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

Glen Lee
Chief Financial Officer

MEMORANDUM

TO:	**The Honorable Phil Mendelson** **Chairman, Council of the District of Columbia**
FROM:	**Glen Lee** **Chief Financial Officer**
DATE:	**November 19, 2026**
SUBJECT:	**Fiscal Impact Statement – For-Hire Passenger Service Reform Act of 2026**
REFERENCE:	**Bill 26-818, Draft Committee Print as provided to the Office of Revenue Analysis on October 29, 2026**

Conclusion

Funds are not sufficient in the fiscal year 2027 through fiscal year 2030 budget and financial plan to implement the bill. The Department of For-Hire Vehicles (DFHV) requires $962,000 in fiscal year 2027 and $5.85 million across the financial plan period. The bill will also increase special purpose revenues to two funds established by the bill. The Accessible Passenger Service Fund (APSF) will receive $12.4 million in fiscal year 2028 and $37.3 million over the financial plan period through the imposition of two new wheelchair accessible vehicle (WAV)-related fees on transportation network companies (TNCs) and taxicabs; the Driver Resources Center Fund (DRCF) will receive $243,000 in fiscal year 2027 and $3.15 million over the financial plan period through the imposition of one fee on TNCs.

Background

The bill reorganizes and expands the existing Title 50, Chapter 3 of the D.C. Official Code as it relates to the regulation of for-hire passenger transportation and carrier-for-hire delivery services by DFHV, including enforcement, licensing, accessibility, and funding frameworks. Some of sections the bill established in Title 47 include:

§ 47-2890.03. Advisory Council
This bill moves requirements for the For-Hire Vehicles Advisory Council (FHVAC) to § 47-2890.03 and requires its membership to include a representative from a certified driver support organization.

§ 47-2890.04. For-Hire Industry Service Fund.

The bill establishes the For-Hire Industry Service Fund (FHISF), a special fund administered by DFHV, to replace the existing Public Vehicles-for-Hire Consumer Service Fund (PVFHCSF)[1] and Department of For-Hire Vehicles Fingerprinting Fund (DFHVFF)[2]. The FHISF will receive revenue from:

- License and registration fees collected by DFHV for issuing and renewing licenses and registrations.
- Service fees collected by DFHV .
- Passenger Miles Traveled (PMT) charges collected (described below).
- Existing DFHV-managed funds, including the PVFHCSF and other funds held by DFHV.

Under the bill, the FHISF may be used to:

- Support DFHV operations and administration, and initiatives to improve the District's for-hire vehicle industry.
- Provide fare discounts, subsidies, or other financial assistance for low-income residents, seniors, persons with disabilities, and other underserved populations.
- Promote adoption of zero-emission and electric vehicles in the for-hire industry through grants and other forms of assistance.
- Support carrier-for-hire operators and programs related to the carrier-for-hire industry to increase food access.
- Offset private-sector costs associated with complying with the requirements of the bill.

FHISF monies cannot be used to operate transportation programs outside DFHV's statutory scope, including public transit or school transportation .

§ 47-2890.06. Vehicle Inspection Officers.

- The bill adds to the duties of vehicle inspection officers (VIOs) to include protecting curbside access, commercial loading zones, and other regulated curbside areas.

The bill also adds that VIOs may issue citations for all moving and parking violations encountered during their duties, regardless of whether the vehicle is licensed by DFHV.

§ 47-2890.07. Cease-and-desist orders.

The bill authorizes DFHV to issue and enforce emergency cease-and-desist orders when DFHV believes a violation of the bill is causing or could cause harm to the public. After an investigation, but before a hearing, DFHV may order a person to immediately cease-and-desist if DFHV determines the conduct has caused or may cause public harm. The order must be served by certified mail or personal delivery. The bill specifies that operating or providing for-hire passenger service or dispatch service without a valid license or endorsement is considered a harm to the public.

Under the bill, the alleged violator has 15 days after receiving the order to request a hearing. If a timely request is made, the matter is heard by the Office of Administrative Hearings (OAH)[3]. OAH must issue a decision within 90 days. If no hearing is requested within the required timeframe, the DFHV order becomes final. If OAH finds that no violation occurred, DFHV must revoke the order.

[1] Established by section 20a of the District of Columbia Taxicab Commission Establishment Act of 1985, effective March 25, 1986 (D.C. Law 6-97; D.C. Official Code § 50-301.20).
[2] Established by section 20d of the District of Columbia Taxicab Commission Establishment Act of 1985, effective March 25, 1986 (D.C. Law 6-97; D.C. Official Code § 50-301.23)
[3] With the procedures set forth in the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1203; D.C. Official Code § 2-501 et seq.).

If a person fails to comply with a cease-and-desist order, DFHV is authorized to petition the Superior Court of the District to compel compliance or pursue any other enforcement action .

§ 47-2890.08. Immobilization and impoundment of a vehicle for hire.
The bill updates DFHV immobilization and impoundment procedures to be consistent with the Parking Enforcement Modernization Act of 2025.

§ 47-2890.XX Fees and penalties.
The bill authorizes DFHV to establish and enforce fees and penalties. DFHV may set licensing and registration fees to cover the costs of implementing and administeringthe regulatory program established by the bill. The bill requires DFHV to establish reasonable civil fines and penalties for violations of the bill or of any associated rules .

§47-2890.XX. Rulemaking.
The bill authorizes DFHV to issue rules, but the rules take effect only if approved by the Council. Specifically:

- Rules that are specifically authorized or required under the bill, and for which no alternative procedure is provided, must be adopted through the District's Administrative Procedure Act[4].
- DFHV has broad authority to issue rules necessary to regulate for-hire vehicle activities. However, these rules must be submitted to the Council for a 45-day review period[5].
- For rules issued under DFHV's general rulemaking authority and for rules that expressly require active Council approval, the Council must approve them by resolution. If the Council does not approve or disapproves the rules within the 45-days , the rules are deemed disapproved.

§ 47-2890.02. For-hire passenger service defined.
The bill defines for-hire passenger service to include the transportation of one or more passengers when a trip originates in, terminates in, or travels through the District. The definition also covers operating a vehicle while it is available for hire and driving to pick up a passenger. The definition includes, but is not limited to:

- Coordinating or dispatching for-hire vehicles.
- Providing dispatch services[6].
- Pre-arranged trips and street hail services[7].
- Non-emergency medical transportation not regulated by another District agency.
- Pedicab services.
- Taxicab services[8].
- Trips provided by vehicles using autonomous driving systems.
- Trips paid for, in whole or part, by a third party.
- Promotional, complimentary, or free rides provided by operators or dispatch companies.

[4] An Act to prescribe administrative procedures for the District of Columbia government, effective October 21, 1968 (D.C. Law 90-614; 82 Stat. 1203; D.C. Official Code § 2-501 et seq.).
[5] Excluding weekends, legal holidays, and Council recess days.
[6] As defined in D.C. Official Code § 47-2891.01.
[7] As defined in D.C. Official Code § 47-2891.03.
[8] As that term is defined in the Washington Metropolitan Area Transit Regulation Compact (D.C. Official Code § 9-1103.01).

- Operating or directing a vehicle while available for, or traveling to provide, any of the above services.

