

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

SILVER SPRING, MARYLAND

ORDER NO. 12,090

IN THE MATTER OF:

Served July 15, 2009

Petition of METROPOLITAN WASHINGTON)
AIRPORTS AUTHORITY for Amendment of)
Interstate Rates and Charges for)
WASHINGTON FLYER Taxicabs)

Case No. MP-2009-103

Investigation of Minimum Interstate)
Insurance Requirements for)
WASHINGTON FLYER Taxicabs)

Case No. MP-2009-104

Case No. MP-2009-103 is before the Commission on the petition of the Metropolitan Washington Airports Authority (Airports Authority) filed May 29, 2009, requesting that the Commission consider and approve changes in the interstate rates and charges for Washington Flyer taxicabs providing on-demand taxicab service at Washington Dulles International Airport (Dulles), which is operated by the Airports Authority.¹

Under the Washington Metropolitan Area Transit Regulation Compact,² (Compact), the Commission is responsible for prescribing the rates, charges, regulations, and minimum insurance requirements for interstate taxicab trips in the Washington Metropolitan Area Transit District,³ including interstate trips to and from Dulles.⁴

The Commission last prescribed interstate rates and charges for Washington Flyer taxicabs in 2006.⁵ In response to increased gasoline prices, the Commission enacted a supplemental \$2.50 per trip fuel surcharge for Washington Flyer interstate taxicab trips beginning September 12, 2008.⁶ The Commission rescinded the fuel surcharge

¹ Washington Flyer taxicabs are operated by three companies under contract with the Airports Authority: Dulles Taxi Systems, Inc., Dulles Airport Taxi, Inc., and Checker Airport Taxi, Inc.

² Pub. L. No. 101-505, § 1, 104 Stat. 1300 (1990) (codified at D.C. CODE ANN. § 9-1103.01 (2009); MD. TRANSP. CODE ANN. § 10-203 (2009); & VA. CODE ANN. §§ 56-529, 530 (2009)).

³ Compact, tit. II, art. XI, §§ 1, 18.

⁴ Compact, tit. I, art. I.

⁵ *In re Interstate Taxicab Rates and Charges*, No. MP-05-132, Order No. 9240 (Jan. 6, 2006); see also *In re Interstate Taxicab Rates and Charges*, No. MP-05-132, Order No. 9265 (Jan. 17, 2006) (making technical correction to waiting time charge).

⁶ *In re Interstate Taxicab Fuel Surcharge*, No. MP-08-169, Order No. 11,561

effective January 4, 2009, after gasoline prices fell below 2005 levels.⁷

The Commission is initiating Case No. MP-2009-104 to consider the related matter of minimum insurance requirements for interstate trips in Washington Flyer taxicabs.

I. JURISDICTION

The Commission's interstate taxicab jurisdiction applies when the taxicab: (a) has a seating capacity of 9 persons or less, including the driver; and (b) provides transportation from one signatory to another within the Metropolitan District.⁸

The Metropolitan District includes: the District of Columbia; the cities of Alexandria and Falls Church of the Commonwealth of Virginia; Arlington County and Fairfax County of the Commonwealth of Virginia, the political subdivisions located within those counties, and that portion of Loudoun County, Virginia, occupied by the Washington Dulles International Airport; Montgomery County and Prince George's County of the State of Maryland, and the political subdivisions located within those counties; and all other cities now or hereafter existing in Maryland or Virginia within the geographic area bounded by the outer boundaries of the combined area of those counties, cities, and airports.⁹

For the purpose of prescribing interstate taxicab rates, charges, regulations, and minimum insurance requirements, the Metropolitan District also includes that portion of Anne Arundel County, Maryland, occupied by the Baltimore-Washington International Thurgood Marshall Airport, (BWI), except that this expansion of the Metropolitan District to include BWI does not apply to transportation conducted in a taxicab licensed by the State of Maryland or a political subdivision of the State of Maryland or operated under a contract with the State of Maryland.¹⁰

II. TAXICAB RATE POLICY AND METHODOLOGY

Under the Compact, the fare or charge for interstate taxicab transportation may be calculated on a mileage basis, a zone basis, or on any other basis approved by the Commission.¹¹

"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

(Sept. 5, 2008).

