

## **DEPARTMENT OF FOR-HIRE VEHICLES**

### **NOTICE OF FINAL 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 its intent to adopt amendments to Chapter 8 (Operating Rules for Public Vehicles for Hire) and Chapter 99 (Definitions), of Title 31 (Taxicabs and Public Vehicles For Hire) of the District of Columbia Municipal Regulations (DCMR).

This final rulemaking amends Chapter 8 to encourage the use of shared riding for digital taxicab solutions through a clarified structure for calculating shared ride fares. The shared riding system outlined under the Department’s current regulations is underutilized and does not promote competitiveness of taxicabs with the private sedan segment of the industry. The new system will make shared riding more attractive to both operators and passengers by instituting 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. In transporting two or more shared ride fares, operators will earn more money than had they only transported one passenger or fare at once. Passengers, in turn, will save money by paying a lower time and distance rate in sharing a ride with others—a benefit that has long been available on the private sedan segment of the for-hire transportation industry through services such as UberPOOL, Lyft Line, and Via.

This rulemaking also amends Chapter 8 to reduce the wait time rate from \$35 per hour to \$25 per hour. The wait time rate was increased from \$25 to \$35 in 2015, but most operators’ modern taximeter systems were never reprogrammed with the same rate. With the beginning of the DTS rollout, many passengers have raised concerns to the Department about the higher wait time rate, and the Department has also heard from taxicab owners and operators that the higher rate is bad for business and places taxicabs at a greater competitive disadvantage versus the private sedans.

A notice of emergency and proposed rulemaking was adopted on November 30, 2017, and took effect immediately. It was due to expire one hundred twenty (120) days after the date of its adoption on March 30, 2018, and was published in the *DC Register* on February 9, 2018, at 65 D.C. Reg. 001480. A notice of public hearing was published in the *DC Register* on March 2, 2018, at 65 D.C. Reg. 002174, announcing a public hearing for Wednesday, March 7, 2018 at 10:00 am. Additionally, a 45-day comment period ran from February 9, 2018, to March 26, 2018. No substantial comments were received from either the comment period or at the public hearing.

The Department readopted a second emergency rulemaking on March 27, 2018, which was published in the *DC Register* on July 0, 2018, at 65 D.C. Reg. 007583, for the reasons articulated above, with no substantive changes to the prior rulemaking, in order to prevent a lapse in its

effect while a final rulemaking was being published. Non-substantive changes were to correct a numbering error at (c)(2), which was replaced with the proper numbering of (c)(1)(C)(v); to replace the word “plus” with the words “for entry and” in subparagraph (c)(1)(A); and to replace the word “never” with “not” in subparagraph (c)(2)(E). The second emergency rulemaking took effect immediately upon adoption and was due to expire on July 25, 2018. It is hereby superseded with this Notice of Final Rulemaking, which takes effect upon publication in the *DC Register*.

**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:**

(c) (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) for entry and 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 (available for digital taximeter systems only): 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) Twenty-five dollars (\$25) 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 not 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.

**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 the following definition:**

**“Special shared ride distance rate”** – the taximeter distance rate for a shared ride in a vehicle with a digital taximeter which has been reprogrammed for this rate.