

DEPARTMENT OF FOR-HIRE VEHICLES

NOTICE OF THIRD AND FOURTH EMERGENCY RULEMAKING

The Director of the Department of For-Hire Vehicles, pursuant to the authority set forth in Sections 8 (c) (1), (2), (3), (5), (7), (10), (12), (13), and (19); 14; 20; 20a; 20j; and 20l of the District of Columbia Taxicab Commission Establishment Act of 1985 (“Establishment Act”), effective March 25, 1986 (D.C. Law 6-97); D.C. Official Code §§ 50-301.07(c) (1),(2), (3), (5), (7), (10), (12), (13), and (19); 50-301.13; 50-301.19; 50-301.20; and 50-301.29 (2014 Repl. & 2016 Supp.)), hereby gives notice of the adoption, on an emergency basis, of amendments to Chapter 5 (Taxicab Companies, Associations, Fleets and Independent Owners), Chapter 7 (Enforcement), Chapter 8 (Operating Rules for Public Vehicles for Hire), Chapter 10 (Public Vehicles for Hire), Chapter 12 (Luxury Class Services – Owners, Operators, and Vehicles), Chapter 16 (Dispatch Services and District of Columbia Taxicab Industry Co-Op), Chapter 18 (Wheelchair Accessible Paratransit Taxicab Service), Chapter 20 (Fines and Civil Penalties), and Chapter 99 (Definitions), of Title 31 (Taxicabs and Public Vehicles For Hire) of the District of Columbia Municipal Regulations (DCMR).

This notice incorporates and combines the following eight (8) emergency rulemakings all of which were adopted by the Department on October 6, 2016 and took effect immediately, expiring on February 3, 2017:

Third emergency rulemaking amending Chapters 5, 12, and 99: This rulemaking creates a pathway for non-District residents to own and operate DFHV-licensed taxicabs and black cars (and other luxury class vehicles), allowing them to legally provide point-to-point service in the District, rather than limiting them to the safe-haven of the reciprocity rules in § 828. Without this rulemaking, non-District residents are legally barred from registering vehicles in the District due to Department of Motor Vehicles (“DMV”) laws and regulations, and, as a result, the Department is precluded from issuing DFHV vehicle licenses to them; the Department hereby finds that recent decisions of the Office of Adjudications and Hearings to the contrary are wrong as a matter of law on this point. This rulemaking does not affect other DFHV vehicle license eligibility requirements in Title 31, which must be met in order for any applicant to be issued a DFHV vehicle license and corresponding “H” or “L” tags from DMV. The Washington Metropolitan Area Transit Authority (“WMATA”) has begun its SafeTrack safety program which accelerates major repairs to the Metrorail system. SafeTrack’s safety surge projects are expected to cause major delays in Metrorail service and attendant transportation disruptions throughout the District and surrounding areas. The Department finds there is an immediate need to preserve and promote the safety and welfare of District residents to ensure a supply of for-hire service adequate to meet the expected sharp increase in customer demand during SafeTrack, by adopting on an emergency basis a regulatory framework that will allow non-District residents to promptly form ITVBs and ILVBs as part of the process of applying for DFHV vehicle licenses, thereby providing a new source of public vehicles-for-hire to meet the increased demand. This third emergency rulemaking would authorize the licensing of independent taxicab vehicle businesses (“ITVBs”) and independent luxury vehicle businesses (“ILVBs”), which would co-own vehicles with these non-District owner-operators, who would then be eligible to title and register their vehicles with DMV in order to receive “H” or “L” tags”, as appropriate. Each

ITVB and ILVB would be a District-based company, licensed and regulated by the D.C. Department of Consumer and Regulatory Affairs, and responsible for paying all applicable fees and taxes to the District. Applicants seeking new DFHV vehicle licenses must also comply with all applicable DFHV rules and regulations, including all conditions imposed by the Department through an administrative issuance. This rulemaking also adds necessary definitions to Chapter 99. This rulemaking implements on an emergency basis proposed rulemaking adopted by the Commission¹ on November 18, 2015, published in *the D.C. Register* on May 20, 2016 at 63 DCR 007693, and adopted by the Department as final rulemaking on June 29, 2016. An emergency rulemaking was adopted by the Department on June 29, 2016, which took effect immediately, expired on October 27, 2016. A second emergency rulemaking was adopted by the Department on October 6, 2016 and expires on February 3, 2017. Final rulemaking adopted by the Department on June 29, 2016 has not yet been published in the *D.C. Register*.

