

SPEAKER

Monday - Feb. 7

approx. 12:30 pm (luncheon)

Mayflower Hotel
Washington, D.C.

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January 7, 1994

Senator nickles went in place of Dole
Senator Dole
109
JWB

The Honorable Robert Dole
United State Senate
141 Senate Hart Office Building
Washington, D.C. 20510

Dear Senator Dole:

The International Taxicab and Livery Association (ITLA) requests that you present the keynote address at their Emergency Legislative Conference on Monday, February 7, 1994, at the Mayflower Hotel in Washington, D.C. You would be the luncheon speaker at approximately 12:30 p.m.

The topic that ITLA would like for you to address is the prospect for enactment of a National Health Care bill in 1994. The ITLA has a special concern over Subtitle C of the President's Health Security Act. The ITLA believes that Congress should continue to establish the guidelines for determining independent contractor status.

The ITLA represents approximately 900 small, family-owned transportation companies, and includes most of the major taxicab companies in the U.S. We anticipate that over 100 members will attend the "emergency" conference. The primary reason the Conference has been called is to address the independent contractor and health care issue. A tentative agenda for the Conference is enclosed.

In appreciation of your participation, a contribution of \$2,000 to a charity or foundation of your choice will be made in your name.

Hope you can fit this in your schedule.

Sincerely,

George D. Webster
George D. Webster

Enclosures

Best wishes for 1994.

TO: Senator Dole
FR: Kerry

*ILTA represents approximately 900 small, family-owned transportation companies, and includes most of the major taxi-cab companies in the U.S.

*75-80 members will be in town for an "emergency conference," to deal with the independent contractor and health care issue.

*George Webster is looking for 15 minutes or so of informal remarks focusing on health care, followed by Q&A.

*Speaking immediately before you on the President's Health Care Plan is former Ohio Governor Richard Celeste,

10/04/93

11:46

SEN. DOLE HART 147

SS OFFICE

202

BOB DOLE
KANSAS
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COMMITTEES:
AGRICULTURE, NUTRITION, AND FORESTRY
FINANCE
RULES

United States Senate

WASHINGTON, DC 20510-1001

September 30, 1993

Honorable Federico F. Peña
Secretary
Department of Transportation
400 Seventh Street, S.W.
Washington, D.C. 20590

Dear Mr. Secretary:

I write to express my concern about changes to the private enterprise policy of the Federal Transit Administration (FTA) which are being considered in the Department of Transportation at the present time.

My interest in the private enterprise aspects of Federal transportation policy is significant and continuing. I am firmly committed to cooperative efforts between public and private entities to maximize access to mass transportation, to the well-being of small business enterprise in the United States, and to the attainment of the goals of the Americans With Disabilities Act (ADA). The private transportation industry is an important component of these interests.

As you know, there is a longstanding and bi-partisan tradition of commitment to private enterprise-sponsored transit service in the United States. The policy of promoting competition in government services often has been reiterated by Vice President Albert Gore, Jr. For example, on May 24, 1993, the Vice President, writing in an Op-Ed column in the New York Times said: "We are working to change the very culture of our Government. We want a Government that measures performance and puts its customers first. We want to inject competition within Government and make Government more market-oriented." Examples of the social and economic benefits achieved under the private enterprise policy and OPSI activity include: opportunities for minorities, cost savings, and attainment of ADA initiatives.

I ask that you please provide me with an outline of your plans for extending the benefits of the private sector policy of the Federal Transit Administration and the programmatic activities of POSI. In this regard, I am particularly interested in the enforcement of the cost comparison provision of the Private Enterprise Policy. I look forward to your early reply.

