) A controlling interest is an interest in a legal entity, applicant or certificate holder if a person's voting rights under state law or corporate articles or bylaws entitle the person to elect or appoint one or more of the members of the board of directors or other governing board or the ownership or beneficial holding of 5% or more of the securities of the corporation, partnership, limited liability company or other form of legal entity, unless this presumption of control or ability to elect is rebutted by clear and convincing evidence. A member, partner, director or officer of a corporation, partnership, limited liability company or other form of legal entity is deemed to have a controlling interest.

(ii) A person who owns or beneficially holds less than 5% of the securities of a privately held domestic or foreign corporation, partnership, limited liability company or other form of privately held legal entity shall be deemed as having rebutted the presumption of control by clear and convincing evidence.

Department of Transportation—The Department of Transportation of the Commonwealth of Pennsylvania.

Driver history report—A driver's license report issued by the Department of Transportation or similarly authorized government entity in another jurisdiction of the United States containing details about a driver's history including accidents and violations issued by a jurisdiction within the United States.

Driver's license—A license or permit to operate a motor vehicle issued by the Department of Transportation or similarly authorized government entity in another jurisdiction of the United States.

Federal Tax Identification number—The Social Security number of an individual or the Employer Identification number of a business entity, fiduciary or other person.

Holding company—A person, other than an individual, which, directly or indirectly, owns, has the power or right to control or to vote 20% or more of the outstanding voting securities of a corporation or other form of business organization. A holding company indirectly has, holds or owns any power, right or security if it does so through an interest in a subsidiary or successive subsidiaries.

Inspector—Enforcement Department uniformed or non-uniformed staff assigned to investigate and enforce the act, this part and orders of the Authority who will be identifiable by an Authority-issued badge number.

Key employee—An individual who is employed in a director or department head capacity and who is empowered to make discretionary decisions that affect the operations of an applicant or regulated person.

Limousine certificate—A certificate granting the owner the right to operate a class of limousine service under this subpart.

Limousine driver's certificate—The original photographic identification card issued by the Authority which confirms that an individual has complied with Chapter 1057 (relating to limousine drivers) and is authorized to provide limousine service under section 5706 of the act (relating to driver certification program).

Major violation—A suspension or cancellation of a state-issued driver's license as a result of a moving violation.

Moving violation—A violation issued by the Commonwealth or any of its political subdivisions for a violation of 75 Pa.C.S. (relating to Vehicle Code), or under a similar statute under any other jurisdiction, that upon conviction of the violation points are assessed against the driver's license.

Parking violations—Any debt owed to the City of Philadelphia related to a violation of the Philadelphia Traffic Code (12 Phila. Code §§ 100—3012) that is not under appeal.

Proposed buyer—The party seeking to acquire an ownership interest in a certificate.

Traffic violations—Any debt owed the Commonwealth or one of its political subdivisions for violations of 75 Pa.C.S. that is not under appeal.

Transfer fee—The nonrefundable fee charged by the Authority to review an application to sell transferable rights.

Authority

The provisions of this § 1051.2 temporarily amended under 53 Pa.C.S. § 57B02.

Source

The provisions of this § 1051.2 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 (360479) to (360480) and (374013).

Cross References

This section cited in 52 Pa. Code § 1051.8 (relating to limousine service limitations); 52 Pa. Code § 1057.4 (relating to ineligible persons for limousine driver certificate); and 52 Pa. Code § 1059.6 (relating to required application information).

§ 1051.3. Annual rights renewal process.

(a) *Expiration of driver's certificate.* A limousine driver's certificate will expire 1 year from its date of issuance or renewal unless a limousine driver opts to pay no more than double the annual fee as provided in § 1051.4 (relating to annual assessments and renewal fees) to be issued a limousine driver certificate to expire 2 years from its date of issuance or renewal.

(b) *Expired rights.*

(1) Expired rights may be placed out of service by the Authority as provided in § 1003.32 (relating to out of service designation).

(2) Limousine driver certificates that have been expired for 2 years or more will be deemed cancelled.

(c) *Renewal forms.*

(1) Limousine driver certificates shall be renewed by completing and filing Form DR-3 “Driver Renewal” with the Manager of Administration. Renewal forms may be obtained on the Authority’s web site at www.philapark.org/tld or from TLD Headquarters.

(2) Form DR-3 may require the submission of additional information or documents to confirm continuing eligibility and under the act, this part and orders of the Authority and shall be verified as provided in § 1001.36 (relating to verification and affidavit).