Third emergency rulemaking amending Chapters 8 and 16: This third emergency rulemaking amends Chapter 8 to encourage the use of shared riding through a clarified structure for calculating shared ride fares. The Washington Metropolitan Area Transit Authority (“WMATA”) has begun its SafeTrack safety program which accelerates major repairs to the Metrorail system. SafeTrack’s safety surge projects are expected to cause major delays in Metrorail service and attendant transportation disruptions throughout the District and surrounding areas. To address the need for increased for-hire demand during these periods, the Department has issued an administrative issuance which expands customer choice by authorizing shared rides arranged by operators, as an added option to single-passenger trips. The Department finds there is an immediate need to preserve and promote the safety and welfare of District residents to ensure a supply of for-hire service adequate to meet the expected sharp increase in customer demand during SafeTrack, by encouraging the use of shared riding via a clarified structure for calculating shared ride fares that incentivizes the use of digital meters, an innovative technology that would apportion shared ride fares in a manner that maximizes consumer choice and operator income. This notice enacts, on an emergency basis a portion of the notice of final rulemaking adopted by the Department on June 29, 2016, based on proposed rulemaking adopted by the D.C. Taxicab Commission on January 20, 2016 and published in the *D.C. Register* on May 20, 2016 at 63 DCR 007704. The notice of final rulemaking would also amend Chapter 8 by broadening the ban on electronic refusal to haul (§ 819.11), and amend Chapter 16 by clarifying the implementation date by which all taxicab operators must be logged in to the DC TaxiApp (§ 1612.1); those provisions are not part of this second emergency notice. An emergency rulemaking was adopted by Department on June 29, 2016, which took effect immediately, expired on October 27, 2016. A second emergency rulemaking was adopted by the Department on October 6, 2016 and expires on February 3, 2017.

Third emergency rulemaking amending Chapters 8 and 99: This third emergency rulemaking amends Chapter 8 to immediately establish a more competitive pricing structure for taxicab shared rides in vehicles equipped with legacy (non-digital) taximeters. The rulemaking allows the reprogramming of these taximeters for a new “special shared ride distance rate” of one dollar and twenty cents (\$1.20) per mile (or fifteen cents (\$0.15) per one-eighth (1/8) of a mile)

¹ The District of Columbia Taxicab Commission and the Office of Taxicabs were renamed and re-structured as the Department of For-Hire Vehicles by the Transportation Reorganization Act of 2016 (D.C. Law 21-0124) effective June 22, 2016.

while all other taxicab rides using the street hail rates in § 801 would continue to use the existing “general distance rate” of two dollars and sixteen cents (\$2.16) per mile (or twenty seven cents (\$0.27) per one-eighth (1/8) of a mile) for all other rides. In addition, the one dollar (\$1.00) additional passenger fee would not apply to any segment of a shared ride where the special shared ride distance rate applies. The rulemaking also clarifies the language throughout § 801.7 (c) (the Department does not intend to make any substantive change in § 801.7 (c) as a result of these language clarifications), and adds appropriate definitions to Chapter 99. The Washington Metropolitan Area Transit Authority (“WMATA”) has begun its SafeTrack safety program, to accelerate major repairs to the Metrorail system. SafeTrack safety surge projects are expected to cause major delays in Metrorail service and attendant transportation disruptions throughout the District and surrounding areas. To address the need for increased for-hire demand during these periods, the Department has issued an administrative issuance which, among other things, expands customer choice by allowing passengers to use shared riding arranged by operators, in addition to allowing them to choose single-passenger trips. The Department finds there is an immediate need to preserve and promote the safety and welfare of District residents to ensure a supply of for-hire service adequate to meet the expected sharp increase in customer demand during SafeTrack, by encouraging the use of shared riding through a more competitive rate structure for vehicles with legacy (non-digital) taximeters. A notice of emergency and proposed rulemaking was adopted by the Department on June 29, 2016 and has not yet been published in the *D.C. Register*. The emergency rulemaking, which took effect immediately, expired on October 27, 2016. A second emergency rulemaking was adopted by the Department October 6, 2016 and expires on February 3, 2017.

Third emergency rulemaking amending Chapter 10: This third emergency rulemaking amends Chapter 10 to clarify the authority of the Department to impose licensing conditions in connection with the existing and proposed pathways for those seeking new DFHV vehicle licenses (and corresponding “H” tags from DMV). The Department finds there is an immediate need to preserve and promote the safety and welfare of District residents by immediately clarifying the Department’s authority to impose conditions on new licenses, in order to: (1) reduce stakeholder confusion about regulatory and financial requirements for new vehicle licenses which flow from the Department’s authority to impose conditions on vehicle licensing; and (2) to minimize the District’s potential exposure from such stakeholder confusion. This notice effectuates, on an emergency basis, rulemaking contained in a notice of proposed rulemaking adopted by the Commission on December 9, 2015 and published in the *D.C. Register* on March 25, 2016 at 63 DCR 004467. The earlier notice also proposed that applicants for new DCTC operator licenses complete disability sensitivity training; that provision is not part of this notice. An emergency rulemaking was adopted by the Department on June 29, 2016, which took effect immediately and expired on October 27, 2016. A second emergency rulemaking was adopted by the Department on October 6, 2016 and expires on February 3, 2017. The notice of final rulemaking was adopted by the Commission on May 11, 2016 but has not yet been published in the *D.C. Register*.

