

CHAIRMAN OPENING STATEMENT

General Commission Meeting 10/8/14

A little more than three years ago the traditional DC taxi industry was in dire straits: drivers were earning less than before the imposition of meters; service was deteriorating as a result of aging vehicles; the number of complaints from the public was on the rise; and technology was changing the nature of the industry.

The DC Taxicab Commission began addressing the critical matters customers were demanding. The installation of the Modern Taximeter System provided passengers with method to pay for service by credit card. Today, the system has a 96% reliability rate. The installation of the new standardized dome light on all DC taxis has eliminated many, if not all, rogue operators and helped enforce against failure to haul violations. The adoption of the uniform color for DC taxis has proven to be generally well received by the public and assists with identification of legal taxis.

This month the DC Taxicab Commission implemented three additional service initiatives: a 5-day licensing process for prospective drivers to receive their Face IDs; a real-time taxi notification system to allow specific venues to alert taxicab drivers of large groups in need of service; and CAPS-DC, the

alternative to MetroAccess that will offer eligible participants the service improvement for using either the standard taxicab or wheelchair accessible vehicle while increasing the number of the wheelchair accessible vehicles in the fleet as a whole and saving District taxpayers up to \$1.8 million dollars in the first year of the program.

The 5-day licensing process streamlines what had previously taken several months to navigate and was burdened by bureaucratic delays. The new system allows anyone to walk-in, provide the required documentation, complete the application, pay fees and take the licensing exam. An applicant will be informed of their result upon completing the exam. If a passing grade is achieved, the applicant will be directed to MPD to submit fingerprints for a background check. Once a clean background check is returned the applicant will be able to pick up their Face ID; thus completing the process within 5 days of passing the exam. It is left to the applicant to be responsible for learning the regulatory requirements. The curriculum contained in a study guide is available on our website.

The taxi notification system has been developed to assist venues with service needs for large groups. The system provides secure access for specific venues

to notify all metered vehicles on duty in real time of large groups waiting for rides. While this is not a dispatch system, it will alert taxicabs that would otherwise be unaware and should improve response times and passenger loads.

After two years of negotiating and planning, DCTC launched the CAPS-DC program which provides an alternative for eligible MetroAccess customers to receive efficient transportation by being able to choose a standard taxi for direct service without multiple stops, or if needed have priority to ride in a MetroAccess wheelchair accessible vehicle that has been retrofitted for taxi service.

There are several additional benefits of the CAPS-DC program: reservations can be made one hour in advance rather than a day ahead; a companion can ride to assist customer at no charge and two friends can ride together to the same location; and the fare remains \$5.00 payable by cash, credit or debit card. Added value for the District includes a savings to taxpayers of up to \$1.8 million by reducing the subsidy payment to WMATA for MetroAccess.

Additionally, the taxicab companies are required to purchase with their own funds a new fuel efficient, wheelchair accessible vehicle for every 3,000 rides

taken through the CAPS-DC program; which will add even more wheelchair accessible vehicles for use in the District.

There is still more for the Commission to do to address consumer demands and ensure a fair return to service providers. Today, the Commission will offer final regulations to the CAPS-DC program to clarify the obligation to purchase new wheelchair accessible vehicles by the companies and the disposition of the vans acquired from MetroAccess for further use within the local community. We are also introducing a second proposed regulation to modify the Vehicle Modernization Program to enable both individual car owners and taxi companies to join an association and also expand the opportunity to L-Tag operators; as well as allowing vehicle owners who adhere to the regulations to retain a tag right in perpetuity. The intent is to allow non-District residents to maintain the opportunity to continue to do business while adding fuel efficient wheelchair accessible vehicles to the fleet.

A revenue generating asset provides maximum economic value when it's in constant use. We will offer a new regulation to allow a single vehicle to have multiple owners provided the vehicle is used on a 24-hour/7 days-a-week basis. The inefficient use of the vehicle makes no sense for a profit-making

business. The cost of operation will be lowered by maximizing vehicle use and improving the bottom line. A decrease in operating costs would lead to a consumer benefit in the form of lower rates.

We are developing criteria for drivers to regain an H-tag when circumstances dictate that the tag must be temporarily set aside for legitimate reasons. It is my plan to introduce a proposed regulation next month to address this issue.

The Commission was recently offered a donation of an “app” to be made available for free to all of the 7,000+ H-tag vehicles licensed by the Commission. This would be a significant benefit to consumers in summoning service. The capability of metered taxis to accept electronic hailing will help meet the challenge of private vehicle service authorized to function by the City Council. I am proposing that the Commission mandate the “One City One Taxi” app for all District taxis. The app would not prevent drivers from using other apps or accepting street hails; however this specific app would be required in all taxis.

This app would be superior to any other because in addition to the passenger having the option to file their credit card information with the app passengers

could also pay for their specific ride by cash; credit card or by other electronic means in the vehicle.

I believe the app should be a program that is in the hands of the industry. So the rulemaking would be crafted to create a cooperative association owned by companies and individual vehicle owners that would manage and market the app service as well set rates. The coop would be a Transportation Network Company, as is being proposed by the City Council, to offer efficient and effective electronic hailing to metered taxis. This arrangement would not change the role of the Payment Service Providers which would continue to handle all financial transactions and transmit trip data to the Commission.

There are two other areas I plan to deal with by the end of the calendar year. We understand that certain areas of the city are underserved by public vehicles for hire; so to deal with that I will offer a proposal next month to authorize a neighborhood van service. This service will be owned and operated by individuals who live in the neighborhood. There will be incentives to support them to obtain a 7-passenger van. The van would be able to accommodate up to 7 ambulatory riders, or 6 riders in wheelchairs, or various combinations of riders that don't need wheelchairs and riders that do need wheelchairs. The

service will be flexible enough to serve a specified geographic area without a fixed route. Riders can be picked up anywhere within the area and dropped off anywhere within the area; whether they need to go one block or 25 blocks as long as the destination is within the service area. The fare would be fixed at around five dollars regardless of the length of ride and can be paid by cash, credit card or coupon.

The other area of concern is the maintenance of a professional corps of drivers to serve the industry. Over the past 75 years virtually every industry has evolved to provide their participants some assurance of a fair return on their years of serving customers. Thus, I will bring forth proposed regulations to offer protection for the future of owners, drivers and their families as they approach retirement after 20-30-40 years of service. I propose that we establish a benefits program to include retirement, disability care, life insurance and medical coverage.

The present circumstances forces drivers to work late in life under increasingly stressful conditions. The intensity of driving in significant traffic impacts the safety of both riders and drivers. This industry needs to find a way

to address the issue of long term care of the labor force as most other industries have responded.

The Commission studies the potential outcomes of all proposed rulemaking and considers feedback critical to making decisions about final adoption. But I personally believe it is time for us to take bold steps necessary to support the modernization of the District's taxi industry. I am confident in our intent to fulfill the Mayor's objective for the District of Columbia's public vehicle for hire industry to set the standard for all other markets.