Sincerely,



BOB DOLE
United States Senate

BD/ga

**EMERGENCY LEGISLATIVE CONFERENCE
Mayflower Hotel, Washington, DC
February 6-8, 1994**

Monday, February 7**Colonial Room, Lower Lobby**

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|---|---|
| 8:00am - Noon | ITLA Registration Open |
| 8:15am - 8:50am | Continental Breakfast |
| 9:00am - 9:15am | Welcome & Conference Overview
Murray Rosenberg, ITLA President |
| 9:15am - 9:45am | "Re-Farming" Issues & Transportation Providers
William "Ken" Keane, Winston & Strawn |
| 9:45am - 10:15am | The FCC's View of "Re-Farming" & IVHS
Beverly Baker, FCC Private Radio Bureau Deputy Chief |
| 10:15am - 10:25am | Break |
| 10:25am - 11:20am | Health Care Issues Impact Transportation Providers
Arthur Herold, Webster Chamberlain & Bean |
| 11:30am - 1:15pm | Lunch in the <u>Chinese Room on the Lobby Level</u> |
| Noon - 12:30pm | Overview of the Democratic Health Care Initiative
Governor Richard Celeste, Democratic Nat'l Comm. |
| 12:30pm - 1:15pm | Overview of the Republican Health Care Initiative
Robert Dole, Senate Republican Leader |
| <u>Colonial Room</u>
1:30pm - 2:00pm | Transit Issues of Concern to the Private Sector
Steven Diaz, Holland & Knight |
| 2:00pm - 2:30pm | Where the FTA Stands on Private Sector Contracting
Gordon Linton, FTA Administrator (not confirmed) |
| 2:30pm - 3:00pm | The Congressional View of Transit Contracting
Bud Shuster, House Public Works & Transportation Comm. |
| 3:00pm - 4:00pm | General Q&A Session
Panel of Attorneys |
| 4:00pm - 5:30pm | Executive Committee Meeting
(Finalize ITLA Positions on Legislation) |
| 5:30pm | Free Evening |

Tuesday, February 8**State Room, Lobby Level**

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| 8:15am - 8:50am | Continental Breakfast |
| 9:00am - 10:00am | Distribution of ITLA Position Papers on Legislative Issues
Murray Rosenberg, ITLA President |
| 10:00am - 4:00pm | Time to Meet with Your Senators and Representative |
| 4:00pm | Conference Adjourns |

ITLA'S POSITION ON HEALTH SECURITY ACT

ITLA represents the taxicab, limousine, livery and van operators in the United States. ITLA opposes the inclusion of Title VII, Subtitle C (§§7301-7303) in the Health Security Act.

BACKGROUND

- For more than 45 years, the IRS has applied the "common law - right to control" test to determine whether a worker is an employee or an independent contractor.
- In 1971, the IRS issued two revenue rulings (71-571 and 71-572) that applied the "common law" test to the taxicab driver to determine employment status.
- Many taxicab companies have had their drivers declared to be independent contractors in private letter rulings, determination letters, technical advice memoranda, or IRS audits.
- Section 530 of the Revenue Act of 1978 permits a business to continue to treat workers as independent contractors if it has a reasonable basis to do so.
- Taxicab companies have structured an independent contractor relationship with their drivers consistent with the IRS position.

THE ADMINISTRATION'S BILL (H.R. 3600/S.1757)

The bill would:

- Authorize the IRS to issue regulations redefining when a worker is an employee or an independent contractor.
- Remove the protection of §530 which permits a business to rely on revenue rulings, private letter rulings, determination letters, IRS audits, or industry practice.

In summary, the IRS could rewrite the rules so that current independent contractor drivers would be classified as employees.

ITLA POSITION

Congress should do one of the following:

1. Remove Subtitle C (§§7301-7303).
2. Prohibit the IRS from reclassifying workers who have been previously classified under any revenue ruling, private letter ruling, technical advice memorandum, determination letter, or prior IRS audit.

Reason for this position: The Health Security Act unnecessarily upsets a well-settled, predictable rule of law, replacing it with an unknown rule to be prescribed by the IRS.

OTHER ISSUES

1. EMPLOYER MANDATE

Many employers with relatively large numbers of low-wage employees have expressed serious concern about the cost of requiring the employer to provide health insurance coverage.