The definition of for-hire passenger service does not include:

- Transportation provided by vehicles with a passenger capacity of 10 or more persons, excluding the driver.
- Carpooling arrangements.
- Charitable passenger services.
- Transportation provided by state or local governments to transport school children, teachers, or escorts between their home state and the District.
- Vehicles and trips regulated by the Washington Metropolitan Area Transit Commission (WMATC).
- Vehicles and trips operated by the Washington Metropolitan Area Transit Authority (WMATA).
- Vehicles used exclusively for funeral purposes.
- Operating or directing a vehicle while available for, or traveling to provide, any of the excluded services listed above.

§ 47-2890.03. Classifications of for-hire passenger service.

The bill classifies for-hire passenger service into two categories: pre-arranged service and street hail service. Pre-arranged service is transportation arranged through a dispatch service and includes:

- Trips requested through digital dispatch platforms.
- Trips arranged through other dispatch methods approved by DFHV.
- On-demand trips requested for immediate service.
- Trips booked or reserved in advance.

Street hail service is transportation arranged without using a dispatch service and includes:

- Trips directly solicited by a passenger.
- Trips arranged at a taxi stand.
- Taxicab service.[9]

§ 47-2890.04. Emerging markets.

The bill authorizes DFHV to create a special licensing framework for new transportation business models that do not fit within existing regulatory categories. DFHV may establish, by rule, a separate licensing program for an emerging for-hire service model that falls outside the structure of current licenses and regulations. The bill authorizes DFHV to issue an Emerging For-Hire Industry Service License on a provisional basis. The provisional license may be renewed annually, but only for a maximum of two years, after which the license expires. The bill authorizes DFHV to impose reasonable conditions on the license to protect public health, public safety, consumers, increased demand on public services, the environment, and traffic management.

If DFHV determines that an emerging service poses an unreasonable risk to public safety, or transportation operations that cannot be adequately mitigated, it may revoke the license, without prior notice. The licensee will be given an opportunity for an informal hearing to challenge the revocation . DFHV must issue a final decision within three business days after the hearing, either affirming or reversing the revocation.

[9] As defined in the Washington Metropolitan Area Transit Regulation Compact, approved September 15, 1960 (74 Stat. 1031; D.C. Official Code § 9- 1103.01).

If DFHV concludes that an emerging service model should become a permanent part of the regulatory framework, the bill requires DFHV to notify the Council before the provisional license expires. Rules for the emerging service are subject to a 45-day Council review period[10]. The Council may approve the regulations in whole or in part. Unlike other DFHV rulemakings that require affirmative approval, if the Council takes no action, the regulations are deemed approved.

§ 47-2890.06. Insurance.

Unless otherwise exempted, any motor vehicle used to provide for-hire passenger service must meet the insurance requirements established by the bill.

- Street hail service (taxicabs) must comply with the insurance requirements set forth in the District of Columbia Taxicab Commission Establishment Act[11].
- Pre-arranged service must comply with the insurance requirements applicable to private vehicles-for-hire under the same act[12].

The bill requires DFHV to consult with the Department of Insurance, Securitiesand Banking (DISB) and adopt rules establishing minimum insurance coverage requirements. The required coverage must:

- Protect against catastrophic , uninsured , and underinsured losses .
- Minimize excessive insurance costs and other compliance burdens on drivers.

If DFHV has not adopted and implemented the required insurance rules within two years of the bill's effective date, for-hire passenger services must maintain at least:

- $1 million per occurrence in liability coverage, and
- $1 million per occurrence in uninsured and underinsured motorist coverage.

The bill requires DFHV to establish procedures for submitting proof of insurance, verifying coverage, and monitoring continued compliance with insurance requirements. The insurance requirements do not apply to: pedicabs, motorized bicycles[13], and motorized vehicles that are not are notfaster than 20 miles per hour .

The bill stipulates that the insurer providing the required for-hire vehicle coverage has the exclusive duty to defend liability claims arising from incidents that occur while the vehicle is engaged in covered for-hire activities. An operator's or vehicle owner's personal auto insurance policy is not required to defend or indemnify for-hire activities unless the policy explicitly provides such coverage. Personal auto insurance carriers are not required to deny a claim before the for-hire coverage becomes effective. The bill clarifies that nothing in the section requires a personal auto policy to provide either primary or excess coverage for for-hire operations.

The bill prohibits a dispatch service provider from permitting an operator to accept trip requests until it verifies that the vehicle has the required insurance coverage. If insurance maintained by the

[10] Excluding Council recess days.
[11] Section 15 of the District of Columbia Taxicab Commission Establishment Act of 1985, effective March 25, 1986 (D.C. Law 6-97; D.C. Official Code § 50-301.14).
[12] Section 20j-3 of the District of Columbia Taxicab Commission Establishment Act of 1985, effective March 25, 1986 (D.C. Law 6-97; D.C. Official Code § 50-301.29c).
[13] As that term is defined in section 2(11A) of the District of Columbia Traffic Act, 1925, approved March 3, 1925 (43 Stat. 1119; D.C. Official Code § 50-2201.02(11A)).

operator lapses or ends, the dispatch service provider becomes responsible for providing the required coverage and must cover claims from the first dollar of loss.

If a dispatch service provider purchases insurance on behalf of an operator, the dispatch service provider must supply a written disclosure explaining:

- The insurance coverage provided and the applicable liability limits while the operator is available to accept passenger trips.
- That the operator's personal automobile insurance policy may not provide coverage for for-hire activities.

The bill stipulates that a dispatch service provider cannot use a contract, receipt, rule, or regulation to avoid legal liability. Any contractual provision attempting to exempt a dispatch service provider from responsibility for passenger injury, loss, or damage is invalid.

A smart meter system provider may not allow an operator to appear available for either street hail or pre-arranged service until it verifies that the vehicle maintains the required insurance coverage . Compliance. Compliance with theinsurance requirements will not protect a dispatch service provider from being held liable for damages that exceed the minimum required insurance coverage.

§ 47-2890.07. General licensing provisions.

Meeting Meeting the qualifications for a license or endorsement does not create aright to receive one. The bill requires DFHV to reject license applications submitted by business entities that are not compliant with District entity filing requirements[14]. To verify compliance, DFHV may audit records itself or request an audit from the Department of Licensing and Consumer Protection (DLCP) or the Office of the Chief Financial Officer (OCFO). These reviews may be used to ensure compliance with beneficial ownership filing requirements[15].

§ 47-2891.01. Dispatch service defined.

This bill defines a dispatch service provider as a person or business that receives requests for for-hire passenger transportation or arranges the acceptance of those requests. The definition applies regardless of how requests are transmitted, such as through apps, or other methods; whether drivers are employees, agents, or independent operators; who contracts with whom; who collects or pays the fare; whether part of the trip is uncompensated[16]; or whether the dispatch provider is outside of of the District.

Simply Simply developing, supplying, or maintaining an approved smart meter system or customer-facing applicationdoes not, by itself, make a person a dispatch service provider. The bill considers separate entities as a single dispatch service provider when they operate as an integrated enterprise, considering shared operations, common management, , and use of a common business name.

§ 47-2891.02. Dispatch service provider license.