⁷ In re Interstate Taxicab Fuel Surcharge, No. MP-08-169, Order No. 11,767 (Dec. 22, 2008).

⁸ Compact, tit. II, art. XI, §§ 1(b), 2, 3(f).

⁹ Compact, tit. I, art. I.

¹⁰ Compact, tit. II, art. XI, § 2.

¹¹ Compact, tit. II, art. XI, § 18(b).

possible.'"¹² Today, this means that in the case of a trip in a locally-licensed taxicab, the interstate rates and charges are the same as those prescribed by the jurisdiction in which the taxicab is licensed.¹³

Washington Flyer taxicabs are not licensed by any local jurisdiction. They are licensed by the Commonwealth of Virginia. Virginia does not prescribe any intrastate rates and charges for Washington Flyer taxicabs that the Commission might adopt for use on interstate trips. The Commission instead sets interstate meter rates for Washington Flyer taxicabs by reference to the prevailing local meter rates.¹⁴ The Commission has found comparability with local rates to be the "essential element" in devising an appropriate interstate rate structure for Washington Flyer taxicabs.¹⁵

As for incidental charges on interstate trips in Washington Flyer taxicabs, the Commission for many years has primarily adopted the incidental charges prescribed by the District of Columbia Taxicab Commission¹⁶ for District taxicabs because those charges represent the "dominant" charges within the Metropolitan District after factoring in the number of taxicabs licensed by local jurisdictions in the Metropolitan District.¹⁷ There have been three notable exceptions to this rule: the additional passenger charge, fuel surcharges, and a snow emergency charge.

Until 2006, the Commission prescribed a uniform additional passenger charge for all interstate taxicab trips. The amount of the charge and the rule for exempting children was the same for every interstate taxicab trip without regard to licensing jurisdiction.¹⁸ The Commission terminated the uniform additional passenger charge in 2006 and began adopting the locally prescribed charges for locally licensed taxicabs instead - thus mirroring the Commission's adoption of other local incidental charges for such taxicabs.¹⁹ The Commission adopted the District of Columbia additional passenger charge for Washington Flyer taxicabs at that time without explanation.²⁰

¹² *In re Prescription of Dispatch Fee Surcharge for Interstate Taxicab Trips Originating at Ronald Reagan Washington National Airport*, No. MP-09-081, Order No. 12,004 (May 20, 2009).

¹³ *Id.*

¹⁴ See Order No. 9240 (setting current rates for Washington Flyer taxicabs).

¹⁵ *In re Interstate Taxicab Rates and Charges*, No. MP-05-132, Order No. 9065 at 3 (Oct. 18, 2005).

¹⁶ *In re Interstate Taxicab Rates*, No. MP-01-23, Order No. 6226 at 3 (May 17, 2001).

¹⁷ *In re Interstate Taxicab Rates*, Order No. 1295 (Dec. 28, 1973).

¹⁸ Order No. 9240 at 7.

¹⁹ *Id.* at 7.

²⁰ *Id.* at 10 & app. B.

The Commission has set fuel surcharges for Washington Flyer taxicabs using several methods. In 1990, the Commission prescribed a temporary uniform per-trip fuel surcharge of \$0.75 for all interstate trips in the Metropolitan District without regard to licensing jurisdiction.²¹ The amount of the surcharge was based on the incremental increase in the cost of two gallons of gasoline that year.²² In 2001, the Commission adopted a temporary \$1.00 per-trip fuel surcharge for Washington Flyer taxicabs that was comparable to the fuel surcharges adopted by local jurisdictions.²³ In 2005, the Commission adopted a temporary \$1.00 per-trip fuel surcharge for Washington Flyer taxicabs that was comparable to "the median area increase in compensation for a 25-mile trip", including local jurisdiction fuel surcharges, since the Commission last set the base rates for Washington Flyer taxicabs in 2001.²⁴ Finally, in 2008, the Commission adopted a temporary \$2.50 per-trip fuel surcharge for Washington Flyer taxicabs based on the incremental increase in the cost of gasoline for an average length trip in a Washington Flyer taxicab since 2006 when the Commission last set the base rates for Washington Flyer taxicabs.²⁵

