

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 11,287

IN THE MATTER OF:

Served April 18, 2008

Emergency Prescription of) Case No. MP-2008-082
Interstate Taxicab Rates and)
Charges for District of Columbia)
Taxicabs)

The Washington Metropolitan Area Transit Commission (Commission) is responsible for prescribing the rates, charges, regulations, and minimum insurance requirements for interstate taxicab trips in the Washington Metropolitan Area, pursuant to the Washington Metropolitan Area Transit Regulation Compact, (Compact).¹ This proceeding is initiated on an emergency basis to adopt new rates and charges for interstate trips in taxicabs licensed by the District of Columbia.

I. BACKGROUND

"It has been the Commission's practice since 1961 to 'prescribe the rates and charges presently in effect in the local jurisdictions as the interstate rates and charges to the greatest extent possible.'"² For the most part, this has meant that in the case of a trip in a locally-licensed taxicab with a taximeter, the interstate rates and charges are the same as those prescribed by the jurisdiction in which the taxicab is licensed.³ Because taxicabs licensed by the District of Columbia do not have time and distance taximeters, the Commission prescribes an odometer based mileage rate for District taxicabs that is approximately equivalent to the median of local taximeter rates.⁴ As for incidental charges - e.g., response to telephone call, personal service, waiting time, etc. - the Commission adopts for interstate trips in District taxicabs the incidental charges prescribed by the DC Taxicab Commission, with certain exceptions.⁵ The current exceptions are periodic fuel surcharges and a snow emergency surcharge

¹ Pub. L. No. 101-505, § 1, tit. II, art. XI, § 1(b), 104 Stat. 1300, 1304, (1990) (codified at D.C. CODE ANN. § 9-1103.01 (2007); MD. TRANSP. CODE ANN. § 10-203 (2007); & VA. CODE ANN. §§ 56-529, 530 (2007)).

² *In re Interstate Taxicab Rates & Charges*, No. MP-05-132, Order No. 9065 at 3 (Oct. 18, 2005) (quoting *In re Interstate Taxicab Rates*, No. 3, Order No. 67 at 2 (Oct. 9, 1961)).

³ *Id.* at 3.

⁴ *Id.* at 3.

⁵ *In re Interstate Taxicab Charges for District of Columbia Taxicabs*, No. MP-04-117, Order No. 8091 (June 15, 2004).

established by the Commission based on the median of such surcharges set by the local metered taxicab jurisdictions.⁶

Order No. 91 sets forth the Commission's odometer-rate regulations for interstate trips in District taxicabs and governs such matters as the display of rates, computation of fares, and recordkeeping.⁷

As for insurance, Commission Regulation No. 58-03(a) provides that: "Taxicab operators engaged in interstate operations over which the Commission has jurisdiction shall meet the minimum requirements of the respective states and political subdivisions thereof having jurisdiction over the intrastate operations of such taxicabs."

II. ISSUE RAISED BY THE DISTRICT'S NEW METER RATES AND CHARGES

The District of Columbia Taxicab Commission recently issued regulations requiring taxicabs licensed by the District to be equipped with time-and-distance taximeters as of May 1, 2008.⁸ The issuance of those regulations raises the question of whether the Commission should adopt the District's meter rates and charges for interstate trips in District taxicabs in furtherance of the Commission's policy of adopting local rates and charges to the greatest extent possible.

Adopting the District's time-and-distance meter rates comports with Commission policy and is preferable to retaining the current odometer rates for two reasons. First, basing interstate rates for District taxicabs on the median of time-and-distance rates prescribed for taxicabs in the surrounding jurisdictions no longer makes sense now that the District has adopted its own time-and-distance rates. District officials are in the best position to determine an appropriate fare system for the taxicabs they regulate. As the Commission has said in the past:

The Commission has never believed it should lead the way in setting taxicab rates. Each of the local rate setting jurisdictions is especially familiar with the requirements of both the users and providers of taxicab service in the local market. Each carefully establishes its rates through appropriate proceedings. Where practicable, the Commission simply adopts these local rates as the interstate rates. This practice has been followed since our order No. 67, served October 9, 1961.

....

⁶ *In re Interstate Taxicab Rates & Charges*, No. MP-05-132, Order No. 9240 (Jan. 6, 2006).

⁷ *In re Supplemental Regulations Governing Interstate Taxicab Rates, Charges & Operations Within the Metropolitan District by Taxicabs Domiciled & Regulated in the District of Columbia*, No. 3, Order No. 91 (Nov. 15, 1961).

⁸ 55 D.C. Reg. 2951 (Mar. 21, 2008).