This bill makes it unlawful to provide or advertise dispatch services in the District without a valid license from DFHV. The bill also prohibits drivers or operators from accepting trip requests from an unlicensed dispatch service provider if they know, or should know, that the provider is not properly licensed. Each dispatch service provider license is limited to a single digital dispatch system. Unless

[14] Pursuant to D.C. Official Code § 29-102.01.
[15] Set forth in D.C. Official Code § 29-102.01 (a)(6).
[16] Except as provided in D.C. Official Code § 47-2890.02(c).

otherwise specified, dispatch service provider licenses are valid for two years, are non-transferable, and cannot be shared or reassigned to another entity.

This bill outlines the requirements for obtaining a dispatch service provider license. A complete application includes:A complete application includes:

- Its standard operator agreement[17];
- Proof of authorization to do business in the DistrictDistrict;
- Designation as a registered agent in the DistrictDistrict;
- Evidence of required insurance coverage;
- Any trade dress used by the company not including the standard vehicle emblem required by DFHV[18];
- A description of how its digital dispatch system operates, if applicable; and
- Details of its fare structure, including any fare modifiers.

§ 47-2891.03. Dispatch service provider requirements.

The bill sets forth all the requirements of a dispatch service provider. The bill requires dispatch service providers that utilize digital dispatch to:

- Display key driver and vehicle information before a trip begins, including the vehicle's license plate number and a photo of the driver.
- Restrict street hail service through its digital dispatch system unless the system has been approved by DFHV as a smart meter system.
- Ensure accessibility of all websites and electronic interfaces for individuals who are blind,visually impaired, ,deaf, or hard of hearing.

The bill restricts dispatch service providers that utilize digital dispatch from operating exclusively with autonomous vehiclesand limits the vehiclesand limits theuse of autonomous vehicles, which cannot exceed a specified percentage of the provider's affiliated vehicles in a calendar year (the percentage is not specified).

§ 47-2891.04. Smart meter system requirements.

Current law sets forth the requirements for a meter system that street hail (taxicab) services must use. The bill provides that a digital dispatch app may serve the role of a DFHV-approved smart meter system if it meets DFHV standards and gives drivers the flexibility to accept street hails instead of pre-arranged trips. The bill establishes the minimum requirements for an approved smart meter system.

§ 47-2891.05. Operator agreements.

BeforeBefore allowing a driver to provide for-hire passenger service or receive trip dispatches, a dispatch service provider or smart meter provider must:

- Verify the driver's eligibility with DFHV, confirming that the driver is properly licensed and holds all required endorsements to provide for-hire passenger service.
- Execute a signed agreement with the driver listing the driver as available for service on a digital dispatch platform.

[17] As set forth in D.C. Official Code § 47-2891.05.
[18] Pursuant to D.C. Official Code § 47-2892.09.

The bill requires a valid operator agreement between a driver and a dispatch service provider or smart meter provider include:

- ClearlyClearly explaining how payments are calculated, including a percentage of the fare; a per-minute or per-mile rate; a fixed amount per trip; or fees paid by the driver to use the digital dispatch system, smart meter system, or other services.
- A zero-tolerance drug and alcohol policy, prohibiting drivers from using or being impaired by alcohol or illegal drugs while providing for-hire passenger service.
- A zero-tolerance anti-discrimination policy, prohibiting discrimination or discriminatory conduct[19] while providing or available to provide for-hire passenger service.

The bill prohibits a dispatch service provider or smart meter provider from including terms in an operator agreement that:

- Prevent a licensed operator from working with other licensed dispatch service providers or approved smart meter systems.
- Prevent a properly licensed and endorsed operator from providing street hail (taxicab) service; or WAV trips, while the operator is available for dispatch.

If a written complaint is submitted that reasonably alleges a violation of a zero-tolerance policy[20], the provider must immediately suspend the operator while the allegation is investigated. Within three business days of suspending or permanently deactivating an operator, the bill requires the dispatch service provider notify DFHV and provide the reason for the action under the operator agreement. After receiving a suspension report, DFHV must determine whether further investigation is warranted; and may suspend or revoke the operator's license under applicable enforcement procedures.

§ 47-2891.06. Operator payment and tips.

The bill requires a dispatch service provider or smart meter system:

- Show operators the same upfront fare that is shown to the passenger and an estimate of their compensation based on the operator agreement.
- Pay operators within five business days after the trip is completed[21].
- Ensure operators receive at least the full passenger fare, except for authorized deductions under the operator agreement.
- Pass through 100 percent of passenger tips and gratuities to the operator.
- Apply any fare modifiers, such as surge or other adjustments, to the operator's compensation at the same percentage, or a higher percentage, than applies to the base fare[22].

EachEach week, the dispatch provider, smart meter provider, or TNC must provide operators/drivers with a written statement covering the prior week's trips that includes:

- Total passenger transportation/platform time.
- Total passenger miles traveled during that time.
- Total tips received.
- Gross earnings, itemized by per-minute pay, per-mile pay, base pay, percentage of fare, surge pricing, multipliers, or other pay methods.
- Net earnings after deductions.

[19] As set forth in D.C. Official Code § 47-2894.05.
[20] As set forth in D.C. Official Code § 47-2891.05(c).
[21] Excluding deductions agreed to in accordance with D.C. Official Code § 47-2891.05.
[22] Pursuant to an operator agreement as established in D.C. Official Code § 47-2891.05.

- An itemized accounting of all deductions and fees, including tolls, commissions, and any other charges.

§ 47-2891.07. Wheelchair-accessible trips – level of service standard.
A Adispatch service provider is required to maintain an ongoing obligation to provide individuals with disabilities, including wheelchair users, with a level of service that is equivalent to the service provided to other customers, consistent with Americans with Disabilities Act (ADA)[23]. To comply comply , the provider must allow customers to request WAV trips through the same channels and processes used to request comparable non-WAV trips. For providers that use digital dispatch platforms, customers must be able to request and pay for WAV trips through the same app or digital interface used for non-WAV trips. Additionally, if the provider offers services such as advance trip scheduling or round-trip booking for non-WAV trips, those same options must also be available for WAV trips. WAV trips.

Providers are subject Providers are subjectto sanctions or penalties if the average response time for WAV trip requests exceeds 110 percent of the average response time for non-WAV trip requests; and if the rate of requested but unfulfilled WAV trips is higher than the rate for comparable non-WAV trips, regardless of whether the trip was not completed due to passenger or oroperator cancellation or any other reason.

The bill requires DFHV to issue rules establishing:
- Data-sharing and methodologies needed to monitor and enforce WAV service standards.
- Reporting requirements, including the reasons for WAV trip cancellations.
- Enforcement mechanisms and penalties for noncompliance.

Penalties become enforceable one year after the bill's effective date. The bill requires penalties to be proportional to the severity of the violation and may include:
- Escalating monetary fines for exceeding the required WAV response-time standard.
- Monetary fines for requested WAV trips that are not fulfilled.

Subject to available funding, DFHV must create and maintain a publicly accessible dashboard that provides anonymized and aggregated data on WAV performance metrics.

§ 47-2891.08. Maintenance of trip records and § 47-2891.09. Data specifications.
Current law requires a private vehicle for hire company to submit certain data to DFHV for each trip that originates or terminates in the District, including origin and destination location, and the total fare charged. The bill requires dispatch service provider and smart meter provider to maintain specified records for at least three years from the date the record is created. The bill requires the data to be supplied to DFHVthrough Application Programming Interfaces (APIs) that comply with the

[23] As set forth in section 12144 of Title III of the Americans with Disabilities Act of 1990, approved July 26, 1990 (104 Stat. 328; 42 U.S.C. § 12144).