Lastly, in 2006, the Commission prescribed a per-trip surcharge of \$2.50 for interstate trips in Washington Flyer taxicabs during snow emergencies declared by the District of Columbia Taxicab Commission based on the median of such charges set by local jurisdictions.²⁶

III. THE AIRPORTS AUTHORITY'S PROPOSAL

The Airports Authority proposes the following increase in the base rates for interstate trips in Washington Flyer taxicabs:

	Current	Proposed
First 1/4 mile:	\$2.80	\$3.25
Each additional 1/4 mile:	\$0.45	\$0.50
Waiting time per hour:	\$21.04	\$22.50

The Airports Authority proposes changing four of the five currently authorized incidental charges as follows.

The Airports Authority proposes increasing the additional passenger charge from \$1.50 to \$2.00. The new charge would apply regardless of age, whereas currently, one child aged five years or

²¹ *In re Prescription of Fuel Surcharge on Interstate Taxicab Rates*, No. MP-90-18, Order No. 3586 (Nov. 14, 1990).

²² *Id.* at 4.

²³ *In re Dulles Taxi Systems, Inc., t/a Washington Flyer*, No. MP-01-01, Order No. 6147 (Mar. 16, 2001).

²⁴ *In re Interstate Taxicab Fuel Surcharge*, No. MP-05-049, Order No. 8778 (June 15, 2005).

²⁵ Order No. 11,561 at 2-4.

²⁶ Order No. 9240 at 9.

younger is not subject to the additional passenger charge in a Washington Flyer taxicab when accompanied by an older person.²⁷

The Airports Authority proposes eliminating three incidental charges currently in effect: the \$0.50 charge for hand baggage in excess of one per passenger; the \$2.00 charge for trunks and similar large articles; and the \$1.50 charge for personal service requested by a passenger.

The Airports Authority proposes no change to the \$2.50 snow emergency surcharge.

Therefore, if the Airports Authority's proposals are adopted, the schedule of incidental charges for interstate trips in Washington Flyer taxicabs would appear as follows:

	Current	Proposed
Each additional passenger:	\$1.50	\$2.00
Hand baggage in excess of one:	\$0.50	\$0.00
Trunks:	\$2.00	\$0.00
Personal Service:	\$1.50	\$0.00
Snow emergency:	\$2.50	\$2.50

IV. BASE METER RATES

The minimum interstate trip for Washington Flyer taxicabs is approximately twenty miles one way. Table 1 in Appendix A to this order displays the initial charge, mileage rate, and fare at twenty and thirty mile intervals for local taxicab licensing jurisdictions requiring the use of a taximeter.²⁸ Median values have been computed and are displayed as well. The corresponding current and proposed rates for Washington Flyer taxicabs are included for comparison.

As can be seen from Table 1, the initial charge and mileage rate set by the Commission in 2006 for Washington Flyer taxicabs yields interstate fares that today are below the median in the region. The Airports Authority's proposed initial charge and mileage rate would produce fares slightly above the median.

V. WAITING TIME CHARGE

The Airports Authority proposes that the waiting-time charge be increased from \$0.45 per 77 seconds (\$21.04 per hour) to \$0.50 per 80 seconds (\$22.50 per hour).

²⁷ Appendix B to Order No. 9240.

²⁸ See ALEXANDRIA, VA., CODE § 9-12-132 (2009); ARLINGTON COUNTY, VA., CODE § 25.1-12 (2009); DISTRICT OF COLUMBIA 31 DCMR § 801.3 (as amended in 55 D.C. Reg. page No. 003836 (Apr. 11, 2008)); FAIRFAX COUNTY, VA., CODE § 84.1-6-3 (2008); MONTGOMERY COUNTY, MD., COMCOR § 53.17.01.01 (2009); PRINCE GEORGE'S COUNTY, MD., CODE § 20-160 (2009).

