



Committee: TE
Committee Review: At a future date
Staff: Christine Wellons, Chief Legislative Attorney
Purpose: To introduce agenda item – no vote expected

AGENDA ITEM #6B
September 17, 2024
Introduction

SUBJECT

Bill 19-24, Taxicab Licenses – Amended Requirements

Lead Sponsor: Council President at the request of the County Executive

EXPECTED ATTENDEES

None

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- N/A

DESCRIPTION/ISSUE

Bill 19-24 would:

- (1) extend the age limit for vehicles that are permitted to provide taxicab service in the County;
- (2) modify the standards required for a taxicab driver identification card;
- (3) clarify certain language as it pertains to reporting accidents involving taxicabs; and
- (4) generally amend the laws governing the licensing and regulation of taxicabs.

SUMMARY OF KEY DISCUSSION POINTS

- N/A

This report contains:

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County Executive's Memorandum (with enclosures)	© 5
Fiscal Impact Statement	© 12

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M E M O R A N D U M

September 12, 2024

TO: County Council

FROM: Christine Wellons, Chief Legislative Attorney

SUBJECTS: Bill 19-24, Taxicab Licenses – Amended Requirements

PURPOSE: Introduction – no Council votes required

Bill 19-24, Taxicab Licenses – Amended Requirements, is sponsored by the Council President at the request of the County Executive. The bill is scheduled for introduction on September 17, 2024. A public hearing on the bill is tentatively scheduled for October 8, 2024 at 1:30 p.m. The Transportation and Environment Committee will hold a worksession for Bill 19-24 at a later date.

Bill 19-24 would:

- (1) extend the age limit for vehicles that are permitted to provide taxicab service in the County;
- (2) modify the standards required for a taxicab driver identification card;
- (3) clarify certain language as it pertains to reporting accidents involving taxicabs; and
- (4) generally amend the laws governing the licensing and regulation of taxicabs.

BACKGROUND

The County Executive has provided the following background regarding Bill 19-24.

This legislation would increase the in-service eligibility for traditional sedans from eight years to ten years, while also permitting alternative fuel, electric vehicles, hybrid, and WAV taxicabs to be operated for 12 years....

By bifurcating traditional sedan taxicabs and alternative fuel, electric, hybrid fuel, and wheelchair accessible vehicle (WAV) taxicabs, and providing two additional years of eligible service for that second tranche of vehicles, it may incentivize PVL holders to transition to and invest more heavily in those vehicles....

Arlington and Fairfax Counties, and the City of Alexandria in Virginia, as well as Washington D.C. have each increased the in-service age eligibility for taxicab vehicles recently. While the age of in-service eligibility varies across the Washington D.C, metropolitan area, each of the aforementioned jurisdictions permit taxicab vehicles to be operated for at least 10 years. This legislation will permit Montgomery County’s taxicab industry to remain competitive with neighboring jurisdictions....

BILL SPECIFICS

Bill 19-24 would do four things. First, it would make permanent a change in the County law in 2021 ([Expedited Bill 47-21](#)), which increased the permissible age of taxicabs from eight to ten years. If the sunset clause under Expedited Bill 47-21 is not repealed, the maximum age of a taxicab will return to eight years as of December 31, 2024.

Second, the bill would allow certain types of taxicabs – those that are hybrid, electric, or wheelchair accessible – to continue in use for 12 years.

Third, Bill 19-24 would require taxicab drivers who are in an accident to submit accident reports not only to the holder of the taxicab license, but also to the Department of Transportation. Finally, the bill would make several technical corrections in Chapter 53 {Taxicabs}.

