



**ADMINISTRATIVE ISSUANCE:  
DTS APPLICATION PROCESS**

**Series/Number: AI-2018-06**

**Replaces: AI-2017-01B**

**Approved May 31, 2018**

**Effective June 1, 2018**

## **I. BACKGROUND AND PURPOSE**

The Department of For-Hire Vehicles (“DFHV”) has adopted a notice of final rulemaking transitioning the taxicab industry from the modern taximeter system (“MTS”) to the digital taxicab solution (“DTS”). The notice of final rulemaking was published in the *D.C. Register* on February 23, 2018 at 65 DCR 001870. (“Notice” or “DTS rules”). The DTS rules, first adopted on September 13, 2016, began a transition period from legacy to newer equipment, including replacing MTS with digital taxicab solutions (“DTS”) and approved digital meters (for independent owner-operators only), and replacing the legacy dome light with a new, low-cost cruising light. This administrative issuance (“AI”) provides guidance: (1) to taxicab companies about applying for and renewing their DTS approval to operate as a DTS provider, and the technical and operational requirements of the DTS; (2) to operators about complying with the DTS and digital meter rules; (3) to payment processing providers interested in becoming an approved option for payment technology (“OPT”); and (4) to independent owner-operators about operating with an approved digital taximeter and one or more OPTs.

As of January 1, 2018, all taxicab service shall be provided only using an approved DTS unit or approved meter app (independents only).

## **II. DEFINITIONS**

“Approved digital taximeter” – the taximeter app component of any approved DTS.

“Credit card processing device” – a component of a DTS unit that allows a passenger to pay with a credit card or other non-cash payment method.

“Cruising light” – a light affixed to the top of taxicab which meets the requirements of § 605.4.

“Digital taxicab solution” or “DTS” – a technology solution for the operation of taxicabs that consists at a minimum of a digital taximeter running on a driver console, a passenger console, and a credit card processing device, as such terms are defined in the Notice, and any optional components the DTS provider chooses to include. A driver console and passenger console may each consist of any component or set of components which together perform the required functions.

“DTS contract” – a contract for services between a DTS provider and any operator or owner that is limited in length to the current license period, which shall be stated in the contract.

“DTS open season” – the period during which operators can sign up with a DTS provider approved for the upcoming licensing period and which runs August 1<sup>st</sup> through August 31<sup>st</sup> of a calendar year.

“DTS unit” – an individual unit of a DTS installed in a vehicle, as defined in the Notice.

“Dynamic street hail pricing” – a District-wide variable pricing structure for rides booked by street hail or telephone dispatch, which is established, maintained, and publicized uniformly by a DTS provider for all of its associated vehicles.

“Legacy dome light” – the DFHV patented and licensed dome light.

“License effective date” – September 1<sup>st</sup> of each calendar year beginning in September 2018.

“Live assistance” – the capability for a passenger or for an operator at the passenger’s request, to contact a representative at a call or dispatch center for assistance relating to taxicab service.

“Option for payment technology” or “OPT” – a payment processing service that meets the technical requirements of DFHV, including the reporting of trip data and the collection of passenger surcharges, the ability to work with one or more approved digital taximeters with which it is integrated at its own expense, and that processes payments at a total cost at or below two and seventy-five one hundredths percent (2.75%) per swipe.

“Timely application” – an application for a new or renewal DTS application accepted by DFHV from DTS provider not later than July 1<sup>st</sup> of each calendar year for the upcoming uniform license period.

“Uniform license period” – September 1<sup>st</sup> of one calendar year through August 31<sup>st</sup> of the following calendar year during which DTS providers shall be approved to operate. The first uniform license period shall be September 1, 2017 to August 31, 2018.

### **III. AUTHORITY**

D.C. OFFICIAL CODE § 50-301.07(c) (2), (3), (5), (19), (20); § 50-301.13; 31 DCMR §§ 503, 602, 605, 801, 802, and 806 (as amended by the Notice).

