



San Diego City Attorney Jan I. Goldsmith

NEWS RELEASE

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Tentative Ruling Supports Taxi Deregulation

A tentative ruling issued today by Judge Ronald S. Prager supports the City Attorney's position that the California Environmental Quality Act does not apply to the deregulation of the San Diego taxi industry. The tentative ruling is attached.

In a separate tentative ruling, Judge Prager allowed applicants for taxi new permits to intervene in the case, which will be heard tomorrow in the San Diego Hall of Justice.

A small group of taxi-permit holders has asked the court to order a preliminary injunction against the Metropolitan Transit System that would prevent MTS from taking administrative steps necessary to prepare for the issuance of new taxi permits later in the year. The injunction would halt activity until the Court rules on the permit holder's claim that taxi deregulation is a "project" under CEQA and that its November 2014 approval by the City Council should have gone through a CEQA review.

In his tentative ruling denying the injunction, Judge Prager wrote that CEQA applies only to "an activity which may cause a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment..."

"Petitioners only provided speculative and unsupported evidence in support of its contention that [deregulation] would have negative environmental impacts," Judge Prager wrote. On the other hand, he noted, the City showed that the deregulation ordinance includes requirements for zero- or low-emission vehicles.

Prager also pointed out that the taxi-permit holders did not cite a single case where a court held that taxi deregulation constitutes a project under CEQA. The City Attorney's Office, he noted, cited a PUC order stating that CEQA did not apply to regulations concerning for-hire vehicles.

If confirmed, this would be the second loss this month for the taxi-permit holders in their efforts to delay deregulation. Earlier they failed to obtain a Temporary Restraining Order against MTS, which also would have kept MTS from taking administrative steps to prepare for the issuance of new permits.

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