Third emergency rulemaking amending Chapters 10, 12, and 99: This third emergency rulemaking amends Chapters 10, 12, and 99 to authorize the Department to issue provisional licenses for applicants seeking new DFHV operator’s licenses to operators seeking to provide

point-to-point black car and other luxury class service in the District. The Washington Metropolitan Area Transit Authority (“WMATA”) has begun its SafeTrack safety program which accelerates major repairs to the Metrorail system. SafeTrack’s safety surge projects are expected to cause major delays in Metrorail service and attendant transportation disruptions throughout the District and surrounding areas. The Department finds there is an immediate need to preserve and promote the safety and welfare of District residents by ensuring there are sufficient DFHV-licensed operators available to meet the expected sharp increase in customer demand during SafeTrack, through the adoption, on an emergency basis, of amendments to Chapters 10 and 12 to authorize the Department to issue provisional licenses for applicants seeking new DFHV operator’s licenses, to allow them to conduct luxury class service in the District. This notice adopts on an emergency basis a portion of the proposed rulemaking adopted by the Commission on January 20, 2016 and published in the *D.C. Register* on May 20, 2016 at 63 DCR 004888. The earlier notice also proposed to amend Chapter 10 by requiring applicants for a new or renewal DFHV operator’s license to complete disability sensitivity training; that provision is not part of this notice. An emergency rulemaking was adopted by the Department on June 29, 2016 and expired on October 27, 2016. A second emergency rulemaking was adopted by the Department on October 6, 2016 and expires on February 3, 2017. A notice of final rulemaking based on the proposed rulemaking was approved by the Department on June 29, 2016.

Third emergency rulemaking amending Chapter 8: This second emergency rulemaking amends Chapter 18 to immediately modify the requirements: (1) that taxicab companies approved to provide service in CAPS-DC (now known as “Transport DC”) add a wheelchair accessible vehicle for every 3,000 trips completed in the program, allowing the addition of these vehicles at such greater intervals as may be established in an administrative issuance; and (2) for a fixed, flat rate fare of thirty three (\$33) for each Transport DC trip, changing the requirement from a fixed fare to a cap on the fare. This emergency rulemaking is necessary as the Department finds there is an immediate need to preserve and promote the safety and welfare of District residents to make the foregoing changes to ensure the financial viability of the Transport DC program, which serves the ongoing paratransit needs of the community, including by providing wheelchair service. Notice of emergency and proposed rulemaking was adopted by the Department on June 29, 2016 and has not yet been published in the *D.C. Register*. The emergency rulemaking, which expires on October 27, 2016, took effect immediately. A second emergency rulemaking was adopted by the Department on October 6, 2016 and expires on February 3, 2017.

Third emergency rulemaking amending Chapter 20: This third emergency rulemaking is necessary as the Department finds there is an immediate need to preserve and promote the safety and welfare of District residents to ensure that civil fines are immediately available civil penalties for serious violations such as fraud, misrepresentation, larceny, aggressive driving, and illegal driving maneuvers, and for numerous other violations as set forth in § 816. This third emergency rulemaking amends the recently-adopted Chapter 20, published as final in the *D.C. Register* on May 20, 2016, to add civil fines for serious violations such as fraud, misrepresentation, larceny, aggressive driving, and illegal driving maneuvers, and for numerous other violations as set forth in § 816. Prior to the enactment of Chapter 20, these violations were punishable by a \$500 civil fine for “unlawful activities” under a schedule of fines in § 825, in addition to other civil penalties (vehicle impoundment, and license suspension, revocation, or

nonrenewal). When Chapter 20 was published as final, however, fines for these violations were inadvertently omitted. The Department, therefore, finds there is an immediate need to preserve and promote the safety and welfare of District residents by ensuring that lawful, reasonable, and appropriate civil fines are immediately available for these violations, in addition to civil penalties other than fines. Notice of emergency and proposed rulemaking was adopted by the Department on June 29, 2016 and has not yet been published in the *D.C. Register*. The emergency rulemaking, which took effect immediately, expired on October 27, 2016. A second emergency rulemaking was adopted by the Department on October 6, 2016 and expires on February 3, 2017.

Fourth emergency rulemaking amending Chapters 7 and 16: This notice of fourth emergency rulemaking amends Chapter 16 to establish a new requirement in § 1605 that all digital dispatch services (DDSs) provide the Department with one or more bonds to secure the payments to the District of taxicab surcharges and one percent of gross receipts required by § 1604.7 and the Establishment Act, which are vital to support the operations of the Department. The Department finds there is an immediate need to preserve and promote the safety and welfare of District residents by ensuring that bonds be provided to the Department by all DDSs to secure the payments of taxicab surcharges and one percent of gross receipts, as required by § 1604.7 and the Establishment Act, to reduce the possibility that the District will fail to receive a required payment. The Department finds it necessary to impose this requirement after two incidents in which businesses obligated to make payments of surcharges or one percent of gross receipts failed to do so. In one incident, a payment service provider (“PSP”) ceased operations in the District without paying all owed taxicab surcharges, but, because it had provided the Office of Taxicabs (Office) with a bond pursuant to Chapter 4 of Title 31, the Office was able to recover a substantial portion of the unpaid surcharges. In a more recent incident, a DDS for private sedans ceased operations while still owing a payment for one percent of gross profits. Because DDSs are not required under the current, permanent (non-emergency) rules in Chapter 16 to provide a bond, when the DDS ceased operations, there was no bond available cover its outstanding payment. To prevent a recurrence, the new bond requirement applies to all DDSs, including all those which are currently registered with the Department. This rulemaking also amends Chapter 7 to add an enforcement provision allowing the Department to suspend the registration of a registered digital dispatch service which fails to provide a bond within the time required under the new rules in § 1605. A notice of emergency and proposed rulemaking was adopted by the Commission on February 10, 2016, and took effect immediately. The notice was published in the *D.C. Register* on May 13, 2016 at 63 DCR 007335, and remained in effect as emergency rulemaking for one hundred and twenty (120) days after the date of adoption (expiring June 9, 2016). A second emergency rulemaking, which expired on October 27, 2016, was adopted by the Department on June 29, 2016 and took effect immediately. A third emergency rulemaking, was adopted by the Department on October 6, 2016 and expires on February 3, 2017. A notice of final rulemaking was adopted by the Department on June 29, 2016 but has not yet been published in the *D.C. Register*.