(3) Form DR-3 shall be filed between 60 and 90 days before the expiration date printed on the limousine driver’s certificate.

(d) *Renewal denial.* The Authority will deny renewal of a limousine driver certificate in the following circumstances:

(1) If the owner of the rights subject to renewal fails to complete the renewal process.

(2) The renewal process reveals information about the renewing person that would result in a denial of an initial application for the rights.

(3) The renewing person fails to comply with § 1051.4.

(e) *Incomplete renewals.* If the filing requirements of the renewal form are incomplete for any reason, including compliance with § 1051.6 (relating to payment of outstanding fines, fees and penalties), the regulated party shall have 90 days from the filing date of the renewal form to complete the renewal process or the application will be rendered void.

(f) *Suspended driver rights.* Rights subject to suspension for any reason shall be renewed on the dates and in the manner provided by this section regardless of the suspended status.

(g) *New certificates.* A certificate will not be subject to the information filing requirements of subsection (h) during the calendar year in which it is first issued.

(h) *Limousine information filing.*

(1) The owner of limousine rights shall complete on an annual basis Form LM-1 “Limousine Renewal” to ensure continued compliance with the act, this part and the orders of the Authority.

(2) Form LM-1 shall be verified as provided in § 1001.36 and filed with the Manager of Administration on or before March 31 of each year.

(3) Form LM-1 may require the submission of additional information or documents. Form LM-1 may be obtained on the Authority’s web site at www.philapark.org/tld or from TLD Headquarters.

(4) The filing requirements of this subsection apply to rights subject to suspension for any reason.

(5) The failure to file Form LM-1 will subject the applicable rights to an out of service designation as provided in § 1003.32(c).

(6) The TLD will not issue a limousine rights sticker to a vehicle operated through a limousine certificate if the review of the information required under this section reveals information about the certificate holder that would have resulted in a denial of an initial application for the rights. This paragraph does not relieve a certificate holder of any other penalty that may result from non-compliance, nor the obligation to appear at inspections as directed by the TLD.

(7) The LM-1 will be reviewed for all of the following:

(i) The filing does not reveal information about the certificate holder that would result in a denial of an initial application for the rights.

(ii) The certificate holder is in compliance with § 1051.4.

(iii) The certificate holder is in compliance with § 1051.6.

(8) Failure to complete the LM-1 filing requirements of this subsection within 30 days of notice will subject the applicable rights to an out of service designation as provided in § 1003.32(c).

Authority

The provisions of this § 1051.3 temporarily amended under 53 Pa.C.S. § 57B02.

Source

The provisions of this § 1051.3 amended October 17, 2014, effective October 18, 2014, 44 Pa.B. 6665; 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 (374013) to (374014).

Cross References

This section cited in 52 Pa. Code § 1051.4 (relating to annual rights renewal fees); 52 Pa. Code § 1055.1 (relating to definitions); 52 Pa. Code § 1055.19 (relating to prerequisites to inspection); and 52 Pa. Code § 1057.3 (relating to continuing certificates).

§ 1051.4. Annual assessments and renewal fees.

(a) *Assessments and renewal fees.* The owners of rights issued by the Authority shall pay an annual assessment or renewal fee in an amount established each year under section 5707(a) and (c) of the act (relating to budget and assessments) and as set forth in the Authority's annual fee schedule as provided in § 1001.43 (relating to Authority fee schedule).

(b) *Payment of assessments by certificate holders.* The annual assessment for certificate holders is due within 30 days after service of the notice of assessment as provided in section 5707.1(a) of the act (relating to assessment notice and hearings). Upon request by a limousine certificate holder through the LM-1 filing as required under § 1051.3 (relating to annual rights renewal process), the Director may permit certificate holders to pay an assessment in two equal installments within 30 days after service of the notice of assessment as provided in section 5707.1(a) of the act and December 15 of each year.

(c) *Payment of renewal fees by limousine drivers.* The annual renewal fee for limousine drivers is due with the filing of the DR-3 as provided in § 1051.3(c)(3).

(d) *Late assessment or renewal fee payments.* Rights issued by the Authority may be placed out of service at the time an assessment or renewal fee payment becomes late as provided in § 1003.32(c) (relating to out of service designation).

Authority

The provisions of this § 1051.4 temporarily amended under 53 Pa.C.S. § 57B02.

Source

The provisions of this § 1051.4 amended October 17, 2014, effective October 18, 2014, 44 Pa.B. 6665; 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 (374014) to (374015).