Open Mobility Foundation's Mobility Data Specification (MDS)[24] and Curb Data Specification (CDS)[25]. The Open Mobility Foundation createsgovernance structure around open-source mobility tools that provide scalable mobility solutions for cities.[26] The bill authorizes DFHV to specify which data fieldsare required, including any additional information needed for administration and enforcement. To protect privacy, the bill restricts the data from public disclosure through records requests unless it has been aggregated or anonymized; and prohibits the data for forprecise locations for operators on a digital dispatch platform, whowho have not yet been assigned or accepted a trip.

§ 47-2891.10. Taxi stands and geofencing policy.

The bill authorizes the Mayor, upon DFHV's recommendation, to designate curb lanes or other public spaces as taxi stands. These designations may apply at all times or during specified hours and may be reserved for WAVs .WAVs . The bill requires DFHV to regularly advise the District Department of Transportation (DDOT) on establishing short-term parking areas to support passenger pick-ups and drop-offs by for-hire vehicles. DFHV is authorized to establish temporary or permanent geofencing areas and location-specific policies, including:

- Requiring pick-ups or drop-offs to occur at designated curbside locations within a reasonable distance of a passenger's requested origin or destination; and
- Restricting operators from entering certain areas for public safety or traffic management purposes.

The bill requires DFHV to provide notice of geofencing or related policies to dispatch service and smart meter providers using the data specifications and APIs[27]. DFHV, in consultation with DDOT, is authorized to issue rules establishing penalties for unauthorized stopping, standing, or parking in a taxi stand or other geofenced area

§ 47-2891.11. Passenger-miles travelled fee.

The bill eliminates a 50-cent passenger surcharge assessed on each taxi and limousine trip[28] ; a 6 percent tax on gross receipts assessed on digital dispatch[29]; and a low-emission incentive fee[30]. Instead, the bill requires DFHV to impose and collect a passenger-miles travelled (PMT) fee on dispatch service and smart meter providers based on the number of miles a vehicle travels while transporting one or more passengers in for-hire service.

The fee for each trip must be the greater of:

- $0.50; or
- The passenger-mile rate established by the DFHV. Within 90 days of the section's effective date, DFHV must issue rules establishing a passenger-mile rate that is certified by the OCFO

[24] MDS is a set of APIs which are protocols that standardize communication and data-sharing between cities and private mobility providers. MDS includes information about the status of vehicles, vehicle location and destination, but does not contain any personal information about users. While mobility operators collect the name, contact information, payment information, and trip history of each rider to provide service, MDS does not contain specific information about who uses a shared vehicle.

[25] CDS is a set of APIs that allow cities to digitally publish curb locations ; transmit real-time and commercial events happening at the curb to cities from company data feeds, sensors, check-ins, and other city data sources; and track curb usage session details and define common calculation methodologies to measure dwell time, usage and other statistics.

[26] More information may be located here: https://www.openmobilityfoundation.org/.

[27] Established under D.C. Official Code § 47-2891.09.

[28] D.C. Official Code §50-301.03(16).).

[29] D.C. Official Code §50-301.31(b)(11).

[30] D.C. Official Code § 50-301.31(b)(11A).

to generate revenue at least equal to the revenue projected in the Fiscal Year 2027-2030 financial plan from taxes, fees, and surcharges that existed before the bill's effective date.

The bill authorizes DFHV to adjust the passenger-mile rate by vehicle type to encourage the use of:

- Electric vehicles;
- Hybrid vehicles; and
- Vehicles with a hood height of less than 36 inches.

The bill authorizes DFHV to increase or decrease the passenger-mile rate based on time or geographic location, provided the adjustment does not exceed 30 percent, to:

- Improve transportation access or reduce fares in underserved areas;
- Address traffic congestion; or
- Encourage public transportation use.

The passenger-miles traveled fee is in addition to, and not a substitute for, any vehicle miles traveled (VMT) tax imposed under the Autonomous Vehicle Act of 2012[31]. The bill authorizes DFHV to impose an additional VMT charge on autonomous vehicles licensed and registered for for-hire passenger service for miles traveled without a passenger, up to the passenger-mile rate established under the bill.

RevenueRevenue collected must be distributed between:

- The FHISF[32] (amount to be specified); and
- The District's General Fund (remaining balance).

§ 47-2892.01. Vehicle registration.

The bill prohibits a person from operating, and a vehicle owner from permitting the operation of, a vehicle for for-hire passenger service unless the vehicle is properly registered . The bill makes an exception for a vehicle associated with a valid commercial Autonomous Vehicle (AV) fleet endorsement[33] provided DFHV assigns the vehicle a unique identification number.

The bill requires DFHV to issue certificates of registration to applicable vehicles. Certificates Certificates are valid for one year, unless otherwise specified; and operators are not required to carry or display physical proof of registration except when providing street hail service.

The bill allows a vehicle owner, or a person authorized by the owner, to apply for registration or renewal using a DFHV-approved form. The application must include:

- Vehicle information, including make, model, year, and vehicle identification number (VIN);
- License plate number;
- Any previously assigned for-hire identification number;
- Proof of compliance with the vehicle safety inspection requirements[34]; and
- If the applicant is not the owner, the owner's name and contact information, along with a signed statement authorizing the applicant to register the vehicle.

[31] Effective April 23, 2013 (D.C. Law 19-278; D.C. Official Code § 50-2351 et seq.).
[32] Established by D.C. Official Code § 47-2890.04.
[33] Issued pursuant to the Autonomous Vehicle Act of 2012 (D.C. Law 19-278; D.C. Official Code § 50-2351 et seq.).
[34] D.C. Official Code § 47-2892.03.

A rental vehicle owned by a rental operator[35] must be registered with DFHV before it provides for-hire passenger service. A registered rental vehicle may provide pre-arranged service, but not street hail (taxicab) service. The dispatch service provider is responsible for submitting registration application information and other related data for rental vehicles.

The bill authorizes DFHV to issue rules and establish procedures to:

- Create a short-term for-hire vehicle registration for rental vehicles, outside of the general one-year registration period established; and
- Ensure the timely submission and verification of information necessary to register a rental vehicle before it begins providing for-hire passenger service.

§ 47-2892.02. Uniform vehicle requirements.

The bill establishes requirements for vehicles providing for-hire passenger service and authorizes enforcement actions. The requirements apply to all vehicles providing for-hire passenger service, regardless of vehicle classification, unless otherwise specified. The bill restricts a person from registering, operating, or permitting the operation of a vehicle for for-hire passenger service unless the vehicle complies with the requirements of this section. Under the bill, unless otherwise noted, a registered for-hire vehicle must:

- Have a manufacturer's rated seating capacity of nine people or fewer, including the operator;
- Comply with all applicable federal motor vehicle safety standards based on the vehicle's type and intended use;
- Not be equipped with features that shield the operator from outside observation, including curtains or aftermarket window or windshield tinting;
- Not be subject to immobilization or impoundment[36]; and
- Meet any additional requirements established by DFHV rule to ensure minimum standards for public and passenger safety, accessibility, environmental sustainability, and customer satisfaction. Such rules may include vehicle age and mileage limitations or alternative performance-based standards.

