To: Michael V. O'Brien, City Manager  
From: Gary J. Gemme, Chief of Police  
Date: July 26, 2010  
Re: Taxi and Livery Regulations

In order to ensure the safety of the public, the police department of the City of Worcester, is charged with the oversight of vehicles for hire. Vehicles for hire include taxicab, limousine, and livery services. The current Taxi and Livery Regulations of the Chief of Police were adopted on July 8, 2008. These revised rules were promulgated with the intent to regulate the livery service and create comparable public safety standards of licensing, inspection, and oversight for all vehicles for hire.

The definitions related to for hire vehicles, including a taxi, limousine, and livery are stated in the rules and regulations. There are many differences that set the operational parameters for these three distinct transportation services. All taxi vehicles require the ownership of a medallion. The medallion authorizes specific operational practices such as picking up a fare that hails a taxicab on any public street or standing in a designated taxi stand. The prearrangement of services is not a requirement for hiring a taxi. The taxi vehicle is marked and identifiable and is metered for the purpose of establishing the rate charged for services.

A livery service does not require a medallion but is prohibited from picking up a fare that hails for service on a public street or standing in a designated taxi stand. Essentially a livery is hired on a prearranged basis with the preferred method of payment made by a check or credit card. A livery does not have a rate meter and is not allowed to charge for services based upon miles if the trip is less than twenty-five miles. However, taxi and liveries are now subjected to the same public safety standards for licensing, inspection, and oversight.

The inability of the taxi and livery companies to coexist in the public transportation service market has resulted in a public and political debate as to what constitutes the difference between a legitimate and illegitimate or illegal taxi services. In order to clearly delineate the difference between a taxi service and a livery service the debate focused on the word prearranged. As a result of City Council input and public hearings, the word prearranged was defined in the Taxi and Livery Regulations of the Chief of Police as a twelve hour notice for the purpose of hiring a livery vehicle.
This rule has created a number of public safety concerns for the police department and it has become the major source of violations by livery operators. After receiving a multitude of citations and serving four suspensions for essentially violating the 12 hour rule, the livery industry continues to provide transportation service to its clients. A fifth suspension is pending and the main infraction, again, are violations of the twelve hour prearrangement rule that was adopted in July of 2008. The livery industry contends that the 12 hour rule is unreasonable and based upon the number of citations issued and the resources expended in trying to obtain compliance it may also be an unenforceable rule.

It appears that the unintended consequence of the 12 hour rule is to drive livery operators underground, creating a new illegal livery industry where operators are unlicensed and vehicles are no longer registered as livery vehicles. Livery operators are using an assortment of personal vehicles in order to serve their clients. The clear public safety concern is that these livery operators and the vehicles they drive are not subjected to the current public safety standards of licensing, inspection, and oversight. Setting these standards and gaining compliance by livery operators and owners was the original intent of the revised regulations.

In discussions with the livery owners they expressed a commitment to following the rules related to licensing, inspection, and oversight. The livery owners indicated that their businesses are threatened by the twelve hour prearrangement rule and the increasing number of independent unlicensed livery drivers using an assortment of uninspected and unlicensed vehicles. Properly licensed drivers and safe and inspected vehicles is a public safety priority. It is possible that the 12 hour rule may be an obstacle to achieving this objective. From the law enforcement perspective the 12 hour rule is not directly related to public safety and the lack of compliance to a rule, perceived as unreasonable by the livery industry, is taxing the limited personnel and financial resources of the police department.

In the interest of public safety, enforcement of the 12 hour rule will be suspended until August 31, 2010. During this moratorium, the livery owners and their drivers have agreed to conform to all other licensing, inspection, and oversight requirements. Monitoring of their compliance with all the other applicable rules and regulations will occur during the month of September. The pending suspension will be postponed during this period.

The intent of the trial period is to accurately assess the livery industry’s contention that the twelve hour prearrangement rule is unreasonable and a major obstacle to conforming to the Taxi and Livery Regulations of the Chief of Police. It will also be used to measure the livery owners and operators commitment to adhering to the public safety considerations regarding licensing, inspection, and oversight. At the conclusion of the trial period the options with regard to the 12 hour rule would be to keep it, modify it, or delete it from the rules and regulations. The level of compliance and cooperation by the livery operators and owners will be a key factor in making a determination as to a reasonable standard for prearranged services.

Respectfully submitted,

Gary J. Gemme
Chief of Police