

Budget & Policy Analysis Division

October 11, 2023

FISCAL AND POLICY NOTE

- TO: Jennifer A. Jenkins Council Administrator William M. Hunt Deputy Council Administrator
- THRU: Josh Hamlin Director of Bodget and Policy Analysis
- FROM: Lavinia A. Baxter Senior Budget and Policy Analyst
- RE: Policy Analysis and Fiscal Impact Statement CB-089-2023 Taxicabs and Limousines
- <u>CB-089-2023</u> (Proposed and Presented by: The Chair (by request County Executive)

Assigned to the Transportation, Infrastructure, Energy and Environment (TIEE) Committee

AN ACT CONCERNING Taxicabs and Limousines. For the purpose of repealing and reenacting with amendments provisions of the County Code regulating taxicabs and limousines relating to, Taxicab Board composition, inspections, licensing, taxicab drivers' licenses, fines, driver conduct, certificate registration, vehicle maintenance and inspection, limits of certain cost, charges, fees or assessments, rates meters, requirements, payment methods, emergency fuels cost surcharge, and generally relating to taxicabs and limousines.

Fiscal Summary

Direct Impact:

Expenditures: No anticipated revenue impact.

Website: https://pgccouncil.us | Wayne K. Curry Administration Bldg. Office: (301) 952-3431 | 1301 McCormick Drive, 3rd Floor FAX: (301) 780-2097 | Largo, Maryland 20774 TIEE Committee Fiscal and Policy Note – CB-089-2023 Page 2

Revenues: Potentially increased revenues from fines and penalties.

Indirect Impact:

Potentially favorable.

Legislative Summary:

CB-089-2024 was presented by the Chair at the request of the County Executive on September 26, 2023, and referred to the Transportation, Infrastructure, Energy and Environment (TIEE) Committee. If enacted, the Bill would repeal Prince George's County authority over limousines in Subtitle 20 Taxicabs and Limousines.

The Maryland Public Service Commission licenses and regulates all limousines that operate in Maryland, including annual vehicle inspections, driver background checks, verification of insurance coverage and rate findings.¹ It clarifies delegated authority to the County Executive by way of Director of the Department of Public Works and Transportation (DPW&T) for all taxicab oversight and compliance.

Proposed Updates to Taxicab and Limousine Regulations include:

• Division 1A- Taxicab Board

- Giving the County Executive Authority to appoint or reappoint members for twoyear terms.
- Using gender-neutral language when referring to the Director.
- Board Chair shall be designated by the County Executive or designee.
- Removing the Department of Environment as the resource agency and replacing with Department of Public Works and Transportation.
- Division 2 Authority
 - Removing requirements for limousines to be subject to inspection by the Chief of Police or Director of DPW&T.
 - Removing the requirement for applicants to provide proof of good standing with the State during the annual renewal process.
- Division 3 Driver's License (ID Card) and Test of
 - Removing limousine drivers from the responsibility of Section 20-107, requiring age, citizenship, written examination, physical examination, and English proficiency for identification.
- Division 4- Vehicle Operation Requirements: Violations and Fines

¹ <u>The Transportation Division - Transportation (state.md.us)</u>

TIEE Committee Fiscal and Policy Note – CB-089-2023 Page 3

- Removing limousines from requirements addressing such things as vehicle maintenance requirements, unlawful purposes, length of the workday, accident reporting, solicitation, cruising, loading and unloading, rates, deception of passengers, restriction of passengers and use of tobacco and alcohol to name some, in Sections 20-112 -140.
- Changing the fee from fifty dollars to twenty-five dollars not to exceed \$1,500 for each day that an applicant does not renew the taxicab certificate upon expiration. Non-renewal beyond 60 days may result in license revocation for a minimum of one (1) year.

Division 5 – Vehicle Design, Equipment, Maintenance and Inspection

• Removes limousine requirements from design requirements.

Division 7 – Rate and Meters

• Section 20-160 11 (c, d) is removed to reflect that limousine rates are under Md. Transportation Code Ann. §25-101.1

Current Law/Background:

According to Md Transportation Code §25-101.1, limousines are considered Class Q (for Hire) vehicles which must be inspected and approved by the Maryland Public Service Commission (PSC) prior to registration by the MVA. The vehicle must be titled in Maryland, inspected and approved. Registration lasts for a period of two years. Previously taxicabs and limousines were managed by the former Department of Environmental Resources prior to the creation of the Department of Permitting and Inspections and Enforcement in 2013, when oversight was transferred to the Department of Public Works and Transportation.²

The PSC responsibility also covers licensing for drivers of taxicabs in Baltimore City, Charles County, Cumberland, and Hagerstown, and other passenger-for-hire vehicles that carry 15 or fewer passengers.

The PSC has been charged by statute with regulating transportation providers since the 1930s. During the 1980s the number of carriers increased ten-fold despite freight carriers having been deregulated by the Legislature about 20 years ago. Transportation was required by statute, in the late 1990s to begin licensing all for-hire drivers in the state.³

² <u>The Transportation Division - Transportation (state.md.us)</u>

³ <u>Report of The Public Service Commission of Maryland Regarding Staffing Requirements for Common Carrier</u> <u>Investigations</u>

TIEE Committee Fiscal and Policy Note – CB-089-2023 Page 4

Resource Personnel:

- Kathy Canning, Legislative Officer
- Courtney Glass Esq., DPW&T

Discussion/Policy Analysis:

CB-089-2023 is a clean-up of old regulations, an update to delegation of Authority and oversight along with the removal of limousines from the Code complies with MD State Transportation Code article 25 regulations. These changes seem to have little impact on operations for DPW&T.

PSC licenses and regulates all limousines that operate in Maryland, which includes annual vehicle inspections, driver background checks, verification of insurance coverage, and rate filings. State law also requires any company that provides limousine services in Maryland to have a PSC carrier number.⁴

Authority for the Taxicab Board is delegated to the County Executive who appoints its members (5 members) with confirmation by the County Council pursuant to the Charter. This is consistent with most of the County's boards and commissions.

Issues for Committee Consideration:

 Fines should not exceed \$1000, according to Md. Local Government Code Ann. §10-202. (pg. 12 line 10)

Fiscal Impact:

• Direct Impact

The enactment of CB-094-2023 will have no direct fiscal impact on the County.

• Indirect Impact

Enactment of CB-089-2023, the County may realize increased revenue from fines of \$1,000 for misrepresentation on application for taxicab certification and a \$25.00 per day (up to \$1,500) fine for operation without a driver's license.

• Appropriated in the Current Fiscal Year Budget

N/A.

⁴ <u>Prom-Wedding-Limos.pdf (state.md.us)</u>

Effective Date of Proposed Legislation

The proposed Act shall take effect forty-five (45) calendar days after it becomes law.

If you require additional information, or have any questions about this fiscal impact statement, please call me.