

TAXI LICENSE DEREGULATION IN MINNEAPOLIS Timeline

- 1995 268 taxis were authorized in Minneapolis.
- 1996 343 taxis were authorized in Minneapolis.
- 2006 10 companies and 343 taxis were authorized to operate in Minneapolis.
- 2006 May and June – The City Council met, as required by MCO 341.270, to determine if additional cabs were needed in Minneapolis.
- 2006 June – The Licensing Department submitted its Summary Report relating to its findings from its Public Convenience & Necessity test for taxis to the Public Safety and Regulatory Services Committee (PSRS) of the Minneapolis City Council.
- 2006 August – Introduction and the first reading of new taxi ordinance were held before the PSRS Committee.
- 2006 September - PSRS Committee directed the Licensing Department to establish a taxi cab taskforce.
- 2006 October – New ordinance was passed increasing number of cabs by 45 per year for five years—225 new cabs—and then lifting the cap entirely on January 1, 2011.
- 2006 December – 45 new licenses were issued. A total of 388 taxis were authorized in Minneapolis.
- 2007 February – Licensing Department received a request for council action amending chapter 341 of MCO relating to taxicab vehicle licenses.
- 2007 March – Notice of public hearing was issued relating to taxicab vehicle and driver regulations and recommendation of companies to receive the first 45 new licenses.
- 2007 April – Minneapolis Taxi Owners Coalition filed suit against the City of Minneapolis claiming the deregulation is an unconstitutional taking of the licensees' property.
- 2007 May – The Institute for Justice filed a motion to intervene in the lawsuit to defend the City's elimination of the cap. IJ moved to dismiss the Taxi Owners' suit.
- 2007 June – 45 new licenses were issued. Total of 433 taxis were authorized in Minneapolis.
- 2007 October - Magistrate Judge Franklin Noel recommended IJ's motion to dismiss the Taxi Owner's suited be granted.

- 2007 December - The recommendation was accepted and Federal District Court Judge James Rosenbaum issued a ruling dismissing Taxi Owners' case.
- 2008 January – Minneapolis Taxi Owners Coalition filed an appeal to the U.S. Court of Appeals for the Eighth Circuit.
- 2008 June – 45 new licenses issued. Total of 478 taxis were authorized in Minneapolis.
- 2009 June - 45 new licenses issued. Total of 523 taxis were authorized in Minneapolis.
- 2009 July – U.S. Court of Appeals for the Eight Circuit affirmed the judgment of the U.S. District Court to dismiss the Taxi Owners' case.
- 2010 February – U.S. Supreme Court denies the Taxi Owners' appeal.
- 2010 June – 45 new licenses issued. Total of 568 taxis authorized in Minneapolis.
- January 1, 2011 – City lifted its cap. An unlimited number of taxis may be issued in Minneapolis. A total of 568 taxis were authorized in Minneapolis on January 1, 2011.
- January 1-March 31, 2011 – City issued 80 new taxi vehicle licenses.
- April 1-June 30, 2011 – City issued 39 new taxi vehicle licenses during the quarter, making for a total of 687 taxis authorized in Minneapolis.
- July 1-December 31, 2011 – City issued 134 new taxi vehicle licenses during final six months of 2011, making for a total of 821 taxis authorized in Minneapolis at year end.
- Jan. 1-December 31, 2012 – City issued 41 new taxi vehicle licenses during 2012, making for a total of 862 taxis now authorized in Minneapolis.
- Jan. 1-December 31, 2013 – City issued 94 new taxi vehicle licenses during 2013, making for a total of 956 taxis now authorized. The City also reported there were 38 companies operating taxis in Minneapolis and 1,349 licensed taxi drivers.

SUMMARY:

Since deregulating the taxi market in 2006 to the end of 2013, the City of Minneapolis issued 613 new taxi licenses. That brought the total number of cabs to 956—a 179 percent increase over the 343 licenses issued in 2005. More dramatically, the opportunity for entrepreneurs grew significantly. In 2005, only 10 companies operated licensed taxicabs in Minneapolis. By December 31, 2013, that number grew to 38. That means 28 new companies started after the City undertook deregulation in 2006; that is an increase of 280 percent.

POSTSCRIPT:

The City's deregulation later made it easier for other new entrants. On July 18, 2014, the City Council enacted legislation making Minneapolis one of the first cities nationwide to legalize transportation network companies, such as Uber and Lyft.

These new competitors have had a significant effect on the taxi market. As of February 1, 2018, the City licensed only 533 taxis. That represents a reduction of 423 taxis or 44% from the high-water mark of December 31, 2013. Similarly, the number of taxi companies declined to 27, a reduction of 11 companies or 29% over the same period.