Cross References

This section cited in 52 Pa. Code § 1051.3 (relating to annual rights renewal process).

§ 1051.5. Ineligibility due to conviction or arrest.

(a) A person is ineligible to own any interest in any right issued by the Authority if the person, or a person having a controlling interest over the person or a key employee, has been subject to a conviction as defined in § 1001.10 (relating to definitions).

(b) If a regulated party owning a transferable right becomes ineligible to hold rights issued by the Authority due to a conviction, the regulated party shall immediately cease use of the rights and initiate the sale of the rights to an eligible person as provided in Chapter 1059 (relating to applications and sale of rights). If the regulated party is an individual limousine certificate holder or the sole owner of the securities of a limousine certificate holder, that person shall surrender to the Authority any limousine rights stickers to hold for safekeeping until the rights are sold.

(c) A regulated party or applicant shall inform the Director within 72 hours of being subject to an arrest or conviction as defined under § 1001.10.

(d) If a criminal prosecution is initiated against a regulated party for a crime that may lead to a conviction as defined in § 1001.10, the Enforcement Department or trial counsel may place the subject rights out of service as provided in § 1003.32 (relating to out of service designation).

Authority

The provisions of this § 1051.5 temporarily amended under 53 Pa.C.S. § 57B02.

Source

The provisions of this § 1051.5 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 (360483).

Cross References

This section cited in 52 Pa. Code § 1051.8 (relating to limousine service limitations); 52 Pa. Code § 1051.14 (relating to death or incapacitation of a certificate holder or certain persons with controlling interest); 52 Pa. Code § 1055.19 (relating to prerequisites to inspection); and 52 Pa. Code § 1059.6 (relating to required application information).

§ 1051.6. Payment of outstanding fines, fees and penalties.

(a) Regulated persons and applicants for any right issued by the Authority shall pay all assessments, fees, penalties and other payments due to the Authority

under the act, this part or an order of the Authority on schedule, unless the matter related to the payment is under appeal.

(b) Regulated persons and applicants for any right issued by the Authority shall remain current on the payment of parking violations and traffic violations, unless the violation is under appeal.

(c) For purposes of this section, regulated persons and applicants include those with a controlling interest in the regulated person or applicant, or both.

Authority

The provisions of this § 1051.6 temporarily amended under 53 Pa.C.S. § 57B02.

Source

The provisions of this § 1051.6 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 (360483) to (360484).

Cross References

This section cited in 52 Pa. Code § 1051.3 (relating to annual rights renewal process); 52 Pa. Code § 1051.13 (relating to voluntary suspension of certificate); 52 Pa. Code § 1055.19 (relating to prerequisites to inspection); 52 Pa. Code § 1057.5 (relating to standards for obtaining a limousine driver's certificate); 52 Pa. Code § 1057.8 (relating to certain training subjects); and 52 Pa. Code § 1059.6 (relating to required application information).

§ 1051.7. Facility inspections.

(a) Inspectors may enter upon the premises of limousine certificate holders where limousines are parked, stored or maintained during ordinary business hours to inspect vehicles or records, or both, associated, with the operation of limousines in Philadelphia, including inspection reports and lease agreements between the certificate holder and another regulated party.

(b) Inspectors may enter upon the premises of brokers during ordinary business hours to review records related to either completed or pending transfers filed with the Authority as provided in § 1059.5 (relating to application for sale of transferable rights) to assure compliance with the act and Chapter 1061 (relating to brokers).

Cross References

This section cited in 52 Pa. Code § 1051.10 (relating to record retention).

§ 1051.8. Limousine service limitations.

(a) *Providers.* Except as provided in subsection (d), only the following individuals may provide limousine service:

- (1) The owner, if the owner is a limousine driver.
- (2) An employee of the certificate holder who is a limousine driver.
- (3) A limousine driver who leases the limousine directly from the certificate holder.

(b) *Supervision.* A certificate holder shall continually supervise its limousine to make certain that only those limousine drivers authorized by this section provide limousine service. A limousine certificate holder is required to ensure that a

person holds a valid limousine driver's certificate issued by the Authority before permitting the person to drive a limousine.

(c) *Criminal history and driver history reports.*

(1) A limousine certificate holder is required to conduct or have a third party conduct annual criminal history and driver history checks for all limousine drivers operating a limousine vehicle under the certificate holder.

(i) The criminal history report shall be conducted on a local and National background check, which must include a multistate or multijurisdictional criminal records locator or other similar commercial Nationwide database with primary source validation and a review of the United States Department of Justice's National Sex Offender Public Website.

