



FINANCE, REVENUE AND BONDING COMMITTEE

MARCH 16, 2012

RSB 401 AN ACT CONCERNING LIVERY SERVICES

TESTIMONY OF MARCO HENRY, PRESIDENT OF THE YELLOW CAB COMPANY

Good morning Senator Daily, Representative Widlitz and members of this Committee. My name is Marco Henry, and I am President of the Yellow Cab Company, Connecticut's second largest taxicab company located in Bloomfield. I am here today to testify in opposition of Raised Senate Bill 401 AN ACT CONCERNING LIVERY SERVICES.

This proposal attempts to remove taxicabs and motorbuses from listed services exempted as intrastate transportation services.

This exemption was specifically added because of the public nature of the service being provided by taxicabs. Any change in this exemption would simply drive up the cost of taxicab fares throughout Connecticut. At a time when various forms of public transportation are under pressure to increase rates, this will only add another layer of inflationary burden on the general riding public. Unlike livery services which are for private hire, taxicabs regularly do not get to set in advance the ultimate destination point of the fare. Taxicabs are not a direct competitor to livery services and once engaged, cannot refuse service to the general public. Also, unlike pre-scheduled livery services, taxicabs have rates determined by the Connecticut Department of Transportation.

Removing this exemption would also place an additional burden on taxicab drivers, many of whom lease their cabs and would place them in the difficult position of having to distinguish between and intra-territory (non-taxable) and out of out-of-territory (taxable)

fare. In addition, the cab driver would be burdened with obtaining a tax ID number and remitting any added tax to the State of Connecticut. This additional record keeping and accounting would be difficult task for taxi drivers and virtually impossible for the State to regulate. The expense associated with such a change will absorbed by the State and the riding public.

I respectfully suggest that the changes embodied in this proposal make little sense and should be summarily rejected by this Committee.

Thank you