This notice of third and fourth emergency rulemakings, which supersedes the prior emergency rulemakings adopted by the Department on October 6, 2016, will remain in effect for one hundred and twenty (120) days after the date of its adoption (expiring on June 3, 2017), unless earlier superseded by an amendment or repeal by the Department, or by the publication of final rulemaking in the *D.C. Register*, whichever occurs first.

Chapter 5, TAXICAB COMPANIES, ASSOCIATIONS, FLEETS AND INDEPENDENT OWNERS of Title 31 DCMR, TAXICABS AND PUBLIC VEHICLES FOR HIRE, is amended as follows.

The title of Chapter 5 is amended to read as follows:

TAXICAB OWNERS

A new Section 504 is added to read as follows:

504 INDEPENDENT TAXICAB VEHICLE BUSINESSES

504.1 An individual not domiciled in the District (“applicant”) may apply pursuant to this section for an initial certificate of operating authority to operate an independent taxicab vehicle business (“ITVB”), during such times when the Department makes new DFHV vehicle licenses available. This section does not authorize the issuance of new DFHV vehicle licenses or DMV “H tags”. Existing ITVBs may apply pursuant to this section to renew their ITVB operating authority provided they meet all requirements for ITVBs in effect at that time. An applicant may register a taxicab vehicle in the District, with the ITVB as co-owner and co-registrant, as required by the rules and regulations of DMV and other applicable laws. The operating authority required by this section shall be in addition to any other operating required by this chapter for independent owners.

504.2 Applicants may be required by the Department as a condition for the issuance of operating authority to:

- (a) Purchase or lease a vehicle which has electric propulsion;
- (b) Purchase or lease a vehicle which is wheelchair accessible;
- (c) Provide service in underserved areas of the District, as identified by the Department;
- (d) Obtain additional training to improve customer service levels, including training for wheelchair service and disability sensitivity; and
- (e) Meet other reasonable requirements to enhance safety and consumer protection, to improve customer service, and to achieve other lawful purposes within the jurisdiction of the Department, as determined by the Department in an administrative issuance.

504.3 For all purposes of this title, the Establishment Act, the Impoundment Act, and other applicable laws (excluding the regulations and laws applicable to DMV):

- (a) The ITVB shall be considered and treated by the Department as the legal *alter ego* of the individual for all purposes of this title, with the effect of imposing upon the individual all obligations applicable to the ITVB under this title, provided however that where a provision of this title authorizes the imposition of a civil penalty upon either the ITVB or the individual, either penalty may be applied upon the individual; and
- (b) Notwithstanding any contrary provision of Chapter 7, notice of any action including without limitation any enforcement action or legal proceeding by the Department, the Office of Administrative Hearings, or the District, shall be valid, binding, and fully enforceable against either or both the individual and the ITVB, provided it is otherwise properly served upon either the individual or the ITVB pursuant to Chapter 7.

504.4 Nothing in this chapter shall be construed to alter the legal rights or obligations of any person under any provision of the D.C. Municipal Regulations or District law other than the rules and regulations of this title.

504.5 An individual (“applicant”) shall be eligible to apply for an initial or renewed certificate of operating authority under this section where:

- (a) The individual is not domiciled in the District;
- (b) The individual holds a DFHV vehicle operator’s license (Face card) to operate a taxicab;
- (c) The individual:
 - (1) Holds a current DFHV vehicle license as an independent owner-operator, for a vehicle titled and registered with DMV;
 - (2) Is a co-owner of a vehicle with a taxicab company or association and has obtained a release of the company’s or association’s interests in the vehicle; or
 - (3) Owns or agrees in writing to purchase a new vehicle or a vehicle which is not required to be replaced within two (2) years from the date of the application;
- (d) Consistent with the prohibition in § 504.12, no person other than the applicant has acquired, or is designated to receive, a legal or beneficial interest in the ITVB, in any contract, will, or other legal document, and the applicant has not become domiciled in the District, requirements which shall appear in the charter documents filed with DCRA;
- (e) The ITVB is a District-based business with a bona fide place of business

in the District, registered with DCRA and subject to all other requirements for a District-based business, and eligible under all applicable District regulations and laws (other than those in this title) to appear on the title as co-owner of the vehicle for which the application is filed;

- (f) The individual and the vehicle are in full compliance with all other requirements of this title, including all applicable licensing and operating requirements;
- (g) The individual is in good standing with the Department, including having no pending enforcement actions;
- (h) The individual is in compliance with the Clean Hands Act; and
- (i) For renewal applications: such additional information and documentation as may be required by the Department, including information and documentation showing the ITVB is in compliance with all operating requirements.