.... We believe that revenues and expenses are given adequate consideration at the local level by authorities more acutely in tune with sub-regional conditions and requirements. From a regulatory point of view, an effort should be made to neither unduly restrain nor enhance the rate scheme which the local jurisdiction has determined to be appropriate.⁹

Second, passengers undoubtedly would find a dual rate system confusing. This is one of the reasons cited in the past for adopting the District's incidental charges.¹⁰ This rationale applies with equal force to other components of the fare structure. Indeed, considering that base rates apply to every trip but not incidental charges, the rationale for adopting the District's meter rates becomes even more compelling.

In any event, the Commission long ago rejected the use of odometer based rates for interstate trips in taxicabs equipped with time and distance meters.¹¹ We can think of no reason for reversing that position today.

III. PENDING LITIGATION

An association and coalition of taxicab drivers and others have filed suit in D.C. Superior Court seeking an injunction against the implementation of the District's new meter rates and charges. In the event the court enjoins the new rates and charges as of May 1, this order shall be automatically stayed, and the current rates, charges, and regulations for interstate trips in taxicabs licensed by the District shall remain in effect, unless and until otherwise ordered by this Commission.

IV. CONCLUSION

⁹ *In re Interstate Taxicab Rates Prescribed for District of Columbia Taxicabs*, No. 301, Order No. 1500 at 6-7 (Feb. 13, 1976). The Commission has repeatedly quoted these passages from Order No. 1500 when setting interstate taxicab rates. See e.g., *In re Interstate Taxicab Rates for Service within the Metropolitan District and Related Matters*, No. MP-01-23, Order No. 6226 (May 17, 2001); *In re Interstate Taxicab Rates for Service within the Metropolitan District and Related Matters*, No. MP-98-04, Order No. 5335 (May 13, 1998); *In re Interstate Taxicab Rates for Service within the Metropolitan District and Related Matters*, No. MP-92-07, Order No. 3938 (May 13, 1992); *In re Interstate Taxicab Rates for Service within the Metropolitan District*, No. MP-87-15, Order No. 3058 (Aug. 17, 1987); *In re Interstate Taxicab Rates for Service within the Metropolitan District*, No. MP-82-03, Order No. 2334 (May 7, 1982); *In re Interstate Taxicab Rates for Service Within the Metropolitan District*, No. MP-79-05, Order No. 1982 (Apr. 19, 1979).

¹⁰ *In re Interstate Taxicab Rates for Service Within the Metropolitan District*, No. MP-79-33, Order No. 2067 at 4 (Dec. 6, 1979).

¹¹ *In re Rates for Interstate Taxicab Transp.*, No. 170, Order No. 887 at 6 (Nov. 29, 1968).

We therefore conclude that, subject to the automatic stay provision in this order, the public interest requires that we adopt the District's meter rates and charges for interstate trips in District taxicabs, effective May 1, 2008.¹² Consistent with that conclusion, we shall repeal the regulations in Order No. 91 effective the same day. No changes are proposed to the Commission's taxicab insurance requirements in Regulation No. 58-03(a).

Our actions in this order take into account the following:

- The base rate will change from \$3.25 for the first half mile, plus \$0.90 for each additional half mile or fraction thereof, to \$3.00 for the first 1/6 mile, plus \$0.25 for each additional 1/6 mile.
- Wait time will change from \$5.50 for the first fifteen minutes and \$6.25 for each additional 15 minutes or fraction to \$15 per hour.
- The snow emergency surcharge will change from \$2.50 per trip to twenty-five percent of the regular fare, not including extra charges or surcharges.
- The \$1 rush hour surcharge will be discontinued.
- The charges for additional passengers, telephone dispatch service, additional luggage, and personal service will not change.
- Group and shared riding shall be defined and governed by the District's regulations and not the regulations in Commission Order No. 91.

Affected persons shall have thirty days to file an application for reconsideration of this order in accordance with Title II, of the Compact, Article XIII, Section 4, and Commission Rule No. 27.

THEREFORE, IT IS ORDERED:

1. That effective, May 1, 2008, the base rate and incidental charges for an interstate trip between points in the Metropolitan District in a taxicab licensed by the District of Columbia shall be the base rate and incidental charges prescribed by the District for such taxicabs.

2. That Commission Order No. 91 is hereby repealed with respect to interstate trips between points in the Metropolitan

¹² See 5 U.S.C. § 553(b)(3)(B) (notice of proposed rulemaking not required when notice and comment impracticable, unnecessary, or contrary to the public interest).

District on and after May 1, 2008, in taxicabs licensed by the District of Columbia.

3. That Commission staff shall publish notice of this order on the Commission's website and in a newspaper of general circulation in the Metropolitan District, no later than April 23, 2008.

4. That in the event the District is enjoined from implementing its new meter rates and charges as of May 1, 2008, this order shall be automatically stayed, and the current rates, charges, and regulations for interstate trips in taxicabs licensed by the District shall remain in effect, unless and until otherwise ordered by this Commission.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS YATES AND CHRISTIE:

William S. Morrow, Jr.
Executive Director