



# THE PRINCE GEORGE'S COUNTY GOVERNMENT

## Office of Audits and Investigations

March 16, 2016

### MEMORANDUM

TO: Robert J. Williams, Jr.  
Council Administrator

William M. Hunt  
Deputy Council Administrator

THRU: David H. Van Dyke *DHVD*  
County Auditor

FROM: Inez N. Claggett *INC*  
Legislative Auditor

RE: Fiscal Impact Statement  
CB-009-2016 Taxicabs and Limousines

Pursuant to your request, we have reviewed CB-009-2016 to estimate its fiscal impact on Prince George's County, Maryland.

CB-009-2016 repeals and reenacts, with amendments, certain portions of Subtitle 20 of the Prince George's County Code (the "Code") to improve taxicab services within the County. The proposed legislation reduces the age and mileage maximums of taxicabs approved to operate within the County, creates a two-tiered taxicab standard level, enhances the standards for driver conduct, and establishes uniform methods of payment for all County taxicabs by July 1, 2016.

Currently, a taxicab which is no more than ten (10) model years old or which has traveled no more than 300,000 miles may operate within Prince George's County, whichever comes first, unless an annual waiver is granted by the Director of the Department of Public Works and Transportation (DPW&T).

CB-009-2016 seeks to modify the vehicle model age requirement to no more than seven (7) years, and the miles traveled to no more than 200,000 miles, as of January 1, 2017 whichever comes first, unless an annual waiver is granted by the Director of DPW&T. A regulation for taxicabs qualifying as Qualified Hybrid Vehicles or Plug-in Electric Drive Vehicles is also being proposed to be added to the Code. These regulations would require a maximum vehicle age of no more than eight (8) model years and has traveled no more than 250,000 miles, whichever comes first, unless an annual waiver is granted by the Director of DPW&T. Written documentation must be provided

to substantiate the status of the vehicle as safe and in good operating condition in order to be granted a waiver.

The proposed Bill will also require all taxicabs to permanently display, while on duty, a copy of the Passenger Bill of Rights, which details the obligations and standards that must be met by taxicab operators. CB-009-2016 will allow the imposition of a one dollar (\$1.00) surcharge for trips originating from a place or area designated by the County as an attraction for economic development, tourism, or cultural enhancement, and proposes the following fee increases:

<b>Fee</b>	<b>Current</b>	<b>Proposed</b>
Filing Fee - new licenses	\$ 250.00	\$ 300.00
Renewal Fee (bi-annual)	\$ 250.00	\$ 300.00
Certificate Fee (annual)	\$ 200.00	\$ 250.00
Transfer of Certificate	\$ 200.00	\$ 250.00
Transfer Fee	\$2,500.00	\$5,000.00

A fixed charge for trips by taxicabs originating within the County to destination points within or outside of the County may also be established by the County Council.

The proposed Bill prescribes the standards and requirements that must be met for a taxicab to be designated as a Premium Service Vehicle who may pick up passengers at designated Destination Attractions. The County Executive, by July 1, 2016, shall create regulations for the establishment of an application process and criteria for the designation of a place or an area as a Destination Attraction. A list of approved Destination Attractions shall be maintained by the Director of the Department of Public Works and Transportation (DPW&T) and shall be made available to the public.

The workload of DPW&T staff is anticipated to increase as a result of the need for an increase in enforcement related to the proposed legislation. Details of the anticipated increase, as well as the financial impact on operations, was requested but has not been received to date. DPW&T staff have confirmed taxicab fee revenue of \$283,395 for the current fiscal year through February 2016, \$537,000 for FY 2015, and \$453,500 for FY 2014. Using FY 2015 data as a basis, DPW&T staff estimate the increase in taxicab fee revenue, related to this proposed legislation, to be \$166,200. They estimate the approval of approximately 1,020 taxicab licenses, 1,104 taxicab certificates, and 24 transfers of a taxicab certificate will occur, which provides the basis for their estimate. We have reviewed their estimate and it appears reasonable based upon information provided by DPW&T staff for the current and past two fiscal years.

Enactment of CB-009-2016 should have a positive fiscal impact on the County as a result of the increase in fees related to taxicab operations with the County. The increase is estimated to be approximately \$166,200 for FY 2017.

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