

Government of the District of Columbia  
Office of the Chief Financial Officer



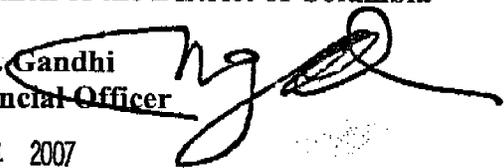
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Natwar M. Gandhi  
Chief Financial Officer

MEMORANDUM

CHAIRMAN GRAY

**TO:** The Honorable Vincent C. Gray  
Chair, Council of the District of Columbia

**FROM:** Natwar M. Gandhi  
Chief Financial Officer 

**DATE:** JUN -4 2007

**SUBJECT:** Fiscal Impact Statement: "Non-Resident Taxi Drivers Registration Amendment Act of 2007"

**REFERENCE:** Bill Number 17-113

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**Conclusion**

Funds are sufficient in the FY 2007 and proposed FY 2008 through FY 2011 budget and financial plans to implement the proposed legislation. The proposed legislation would generate an estimated \$813,800 per year in revenue to the District of Columbia.

**Background**

After the passage of a 2001 law<sup>1</sup> that required one to be a resident in order to register a vehicle in the District—and before the passage of the Non-Resident Taxi Drivers Registration Emergency Amendment Act of 2007-- non-resident taxi drivers were still being allowed to register a taxicab in the District, in violation of the District's own law.

On March 1, 2006, the District of Columbia Department of Motor Vehicles (DMV) announced a grandfather clause to address this issue, permitting a non-resident taxicab driver who was registered in good faith to continue to be registered in D.C. However, the DMV did not have legal authority to do so. The proposed legislation would give the DMV legal authority to continue this practice so long as the driver was registered before March 1, 2006 and the driver pays an additional \$100 annual registration fee to the DMV.<sup>2</sup>

<sup>1</sup> Codified in D.C. Official Code § 50-1501.02(c)(5)

<sup>2</sup> The proposed legislation would make permanent the Non-Resident Taxi Drivers Registration Emergency Amendment Act of 2007, which amended the District of Columbia Revenue Act of 1937 (50 Stat. 680; D.C. Official Code § 50-1501.02 *et seq.*)

The proposed legislation also establishes a special purpose fund, designated as the Out-Of-State Vehicle Registration Special Fund, to be administered by the Office of the Director of the Department of Motor Vehicles. The new Fund would be non-lapsing and non-reverting. Funds would remain available until fully expended and without fiscal year limitation. All funds collected by the DMV from the registration of out-of-state taxicab drivers in excess of funds that would otherwise be collected from in-state drivers would be deposited into the Fund and would be used to manage the Fund.

### **Financial Plan Impact**

Funds are sufficient in the FY 2007 and proposed FY 2008 through FY 2011 budget and financial plans to implement the proposed legislation. The proposed legislation would generate an estimated \$813,800 per year in revenue to the District of Columbia due to the additional registration fee that out-of-state taxicab drivers would have to pay the District.

As this legislation only applies to those who registered their taxicab prior to March 1, 2006, revenues from the enactment of this legislation would eventually diminish (though the proposed legislation would remain revenue enhancing). However, the timing and impact of this is difficult to quantify.

<b>Estimated Revenue Impact to the Financial Plan</b>				
<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>4-Year Total</b>
\$813,800	\$813,800	\$813,800	\$813,800	\$3.26 million