The bill requires vehicle owners to notify DFHV of any substantial change in vehicle condition, including changes to vehicle identification tags. DFHV must DFHV mustsummarily suspend or revoke a vehicle's certificate of registration if:

- The vehicle fails a required safety inspection; or
- The violation constitutes an immediate safety hazard, and that suspension or revocation is necessary to prevent an imminent hazard to life, safety, or property.

§ 47-2892.03. Vehicle safety inspection.

The bill establishes vehicle safety inspection requirements as a condition of obtaining and maintaining registration for vehicles providing for-hire passenger service. The bill requires DFHV issue rules establishing a uniform annual vehicle safety inspection as a condition of issuing a certificate of registration[37]. A uniform safety inspection may be conducted by:

- DFHV or the Department of Motor Vehicles (DMV);
- A mechanic in the District holding a valid license[38];

[35] Have the same meanings as set forth in section 2 of the Rental Vehicle Tax Reform Act of 1978, effective March 6, 1979 (D.C. Law 2-157; D.C. Official Code § 50-1505.01).
[36] Established under the Parking Enforcement Modernization Act of 2025, effective May 2, 2025 (D.C. Law 25-325; D.C. Official Code § 50-2431 et seq.).
[37] Under D.C. Official Code § 47-2892.01.
[38] Under D.C. Official Code § 47-2851.03(a)(11).

- Afleet provider approved by DFHV to perform inspections; or
- An inspection station authorized by Maryland or Virginia to conduct inspections.

AnAn initial safety inspection is not required if the vehicle is already compliant with a state-mandated annual vehicle safety inspection. A vehicle affiliated with a valid commercial AV fleet endorsement is deemed to satisfy the requirement. A rental vehicle owned by a rental operator is deemed to satisfy the requirements if it complies with the registration and inspection requirements of its home jurisdiction.

§ 47-2892.05. Requirements of street hail vehicles.

Current law requires taxicabs to have a DFHV-approved roof light or other illuminated display visible to prospective passengers that indicates whether the vehicle is occupied, on-call, off-duty, or available to accept a street hail trip. The bill authorizes DFHV to exempt a vehicle or category of vehicles from the requirements:

- For pedicabs and other vehicles where a roof light, uniform livery, or similar requirements are inappropriate or infeasible.
- To further DFHV's mission, including expanding access to WAVs and encouraging the use of low-emission and zero-emission vehicles.

§ 47-2892.06. Requirements of wheelchair-accessible vehicles.

The bill establishes the minimum requirements for WAVs, which are required to:

- Accommodate wheelchairs and personal mobility devices up to 30 inches wide.
- Be equipped with a ramp or lift that allows both the passenger and operator to safely enter and exit the vehicle.
- Have appropriate passenger safety devices to secure the wheelchair or mobility device and protect the passenger while the vehicle is in operation.

Display thewheelchair accessibility symbol or another DFHV-approved accessibility insignia in at least two prominent exterior locations.

§ 47-2892.07. Vehicle fleet provider.

The bill establishes the registration, operational, and recordkeeping requirements for vehicle fleet providers that own vehicles used for for-hire passenger service. AA vehicle fleet provider is prohibited from allowing a vehicle to be used for for-hire passenger service unless the provider is registered with DFHV as a vehicle fleet provider.

§ 47-2892.08. Vehicle lease agreements.

The bill requires a written written lease agreement between a vehicle owner and a lessee for the purpose of providing for-hire passenger service to be filed with DFHV. A lease agreement may provide that the lessee is responsible for citations issued during the lease or rental period, including moving violations; parking violations; and violations of the bill's provisions. The bill caps the amount charged to a lessee to the maximum lease rate established by DFHV through rule. In setting the maximum lease amount, DFHV will consider purchase prices; maintenance costs; and other factors affecting the market for for-hire vehicles or the provision of for-hire passenger service.

§ 47-2892.09. Vehicle emblem and trade dress.

The bill establishes a standardized vehicle emblem requirement for vehicles providing for-hire passenger service in the District, updating current law language regarding the display of "trade dress"[39]. An operator must display a DFHV-established standardized emblem indicating that the

[39] § 50–301.29d.

operator and vehicle are authorized to provide for-hire passenger service in the District. The emblem must be affixed in a location that is clearly visible as the vehicle approaches and must remain visible while a passenger is approaching the vehicle.

§ 47-2893.01. Operator license.
Current law establishes operator licensing requirements for individuals providing for-hire passenger service and identifies the endorsements needed for certain types of service. The bill updates these requirements and extends the validity of an operator's license to two years. The requirements include the completion of DFHV-approved training. DFHV will DFHV will issue rules allowing approved third parties, including licensed dispatch service providers, to provide the required training.DFHV may also establish additional training requirements for applicants under age 21.

The bill authorizes DFHV to, when evaluating an application, consider any information that reasonably suggests the applicant may not operate a vehicle safely or may not comply applicable laws and regulations. DFHV will will deny an application that contains a material misstatement or omission. Applicants must consent to and successfully complete a background check and driving-history check, including ongoing monitoring if available[40], and they must consent to DFHV obtaining information regarding the applicant's fitness to provide for-hire passenger service.

§ 47-2893.02. Provisional operator license.
DFHV will be able to issue DFHV will be able to issuea provisional operator license while a permanent operator license application is pending if review is expected to take more than two business days. A provisional license is valid for up to 45 days, unless extended by DFHV.

§ 47-2893.03. Street hail operator endorsement.
Under the bill, it is unlawful to solicit, accept, or provide a street hail trip unless the operator holds a valid street hail endorsement or a valid WAV endorsement[41]; and the trip is provided in a registered vehicle that satisfies all street hail vehicle requirements. Any holder of an operator license is eligible to apply for a street hail endorsement. The bill requires DFHV to issue a physical copy of the street hail endorsement, which must be displayed in the vehicle whenever the operator is available to provide for-hire passenger service.

§ 47-2893.04. Wheelchair-accessible vehicle operator endorsement.
It will be It will beunlawful for a person to provide a WAV trip without a WAV endorsement. The bill requires DFHV to issue a WAV endorsement to a person who completes WAV operator training , which at minimum, must include:

- The legal requirements applicable to transporting persons with disabilities, including equal access obligations and ADA compliance;
- Passenger-assistance techniques, including instruction on various disabilities, hands-on assistance methods, mobility equipment training, familiarity with lift and ramp operations, different types of wheelchairs and personal mobility devices, and safety procedures;
- Training with an actual person using a wheelchair or personal mobility device; and

Sensitivity training, including customer-service and conflict-resolution techniques..

[40] Pursuant to D.C. Official Code § 47-2893.05.
[41] Under D.C. Official Code § 47-2893.04.

The bill permits an operator license holder with a WAV endorsement to operate any registered vehicle when providing for-hire passenger service, but the WAV endorsement does not require the operator to operate a WAV.

§ 47-2893.05. Background check and driving history.

The bill requires DFHV to issue rules permitting qualified third parties to conduct background checks and driving history checks on DFHV's behalf. DFHV must require any authorized third party to demonstrate competency in providing accurate information. Background checks conducted by a third party must include local, state, and national databases and must access at least seven years of records.

