


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



Jeffrey S. DeWitt  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Phil Mendelson  
Chairman, Council of the District of Columbia

**FROM:** Jeffrey S. DeWitt  
Chief Financial Officer 

**DATE:** October 11, 2018

**SUBJECT:** Fiscal Impact Statement – Omnibus Department of For-Hire Vehicles  
Amendment Act of 2018

**REFERENCE:** Bill 22-66, Draft Committee Print as shared with the Office of Revenue  
Analysis on October 10, 2018

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**Conclusion**

Funds are sufficient in the fiscal year 2019 through fiscal year 2022 budget and financial plan to implement the bill.

**Background**

In 2016, the Council of the District of Columbia passed comprehensive transportation restructuring legislation,<sup>1</sup> including a provision to reorganize the Taxicab Commission and Office of Taxicabs into the Department of For-Hire Vehicles (DFHV). The bill reassigns various responsibilities to different offices within DFHV. First, the bill transfers the responsibility to review complaints against vehicle inspection officers from the Office of the Director to the Office of Hearings and Conflict Resolution. DFHV will handle complaints against vehicle inspection officers in the same manner as those against vehicle operators. Second, the bill transfers the audit functions<sup>2</sup> from the Office of Compliance and Enforcement to the Office of the Director. Third, the bill transfers the responsibility to collect certain fees from the Office of Compliance and Enforcement to the Office of Client Services.

The bill ensures that public and private vehicle for hire owners and operators can apply for and receive grants or other financial incentives to place wheelchair accessible or alternative fuel vehicles into service, operate in underserved areas, or meet any other mandates from DFHV.

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<sup>1</sup> Transportation Reorganization Amendment Act of 2016, effective June 22, 2016 (D.C. Law 21-124; 63 DCR 10569).

<sup>2</sup> DFHV is authorized to audit public vehicle-for-hire companies and payment services providers.

The Honorable Phil Mendelson

FIS: Bill 22-66, "Omnibus Department of For-Hire Vehicles Amendment Act of 2018," Draft Committee Print as shared with the Office of Revenue Analysis on October 10, 2018

Presently, only owners of taxicabs can receive grants or other financial incentives for these purposes.

The bill also increases the stipend DHFV pays to the community members of the For-Hire Vehicle Advisory Council from \$25 per meeting to \$50 per meeting. The bill maintains the maximum compensation levels of \$1,350 per member per year and \$10,800 for all members annually.

### **Financial Plan Impact**

Funds are sufficient in the fiscal year 2019 through fiscal year 2022 budget and financial plan to implement the bill. DFHV believes the responsibility transfers should streamline operations and impose no additional costs.

Financial incentives are paid out of the Public Vehicles-for-Hire Consumer Services Fund<sup>3</sup> which collects all DFHV revenues such as the passenger surcharge and the one percent gross receipts fee for digital dispatch initiated trips. The bill increases the number of eligible recipients for financial incentives, but does not change the level of funding available for those incentives. This will not impact the District's budget or financial plan.

The maximum compensation for community members remains unchanged so increasing the per-meeting compensation from \$25 to \$50 will not impose additional costs.

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<sup>3</sup> District of Columbia Taxicab Establishment Act of 1985, effective March 25, 1985 (D.C. Law 6-97; D.C. Official Code § 50-301.20).