504.6 Each application for operating authority shall:

- (a) Contain such supporting information and documentation as may be required by the Department, including information and documentation about the applicant, the vehicle, and the business;
- (b) Be accompanied by the original charter documents for the ITVB which demonstrate compliance with this section;
- (c) Be provided under penalty of perjury and notarized before a notary public;
- (d) Be filed not later than any deadline stated in an applicable administrative issuance; and
- (e) Be accompanied by an application fee of one hundred fifty dollars (\$150) for an initial application.

504.7 The Department shall issue a decision to grant or deny an application for an initial or renewed certificate of operating authority within thirty (30) days.

504.8 Operating authority for the ITVB shall be effective for twelve (12) months. The Department may establish a uniform renewal date through an administrative issuance.

504.9 At the time an applicant is issued a certificate of operating authority, the applicant shall also be issued a DFHV vehicle license in the name of the applicant and the ITVB under § 1010, which shall be automatically suspended or revoked if the

ITVB's operating authority or the applicant's DFHV operator's license (face card) is suspended or revoked.

- 504.10 Failure to file an application to renew ITVB operating authority within the time established by the Department shall result in the loss of the operating authority. The application deadline shall not be extended.
- 504.11 Each ITVB shall comply with § 812 for leasing the vehicle co-titled in its name. A lease executed in violation of this requirement shall be null and void.
- 504.12 An ITVB operating authority shall be null and void, and thereby subject to immediate suspension, proposed suspension, and proposed revocation, if any time:
- (a) A person other than the applicant acquires, or is designated to receive, a legal or beneficial interest in the ITVB, in any contract, will, or other legal document; or
 - (b) The applicant becomes domiciled in the District, provided however that in the event ITVB operating authority becomes null and void for this reason, the applicant shall be entitled to be issued a DFHV vehicle license as the exclusive owner of the vehicle where the applicant notifies the Department of the change in domicile within thirty (30) days of the change.
- 504.13 Tags issued by DMV based on a DFHV vehicle license issued pursuant to this section shall be immediately surrendered to DMV if any of the following licenses are suspended (other than an immediate suspension), revoked, or not renewed:
- (a) The applicant's DFHV operator's license;
 - (b) The vehicle's DFHV vehicle license; or
 - (c) The ITVB operating authority
- 504.14 Tags required to be surrendered pursuant to § 504.13 shall not be reissued, reclaimed, restored, or returned.
- 504.15 The Department may deny any license issued under this title to any person the issuance of which would perpetuate a violation of this section.

CHAPTER 7, ENFORCEMENT, of Title 31, TAXICABS AND PUBLIC VEHICLES FOR HIRE, of the DCMR is amended as follows:

A new section 716 is added to read as follows:

716 IMMEDIATE SUSPENSION OF A DIGITAL DISPATCH SERVICE REGISTRATION

716.1 In addition to any other enforcement action available under this chapter, a digital dispatch service registered with the Department under § 1605 which fails to comply with § 1605.6 shall be subject to the immediate suspension of its registration until the digital dispatch service provides the Department with the bond(s) required by § 1605.5, consistent with any applicable administrative issuance.

Chapter 8, OPERATING RULES FOR PUBLIC VEHICLES FOR HIRE, of Title 31 DCMR, TAXICABS AND PUBLIC VEHICLES FOR HIRE, is amended as follows:

Section 801, PASSENGER RATES AND CHARGES, is amended as follows:

Subsection 801.7 (c) is amended to read as follows:

- (1) The time and distance charges that shall be generated automatically by the taximeter for a taxicab trip booked by street hail, by telephone dispatch, or by digital dispatch through a DDS that does not process digital payments, are established as follows:
 - (A) Minimum fare (flag drop rate): three dollars and twenty five cents (\$3.25) plus the first one eighth (1/8) of a mile.
 - (B) Distance (after the first one eighth (1/8) of a mile):
 - (i) General distance rate: two dollars and sixteen cents (\$2.16) per mile (or twenty seven cents (\$0.27) per one-eighth (1/8) of a mile); or
 - (ii) Special shared ride distance rate: one dollar and twenty cents (\$1.20) per mile (or fifteen cents (\$0.15) per one-eighth (1/8) of a mile).
 - (C) Time (wait time):
 - (i) Thirty five dollars (\$35) per hour, to be calculated in sixty (60) second increments;
 - (ii) Time shall be charged when the vehicle is stopped, and when the vehicle is slowed to a speed of less than ten (10) miles per hour for longer than sixty (60) seconds;
 - (iii) Time shall be charged for delays and stopovers en

route at the direction of the passenger;

- (iv) Time shall not be charged during periods lost due to vehicle or operator inefficiency; and
- (v) If the vehicle is responding to a dispatch, time shall be charged beginning five (5) minutes after the time pickup was requested by the customer. There shall be no additional charge for early arrival.