§ 47-2893.06. Suspension of operator license.

This bill establishes procedures for the suspension and revocation of operator licenses, including recordkeeping requirements, grounds for disciplinary action, appeal rights, and DFHV's authority to immediately suspend or revoke a license when public safety is at risk.

The record maintained by DFHV for each licensee must include any violations associated with the license once there has been a final determination of liability. Under the bill, any procedure for the suspension or revocation of an operator license must clearly state the grounds for suspension or revocation. If an operator license is revoked, the individual must satisfy all applicable licensing requirements anew before obtaining a new license.

§ 47-2893.XX. Driver resource center.

The bill establishes a driver resource center, requiring it to be an independent, membership-based and member-led nonprofit or labor organization that supports drivers; and may not be affiliated with any entity that is directly or funded fundedor controlled by any providers, manufacturers, or industry participants.

The bill requires DFHV toThe bill requires DFHV to solicit and accept applications from eligible driver support organizations and certify one organization to serve as the driver resource center for the three-year period from October 1, 2027, through September 30, 2030. DFHV must provide notice to all licensed operators informing them of the driver resource center . Each DFHV must provide notice to all licensed operators informing them of the driver resource center . Each service provider andfleet provider must provide the same notice to every new operator and to any operator who is suspended or deactivated.

Upon receiving written authorization from a deactivated driver, driver resource center can represent or support the driver through deactivation-related procedures r. Employees of the driver resource center may provide such representation or support regardless of whether they are authorized to practice law in the District.

The bill establishes the Driver Resource Center Fund (DRCF), a special fund to be used for services provided by the driver resource center. Beginning July 1, 2027, and at least quarterly thereafter, dispatch service providers must collect and remit a $0.02 per-trip fee to the DRCF. DispatchDispatch service providers must also offer operators the opportunity to make voluntary per-trip earnings deductions to the DRCF. The driver resource center must reimburse dispatch service providers for eligible deduction and remittance costs upon request, and the DFHV may adopt rules governing the calculation of reimbursable costs. Remittances to DFHV are deemed a pass-through of a customer or passenger fare and are not considered direct funding of the driver resource center by a dispatch service provider. The DRCF is scheduled to sunset on October 1, 2030, at which time any remaining

funds will be transferred to the FHISF[42], unless DFHV submits a reauthorization resolution that receives active Council approval.

§ 47-2894.01. Fare structures.

The bill establishes that a pre-arranged trip may be provided using one of four approved rate structures:

- A flexible fare, in which the base fare is calculated based on distance, time, or a combination of both;
- A limousine fare, in which the base fare is calculated solely on the basis of time;
- A chartered fare, in which the base fare is based on a fixed rate charged per vehicle or per passenger; or
- A fixed fare, in which the base fare is established as a flat fee for airport trips or other point-to-point, well-traveled route, or event-related trips.

Allfare structures are permitted only to the extent they comply with the bill.

The bill subjects a street hail trip to the street hail rate structure established by DFHV[43]. Before a trip begins, a passenger may request an upfront fare by providing the exact destination. The bill requires the operator to present an upfront fare calculated by an approved smart meter system using DFHV-established rates. The passenger may then accept the upfront fare, choose a metered fare instead, or decline the trip.

§ 47-2894.02. Street hail and accessible rate structures.

The bill requires DFHV to issue rules establishing the rates, fares, charges, and methodologies used to determine the price of street hail service. The street hail rate structure must include:

- Metered fares, which are dynamically calculated by an approved smart meter system[44].
- Upfront fares, where the passenger is quoted a fare based on the requested destination. Fixed fares, charged on a flat-fee basis for airport trips, point-to-point trips along well-traveled routes, or event-related trips such as sporting events.

The bill requires DFHV to review the street hail rate structure at least once every 24 months. The review must include at least one public hearing with notice and an opportunity for public comment. In establishing and overseeing street hail rate structures, the bill requires DFHV to balance the interests of vehicle owners and operators in earning a reasonable return with the public interest in maintaining affordable transportation. It must also establish rates, charges, and fare-setting methodologies that provide reasonable compensation while promoting broad, equitable access to transportation.

The bill provides an exception for a declared emergency, authorizing DFHV to adjust rates for the duration of the emergency without following the notice, comment, and hearing requirements.

§ 47-2894.03. Fare transparency.

Under the bill, prior to a pre-arranged trip being booked through digital dispatch, the dispatch service provider must provide the customer with an itemized fare estimate that includes:

- The fare structure[45], including rates based on distance, time, or both;

[42] Established under D.C. Official Code § 47-2890.04.
[43] Under D.C. Official Code § 47-2894.02.
[44] Pursuant to D.C. Official Code § 47-2891.04.
[45] Described in D.C. Official Code § 47-2894.01(a).

- The base fare;
- Any fare modifiers; and
- Applicable fees and taxes, except costs that cannot yet be determined.

Except as otherwise provided, under the bill, it is unlawful to charge a passenger more than:

- The fare displayed on a smart meter at the completion of the trip, plus any applicable taxes, fees, or gratuities;
- 120% of the fare estimate disclosed; or
- Any applicable fixed fare for trips subject to a fixed-fare rate.

Within a reasonable time after the trip is completed, the passenger must receive a paper or electronic receipt showing the trip origin and destination; the time and distance traveled; and an itemized breakdown of the fare paid.

§ 47-2894.04. Prohibition on surveillance-based fare discrimination.

Under the bill, it unlawful to use personally identifiable information (PII) collected through electronic surveillance technologies or other monitoring tools, including sensors, cameras, device tracking, biometric monitoring, or similar methods to determine or modify a base fare, rate structure, fare modifier, or any other price or consideration for for-hire passenger service. The bill defines personally identifiable information to mean information that can distinguish or trace an individual's identity, either by itself or when combined with other linked or linkable identifying information. The bill provides an exception for certain price reductions, such as reductions that are:

- Based on publicly available eligibility criteria that anyone may satisfy on equal terms.
- Offered to members of broadly defined groups (such as teachers, military personnel, seniors, students, loyalty program members, or group purchasers), provided the passenger voluntarily and knowingly supplies information needed to verify membership.
- Provided to participants in a publicly established need-based program.

§ 47-2894.05. Accessibility and non-discrimination.

It is unlawful for any person providing for-hire passenger serviceto discriminate based on a protected characteristic[46]. Prohibited discriminatory conduct includes:

- Refusing service based on a passenger's pickup or drop-off location.
- Refusing service because of a protected characteristic, including refusing service to a wheelchair user or a person with a service animal, unless the operator has a documented serious medical allergy to animals on file with DFHV.
- Imposing additional or special charges on an individual with a disability for accommodations.
- Requiring an individual with a disability to be accompanied by an attendant.

Where an application or digital dispatch platform permits operators to rate passengers, it is a violation for an operator to assign a rating based on a protected characteristic.

The bill requires any person who owns or operates a WAVto give priority to service requests from passengers who use wheelchairs or personal mobility devices and, once dispatched to such a passenger, may not accept another fare while traveling to that passenger. However, when no such request is pending, a WAV operator may transport any passenger.

[46] As defined in section 231 of the Human Rights Act of 1977 (D.C. Official Code § 2-1402.31).