2. TRANSPORTATION FOR MEDICAL PURPOSES

The bill requires health plans to provide benefits for emergency transportation in connection with obtaining medical care. In order to obtain benefits, many participants use ambulance service, even though less specialized transportation would be appropriate. To reduce costs, the bill should require benefits for any local transportation required to obtain medical care, other than for transportation that could reasonably have been provided by the patient using his or her own vehicle, or by public mass transit systems.

SENATOR BOB DOLE

INTERNATIONAL TAXICAB AND

LIVERY ASSOCIATION

MONDAY, FEBRUARY 7

***THANK YOU. GEORGE HAS
TOLD ME THAT THIS IS AN
"EMERGENCY CONFERENCE,"
AND, NO DOUBT ABOUT IT,
THERE ARE A COUPLE OF**

**ISSUES THAT COULD MAKE A
BIG, BIG, DIFFERENCE IN YOUR
BUSINESS.**

HEALTH CARE

***THE FIRST, OF COURSE, IS
HEALTH CARE. AND THE
DEBATE OVER HEALTH CARE
DOESN'T JUST AFFECT YOU AS A
BUSINESSMAN OR**

**BUSINESSWOMAN, IT ALSO
AFFECTS YOU AS AN
INDIVIDUAL, A SPOUSE, OR A
PARENT.**

***I THINK THE DISCUSSION ON
HEALTH CARE REFORM WE'VE
HAD OVER THE PAST YEAR HAS
BEEN VERY HELPFUL...AND HAS
LED ME TO REACH THREE
CONCLUSIONS.**

***ONE: AMERICA HAS THE
BEST HEALTH CARE SYSTEM IN
THE WORLD.**

***TWO: THERE ARE ASPECTS
OF OUR SYSTEM THAT MUST BE
FIXED TO HELP AMERICANS IN
REAL NEED.**

***THREE: THE BEST WAY TO
FIX THESE IS NOT TO TURN
OVER OUR ENTIRE HEALTH**

**CARE SYSTEM TO THE FEDERAL
GOVERNMENT.**

***AND THAT, OF COURSE, IS
PRECISELY WHAT THE
PRESIDENT'S PLAN WOULD
ACCOMPLISH.**

***I KNOW OF YOUR
CONCERNS WITH EMPLOYER
MANDATES...AND I KNOW OF
YOUR CONCERN WITH THE FACT**

**THAT THE CLINTON PLAN
WOULD AUTHORIZE THE IRS TO
ISSUE REGULATIONS
REDEFINING WHEN A WORKER
IS AN EMPLOYEE OR AN
INDEPENDENT
CONTRACTOR...AND, BELIEVE
ME, THERE ARE MANY OTHER
CONCERNS WHERE THOSE
CAME FROM.**

***THE MESSAGE I'VE BEEN
TRYING TO GET ACROSS IS THAT
IT'S NOT THE PRESIDENT'S PLAN
OR NOTHING. AND JUST
BECAUSE REPUBLICANS ARE
OPPOSED TO THE PRESIDENT'S
PLAN DOESN'T MEAN I'M
OPPOSED TO HEALTH CARE
REFORM.**

***IN FACT, BOTH HOUSE AND
SENATE REPUBLICANS HAVE A
NUMBER OF PLANS CURRENTLY
IN THE DEBATE...PLANS THAT FIX
WHAT NEEDS TO BE FIXED
WITHOUT MASSIVE
GOVERNMENT
INTERVENTION...AND WITHOUT
EMPLOYER MANDATES, GLOBAL**

BUDGETS, AND MANDATORY ALLIANCES.