(2) The authorized additional charges which shall be generated automatically by the taximeter for a taxicab trip booked by street hail, by telephone dispatch, or by digital dispatch through a DDS that does not process digital payments, are established as follows:

- (A) A fee for telephone dispatch, if any, which shall be two dollars (\$2);
- (B) A taxicab passenger surcharge, which shall be twenty five cents (\$0.25) (per trip or per segment of a shared ride, and not per passenger);
- (C) A charge for delivery service where there is no passenger present shall be determined by an applicable administrative issuance or other document approved by the Department;
- (D) The amount of any airport surcharge or toll paid by the taxicab operator;
- (E) An additional passenger fee for each segment of a group or shared ride where more than one (1) passenger is present in the vehicle, which shall be one dollar (\$1.00) regardless of the number of additional passengers (the total additional passenger fee shall never exceed one dollar (\$1.00)), provided however, that no additional passenger fee shall be charged when the special shared ride distance rate applies; and
- (F) A snow emergency fare when authorized under § 804.

Subsection 801.8 is amended to read as follows:

801.8 Charges for group and shared rides shall be assessed as follows, and in the manner set forth in an applicable administrative issuance:

- (a) For shared rides:

- (1) In vehicles with digital meters: only one flag drop rate shall be charged, without regard to the number of destinations. Shared rides may be arranged through digital meters approved by the Department pursuant to § 602, which shall allow passengers to apportion the total fare in a manner that maximizes consumer choice and operator income pursuant to an administrative issuance; and
 - (2) In vehicles with legacy (non-digital) meters: as each passenger reaches his or her destination, the metered fare shall be paid by the passenger(s) leaving the taxicab, at which time there shall be a new flag drop and the passenger(s) remaining in the group shall pay in the same manner until the last passenger(s) arrives at his or her destination and the final metered taxicab fare is then paid. There shall be a new flag drop for each leg of the trip.
- (b) For group rides booked by street hail, telephone dispatch, or digital dispatch, and paid through in-vehicle payment, the metered fare, including the additional passenger fee under § 801.7(c)(2)(E), shall be paid by the last passenger(s) leaving the taxicab.
 - (c) For group rides booked by digital dispatch and paid through digital payment, the fare shall be charged and paid consistent with all applicable requirements of this title applicable to a trip which is not a group ride.

Chapter 10, PUBLIC VEHICLES FOR HIRE, of Title 31 DCMR, TAXICABS AND PUBLIC VEHICLES FOR HIRE, is amended to read as follows:

A new Section 1008 is added to read as follows:

1008 PROVISIONAL LUXURY CLASS SERVICE OPERATOR'S LICENSE

1008.1 The Department may issue a provisional DFHV operator's luxury class service license (provisional LCS operator's license) consistent with the requirements of § 1209 and pursuant to an administrative issuance.

The title of section 1010, ISSUANCE OF DCTC VEHICLE LICENSE, is amended to read as follows:

ISSUANCE OF DFHV VEHICLE LICENSE

A new subsection 1010.21 is added as follows:

1010.21 The Department may issue a new DFHV vehicle license to each applicant that meets the applicable requirements of this title and other applicable laws. In addition, each applicant may be required by the Department to:

- (a) Purchase or lease a vehicle that uses electric or other efficient means of propulsion, and/or is wheelchair accessible;
- (b) Provide service in underserved areas of the District, as identified by the Department; or
- (c) Meet other requirements to enhance safety and consumer protection, to improve customer service, or to achieve other lawful purposes within the jurisdiction of the Department, as determined in an administrative issuance.

Chapter 12, LUXURY CLASS SERVICES – OWNERS, OPERATORS, AND VEHICLES, is amended as follows:

Section 1209, LICENSING OF LCS VEHICLE OPERATORS – ISSUANCE OF LICENSES, is amended as follows:

New Subsections 1209.5 and 1209.6 are added to read as follows:

1209.5 The Department may issue a provisional DFHV operator’s luxury class service license (provisional LCS operator’s license) pursuant to an administrative issuance provided that each applicant:

- (a) Meets the requirements of §§ 1205 and 1207;
- (b) Submits an application pursuant to § 1206;
- (c) Completes the training and education requirements of § 1208; and
- (d) Complies with such additional terms and conditions for provisional licensing as may be set forth in the administrative issuance, including requirements related to:
 - (1) Passenger, operator, and public safety;
 - (2) Consumer protection; and
 - (3) Any other purpose within the jurisdiction of the Commission.

1209.6 The total application fees for a provisional LCS operator’s license, including fees for fingerprinting and testing, shall not exceed the total fees for a full (non-provisional) DFHV operator’s license.