This packet contains:

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Bill No. 19-24
Concerning: Taxicab Licenses —
Amended Requirements
Revised: 9/3/2024 Draft No. 1
Introduced: September 17, 2024
Expires: December 7, 2026
Enacted: _____
Executive: _____
Effective: _____
Sunset Date: _____
Ch. _____, Laws of Mont. Co. _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

AN ACT to:

- (1) extend the age limit for vehicles that are permitted to provide taxicab service in the County;
- (2) modify the standards required for a taxicab driver identification card;
- (3) clarify certain language as it pertains to reporting accidents involving taxicabs; and
- (4) generally amend the laws governing the licensing and regulation of taxicabs.

By amending

Montgomery County Code
Chapter 53, Taxicabs
Sections 53-216, 53-228, 53-311 and 53-319

Laws of Montgomery County 2021
Chapter 38

Boldface	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

The County Council for Montgomery County, Maryland approves the following Act:

Sec. 1. Sections 53-216, 53-228, 53-311, and 53-319 are amended, as follows:

ARTICLE 2. TAXICAB LICENSES.

* * *

Division 3. Duties of Licensees.

53-216. Notice of change of address.

Each licensee must notify the Department, in writing, not [less] more than 2 business days after changing:

- (a) a business or residential address;
- (b) a required telephone number; or
- (c) any officer, principal, partner, or managing agent, or any other person who effectively controls the operations of a licensee.

* * *

Division 5. Taxicab Vehicles.

53-228. Age of vehicles.

- (a) [A licensee must not use any vehicle that is more than ten model years old to provide taxicab service in the County.] Except for vehicles that are hybrid, electric, or wheelchair accessible, a licensee must not use any vehicle that is older than ten model years to provide taxicab service in the County.
- (b) A licensee must not use any hybrid, electric, or wheelchair accessible vehicle that is older than twelve model years to provide taxicab service in the County.
- (c) As used in this Chapter, the “model year” of a vehicle is the year designated by the vehicle manufacturer, as indicated on the vehicle or in the manufacturer’s records. A licensee may continue to maintain a taxicab vehicle in service until the [next] December [31] 31st of the

succeeding calendar year [after its tenth model year ends] after a taxicab vehicle ages out of service due to the end of its model year, if the vehicle passes a comprehensive safety inspection performed during the [preceding] month of August of the vehicle's final model year by a state-certified inspector in good standing.

[(b)] (d) The Director may waive this requirement only to maintain an accessible taxicab in service for no more than 90 days when the licensee shows that no adequate replacement vehicle was available for purchase during the preceding 90 days.

* * *

ARTICLE 3. TAXICAB DRIVER IDENTIFICATION CARDS.

Division 3. Duties of Drivers.

* * *

53-311. Notice of change of address.

Each driver must notify the Department, in writing, not [less] more than 2 business days after changing a business or residential address or required telephone number.

* * *

53-319. Accident reports.

(a) [Each driver must submit to the licensee not] Not more than 24 hours after [the] an accident [a written report of any accident] involving [an in-service] a taxicab [operated by the driver if], the driver of the taxicab must submit to the licensee and the Department a written report which provides a detailed account of the accident and whether any property was [damages] damaged or any person was injured.

(b) The report must include the driver's name; driver's identification card number; taxicab number; date, location, time, and description of the accident; and whether a police report was filed.

(c) The Police Department must forward any official police report of an accident involving a taxicab licensed under this Chapter to the Department when it is available to any party.

Sec. 2. Section 3 of Chapter 38 of the Laws of Montgomery County 2021 is amended as follows:

[Sec. 3. Sunset. This Act must sunset, and must have no further force or effect on December 31, 2024.]

Sec. 3. Expedited Effective Date. The Council declares that this legislation is necessary for the immediate protection of the public interest. This Act takes effect on the date when it becomes law.




OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich
County Executive

MEMORANDUM

August 30, 2024

TO: Andrew Friedson, President
Montgomery County Council

FROM: Marc Elrich, County Executive 

SUBJECT: Enacting Certain Changes to Chapter 53 Including Extending the Age of In-Service Eligibility for Taxicab Vehicles

I am transmitting the attached legislation to extend the age of vehicle in service eligibility for taxicab operating in Montgomery County. In December of 2021, I transmitted, and the Council approved, Expedited Bill 47-21E, Taxicabs – Age of Vehicles. The goal of that legislation was to extend the age of in-service eligibility for taxicab vehicles providing service in Montgomery County from eight years to 10 years. The legislation was supported by a majority of the Montgomery County Taxicab Services Commission (TSC), however, one commission member expressed opposition to the legislation and, in an effort to compromise, the Council decided to extend the age of in-service eligibility while including a sunset provision in the legislation. Expedited Bill 47-21E will be sunset on December 31, 2024. If that bill is permitted to sunset, a combination of six hybrid sedans and wheelchair accessible vehicles (WAVs) will be required to be taken out of service.

Approximately 76 taxicabs from model years 2016 through 2018 across the three taxicab fleets would be impacted moving forward. As it stands, 33 of those 76 taxicab vehicles are either wheelchair accessible vehicle (WAV) taxicabs or hybrid vehicles. Currently, there are approximately 200 taxicabs in total providing service in Montgomery County. Taxicabs continue to play a vital role in our community by remaining a viable transportation option for residents and guests, and by serving an increasing number of medically vulnerable residents.

This legislation would increase the in-service eligibility for traditional sedans from eight years to ten years, while also permitting alternative fuel, electric vehicles, hybrid, and WAV taxicabs to be operated for 12 years. If the age of in-service eligibility for taxicab vehicles is not extended, some taxicab operators will purchase a new vehicle to provide taxicab service, however, there are several Passenger Vehicle License (PVL) holders who may explore leaving the industry due to the inflationary pressure of purchasing a new vehicle. According to the Bureau of Labor Statistics Consumer Pricing Index, the cost of a new vehicle has increased approximately 20 percent since 2016ⁱ. Used cars, which peaked at 48

percent inflation in 2022 prior to easing, have increased 35 percent since 2016ⁱⁱ, thus making acquiring a used vehicle cost prohibitive.

It is important to note that the majority of taxicabs currently providing transportation services in Montgomery County are owned by individual PVL holders. These owners are microentrepreneurs and often serve as the taxicab operator. These individual owners may not be as well capitalized to purchase a replacement vehicle as a vehicle fleet operator.

By bifurcating traditional sedan taxicabs and alternative fuel, electric, hybrid fuel, and wheelchair accessible vehicle (WAV) taxicabs, and providing two additional years of eligible service for that second tranche of vehicles, it may incentivize PVL holders to transition to and invest more heavily in those vehicles.

The Montgomery County Department of Transportation (MCDOT) has worked closely with the taxicab industry and the TSC to explore ways to keep taxicab service readily available for County residents, especially the County's most vulnerable residents.

Arlington and Fairfax Counties, and the City of Alexandria in Virginia, as well as Washington D.C. have each increased the in-service age eligibility for taxicab vehicles recently. While the age of in-service eligibility varies across the Washington D.C. metropolitan area, each of the aforementioned jurisdictions permit taxicab vehicles to be operated for at least 10 years. This legislation will permit Montgomery County's taxicab industry to remain competitive with neighboring jurisdictions.

There are also general amendments to Chapter 53 that provide clarifying language to the code.

Your consideration of this proposed legislation is appreciated. Please contact Walton Harris (240-777-7193) with any questions.

ME:wh

Enclosures: Bill XX-24 Changes to Sections of Chapter 53
Fiscal Impact Statement for Bill XX-24 Changes to Chapter 53

ⁱ Bureau of Labor Statistics. (2016). Consumer Price Index Summary, January 2016. Retrieved July 22, 2024 from [Consumer Price Index News Release \(bls.gov\)](https://www.bls.gov/news.release/cpi2016.htm)

Bureau of Labor Statistics. (2017). Consumer Price Index Summary, January 2017. Retrieved July 22, 2024 from [Consumer Price Index News Release \(bls.gov\)](https://www.bls.gov/news.release/cpi2017.htm)