Table 2 in Appendix A depicts the waiting time charges in effect in six local jurisdictions requiring the use of a taximeter.²⁹ For ease of comparison, these charges have been converted into an hourly equivalent. Information on when waiting time charges accrue upon responding to a passenger pick-up and in slowed or stopped traffic is also displayed. Median values have been computed and are displayed as well. The corresponding current and proposed rates for Washington Flyer taxicabs are included for comparison.

As can be seen from Table 2, the waiting time charge set by WMATC in 2006 is below the median rate in the region. MWAA's proposed waiting time charge would be slightly above the median waiting time charge.

As evident in Table 2, many local taxicab licensing jurisdictions specify that waiting time charges shall accrue while a taxicab is stopped or in slowed traffic. The precise vehicle speed at which these charges occur varies slightly among the jurisdictions. Most local licensing jurisdictions also allow drivers to charge for waiting time, usually after an initial grace period, once a taxicab has arrived at a location to which it has been called and stands ready to transport passengers. The length of the grace periods varies slightly among the jurisdictions.

The Airports Authority's proposal does not address the issue of whether waiting time charges should accrue when Washington Flyer taxicabs are stopped or travelling below a specified speed or whether waiting time should accrue when a taxicab stands ready to transport passengers.

We shall refer to the medians calculated above and propose that waiting time shall apply when Washington Flyer taxicabs are travelling below 10 m.p.h. or 5 minutes after an appointed pick-up time. We also propose that waiting time shall apply during stopovers en route at the direction of a passenger.

VI. ADDITIONAL PASSENGER CHARGE

The Airports Authority proposes that the additional passenger charge be increased from \$1.50 to \$2.00 and apply to all additional passengers. As noted above, currently, one child aged five years or younger is not subject to the additional passenger charge in a Washington Flyer taxicab when accompanied by an older person.

Table 3 in Appendix A depicts the additional passenger charges in effect in six local jurisdictions requiring the use of a

²⁹ See ALEXANDRIA, VA., CODE § 9-12-132(4) (2009); ARLINGTON COUNTY, VA., CODE § 25.1-12(c) (2009); DISTRICT OF COLUMBIA, 31 DCMR § 801.4 (as amended in 55 D.C. Reg. page No. 003836-37 (Apr. 11, 2008)); FAIRFAX COUNTY, VA., CODE § 84.1-6-3 (2008); MONTGOMERY COUNTY, MD., COMCOR § 53.17.01.01 (2009); PRINCE GEORGE'S COUNTY, MD., CODE § 20-160(4) (2009).

taximeter.³⁰ Each local licensing jurisdiction exempts at least one child passenger from the additional passenger charge, but the age at which the exemption applies varies among the jurisdictions. Those ages are listed in the table as well.

As can be seen from Table 3, the Airports Authority is proposing an additional passenger charge that is twice the current median charge in the region. Eliminating the exemption for children under the age of six would amplify the disparity and likely disproportionately impact families.

VII. BAGGAGE, TRUNKS, AND PERSONAL SERVICE CHARGES

The Airports Authority proposes eliminating the charge for hand baggage in excess of one per passenger, the charge for trunks and similar large articles, and the charge for personal service requested by a passenger. The current charges and explanation of when they apply is as follows:

Hand baggage, including large bags of groceries or articles of similar size, in excess of one piece per passenger shall be charged for at the rate of 50¢ for each such piece. Briefcases and parcels of comparable size shall not be considered as hand baggage.

Trunks and similar large articles shall be charged for at the rate of \$2.00 each. A trunk is defined as a piece of baggage having a minimum dimension or cubic content in excess of 32 inches by 18 inches by 9 inches, or 3 cubic feet.

The charge for personal service, defined as any service requested by a passenger which requires the taxicab driver to leave the vicinity of the taxicab, shall be \$2.00.