A new Section 1221 is added to read as follows:

1221 INDEPENDENT LUXURY VEHICLE BUSINESSES

- 1221.1 An individual not domiciled in the District (“applicant”) may apply for a certificate of operating authority to operate an independent luxury vehicle business (“ILVB”). An ILVB shall allow the applicant to register a luxury class vehicle (limousine or black car) in the District, with the ILVB as co-owner and co-registrant of the vehicle, as required by the rules and regulations of DMV, and other applicable laws.
- 1221.2 Applicants who apply for certificates of operating authority under this section may be required to:
- (a) Purchase or lease a vehicle which has electric propulsion;
 - (b) Purchase or lease a vehicle which is wheelchair accessible;
 - (c) Provide service in underserved areas of the District, as identified by the Department;
 - (d) Obtain additional training to improve customer service levels, including training for wheelchair service and disability sensitivity; and
 - (e) Meet other reasonable requirements to enhance safety and consumer protection, to improve customer service, and to achieve other lawful purposes within the jurisdiction of the Department, as determined by the Department in an administrative issuance.
- 1221.3 For all purposes of this title, the Establishment Act, the Impoundment Act, and other applicable laws (excluding the regulations and laws applicable to DMV):
- (a) The ILVB shall be considered and treated by the Department as the legal *alter ego* of the individual for all purposes of this title, with the effect of imposing upon the individual all obligations applicable to the ILVB under this title, provided however that where a provision of this title authorizes the imposition of a civil penalty upon either the ILVB or the individual, either penalty may be applied upon the individual; and

- (b) Notwithstanding any contrary provision of Chapter 7, notice of any action, including without limitation any enforcement action or legal proceeding by the Department, the Office of Administrative Hearings, or the District, shall be valid, binding, and fully enforceable against either or both the individual and the ILVB, provided it is otherwise properly served upon either the individual or the ILVB pursuant to Chapter 7.

1221.4 Nothing in this chapter shall be construed to alter the legal rights or obligations of any person under any provision of the D.C. Municipal Regulations or District law other than the rules and regulations of this title.

1221.5 An individual (“applicant”) shall be eligible to apply for an initial or renewed certificate of operating authority under this section where:

- (a) The individual is not domiciled in the District;
- (b) The individual holds a DFHV vehicle operator’s license (Face card) to operate a luxury class vehicle;
- (c) The individual owns or agrees in writing to purchase a new vehicle or a vehicle which is not required to be replaced within two (2) years from the date of application under this title or other applicable law;
- (d) Consistent with the prohibition in § 1221.12, no person other than the applicant has acquired, or is designated to receive, a legal or beneficial interest in the ILVB, in any contract, will, or other legal document, and the applicant has not become domiciled in the District, requirements which shall appear in the charter documents from DCRA;
- (e) The ILVB is a District-based business with a bona fide place of business in the District, registered with DCRA and subject to all other requirements for a District-based business, and eligible under all applicable District regulations and laws (other than those in this title) to appear on the title as co-owner of the vehicle for which the application is filed;
- (f) The individual and the vehicle are in full compliance with all other requirements of this title, including all applicable licensing and operating requirements, as may be amended from time-to-time;
- (g) The individual is in good standing with the Department, including having no pending enforcement actions;
- (h) The individual is in compliance with the Clean Hands Act; and

- (i) For renewal applications: such additional supporting information and documentation as may be required by the Department, including information and documentation showing the ILVB is in compliance with all operating requirements.

1221.6 Each application for operating authority shall:

- (a) Contain such information and documentation as may be required by the Department, including information and documentation about the applicant, the vehicle, and the business;
- (b) Be accompanied by the original charter documents for the ILVB demonstrating compliance with this section;
- (c) Be provided under penalty of perjury and notarized before a notary public;
- (d) Be filed not later than any deadline stated in an applicable administrative issuance; and
- (e) Be accompanied by an application fee of two hundred fifty dollars (\$250)

1221.7 The Department shall issue a decision to grant or deny an application for an initial or renewed certificate of operating authority within thirty (30) days.

1221.8 Operating authority for the ILVB shall be effective for twelve (12) months. The Department may establish a uniform renewal date through an administrative issuance.

1221.9 At the time an applicant is issued a certificate of operating authority, the applicant shall also be issued a DFHV vehicle license in the name of the applicant and the ILVB under §§ 1010 and 1204, which shall be automatically suspended or revoked if the ILVB's operating authority or the applicant's DFHV operator's license (face card) is suspended or revoked.

1221.10 Failure to file an application to renew ILVB operating authority within the time established by the Department shall result in the loss of the operating authority. The application deadline shall not be extended.

1221.11 Each ILVB shall comply with § 812 for leasing the vehicle co-titled in its name. A lease executed in violation of this requirement shall be null and void.

1221.12 An ILVB operating authority shall be null and void, and thereby subject to immediate suspension, proposed suspension, and proposed revocation, if any time:

- (a) A person other than the applicant acquires, or is designated to receive, a legal or beneficial interest in the ILVB, in any contract, will, or other legal document; or
- (b) The applicant becomes domiciled in the District, provided however that in the event ILVB operating authority becomes null and void for this reason, the applicant shall be entitled to be issued a DFHV vehicle license as the exclusive owner of the vehicle where the applicant notifies the Department of the change in domicile within thirty (30) days of the change.