### **IV. PROCEDURES**

#### *All Taxicab Owners and Operators*

All taxicab service shall be provided only using an approved DTS unit or approved meter app with approved OPT (independents only). All contracts shall be executed for an upcoming license period during the next DTS open season (August 1-31), or at any other time when permitted or required by the Notice or this AI, such as when a vehicle is placed in service with a new DFHV vehicle license and new “H” tag. An operator shall be permitted to change DTS providers or approved

meter app during an open season. Each taxicab company shall install DTS units in all of its wholly-owned vehicles, and shall equip its co-owned vehicles with DTS units subject to the other requirements herein.

*Independent Owners – Transition to DTS, or Alternative Business Model with Surcharge Accounts*

Each independent owner may choose to provide taxicab service using any approved DTS unit. Alternatively, in lieu of an approved DTS unit, the owner may choose to operate with an approved meter app that uses one (1) or more registered, integrated OPTs. If the owner chooses this alternative, s/he shall open and maintain a surcharge account with the Department unless all the OPTs selected by the owner have transfer account capability to ensure the OPT pays all collected passenger surcharges directly to the District, and the owner shall also remain compliant with all other applicable regulations and laws. Each owner who elects to provide service without a DTS provider is liable for all surcharges owed to the District. Each owner required to open and maintain a surcharge account shall comply with the surcharge account rules in § 806.

*Option for Payment Technology (OPT) – Registration and Technical/Operating Requirements*

Any company or entity, including current payment service providers, interested in being an approved OPT shall complete the form posted on the Department's website located [here](#). The form shall be completed prior to any technology demonstration that an applicant may wish to provide to the Department. Applications for new OPT registration will be accepted by the Department at any time. The decision on an application shall be issued within fourteen (14) business days of acceptance of the application, unless the Department finds good cause for an extension of the processing time, in which case the decision shall be issued as expeditiously as possible within an additional twenty-one (21) business days.

Each OPT shall be capable of working or operating with one or more approved digital meters for trip data and surcharge collection and OPT hardware shall be PCI compliant as determined by the PCI Security Standards Council. Each OPT shall have an open API and software development kit ("SDK") beginning January 1, 2018, which shall be published on its website, provided however that an OPT whose new or renewal application is denied or whose registration has been suspended or revoked may not be listed on the Department's website. Each OPT shall be required to submit monthly surcharge reports, for independent operators only, in a format provided by DFHV upon approval of the OPTs application. Each OPT shall be in compliance with federal law including Section 508 of the Rehabilitation Act, and accessible to people with disabilities.

*DTS Providers: Application Process*

Each taxicab company seeking approval to become a DTS provider shall complete the application posted on the Department's website [here](#). The decision on an application shall be issued within twenty-one (21) business days of acceptance of the application, unless the Department finds good cause for an extension of the processing time, in which case the decision shall be issued as expeditiously as possible within an additional thirty (30) business days. The burden shall be on the applicant to establish compliance with the Notice, all other applicable laws and regulations, and with this AI. Each applicant and its technical staff shall timely appear for one or more

demonstrations as directed by the Department, to establish that its DTS system and units will function as required, including showing proper interaction with both the legacy dome light and any cruising light approved by the Department pursuant to this Notice and this AI.

Each applicant shall establish that its DTS installation facility is capable of ensuring proper installation of all DTS components. Each applicant shall certify or attest that it has trained all drivers who will be using its DTS unit on how to use the digital meter for all rate types, including shared rides, and understand all of the training required by AI-2018-03.

The DTS application process shall be open at all times. Only DTS providers that file a timely application (filed by July 1<sup>st</sup> of each calendar year) may be considered for the licensing period starting September 1<sup>st</sup> of the same calendar year. DTS applicants that file a timely application for renewal (by July 1<sup>st</sup>) may continue operating pending the outcome of a decision on the application. A filing fee will not be refunded due to a denial of the application.

Each taxicab company may fulfill its legal obligation to operate a DTS by contracting with another business, including an approved DTS provider, provided however, that if such other business is no longer able to operate for any reason (including, without limitation, closing its operations, failing to renew its DTS approval, or having its approval suspended or revoked), then the taxicab company shall immediately cease operations pending replacing the DTS provider or being approved as a DTS provider.

Each applicant shall provide to DFHV a blank copy of each of its DTS standard contracts with owners and operators. Each application shall include a fully-completed application form, all required attachments, the applicable application fee, the bond required by § 602 of the Notice, and any information or documents required by this AI.

