



INSTITUTE FOR JUSTICE
MINNESOTA CHAPTER

Statement of Anthony Sanders, Institute for Justice, to the City of Milwaukee Public Transportation Review Board, May 9, 2014

The Institute for Justice is very heartened to hear that the City of Milwaukee is considering completely lifting its cap on taxicabs. We are also heartened that the proposed ordinance would recognize the practice of ridesharing, such as that offered by the companies Uber and Lyft, and allow additional transportation alternatives. While as of the drafting of this testimony we have not seen a copy of the proposed ordinance that would do this, #131800, what we have heard in the press is encouraging.

The Institute for Justice is a non-profit libertarian public interest law firm. We litigate in various areas, including economic liberty, where we represent aspiring entrepreneurs in numerous occupations across the country. We also advocate for the expansion of economic liberty in various state legislatures and city councils.

We represented the plaintiffs in the case *Ibrahim, et al. v. City of Milwaukee*, No. 11-CV-15178, where the court ruled that Milwaukee's cap on taxi licenses was unconstitutional under the Wisconsin Constitution. We have also represented transportation entrepreneurs in various other cases across the country. In one case we represented a taxicab entrepreneur in Minneapolis, Minnesota, where we fought on the same side as the city, successfully defending its decision to completely lift its taxicab cap.

In another case, currently underway in federal court in Chicago, we represent a coalition of ridesharing drivers who use the services of uberX, Lyft, and Sidecar. There, just as here, the city is interested in recognizing ridesharing and is allowing ridesharing drivers to operate while it crafts legislation. In the meantime, taxicab owners have sued the city, asking the court to order the city to arrest ridesharing drivers and compensate taxicab owners for the loss in medallion values cause by ridesharing. We have intervened on the side of the city in that case to defend opportunities for ridesharing drivers and their customers. The principle in that case is a simple one: taxicab owners do not have a constitutional right to be protected from competition.

That principle is true in Milwaukee as well. The interest in the March taxi lottery, as well as the public's embrace of ridesharing, demonstrate that last year's increase of 100 cabs did not go far enough. The limit on cabs never made sense, but makes even less with the opportunity for more, non-taxi, transportation options, whether those be town cars or private vehicles. We therefore encourage the city to craft sensible legislation that addresses true safety concerns, such by requiring safe driving records and inspected vehicles, but does not protect established businesses from competition. At a minimum lift the cap for good.