

General Commission Meeting
12/10/14
Chairman Statement

Good morning. When I assumed the position of Chairman of the DC Taxicab Commission on August 1, 2011, the District's taxicab industry was on the brink of imploding. The industry faced, to say it politely, public displeasure with its service. The Commission lacked community respect and was hobbled by limited resources. This anger and disruption was based on an aging taxi fleet that did not universally accept credit card payments; was unreliable in responding to dispatch calls; and was fighting against any industry changes. In addition, fares were the lowest in the country.

I approached this challenge determined to lead the Commission to create quality service for the users of the city's taxis and adopt appropriate regulations to ensure the economic stability of the industry. Since the hospitality industry is the primary economic generator in the District and taxis are its face, it is critical they provide

quality service to this market. Thus, efforts were undertaken to modernize and improve the DC taxi industry.

In order to turn around the unhappiness of riders and drivers and based on Mayor Gray's policy to create the best taxi system in the world for the capital city of the world's most important country we set in motion a series of programs and initiatives.

We set new rates in April, 2012 to restore lost revenue to drivers after the switch from a zone-based system to meters; customer demands were met with the adoption of the Modern Taximeter System, known as MTS, to provide the capability to make payments for rides by credit card; drivers were thwarted from making their own determination about who could be picked up with the installation of a standardized dome light to make it easier to identify vehicles on duty while also enforcing against rogue operators; and the transition to the uniform color scheme to be consistent with the designs of the

District's other public transportation options provided riders with branding recognition of public vehicles for hire.

The Commission expanded its physical facilities and used technology to cut down the time it took to get a license from approximately 90 days to 5 days. Applicants no longer had to pay significant fees for classroom teaching and were able to access study guides online and walk-in for testing.

Enhancing service value by increasing the number of wheelchair accessible vehicles in the fleet, adding new riders to the customer base and saving District taxpayers are benefits of the recently launched CAPS-DC Program which was developed in conjunction with WMATA to ultimately transition all eligible riders from MetroAccess vans to taxis.

In order to alleviate any hindrance to participants and encourage greater use I am recommending that the \$5 fare for CAPS-DC participants be eliminated. This change will not affect compensation to the drivers and companies.

In addition to the poor service conditions, the City Council was starving the Commission by shrinking financial support; thus rather than fight other bigger District government agencies the City Council was convinced to switch the Commission's funding to a user fee basis. So the Commission no longer receives general tax funds. We are now supported by those who buy services – the riders - and those who sell services – the drivers and owners. Thus the cost to manage the taxi industry is not borne by District residents who don't use taxi services; while non-residents who do ride in DC taxis will contribute to the management of the industry.

In my opinion the local public vehicle for hire industry is clearly stronger today than it was when I started more than 3 years ago. I have seen a decline in complaints and an increase in complimentary comments from the public with positive reactions from both riders and drivers about credit card acceptance and the dome lights.

However, there is still more to do. Unfortunately, many still don't recognize that if followed Title 31 is designed to make the public want to use public vehicles for hire. There is still too much self- denial regarding fault rather than directing attention to providing better service.

The conditions in the marketplace have changed dramatically during my tenure. When I initially assumed the Chairmanship there was a single electronic dispatch company serving DC cabs. There are now multiple options available to the public to electronically summon a ride. Public demand dictates that the taxi industry must adapt to the

technology and evolving consumer preferences. So the Commission is offering the tools to the industry so it can better compete by the Commission developing for it a Universal Taxicab App. A competitive marketplace is the most efficient means to achieving the objective of servicing the consumers' best interests.

The Commission is exercising its statutory authority to establish a quota for H-Tags for the simple reason that if there are more vehicles and not enough customers the result will be a reduction in revenue. In turn, this will lead to a demand for higher fares which would further erode ridership. We are also proposing a pilot program to allow individuals within a neighborhood to acquire vehicles for a jitney-like service to meet the demand within a specifically designated geographic area that has been traditionally underserved. These matters are being brought forth today for consideration. We have struggled over the past several months to establish a benefits program for drivers. To overcome the difficulty and

challenge the Commission needs further involvement to develop a workable benefits program to put forth recommendations to lead the way for retirement, life, disability and health insurance. We can't expect an individual to drive for 30 years or more under incredibly stressful conditions and reach a point when most people retire and then not be able to afford to stop driving. It's simply not fair.

Also, we have a proposal today to increase incentives to reach 100% wheelchair accessibility in 5 years because it's the right thing to do. No individual in a wheelchair should be passed up due to the lack of availability of a wheelchair accessible vehicle while an ambulatory customer can conveniently hail a ride.

Increasing the use of public vehicles for hire hinges on three potential factors: a dramatic increase in population which is unlikely; an increase in the number of conferences, conventions and other hospitality-related activities which is possible and will require

rendering excellent service; and the third factor is the creation of new opportunities to induce more visitors. As such, the District will embark on promoting its outstanding local medical facilities to patients all over the world. The District's Department of Health is developing a plan to compete with other cities worldwide for the medical tourism business. A key to success will be a world class taxi system to meet the demands of this new customer niche.

So although we have unfinished agenda of initiatives, I am confident that we have established an environment that will encourage the industry to continue to move forth with modernization efforts which will also include the transition to new, more fuel efficient, wheelchair accessible vehicles driven by qualified individuals who adhere to a high standard of customer service and abide by regulations.

Having said all of this I would be wrong to leave the impression that the Chairman alone is responsible for the Commission's

accomplishments. There have been a number of other commissioners who have given their mind and time to the efforts I have outlined.

While all have made major contributions, I am particularly compelled to point out the enormous amount of work done by Paul Cohn to lead the Panel on Industry to develop vital new rulemaking for industry modernization; and Cyril Crocker who had the unenviable task of gathering community feedback and providing recommendations for the uniform taxicab color scheme. The responsibility to ensure a fair price for an acceptable service to sustain the economic viability of the industry has been supported by the participation and work of all the members of the Commission. I have tremendous personal gratitude for their valuable input and assistance.

Let us now proceed with our meeting agenda.