

DISTRICT OF COLUMBIA TAXICAB COMMISSION

NOTICE OF EMERGENCY AND PROPOSED RULEMAKING

The District of Columbia Taxicab Commission (“Commission”), pursuant to the authority set forth in Sections 8(c) (2), (7), (19) and (20), 14, and 20l, of the District of Columbia Taxicab Commission Establishment Act of 1985 (“Establishment Act”), effective March 25, 1986, as amended by the Vehicle-for-Hire Innovation Amendment Act of 2014 (“Vehicle-for-Hire Act”), effective March 10, 2015 (D.C. Law 6-97; D.C. Official Code §§ 50-307(c) (2), (7), (19) and (20), 50-313, and 50-329 (2012 Repl. & 2015 Supp.)), hereby gives notice of its intent to adopt amendments to Chapter 7 (Enforcement) and Chapter 16 (Dispatch Services and District of Columbia Taxicab Industry Co-op) of Title 31 (Taxicabs and Public Vehicles For Hire) of the District of Columbia Municipal Regulations (DCMR).

This proposed rulemaking would amend Chapter 16 to establish a new requirement in § 1605 that all digital dispatch services (DDSs) provide the Office of Taxicabs with a bond 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 Commission and the Office. The Commission 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 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 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 would apply to all DDSs, including all those which are currently registered with the Office. The rulemaking would also amend Chapter 7 to add an enforcement provision allowing the Office 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.

The Commission 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 Office 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.

This emergency rulemaking was adopted by the Commission on February 10, 2016, and took effect immediately. The emergency rules shall remain in effect for one hundred and twenty (120) days after the date of adoption (expiring June 9, 2016), unless earlier superseded by an amendment or repeal by the Commission, or the publication of final rulemaking, whichever occurs first.

The Commission also hereby gives notice of the intent to take final rulemaking action to adopt these proposed rules in not less than thirty (30) days after the publication of this notice of

proposed rulemaking in the *D.C. Register*. Directions for submitting comments may be found at the end of this notice.

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

A new section 720 is added to read as follows:

720 IMMEDIATE SUSPENSION OF A DIGITAL DISPATCH SERVICE REGISTRATION

720.1 In addition to any other enforcement action available under this chapter, a digital dispatch service registered with the Office under § 1605 which fails to comply with § 1605.6 shall be subject to the immediate suspension of its registration until it provides the Office with a bond that meets the requirements of § 1605.5 (c).

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
 - (c) Accompanied by a bond payable to the District of Columbia to secure payment of the amount(s) owed to the District pursuant to the § 1604.7 which shall be valid for the licensing period and one (1) year thereafter, which shall be in the amount of one hundred thousand dollars (\$100,000) for taxicabs, and two hundred fifty thousand dollars (\$250,000) for each additional public or private vehicle-for-hire service dispatched by the digital dispatch service, and which shall comply with any applicable administrative issuance.

Existing subsections 1605.6 through 1605.9 are renumbered as subsections 1605.7 through 1605.10.

A new subsection 1605.6 is added to read as follows:

1605.6 Not later than thirty (30) days after the effective date of these regulations, each digital dispatch service registered with the Office shall provide a bond to the Office which meets the requirements of § 1605.5 (c).

A new subsection 1605.11 is added to read as follows:

1605.11 A bond provided by a digital dispatch service pursuant to § 1605.5 (c) may be forfeited in whole or in part to satisfy an obligation of the digital dispatch service under § 1604.7 which remains unpaid for more than thirty (30) days. The Office shall give written notice of its intent to forfeit a bond not less than ten (10) days prior to taking the action.

Copies of this proposed rulemaking can be obtained at www.dcregs.dc.gov or by contacting Secretary to the Commission, District of Columbia Taxicab Commission, 2235 Shannon Place, S.E., Suite 3001, Washington, D.C. 20020. All persons desiring to file comments on the proposed rulemaking action should submit written comments via e-mail to dctc@dc.gov or by mail to the DC Taxicab Commission, 2235 Shannon Place, S.E., Suite 3001, Washington, DC 20020, Attn: Secretary to the Commission, no later than thirty (30) days after the publication of this notice in the *D.C. Register*.