The bill requires a dispatch service provider using digital dispatch to allow customers to indicate in their customer profile whether they require a wheelchair-accessible vehicle. When an operator accepts a digitally dispatched trip request from a passenger with a disability who uses a mobility device:

- The operator must stow the passenger's mobility equipment if the vehicle is capable.
- If the passenger or operator determines that the vehicle cannot accommodate the equipment, the passenger cannot be charged a trip cancellation fee.
- If a cancellation fee has already been charged, it must be refunded within two business days.

An operator's refusal to provide service due to a passenger's violent, seriously disruptive, or illegal conduct does not constitute discrimination. However, an operator may not refuse service to an individual with a disability solely because the disability causes an appearance or involuntary behavior that may offend, annoy, or inconvenience the operator or others.

§ 47-2894.06. Underserved areas.

The bill authorizes DFHV to designate areas of the District as underserved areas where there is a demonstrated need for improved for-hire passenger service. AdispatchAdispatch service provider violates the prohibition on refusal of service based on pickup or drop-off location[47] if, in the aggregate, its service provides lower-quality service to passengers requesting trips that begin or end in an underserved area. The bill defines lower-quality service to mean a pervasive and sustained pattern of any of the following:

- Higher rates of dispatched trips cancelled or not performed by an operator;
- Longer response times compared to the response times of comparable trips outside of the underserved area; or
- Higher fares compared to comparable trips outside of the underserved area.

§ 47-2895.06X.XX. Accessible Passenger Service Fund.

The bill establishes the Accessible Passenger Service Fund (APSF) as a non-lapsing special fund administered by DFHV. Revenue in the fund is comprised of:

- An accessible vehicle fee of $0.25 on each completed for-hire passenger service trip in a motor vehicle that is not a WAV trip, payable at least quarterly by dispatch service providers and smart meter system providers.
- An accessible street hail registration fee of at least $20 per month on each registered street hail vehicle that is not a WAV.
- Any penalties assessed for dispatch service providers that are noncompliant with WAV requirements for service[48].

The bill authorizes the APSF to be used for:

- Reimbursement of costs related to the purchase, conversion, or maintenance of a WAV .
- Grantsor other assistance for operators providing or available to provide WAV trips.
- Subsidizing WAV trips for people with disabilities.
- Other programs that improve for-hire passenger service for people with disabilities, particularly by increasing the availability of WAVs authorized to provide street hail service.

[47] Under D.C. Official Code § 47-2894.05(a)(1).
[48] Under D.C. Official Code § 47-2891.07.

Financial Plan Impact

Funds are not sufficient in the fiscal year 2027 through fiscal year 2030 budget and financial plan to implement the bill. DFHV requires $962,000 in fiscal year 2027 and $5.85 million across the financial plan period. The bill will also increase special purpose revenues to two funds established by the bill. The Accessible Passenger Service Fund (APSF) will receive $12.4 million in fiscal year 2028 and $37.3 million over the financial plan period through the imposition of two new WAV-related fees on TNCs and taxicabs; and the Driver Resources Center Fund (DRCF) will receive $243,000 in fiscal year 2027 and $3.15 million over the financial plan period through the imposition of one fee on TNCs.

Department of For Hire Vehicles

B26-818 - For-Hire Passenger Service Reform Act of 2026 DFHV Total Costs ($ in thousands)					
	FY 2027	FY 2028	FY 2029	FY 2030	**TOTAL**
Technology					
IT Systems Initial Configuration, Licensing, and Maintenance	$685	$244	$249	$254	$1,432
Driver Training Module Update	$50	$0	$0	$0	$50
Technology Subtotal	**$735**	**$244**	**$249**	**$254**	**$1,482**
Driver Resource Center					
Salary[(a)]	$52	$106	$108	$111	$377
Fringe[(b)]	$13	$27	$27	$28	$95
Workstation, Equipment, Supplies, and Licenses	$4	$0	$0	$11	$5
Communications					
Public Outreach Campaign Contract	$0	$300	$306	$312	$918
Salary[(c)]	$60	$123	$126	$128	$438
Fringe[(d)]	$8	$31	$32	$32	$102
Workstation, Equipment, Supplies, and Licenses	$4	$0	$0	$11	$5
Rulemaking					
Salary[(e)]	$71	$146	$149	$152	$517
Fringe[(f)]	$9	$36	$37	$38	$121
Workstation, Equipment, Supplies, and Licenses	$4	$0	$0	$11	$5
Enforcement					
Salary[(g)]	$0	$323	$329	$336	$988
Fringe[(h)]	$0	$81	$83	$85	$248
Workstation, Equipment, Supplies, Licenses, and Software	$0	$127	$46	$47	$221
Uniforms, Body-Worn Camera, and Badges	$0	$31	$12	$12	$55
Staff Training	$0	$10	$10	$10	$31
Equipment & Training Subtotal	**$0**	**$168**	**$68**	**$69**	**$307**
Vehicle Purchase and Maintenance	$0	$242	$1	$1	$244

B26-818 - For-Hire Passenger Service Reform Act of 2026 DFHV Total Costs ($ in thousands)					
TOTAL	$962	$1,828	$1,516	$1,547	$5,852

Table Notes:

(a) One Grade 12, Step 5 Career Service (CS) Program Analyst. Fiscal Year 2027 accounts for six months of costs. Assumes annual 2 percent growth.
(b) Fringe rate of 25.0 percent. Assumes 2.35 percent annual growth. Fiscal Year 2027 accounts for six months of costs.
(c) One Grade 13, Step 5 CS Program Analyst. Fiscal Year 2027 accounts for six months of costs. Assumes annual 2 percent growth.
(d) Fringe rate of 25.0 percent. Assumes 2.35 percent annual growth. Fiscal Year 2027 accounts for six months of costs.
(e) One Grade 14, Step 5 Career Service (CS) Program Analyst. Fiscal Year 2027 accounts for six months of costs. Assumes annual 2 percent growth.
(f) Fringe rate of 25.0 percent. Assumes 2.35 percent annual growth. Fiscal Year 2027 accounts for six months of costs.
(g) Four Grade 9, Step 5 CS Officers. Assumes the hire process begins in fiscal year 2027 and all officers are hired in fiscal year 2028. Assumes annual 2 percent growth.
(h) Fringe rate of 25.0 percent. Assumes 2.35 percent annual growth. Assumes the hire process begins in fiscal year 2027 and all officers are hired in fiscal year 2028.

Technology

The bill contains significant technology and systems implementation requirements for DFHV. DFHV will need:

- to develop and maintain an electronic complaint submission platform,
- a year-round complaint hotline, case management and notification systems capable of issuing complaint acknowledgements within 72 hours, and
- systems to support complaint tracking and annual compliance audits.

Additional technology investments would be required:

- to receive, validate, and manage API-based data submissions using the Open Mobility Foundation MDS and CDS;
- monitor insurance compliance; maintain licensing and registration databases;
- manage vehicle inspection records;
- support geofencing policies; administer PMT fee collections; and
- operate or oversee publicly accessible accessibility and delivery-mode dashboards.

DFHV will need to restructure the data systems to:

- accept data in the MDS format, create a new API for registering drivers, if the automatic option is chosen;
- modify DFHV online applications to account for different language and requirements;
- expand VIO tools based on new TNC data;
- add data storage; develop an external dashboard; and
- ensure existing companies have the capability to share data with DFHV to develop the PMT fee.