Eliminating these charges would neither be in keeping with the Commission's practice of adopting the "dominant" regional charges for interstate trips in Washington Flyer taxicabs nor yield a set of charges comparable to those prevailing in the region.³¹ Eliminating the three charges also raises the issue of whether denying these charges to taxicab operators operating out of Dulles while granting

³⁰ See ALEXANDRIA, VA., CODE § 9-12-132(2) (2009); ARLINGTON COUNTY, VA., CODE § 25.1-12(d) (2009); DISTRICT OF COLUMBIA, 31 DCMR § 801.2, 801.6(1), (as amended in 55 D.C. Reg. page No. 003836-38 (Apr. 11, 2008)); FAIRFAX COUNTY, VA., CODE § 84.1-6-3(2) (2008); MONTGOMERY COUNTY, MD., COMCOR § 53.17.01.01(C) (2009); PRINCE GEORGE'S COUNTY, MD., CODE § 20-160(3) (2009).

³¹ See <http://wmatc.gov/Taxicabs.html>.

these charges to locally-licensed taxicab operators operating out of Reagan National Airport would be unjust.³²

The Airports Authority asserts that "simplifying" the charges for baggage, trunks, and personal service by eliminating them "would be perceived positively by Dulles Airport customers without materially impacting the average fare." This statement appears to assume either that the average revenue from such charges is currently not material or that the Airports Authority's recommended changes to the additional passenger charge will increase average revenue by a sufficiently offsetting amount. The Airports Authority, however, has not offered any supporting data or analysis.

VIII. INSURANCE

As noted above, the Commission is responsible for prescribing minimum insurance requirements for interstate taxicab trips in the Washington Metropolitan Area, including interstate trips to and from Dulles Airport. From 1961 to 2008 the Commission's insurance regulations stipulated 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."³³

In 2008, the Commission amended its insurance regulations to provide in pertinent part that: "A taxicab operator shall maintain the minimum insurance coverage required by the operator's licensing authority when engaged in interstate operations subject to this Commission's jurisdiction."³⁴

At the same time, the Commission issued numerous taxicab ratemaking orders that expressly set the minimum insurance requirements for interstate taxicab trips in Washington Flyer taxicabs equivalent to the minimum insurance requirements for District of Columbia taxicabs.³⁵

For purposes of clarification, and inasmuch as Washington Flyer taxicabs operate under authority issued by the Commonwealth of Virginia, the Commission proposes expressly setting the minimum insurance requirements for interstate taxicab trips in Washington

³² See *In re Airport Transport, Inc.*, No. 83, Order No. 486 (May 28, 1965) (taxicab rate must not be unjust).

³³ *In re Rules of Prac. & Proc. & Regs.*, No. MP-91-05, Order No. 3600, app. Reg. No. 58-03(a) (Jan 17, 1991); *In re Commission Rules & Regs.*, Gen. Order No. 22, app. Reg. No. 62-03(b) (June 16, 1987); *In re Revision of Rules & Regs.*, Gen. Order No. 17, app. Reg. No. 62-03(b) (Sept. 30, 1966); *In re Organization & Rules & Regs.*, Gen. Order No. 2, app. Reg. No. 65-03(b) (Mar 22, 1961).

³⁴ Reg. No. 58-02(a).

³⁵ See e.g., Order No. 6226 at 5.

Flyer taxicabs equivalent to the minimum insurance requirements set by the Commonwealth of Virginia for such vehicles.

IX. COMMENTS

A pro forma schedule of interstate rates and charges for Washington Flyer taxicabs based on the Airports Authority's proposals is attached to this order as Appendix B. The Commission invites comments on the rates and charges reflected in the appendix and on the issues they raise. Comments should be supported by data and/or analyses to the extent feasible.

The Commission invites comments on setting the minimum insurance requirement for interstate trips in Washington Flyer taxicabs equivalent to the minimum insurance requirements set by the Commonwealth of Virginia for such vehicles.

THEREFORE, IT IS ORDERED:

1. These proceedings are hereby initiated under Title II of the Compact, Article XI, Section 18, and consolidated pursuant to Rule No. 20-02.