Bureau of Labor Statistics. (2018). Consumer Price Index Summary, January 2018. Retrieved July 22, 2024 from [Consumer Price Index News Release \(bls.gov\)](https://www.bls.gov/news.release/cpi2018.htm)

Bureau of Labor Statistics. (2019). Consumer Price Index Summary, January 2019. Retrieved July 22, 2024 from [Consumer Price Index News Release \(bls.gov\)](https://www.bls.gov/news.release/cpi2019.htm)

Bureau of Labor Statistics. (2020). Consumer Price Index Summary, January 2020. Retrieved July 22, 2024 from [Consumer Price Index News Release \(bls.gov\)](https://www.bls.gov/news.release/cpi2020.htm)

Bureau of Labor Statistics. (2021). Consumer Price Index Summary, January 2021. Retrieved July 22, 2024 from [Consumer Price Index News Release \(bls.gov\)](https://www.bls.gov/news.release/cpi2021.htm)

Bureau of Labor Statistics. (2022). Consumer Price Index Summary, January 2022. Retrieved July 22, 2024 from [Consumer Price Index News Release – 2022 M01 Results \(bls.gov\)](#)

Bureau of Labor Statistics. (2023). Consumer Price Index Summary, January 2023, Retrieved July 22, 2024 from [Consumer Price Index News Release - 2023 M01 Results \(bls.gov\)](#)

Bureau of Labor Statistics. (2024). Consumer Price Index Summary June 2024, Retrieved July 22, 2024 from [Consumer Price Index News Release - 2024 M06 Results \(bls.gov\)](#)

ii Bureau of Labor Statistics. (2016). Consumer Price Index Summary, January 2016. Retrieved July 22, 2024 from [Consumer Price Index News Release \(bls.gov\)](#)

Bureau of Labor Statistics. (2017). Consumer Price Index Summary, January 2017. Retrieved July 22, 2024 from [Consumer Price Index News Release \(bls.gov\)](#)

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Bureau of Labor Statistics. (2021). Consumer Price Index Summary, January 2021. Retrieved July 22, 2024 from [Consumer Price Index News Release \(bls.gov\)](#)

Bureau of Labor Statistics. (2022). Consumer Price Index Summary, January 2022. Retrieved July 22, 2024 from [Consumer Price Index News Release – 2022 M01 Results \(bls.gov\)](#)

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Bureau of Labor Statistics. (2024). Consumer Price Index Summary June 2024, Retrieved July 22, 2024 from [Consumer Price Index News Release - 2024 M06 Results \(bls.gov\)](#)

Bill No. _____ [Click - type number]
Concerning: Taxicabs
Revised: [date] Draft No. 1
Introduced: [date]
Expires: [18 mos. after intro]
Enacted: [date]
Executive: [date signed]
Effective: [date takes effect]
Sunset Date: [date expires]
Ch. [#], Laws of Mont. Co. [year]

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

AN ACT to:

- (1) extend the age limit for vehicles that are permitted to provide taxicab service in Montgomery County;
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- (b) A licensee must not use any hybrid, electric, or wheelchair accessible vehicle that is older than twelve model years to provide taxicab service in the County.
- (c) As used in this Chapter, the “model year” of a vehicle is the year designated by the vehicle manufacturer, as indicated on the vehicle or in the manufacturer’s records. A licensee may continue to maintain a

taxicab vehicle in service until the [next] December [31] 31st of the
succeeding calendar year [after its tenth model year ends] after a taxicab
vehicle ages out of service due to the end of its model year, if the vehicle
 passes a comprehensive safety inspection performed during the
 [preceding] month of August of the vehicle's final model year by a state-
 certified inspector in good standing.

[(b)] (d) The Director may waive this requirement only to maintain an
 accessible taxicab in service for no more than 90 days when the licensee
 shows that no adequate replacement vehicle was available for purchase
 during the preceding 90 days.

