

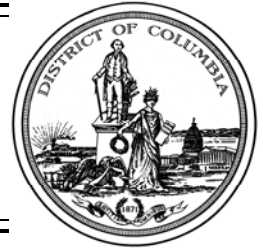
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**OFFICE OF MARY M. CHEH**  
COUNCILMEMBER, WARD 3  
CHAIR, COMMITTEE ON THE ENVIRONMENT,  
PUBLIC WORKS, AND TRANSPORTATION

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**MEMORANDUM**

**TO:** Members of the Council of the District of Columbia  
**FROM:** Councilmember Mary M. Cheh  
**DATE:** November 5, 2012  
**SUBJECT:** B19-892, the Public Vehicle-for-hire Innovation Amendment Act of 2012

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In January, I conducted a survey on the District's taxi industry. Of the more than 4,000 responses received, 78% rated the District's taxis as fair or poor, and 69% said that they believed our taxi system was worse than in other cities. To address this problem, I drafted and in July the Council approved the most comprehensive taxi reform legislation in decades. The Taxicab Service Improvement Amendment Act of 2012 will modernize and transform the District's taxi system. Among other things, the bill provides for:

- Credit card readers in all taxicabs
- Uniform taxicab color and cruising lights
- GPS navigation and electronic manifests to reduce fraud
- Passenger and driver safety alert buttons
- Increased training for drivers and hack inspectors
- Benchmarks for an overall 20% reduction in taxicab emissions by 2020
- Increased service in underserved areas of the District
- Increased wheelchair accessible service for persons with disabilities.

The Taxicab Commission has already begun to implement this legislation. Beginning early next year, taxis in the District will become cleaner, more modern, and more reliable.

Working on the taxi reform bill made it clear, however, that the District needs to do more than just modernize its taxi fleet. Additionally, we should recognize that the entire public vehicle-for-hire industry is changing, particularly through advanced technology, and, as a result, we need to reconsider the overall structure and regulation of the industry.

In September, I held a long hearing on innovations in the public vehicle-for-hire industry. John Mason, the London taxi commissioner testified about the success of Hailo, a smartphone app that connects passengers to more than 8,000 London taxis and seamlessly charges the fares to passengers' credit cards. We also heard from the CEO of Uber, a sedan service, run through another smartphone app, that has been very popular in the District. We learned that myTaxi recently joined Taxi Magic as an app that allows District residents to call for taxis. These innovations are exciting, increase competition, improve the quality and reliability of service, and benefit both District residents and drivers.

We welcome innovation. And, to help foster it, I intend to move Bill 19-892, the Public Vehicle-for-hire Innovation Amendment Act of 2012, this month. I am attaching a draft Committee Print of the bill, which would:

- Prohibit the Commission from regulating fares for sedan-class service;
- Limit the Commission's regulation of sedan drivers and vehicles to matters of safety, consumer protection, and non-personal trip data used to improve service;
- Exempt digital dispatch companies from regulation by the Commission except for:
  - Informing passengers of their rates prior to booking,
  - Using vehicles and drivers licensed to operate in the District,
  - Providing an electronic or paper receipt at the end of a trip,
  - Allowing customers to request a wheelchair-accessible vehicle,
  - Offering service in every Ward and neighborhood of the District,
  - Not discriminating against passengers, and
  - Providing non-personal trip data to the Commission.
- Allow taxis to convert their licenses and vehicles to sedan-class service;
- Create a unified license allowing drivers to operate taxis, limousines, and sedans;
- Allow passengers to file complaints electronically and through a 24/7 hotline;
- Require the Commission to open and expedite the licensing process for new drivers and vehicles; and
- Make a set of technical changes to this summer's taxi reform bill.

The attached bill is a draft. I am circulating it so that all who are interested can review it and provide feedback before it comes before the Committee on Friday and full Council later this month.

I enthusiastically welcome your thoughts on this legislation along with feedback from residents and other industry stakeholders. Earlier this year, the Council dramatically reformed the District's taxi system. Through this legislation, we can support innovation in the public vehicle-for-hire industry by decreasing regulation and encouraging competition, which will ultimately improve the quality and reliability of service for District residents.