2. That Commission staff shall cause notice of this proceeding to be posted immediately to the Commission's website.

3. That Commission staff shall cause notice of this proceeding to be published in a newspaper of general circulation in the Metropolitan District no later than five days after the date of this order.

4. Any person desiring to file comments in this proceeding shall submit them in writing within thirty days of the date of this order by faxing them to (301) 588-5262, emailing them to taxi-rates@wmatc.gov or mailing them to 8701 Georgia Avenue, Suite 808, Silver Spring, MD 20910-3700.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS CHRISTIE AND BRENNER:



William S. Morrow, Jr.
Executive Director

Table 1 - LOCAL METER RATES

Jurisdiction	Initial Fare	Mileage Rate	Twenty Miles	Thirty Miles
Alexandria	\$2.75	0.34 per 1/6 mile	\$43.21	\$63.61
Arlington	2.75	0.40 per 1/5 mile	42.35	62.35
Dist. of Columbia	3.00	0.25 per 1/6 mile	32.75	47.75
Fairfax	3.25	0.40 per 1/5 mile	42.85	62.85
Montgomery	4.00	0.50 per 1/4 mile	43.50	63.50
Prince George's	3.00	0.25 per 1/7 mile	37.75	55.25
Median	3.00	2.00 per mile	42.60	62.60
Current Wash. Flyer	2.80	0.45 per 1/4 mile	38.35	56.35
Proposed Wash. Flyer	3.25	0.50 per 1/4 mile	42.75	62.75

Table 2 - WAITING TIME CHARGES

Jurisdiction	Waiting Time (per hour)	Begins minutes after pick-up time	Applies when cab is below m.p.h.
Alexandria	\$22.67	3 min	7
Arlington	22.50	5 min	10
Dist. of Columbia	15.00	5 min	10
Fairfax	21.00	5 min	10
Montgomery	28.00	5 min	13
Prince George's	15.00	unspecified	12
Median	21.75	5 min	10
Current Wash. Flyer	21.04	unspecified	unspecified
Proposed Wash. Flyer	22.50	5 min.	10

Table 3 - ADDITIONAL PASSENGER CHARGES

Jurisdiction	Extra Passenger Charge	No charge if add'l passenger is below age
Alexandria	\$1.25	5
Arlington	1.00	6
Dist. of Columbia	1.50	6
Fairfax	1.00	12
Montgomery	1.00	5
Prince George's	1.00	6
Median	1.00	6
Current Wash. Flyer	1.50	6
Proposed Wash. Flyer	2.00	N/A

PROPOSED INTERSTATE TAXICAB RATES AND CHARGES
FOR WASHINGTON FLYER TAXICAB SERVICE WITHIN THE
WASHINGTON METROPOLITAN AREA TRANSIT DISTRICT

\$3.25 First 1/4 mile or fraction
.50 Each additional 1/4 mile or fraction
.50 Each 80 seconds of waiting time (\$22.50/hour)
2.00 Each additional passenger in a pre-formed party

There shall be a surcharge of \$2.50 per trip during periods of snow emergency declared by the District of Columbia.

Waiting time shall include:

- (1) time consumed while a taxicab is waiting for passengers beginning 5 minutes after the time of arrival at a pick-up location. No time shall be charged for premature pick-up;
- (2) time consumed while a taxicab is stopped or slowed to a speed of less than 10 m.p.h.; and
- (3) time consumed for stopovers en route at the direction of the passenger.

PUBLIC NOTICE

The Washington Metro. Area Transit Comm'n is seeking comments on a proposal to change interstate rates and charges, and clarify minimum interstate insurance requirements, for Washington Flyer taxicabs operating out of Washington Dulles International Airport. For more information go to www.wmatc.gov or call 301-588-5260. Comments are due August 14, 2009. Comments shall be submitted in writing by faxing them to (301) 588-5262, emailing them to taxi-rates@wmatc.gov, or mailing them to 8701 Georgia Avenue, Suite 808, Silver Spring, MD 20910-3700.