* * *

ARTICLE 3. TAXICAB DRIVER IDENTIFICATION CARDS.

Division 3. Duties of Drivers.

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53-311. Notice of change of address.

Each driver must notify the Department, in writing, not [less] more than 2
 business days after changing a business or residential address or required telephone
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53-319. Accident reports.

(a) [Each driver must submit to the licensee not] Not more than 24 hours
 after [the] an accident [a written report of any accident] involving [an in-
 service] a taxicab [operated by the driver], the driver of the taxicab must
submit to the licensee and the Department a written report which provides
a detailed account of the accident and whether [if] any property was
 [damages] damaged or any person was injured.

(b) The report must include the driver's name; driver's identification card number; taxicab number; date, location, time, and description of the accident; and whether a police report was filed.

(c) The Police Department must forward any official police report of an accident involving a taxicab licensed under this Chapter to the Department when it is available to any party.

Sec. 2. Section 3 of Chapter 38 of the Laws of Montgomery County 2021 is amended as follows:

[**Sec. 3. Sunset.** This Act must sunset, and must have no further force or effect on December 31, 2024.]

Sec. 3. Expedited Effective Date. The Council declares that this legislation is necessary for the immediate protection of the public interest. This Act takes effect on the date when it becomes law.

Approved:

Andrew Friedson, President, County Council

Date

Approved:

Marc Elrich, County Executive

August 30, 2024

Date

This is a correct copy of Council action.

Sara Tenenbaum, Clerk of the Council

Date

Fiscal Impact Statement

Office of Management and Budget

Bill

Extending the Age of In-Service Eligibility for Taxicab Vehicles

Bill Summary

This legislation would extend the age of in-service eligibility of traditional sedan taxicabs from eight years to ten years and would extend the age of in-service eligibility for alternative fuel, electric, hybrid, and wheelchair accessible vehicle (WAV) taxicabs, from eight years to 12 years. This legislation would also change the three year driving record requirement for individuals applying for a taxicab identification card to one year. The bill also removes the sunset provision from this section of the Code, which was placed there upon enactment of Expedited Bill 47-21E.

Fiscal Impact Summary

This legislation is not expected to have a significant fiscal impact. There may be a slight increase in fee revenues due to move taxicab vehicles being eligible for licensing. Expenditures will not be materially impacted.

Fiscal Year	2025	2026	2027	2028	2029	2030	Total
Personnel Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Revenues	\$500	\$1,100	\$1,700	\$350	\$850	\$1,550	\$6,050
Total Impact	\$500	\$1,100	\$1,700	\$350	\$850	\$1,550	\$6,050
FTE	0.00	0.00	0.00	0.00	0.00	0.00	

Fiscal Impact Analysis

This legislation would generate a slight increase in revenue by allowing the County to collect fees associated with Passenger Vehicle License (PVL) renewals and the potential for vehicle re-inspections during the annual inspection process for vehicles across three taxicab fleets for an additional two to four years. In 2022 certain licensing fees were reduced in an effort to provide assistance to the taxicab industry. This includes the PVL fee which was reduced from \$495 to \$50.

The County provides financial assistance to taxicab owners who purchase new WAV taxicabs. It is possible that extending the eligibility limit will avoid the need to replace some taxicabs, thus reducing the amount of assistance paid out under this program.

Staff Impact

The bill is not expected to impact staff time or duties.

Actuarial Analysis

The bill is not expected to impact retiree pension or group insurance costs.

Information Technology Impact

The bill is not expected to impact the County Information Technology (IT) or Enterprise Resource Planning (ERP) systems.

Other Information

Later actions that may impact revenue or expenditures if future

The bill does not authorize future spending.



spending is projected

Sources of information

Projections of taxicab license renewal revenues are based on licensing records kept by the Montgomery County Department of Transportation.

Contributors

Walton Harris, Department of Transportation
Gary Nalven, Office of Management and Budget