Each applicant shall describe how and when it will fully deploy a fully automated solution for the interconnectivity and operation of the digital meter and the legacy dome light or approved cruising light.

Each applicant seeking to renew the approval of an existing DTS shall meet all of the requirements for a new approval unless DFHV states otherwise in writing. A DTS provider's past performance will be considered by DFHV as part of the renewal process. An applicant that does not file a timely application for renewal may only file an application for new DTS approval which shall be considered for the uniform licensing period beginning the following calendar year and shall not operate beyond the end of the uniform license period for which it was previously approved regardless of whether the new application is still pending.

No DTS approval shall extend beyond the license period granted by the Department, and no DTS shall solicit or execute contracts with taxicab owners or operators for a license period until it has been approved by DFHV for such license period. A DTS provider whose new or renewal application is denied or whose authority to operate has been suspended or revoked may not be listed on the Department's website of approved DTS providers regardless of whether it continues to operate pending an appeal.

Each approved DTS provider shall ensure that a sticker is affixed to the interior of the lower left-hand side of the rear passenger window of each vehicle in which its DTS unit is installed and shall have the name of the DTS provider and a 24 hour/7-days a week live assistance number. DFHV will provide the stickers to DTS providers and independent owners who are using an approved digital meter and OPT and may charge a fee consistent with § 1104.1.

Each taxicab company approved as a DTS provider shall install its DTS units in all of its wholly-owned vehicles, and shall equip its co-owned vehicles with its own DTS units subject to the other requirements herein.

#### *DTS Systems and Units - Technical Requirements*

Each DTS unit shall be capable of providing a printed receipt with the following information: (a) vehicle owner's name and telephone number; (b) vehicle PVIN number; (c) operator's DFHV operator license (Face ID) number; (d) unique trip number; (e) date; (f) starting and ending times; (g) distance traveled; (h) total amount paid by the passenger, showing the total fare and the gratuity, if any, and an indication of whether dynamic street hail pricing was applied by the DTS provider, and, if so, the applicable discount; (i) contact information for the Department; and (j) For-Hire Vehicle ride code.

Each DTS unit shall be in compliance with federal law including Section 508 of the Rehabilitation Act, and accessible to people with disabilities. As part of the approval process, an applicant shall: (a) provide a demonstration of one of its DTS units fully operational in a taxicab; and (b) identify its resources to immediately resolve complaints about the accessibility of its DTS units.

Each DTS shall have one digital taximeter and one or more OPT payment processors as selected by the DTS provider, provided however, that: (a) if the Department makes a digital taximeter available to the industry free of charge, then each DTS provider shall incorporate such digital taximeter into its DTS within ninety (90) days of its availability, or such longer period as set by administrative issuance; (b) each DTS provider may in lieu thereof incorporate any other digital taximeter that meets or exceeds the performance and features of the Department's digital meter; and (c) each OPT shall be registered with the Department.

If the applicant wishes to incorporate in its DTS a digital meter other than the one provided by the Department (DFHV digital meter), the applicant shall demonstrate that such meter meets or exceeds the performance and features of the DFHV, posted on the Department's website. The applicant must show that it will provide adequate in-person or online training for associated operators on the use of the proposed substitute meter, and that the proposed substitute meter meets or exceeds the following requirements:

- *General:* (a) compatible with current and previous major release versions of Android and iOS OS, with end-to-end encryption security protocols including identification of data storage location(s); (b) operates on major smartphone and tablet brands with no additional hardware required (standalone) and must be large enough for both the passenger and the operator to view with ease; (c) calculates all published rates in § 801 and the Notice, alternative rates (as instructed by the DTS provider), group and shared ride rates where each passenger pays less than a single fare, and dynamic pricing via discounts (up to 100%) for

street hails if to be offered by the applicant; and (d) sends receipts via text, email, airdrop, NFC, prints for all trips, and displays the DFHV trip ID, the depicted navigational path (or provide a link thereto) and the required receipt attributes.

