

Checker Cab Company  
2128 Trumbull  
Detroit, MI 48216  
December 1, 2014

Michigan Senate  
Regulatory Reform Committee  
P.O Box 30036  
Lansing, MI 48909-7536

Dear Honorable Committee Members,

Checker Cab is the oldest and largest cab company in Michigan dispatching 400 vehicles and servicing nearly 5 million passengers each year. Checker dispatches to vehicles that are regulated locally and vehicles that are regulated under the State Limousine Act 271 of 1990.

Checker supports SB184 and SB188 which amends the Limousine Act 271 of 1990. SB184 simply restores the local regulation of Limousines in cities with a population of 500,000 or more and equally recognizes Transportation Network Drivers and Transportation Network vehicles as a distinctive type of Limousine under the Act.

SB184 does not add a single licensing requirement on the Independent Contractors operating as a Transportation Network Driver, a Transportation Network Vehicle Owner, a Limousine Driver or a Limousine Owner that is not already a requirement under the existing Limousine Act 271. It simply lowers the population threshold for local regulation from 750,000 to 500,000 and recognizes two types of Limousines, Transportation Network and "Standard" Limousines.

SB184 maintains a level and equal regulation for all For Hire vehicle operators providing a basic Consumer safety and protection framework for less populated municipalities and allows additional regulations in cities with a population of 500,000 or more. Allowing local regulation in densely populated cities reduces the States burden of oversight and places oversight locally where the resources are more available.

There are a few key words that I will repeat, Independent Contractor, Distinctive, Licensing, and Equally.

Transportation Network Companies are Dispatch services, and generally do not own or operate the vehicles that provide the transportation services. They connect clients to a third party Independent Contractor that provides the transportation service. The Transportation Network Company provides an automated reservation system connecting a client needing transportation from point A to point B with an Independent Contractor that provides the on street For Hire transportation services. GPS, handheld computers, automated phone app dispatching services and wireless communication is not a new technology in public

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transportation, it has been deployed in various forms for years. Transportation Network Companies have simply enhanced existing technology for a user friendly App.

Transportation Network Companies have successfully used this technology and marketed themselves as different, this bill provides them that Distinctive recognition as a specific type of Limousine but more importantly does not place a single obstacle or hindrance on a Transportation Network Company operating in Michigan. Again, the regulations in Michigan already exist in the Limousine Act 271 of 1990 which regulates the Driver and Vehicle Owner, the For Hire Independent Contractor that performs the service of transporting clients from Point A to Point B.

This bill does not implement any single new State regulation or State requirement on a Transportation Network Company, Transportation Network Vehicle, a Limousine Driver, or Limousine Owner that has not been in effect since 1990. The licensing process and requirements that all limousines including Transportation Network Vehicles and Drivers currently have to comply with does not change with this amendment.

This bill ensures that the transportation providers, the vehicles on the street and the drivers operating them are treated EQUALLY and comply with a basic regulatory frame work to ensure public safety. Each Driver must secure the same Michigan Chauffeurs License, Each Vehicle Owner must have the same commercial insurance coverage, each vehicle owner must secure the same Commercial License Plate and Certificate of Authority.

In summary:

Any vehicle transporting passengers for hire today in the State of Michigan must be currently Licensed under the Limousine Act 271 PERIOD. In fact, MDOT issued several Cease and Desist orders in 2013 to Transportation Network Companies ordering them not to dispatch trips to vehicles that are not in compliance with the Act.

If a Transportation Network Company, a Transportation Network vehicle owner, a Transportation Network Driver or a limousine operator or Limousine driver indicates that they will have to shut down or pull out of Michigan due to the passage of this Bill, they would be misleading you.

Any transportation provider, whether they are a Limousine or a Transportation Network provider that is currently operating in Michigan will not be affected when this bill passes, unless they are currently operating in violation of the existing State Law.