(ii) The driver history report shall be obtained from the Department of Transportation or similarly authorized government entity in another jurisdiction of the United States containing details about a driver's history including accidents and violations issued by a jurisdiction within the United States.

(2) A limousine certificate holder shall review the criminal history and driver history reports before a limousine driver operates a limousine vehicle, and on an annual basis thereafter, to ensure the driver has not been subject to a conviction as defined under §§ 1001.10 and 1057.4 (relating to definitions; and ineligible persons for limousine driver certificate), holds a current valid driver's license, and has not been subject to three moving violations or a major violation as defined under § 1051.2 (relating to definitions).

(3) A limousine driver whose criminal history or driver history renders the driver ineligible to operate a limousine vehicle under § 1051.5 (relating to ineligibility due to conviction or arrest) or § 1057.4 shall be immediately disqualified by the limousine certificate holder and the disqualification shall be reported to the Director within 48 hours.

(4) Records required to be maintained by a limousine certificate holder under this subsection are subject to audits by the Authority under § 1051.10(d) (relating to record retention).

(d) *Funeral homes.* This section does not apply to an individual hired by a funeral home to drive a limousine for funeral related services. The funeral service drivers may not be in violation of § 1051.5, shall submit to a criminal background check by the TLD and evidence possession of a valid State-issued driver's license.

(e) *Personal vehicle use prohibited.* A vehicle registered as a limousine within this Commonwealth may not be operated as a personal vehicle by a driver affiliated with a TNC under Chapter 57A of the act (relating to transportation network companies).

Authority

The provisions of this § 1051.8 temporarily amended under 53 Pa.C.S. § 57B02.

Source

The provisions of this § 1051.8 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 (360484).

1051-8

Cross References

This section cited in 52 Pa. Code § 1051.10 (relating to record retention).

§ 1051.9. Discrimination in service.

A regulated person may not refuse service to a member of the public on the basis of gender, sexual orientation, race, religious preference, nationality, age, point of origin, point of destination or to a person with a disability.

§ 1051.10. Record retention.

(a) *Records to be maintained.* All of the following records shall be maintained in the English language for 2 years from the date of origin:

(1) *Limousine certificate holders.*

(i) All Philadelphia limousine service trip logs, which may be maintained on digital or other electronic devices as approved by the Authority upon detailed written request by the certificate holder.

(ii) A list of limousine drivers and dates employed.

(iii) Each lease agreement for a limousine.

(iv) Records of payment by a driver under each lease agreement for a limousine.

(v) Records related to accidents involving vehicles used as limousines, including repair records.

(2) *Brokers.* Brokers shall retain all documents submitted to the Authority for review of each proposed sale of rights, including closing documents.

(b) *Order.* Paper or electronic records, or both, shall be maintained in chronological order by date and time of day.

(c) *Review by Authority.* A regulated party shall produce records maintained under subsection (a) to the Authority upon written request or upon inspection as provided in § 1051.7 (relating to facility inspections). If the records require a special form of software to search or interpret, a regulated party shall make that software available to the Authority.

(d) *Audit of driver records.*

(1) *Maintenance period.* Limousine certificate holders shall maintain records in the English language for 2 years from the date of origin concerning limousine drivers under § 1051.8(b) (relating to limousine service limitations).

(2) *Compliance audit.* The Authority may conduct a compliance audit of the records required to be maintained by a limousine certificate holder under § 1051.8(b) to verify that the certificate holder has complied with the limousine driver screening requirements and to confirm that the certificate holder's limousine drivers are eligible to provide limousine service under this part.

(3) *Audit designation.* Upon the random selection of a limousine vehicle being called for a compliance inspection under § 1055.11 (relating to sched-

uled compliance inspections), the limousine certificate holder will be notified by the Manager of Administration that it has also been designated for an audit under this section.

(i) Within 5 business days of receiving an audit designation, the limousine certificate holder shall make available for visual inspection to the Authority the records required to be maintained under § 1051.8(b) for each limousine driver that has provided limousine service in the immediately preceding 1 year using the limousine vehicle that was called for a compliance inspection.

(ii) The records shall be produced in person to the Manager of Administration or by email to TLDAdmin@philapark.org.

(iii) If an audit reveals that the limousine certificate holder authorized a limousine driver to provide limousine service when the criminal history report or driver history report revealed that the limousine driver was ineligible under this part or the certificate holder did not conduct the annual records required under § 1051.8(b), the Authority may impose a penalty against the limousine certificate holder and limousine driver under § 1001.61 (relating to penalties) and may subject the rights to an out of service designation under § 1003.32 (relating to out of service designation).

