

DISTRICT OF COLUMBIA TAXICAB COMMISSION

NOTICE OF PROPOSED RULEMAKING

The District of Columbia Taxicab Commission (“Commission”), pursuant to the authority set forth in Sections 8 (c) (2), (3), (7), (12), (13), and (19); 14; and 20 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 §§ 50-307(c)(2), (3), (7), (12), (13), and (19); 50-313; and 50-319 (2012 Repl. & 2015 Supp.)), hereby gives notice of its intent to adopt amendments to Chapter 5 (Taxicab Companies, Associations and Fleets), Chapter 12 (Luxury Services – Owners, Operators, and Vehicles, and Chapter 99 (Definitions) of Title 31 (Taxicabs and Public Vehicles-for-Hire) of the District of Columbia Municipal Regulations (DCMR).

The proposed amendments to Chapter 5 would create a pathway for non-District resident operators to own and operate taxicabs and luxury class vehicles (limousines and black cars) in the District. The rules would authorize the licensing of independent taxicab vehicle businesses (“ITVBs”) and independent luxury vehicle businesses (“ILVBs”), which would co-own vehicles with these operators. The operators would then be eligible to register their vehicles with the D.C. Department of Motor Vehicles (“DMV) and receive DMV “H-tags” and “L-tags”, as appropriate.

No individual seeking to operate a taxicab in the District would be eligible to receive operating authority for an ITVB except when the Office of Taxicabs makes DCTC taxicab vehicle licenses (and corresponding DMV “H-tags”) available. 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. This proposed rulemaking would also add new definitions to Chapter 99.

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

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

Chapter 5, 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 independ-

ent taxicab vehicle business (“ITVB”), during such times when the Office makes new DCTC vehicle licenses available. This section does not authorize the issuance of new DCTC 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 ITVB shall allow the applicant to register a taxicab vehicle in the District, with the ITVB as co-owner and co-registrant of the vehicle, 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 Office 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 Office;
- (d) Obtain additional training to improve customer service levels, including training for wheelchair service and disability sensitivity; and
- (e) Meet other requirements to enhance safety and consumer protection, to improve customer service, and to achieve other lawful purposes within the jurisdiction of the Commission, as determined by the Office.

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 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 Office, the Commission, 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 DCTC vehicle operator’s license (Face card) to operate a taxicab;
- (c) The individual:
 - (1) Holds a current DCTC 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 from 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, as may be amended from time-to-time;
- (g) The individual is in good standing with the Office, 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 Office, 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 information and documentation as may be required by the Office, 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 Office 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 shall be effective for twelve (12) months. The Office may establish a uniform renewal date.
- 504.9 At the time an applicant is issued a certificate of operating authority, the applicant shall also be issued a DCTC 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 DCTC 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 Office 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 DCTC vehicle license as the exclusive owner of the vehicle where the applicant notifies the Office of the change in domicile within thirty (30) days of the change.

504.13 Tags issued by DMV based on a DCTC 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 DCTC operator's license;
- (b) The vehicle's DCTC 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 Office may deny any license issued under this title to any person the issuance of which would perpetuate a violation of this section.

Chapter 12, LUXURY SERVICES – OWNERS, OPERATORS, AND VEHICLES, of Title 31, TAXICABS AND PUBLIC VEHICLES FOR HIRE, of the DCMR is amended as follows.

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 Office;

- (d) Obtain additional training to improve customer service levels, including training for wheelchair service and disability sensitivity; and
- (e) Meet other requirements as determined by the Office.

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 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 Office, the Commission, 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 DCTC 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 Office, 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 Office, 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 Office, 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 Office 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 shall be effective for twelve (12) months. The Office may establish a uniform renewal date.

1221.9 At the time an applicant is issued a certificate of operating authority, the applicant shall also be issued a DCTC 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 DCTC 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 Office 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 DCTC vehicle license as the exclusive owner of the vehicle where the applicant notifies the Office of the change in domicile within thirty (30) days of the change.
- 1221.13 Tags issued by DMV based on a DCTC 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 DCTC operator's license;
 - (b) The vehicle's DCTC 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 Office may deny any license issued under this title to any person the issuance of which would perpetuate a violation of this section.

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:

“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.

Copies of this proposed rulemaking can be obtained at www.dcregs.dc.gov or by contacting the 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: The Secretary to the Commission, no later than thirty (30) days after the publication of this notice in the *D.C. Register*.