1221.13 Tags issued by DMV based on a DFHV vehicle license issued pursuant to this section shall be immediately surrendered to DMV if any of the following licenses are suspended (other than an immediate suspension), revoked, or not renewed:

- (a) The applicant's DFHV operator's license;
- (b) The vehicle's DFHV vehicle license; or
- (c) The ILVB operating authority

1221.14 Tags required to be surrendered pursuant to § 1221.13 shall not be reissued, reclaimed, restored, or returned.

1221.15 The Department may deny any license issued under this title to any person the issuance of which would perpetuate a violation of this section.

Chapter 16, DISPATCH SERVICES AND DISTRICT OF COLUMBIA TAXICAB INDUSTRY CO-OP, of Title 31, TAXICABS AND PUBLIC VEHICLES FOR HIRE, of the DCMR, is amended as follows:

Section 1605, DIGITAL DISPATCH SERVICES – REGISTRATION, is amended as follows:

Subsection 1605.5 is amended to read as follows:

1605.5 Each registration application form filed under § 1605.3 shall be:

- (a) Executed under oath by an individual with authority to complete the filing;
- (b) Accompanied by a filing fee of five hundred dollars (\$500) regardless of the number of vehicle-for-hire services dispatched by the digital dispatch service; and

CHAPTER 18, WHEELCHAIR ACCESSIBLE PARATRANIST TAXICAB SERVICE, of Title 31, TAXICABS AND PUBLIC VEHICLES FOR HIRE, of the DCMR is amended as follows:

Section 1806, TAXICAB COMPANIES AND OPERATORS – OPERATING REQUIREMENTS is amended as follows:

Subsection 1806.5 (a), is amended to read as follows:

- (a) Each company shall add a vehicle to its fleet which complies with subparagraph (b) each time the company completes three thousand (3,000) CAPS-DC trips, or such greater number of trips as may be established in an administrative issuance.

Subsection 1806.10 is amended to read as follows:

1806.10 The rates and charges, and acceptable forms of payment, for each CAPS-DC trip shall be in accordance with the following requirements:

- (a) The fare for a CAPS-DC trip shall not exceed a flat rate of thirty three dollars (\$33) as stated in an administrative issuance, plus any gratuity which a passenger chooses to add to the total fare, payable as follows:
 - (1) Not more than five dollars (\$5.00) of the CAPS-DC fare shall be paid by the passenger by any means allowed by Chapter 8, including a payment card or cash; and
 - (2) The remaining fare shall be paid by District.
- (b) No passenger surcharge shall be collected from a passenger for a CAPS-DC trip.

CHAPTER 20, FINES AND CIVIL PENALTIES, of Title 31, TAXICABS AND PUBLIC VEHICLES FOR HIRE, of the DCMR is amended as follows:

Subsection 2000.8 of Section 2000 is amended as follows:

SCHEDULE 3 (Fines for Entities, Owners, and Operators) is amended as follows:

The fine for fraudulent and unlawful actions is amended to read as follows:

<p>Schedule 3 Fines For Entities, Owners, and Operators Maximum Fines Based On Circumstances</p>

Fraudulent and unlawful actions	\$500
<ul style="list-style-type: none"> • Falsifying or tampering with manifest (§ 823) • Displaying, possessing, or presenting a fraudulent copy or altered government issued operator identification (Face) card or vehicle inspection (DCTC) card (§ 814.7) • Tampering with meter or meter seals (§ 1323) • Knowingly operating with non-functioning meter or operating without a meter • Improperly sealed meter (§ 1321) • Improper conduct and/or unlawful actions (§ 816) 	

Chapter 99, DEFINITIONS, of Title 31, TAXICABS AND PUBLIC VEHICLES FOR HIRE, of the DCMR is amended as follows:

Subsection 9901.1, of Section 9901, DEFINITIONS, is amended to add definitions as follows:

“General distance rate” – the taximeter distance rate for all rides other than a shared ride in a vehicle with a legacy (non-digital) taximeter which has been reprogrammed for the special shared ride distance rate, as defined in this chapter.

“ILVB” – An independent taxicab business, as defined in this chapter.

“Independent luxury vehicle business” – A District-based business which appears as co-owner and co-registrant of a vehicle owned by an individual who is not domiciled in the District, for the purpose of allowing the individual to register a public vehicle-for-hire in the District pursuant to all applicable District laws and regulations.

“Independent taxicab business” – A District-based business which appears as co-owner and co-registrant of a taxicab vehicle owned by an individual who is not domiciled in the District, for the purpose of allowing the individual to register a public vehicle-for-hire in the District pursuant to all applicable District laws and regulations.

“TTVB” – An independent taxicab business, as defined in this chapter.

“Provisional DFHV luxury class service operator’s license” – a DFHV operator’s license issued to an operator of a luxury class service vehicle which, following its issuance, may be subject to additional requirements or conditions, including the completion of a background check by the Federal Bureau of Investigation, prior to full licensing consistent with the requirements of this title and other applicable laws.

“Provisional LCS operator’s license” – a provisional DFHV luxury class service operator’s license as defined in this section.

“Special shared ride distance rate” – the taximeter distance rate for a shared ride in a vehicle with a legacy (non-digital) taximeter which has been reprogrammed for this rate.