(iv) The limousine certificate holder shall immediately remove a non-compliant limousine driver identified as provided in subparagraph (iii) from limousine service upon the Authority's direction.

(v) The Authority may alert other limousine certificate holders of the ineligibility of the noncompliant limousine driver to protect the public good.

(4) *Remedial audits.*

(i) In the event that an audit discrepancy is identified as specified in paragraph (3)(iii), the Authority may direct a limousine certificate holder to submit a follow-up report detailing its efforts to ensure compliance with § 1051.8(b).

(ii) In the event that that an egregious audit discrepancy is identified, multiple audit discrepancies are identified or the Authority makes a determination that a limousine certificate holder has failed to reasonably cooperate in the driver information audit process, the Authority may direct a limousine certificate holder to participate in remedial audits.

(iii) A determination under this section is subject to § 1005.24 (relating to appeals from actions of the staff).

(iv) A remedial audit shall proceed as provided in subparagraph (3) and may subject a review of all limousine drivers providing service in any limousine vehicle owned by the certificate holder during the immediately preceding year regardless of whether the associated limousine vehicle was called for a compliance inspection.

(v) The Authority may direct one remedial audit at any time each month for a 4-month period following discovery of a violation under this section.

(e) *Enforcement investigations.* This section may not be construed to limit the power of the Authority to conduct enforcement investigations related to this part or the obligation of certificate holders and limousine drivers to cooperate with the investigations and produce information demanded as required under this part.

Authority

The provisions of this § 1051.10 temporarily amended under 53 Pa.C.S. § 57B02.

Source

The provisions of this § 1051.10 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 (373569).

Cross References

This section cited in 52 Pa. Code § 1051.8 (relating to limousine service limitations); and 52 Pa. Code § 1057.16 (relating to trip sheet requirements).

§ 1051.11. Aiding or abetting violations.

A person may not aid, abet, encourage or require a regulated party to violate the act, this part or an order of the Authority.

§ 1051.12. Interruptions of service.

A discontinuance in the provision of limousine service for 5 or more consecutive days shall be reported by the certificate holder to the Manager of Enforcement in writing within 7 days of the beginning of the discontinuation of service. The written report must include the cause of interruption and its probable duration and may be forwarded by email.

Cross References

This section cited in 52 Pa. Code § 1051.13 (relating to voluntary suspension of certificate).

§ 1051.13. Voluntary suspension of certificate.

(a) A certificate holder may apply to place a certificate in a voluntary state of suspension as provided in subsection (b) to avoid penalties for violation of § 1051.12 (relating to interruptions of service).

(b) To request approval from the Authority for the voluntary suspension of a certificate, the certificate holder shall file a completed CPC-1 “Voluntary Suspension Application” with the Director and pay the application fee as provided in §§ 1001.42 and 1001.43 (relating to mode of payment to the Authority; and Authority fee schedule). The CPC-1 may be obtained at www.philapark.org/tld.

(c) Before a CPC-1 is granted, a certificate holder shall be in compliance with § 1051.6 (relating to payment of outstanding fines, fees and penalties).

(d) A period of voluntary suspension may begin only upon surrender to the Authority of the TLD limousine rights sticker for each vehicle subject to the voluntary suspension.

Authority

The provisions of this § 1051.13 temporarily amended under 53 Pa.C.S. § 57B02.

Source

The provisions of this § 1051.13 amended September 12, 2014, effective September 13, 2014, 44 Pa.B. 5867; 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 (373569) to (373570)

§ 1051.14. Death or incapacitation of a certificate holder or certain persons with controlling interest.

(a) *Definition.* The following word, when used in this section, has the following meaning, unless the context indicates otherwise:

Incapacitation—A determination by a court that an individual is incapacitated as provided in 20 Pa.C.S. § 5511 (relating to petition and hearing; independent evaluation), or for non-Pennsylvania residents, a substantially similar order from a court of competent jurisdiction.

(b) *Death or incapacitation of an individual certificate holder.*

(1) Except as provided in subsection (d), upon the death or incapacitation of an individual certificate holder, the operation or use of Authority rights conferred by the certificate may continue with the legal representative of the deceased or incapacitated certificate holder.

(2) The legal representative of the deceased or incapacitated certificate holder shall immediately notify the Authority in writing upon the death or incapacitation and provide to the Authority the legal representative's mailing address, telephone number and email address along with the applicable documentation proving legal authorization to act on the part of the certificate holder.