- *Functional:* (a) provides real-time operator authentication via DFHV-supplied API; (b) transmits meter status and data feeds per GTFS (General Transit Feed Specification), unique trip ID, and location on a real-time basis (including geo coordinates, destination, driver ID, vehicle ID, number of passengers, fare, ride time and distance) via published DFHV API; (c) accurately calculates fares during loss of GPS signal or degradation; (d) allows setting limits for operator shifts with operator access to view trip and session history (min. past 48 hours); and (e) transmits meter status (Hired or Not Hired) via Bluetooth to the legacy dome light or approved cruising light.
- *Security:* (a) allows for SMS and push notifications from DFHV; (b) allows for minimum fare amounts to be set remotely; (c) incorporates anti-tampering mechanisms (via secure central access) to ensure that only the DTS provider's authorized personnel are able to adjust rates; (d) by request, provides DFHV or auditor a user-identified audit trail of rate changes; and (e) provides required notification to DFHV of all security incidents including physical and data breaches.
- *Integrations:* (a) includes remotely set capabilities per vehicle via geo-fence location; (b) provides an open API allowing meter integration with in-vehicle components and third party applications; and (c) is integrated with two or more registered OPT's (the DTS must bear the costs of integrating with OPTs beyond the initial two).

#### *Approved DTS Providers – Operating Requirements*

Each DTS provider shall remain in compliance with all applicable requirements of the Notice, other applicable laws and regulations, and this AI, and shall maintain with the Department each version of the contract(s) it uses with its associated owners and operators; shall meet and cooperate with an assigned account manager to ensure ongoing compliance with the Notice, other applicable laws and regulations, and this AI; and shall notify DFHV prior to any proposed material modification of the DTS during the uniform license period. Material modifications do not include basic software upgrades to fix bugs and improve performance.

All DTS contracts shall be in plain language and shall separately disclose each charge to the operator. A charge not disclosed may not be collected. A charge may not be increased during the license period unless it is prominently identified as "subject to increase," with the reason(s) it may be increased, and the total amount or percentage by which it may be increased.

Each DTS provider shall ensure that the tablet or phablet running the meter app is mounted in a manner that places it in clear view of the passenger.

Each DTS provider shall maintain a separate account for the credit card processing device in each vehicle and for each operator, to allow for verification of passenger surcharge collection and the

total charges to each passenger. Each DTS provider shall submit a monthly surcharge report in format provided by DFHV.

## **V. FREQUENTLY ASKED QUESTIONS**

### **1. I am an operator. May I use my personal smartphone as the DTS driver console?**

Yes. Any smartphone approved by your DTS provider may be used as the driver console.

### **2. I am a rental operator. I found a digital meter app online. May I use it instead of a digital meter from my approved DTS provider?**

No. You may use only the digital meter offered by your DTS provider.

### **3. I am an independent owner-operator. Am I required to use an approved DTS unit?**

No. You have a choice of using an approved DTS unit or any taximeter app that is part of an approved DTS and integrated with one or more approved OPT payment providers. If you elect to use an approved meter app, you may be required to open and maintain a surcharge account as provided in § 806.3 to ensure the District receives all passenger surcharges.

### **4. I am an operator. May I set my own street hail rates?**

No. Operators may not set street hail rates. If your DTS provider offers dynamic street hail rates, it will set the rates and you must comply with them.

### **5. I am an independent. Where can I get a DTS unit for my taxicab?**

You may go to any approved DTS provider. Please visit DFHV's website for information on approved providers. As an independent owner, you may also choose to use any approved taximeter app integrated with one or more OPT payment providers, as explained in the answer to question 3 above.

### **6. I own a taxicab company. May I use my own digital meter for my DTS?**

Yes. You may use any approved meter that meets or exceeds the functionality of DFHV's digital meter, if any.

### **7. I own a taxicab company. May I use my own payment card processor for my DTS?**

Yes. You may choose any registered OPTs to process your payments.

### **8. We are an approved DTS provider that seeks to renew its approval for the following license period. We missed the deadline to file a renewal application. May we seek approval to operate in the next license period?**

Yes. But you must file an application for new operating authority and you may not continue operating beyond the current license period unless and until the new authority is granted.

**9. We are a taxicab association. Can we apply to be a DTS provider?**

No. Each vehicle owned individually by an association member or in common by the association may be outfitted with a DTS unit from any approved DTS provider.

**SO ORDERED:**

**DEPARTMENT OF FOR-HIRE VEHICLES**

**BY:**   
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ERNEST CHRAPPAH  
Director