***SO, WHAT'S THE BOTTOM
LINE?**

***WELL, THE BOTTOM LINE IS
THAT NOBODY'S PLAN HAS THE
VOTES TO PASS THE HOUSE AND
THE SENATE...AND I THINK THE
PROCESS THE FINANCE
COMMITTEE IS NOW GOING**

**THROUGH--TAKING TESTIMONY
AND ANALYZING EACH
PROPOSAL--WILL LEAD TO
LEGISLATION THAT A SOLID-BI-
PARTISAN MAJORITY CAN
SUPPORT.**

***WE MAY NOT TURN OUR
CURRENT SYSTEM UPSIDE
DOWN, AS SOME IN THE WHITE
HOUSE WANT TO DO, BUT I**

**BELIEVE WE CAN MAKE REAL
CHANGES THAT MAKE A REAL
DIFFERENCE.**

CRIME

***IF THERE'S ONE PLACE
WHERE THERE'S AN
"EMERGENCY" IN THIS COUNTRY,
IT'S IN THE AREA OF CRIME.
YOU KNOW BETTER THAN I,
SINCE YOUR INDUSTRY HAS**

**BEEN PARTICULARLY HARD HIT
IN MANY CITIES BY OUR VIOLENT
CRIME EPIDEMIC.**

***THERE'S A CURRENT MOVE
IN CONGRESS TO PASS
LEGISLATION THAT LOCKS THE
CRIMINALS UP AND THROWS
AWAY THE KEY.**

***NOW, I KNOW JUST DOING
THAT WILL NOT SOLVE THE**

**CRIME EPIDEMIC...BUT I BELIEVE
IT WILL MAKE OUR STREETS,
HOMES, AND SCHOOLS SAFER.**

***THERE'S NO TWO WAYS
ABOUT IT. IF YOU'RE IN PRISON,
YOU'RE NOT GOING TO BE A
THREAT TO LAW-ABIDING
AMERICANS, AND YOU'RE NOT
GOING TO COMMIT A CRIME.**

***SO, YES, I DO THINK THE
CRIME LEGISLATION THAT
PASSES BOTH HOUSES WILL
CONTAIN SOME MORE MONEY
FOR PRISON CONSTRUCTION,
AND SOME TOUGH PROVISIONS
FOR REPEAT VIOLENT
OFFENDERS, AND FOR THOSE
WHO USED GUN IN THE
COMMISSION OF A CRIME.**

FEDERAL TRANSITION

ADMINISTRATION

***LET ME TOUCH UPON ONE
MORE ISSUE BEFORE I TAKE
QUESTIONS, AND THAT'S THIS
ADMINISTRATION'S ATTITUDE TO
SMALL BUSINESS.**

***I SAID AFTER LAST YEAR'S
TAX INCREASE--WHICH REALLY
GAVE IT TO SMALL**

**BUSINESSMEN AND
WOMEN...THAT THIS
ADMINISTRATION SEEMED TO
HAVE SOMETHING AGAINST
THEM.**

***AND YOU CAN SEE THAT
ATTITUDE IN THE FEDERAL
TRANSIT ADMINISTRATION'S
PLAN TO RE-EVALUATE IT'S
PROGRAM WHICH ALLOWS THE**

**FTA TO CONTRACT SOME
TRANSPORTATION SERVICES
WITH THE PRIVATE SECTOR.**

***APPARENTLY,
GOVERNMENT-RUN BUS AND
TRANSPORTATION SERVICES
ARE OPPOSED TO A LITTLE
COMPETITION FROM PRIVATE
ENTERPRISE.**

***I HAVE JOINED WITH
MAJORITY LEADER MITCHELL,
SENATOR HATFIELD, AND
SENATOR BOB GRAHAM OF
FLORIDA IN WRITING TO
SECRETARY PENA, ASKING THAT
HE BE VERY CAREFUL IN
DISCOURAGING THE PRIVATE
SECTOR.**

***SO FAR, WE HAVEN'T
RECEIVED AN ANSWER, BUT I
SUSPECT THAT ANY LETTER
SIGNED ON BY BOTH THE
DEMOCRAT AND REPUBLICAN
LEADERS WILL BE ANSWERED
BEFORE TOO LONG.**

***PLEASURE TO HAVE YOU
HERE, AND I'D BE GLAD TO TAKE
QUESTIONS.**