(3) The legal representative of the deceased or incapacitated certificate holder shall immediately begin the process of finding a qualified person to buy the certificate as provided in Chapter 1059 (relating to applications and sale of rights), including the use of a broker or attorney. Nothing in this section prohibits the legal representative from applying to the Authority to obtain the transferrable rights.

(4) If an SA-1 for the transferable right is not correctly filed, as provided in Chapter 1059 within 90 days of the date the certificate holder died or was declared incapacitated, the certificate will be placed out of service as provided in § 1003.32 (relating to out of service designation) and may be cancelled upon determination of a formal complaint filed by the Enforcement Department or trial counsel.

(5) If an SA-1 for the transferable right is correctly filed within 90 days of the date the certificate holder died or was declared incapacitated, the rights conferred by the certificate shall continue with the legal representative of the deceased or incapacitated certificate holder for the duration of the SA-1 review period and through closing on the sale.

(c) *Death, incapacitation or dissolution of certain persons with controlling interest in a certificate.*

(1) Except as provided in subsection (d), upon the death, incapacitation or dissolution of a person that owns 5% or more of the certificate holder's securities, the operation or use of the Authority rights conferred by the certificate may continue with either the certificate holder or with the legal representative of the deceased, incapacitated or dissolved person.

(2) The certificate holder or legal representative of the deceased, incapacitated or dissolved person shall immediately notify the Authority in writing upon the death, incapacitation or dissolution of the person and provide to the Authority the legal representative's mailing address, telephone number and email address along with the applicable documentation proving legal authorization to act on the part of the deceased, incapacitated or dissolved person.

(3) The certificate holder or legal representative of the deceased, incapacitated or dissolved person shall immediately begin the process of finding a qualified person to buy the securities of the certificate holder referenced in paragraph (1) as provided in Chapter 1059 including the use of a broker or attorney. Nothing in this section prohibits the certificate holder from acquiring the securities of the person referenced in paragraph (1).

(4) If an SA-1 for the sale of the securities referenced in paragraph (1) is not correctly filed as provided in Chapter 1059 within 6 months of the date of that person's death, incapacitation or dissolution, the certificate will be placed out of service as provided in § 1003.32 and may be cancelled upon determination of a formal complaint filed by the Enforcement Department or trial counsel.

(5) If an SA-1 for the sale of the securities referenced in paragraph (1) is correctly filed, as provided in Chapter 1059, within 6 months of the date of the person's death, incapacitation or dissolution, the rights conferred by the certificate shall continue for the duration of the SA-1 review period and through closing on the sale.

(d) *Ineligibility of successor or legal representative.* This section may not be interpreted to permit the operation or use of Authority rights by a person otherwise prohibited from the ability to receive Authority rights. For example, the executor of the estate on a deceased individual certificate holder who would be ineligible to own Authority rights as provided in § 1051.5 (relating to ineligibility due to conviction or arrest) may not operate or supervise the operation of the rights conferred by the certificate.

Authority

The provisions of this § 1051.14 temporarily amended under 53 Pa.C.S. § 57B02.

Source

The provisions of this § 1051.14 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 (373570) and (360487).

§ 1051.15. Power of successors by law.

(a) If a trustee, receiver, assignee, custodian or similar officer or officers is appointed by a court of competent jurisdiction, or is selected by creditors in

accordance with provisions of law, with authority to take or retain possession and to operate the property and business of a certificate holder, the officer shall have authority to perform the service authorized in the certificate of the debtor certificate holder for 90 days from his appointment or selection.

(b) The appointed officer may petition the Authority for authorization to exercise the rights conferred by the certificate for an additional period of time, and the Authority may, for good cause shown, grant authority.

(c) If the petition is filed within 60 days of the appointment or selection of the petitioner, the appointed officer shall have authority to exercise the rights conferred by the certificate pending a decision by the Authority on the petition. Pertinent orders or decrees of the court having jurisdiction may be deemed cause for the granting of petitions by the Authority.

§ 1051.16. Limitations.

Operations covered under §§ 1011.15 and 1011.16 (relating to death or incapacitation of a certificate holder or certain persons with controlling interest; and power of successors by law) are subject to the terms and conditions of the certificate of public convenience and may not be conducted without full compliance with the act, this part or an order of the Authority, including insurance coverage.

§ 1051.17. Application review generally.

Applications for rights required under this subpart will be reviewed as provided in § 1003.51 (relating to applications generally).

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