DFHV requires $735,000 in fiscal year 2027 and $1.48 million over the financial plan period for new software development, data integration, cybersecurity protections, database enhancements, vendor support, and ongoing system maintenance.

Driver Resource Center
The bill establishes a DRC requiring it to be an independent, membership-based and member-led nonprofit or labor organization that supports drivers to provide representation to drivers, consistent with its approved annual budget and a reasonable assessment of the merits of each driver's case.

DFHV requires one Resource Center Program Analyst that will be responsible for coordinating with drivers, with the non-profit charged with managing the DRC, monitoring the DRC's compliance under certification, and overseeing the fund created to support the DRC. This position costs $52,000 in salary and $13,000 in fringe in fiscal year 2027 and $377,000 in salary and $95,000 in fringe across the financial plan period. Each new hire requires standard operational tools that are necessary for the performance of their duties, including a laptop, administrative equipment and workstation; secure network access; Salesforce and Microsoft licenses for devices; and office productivity software and security tools. The supplies for this position cost $4,400 in fiscal year 2027 and $5,000 across the financial plan period.

Communications
DFHV must publicize a new 24-hour complaint hotline and electronic complaint system, including displaying hotline information on its website and in all registered for-hire vehicles. It must also::

- publish complaint appeals information,
- provide notice regarding certified driver resource centers,
- educate operators and industry participants on new licensing, endorsement, insurance, accessibility, and complaint requirements, and
- communicate geofencing policies, taxi stand regulations, and new passenger-mile fee requirements.

Additional outreach may be needed to inform the public about complaint procedures, passenger rights, accessible transportation services, and changes to fare structures. DFHV requires $300,000 in fiscal year 2028 and $918,000 over the financial plan period to contract for public education and outreach costs associated with printing and designing advertisements related to universal operator training module updates, passenger rights awareness, industry compliance requirements, public safety, complaints procedures, WAV and other enforcement responsibilities, including translation costs.

DFHV requires one Complaints Program Analyst that will be responsible for receiving, reviewing, tracking, and resolving customer and stakeholder complaints; analyzing complaint data to identify trends and emerging issues; and coordinating with Enforcement Officers and other program staff on investigations. This position costs $60,000 in salary and $8,000 in fringe in fiscal year 2027 and $438,000 in salary and $102,000 in fringe across the financial plan period. Each new hire requires standard operational tools that are necessary for the performance of their duties, including a laptop, administrative equipment and workstation; secure network access; Salesforce and Microsoft licenses for devices; and office productivity software and security tools. The supplies for this position cost $4,400 in fiscal year 2027 and $5,000 across the financial plan period.

Rulemaking

The bill provides DFHV with a mixture of discretionary and mandatory rulemaking governing complaint procedures, vehicle inspection officer operations, emerging market licensing, reciprocal agreements, insurance requirements, licensing standards, dispatch service provider requirements, WAV service standards, data-sharing specifications, geofencing enforcement, passenger-mile traveled fees, vehicle registrations and inspections, endorsement training programs, lease-rate caps, fare structures, underserved-area enforcement, Driver Resource Center administration, fund administration, and sustainable delivery-mode programs.

DFHV requires one Policy Program Analyst that will lead coordination with the Office of General Counsel (OGC) to develop, draft, and advance regulatory rulemaking across the applicable statutory provisions outlined in the bill. This position costs $71,000 in salary and $9,000 in fringe in fiscal year 2027 and $517,000 in salary and $121,000 in fringe across the financial plan period. Each new hire requires standard operational tools that are necessary for the performance of their duties, including a laptop, administrative equipment and workstation; secure network access; Salesforce and Microsoft licenses for devices; and office productivity software and security tools. The supplies for this position cost $4,400 in fiscal year 2027 and $5,000 across the financial plan period.

Enforcement
DFHV requires additional personnel to:

- investigate complaints,
- conduct annual complaint audits,
- administer cease-and-desist orders,
- coordinate hearings before OAH,
- oversee vehicle immobilization and impoundment actions,
- monitor compliance with insurance and accessibility requirements,
- verify licensing eligibility,
- conduct background-check oversight,
- audit dispatch providers and fleet operators,
- enforce WAV performance standards,
- review operator suspensions and revocations, and
- administer the new fee and penalty programs.

DFHV currently has 16 VIOs whose primary enforcement activities are focused on the taxi industry (public vehicles for hire). The bill would eliminate the distinction between public and private vehicles-for-hire and establish a single for-hire passenger service regulatory framework. As a result, DFHV's enforcement responsibilities would expand significantly beyond the taxi sector to include TNC vehicles.

DFHV requires four Enforcement Officers to conduct field inspections and educate for-hire drivers on new regulatory requirements, issue notices of violation, and gather and document evidence. DFHV anticipates extensive overtime for these Enforcement Officers at the outset of implementation and requires $323,000 in salary and $81,000 in fringe fiscal year 2028 and $988,000 in salary and $248,000 in fringe over the financial plan period for timely case preparation, processing and compliance with court schedule; evidence review; court hearing attendance; and related documentation for enforcement actions while maintaining regular inspection and enforcement duties and without reducing the hours of in-field enforcement activities.

DFHV requires $168,000 in fiscal year 2028 and $307,000 over the financial plan period for ticketing supplies and printers; Salesforce and Microsoft licensing; equipment and associated subscription costs for radio and cellphones; body worn camera equipment and footage access subscriptions; workstations and associated furniture; License Plate Recognition System equipment and subscriptions; uniforms, including bulletproof vests and badges; administrative materials including citation and risk management and suitability costs; and trainings.

Lastly, DFHV requires $242,000 in fiscal year 2028 and $244,000 over the financial plan period for two enforcement vehicles and accessories; vehicle wrap; and maintenance.

Passenger-Miles Travelled (PMT) Fee

The bill amends and repeals several sections of The District of Columbia Taxicab Commission Establishment Act of 1985[49], which houses the current revenue streams for the General Fund and two funds, the Public Vehicles-for-Hire Consumer Service Fund (PVFHCSF)[50] and the Department of For-Hire Vehicles Fingerprinting Fund (DFHVFF)[51], The bill requires DFHV to impose and collect a PMTPMT fee and, within 90 days of this this section of section of the bill'sbill's effective date, DFHV must issue rules establishing a passenger-mile rate that is certified by the OCFO to generate revenue at least equal to the revenue projected in the Fiscal Year 2027-2030 financial plan from taxes, fees, and surcharges that existed before the bill's effective date.

The PMT fee will be imposed on dispatch service providers and smart meter providers based on the number of miles a vehicle travels while transporting one or more passengers in for-hire service. The fee for each trip must be the greater of:

- $0.50; or
- The passenger-mile rate established by DFHV.

There are three revenue streams enumerated in Title 50 that must be supplanted by the PMT fee or per-trip fee imposed by the bill:

- A 50 cent passenger surcharge assessed on each taxi and limo trip through D.C. Official Code § 50-301.03(16), except, that for fiscal years 2025, 2026, 2027, and 2028, 50 percent of funds collected from the passenger surcharge are instead deposited into the unrestricted fund balance of the General Fund.
- A 6 percent tax on gross receipts assessed on digital dispatch through D.C. Official Code § 50-301.31(b)(11), except 83.33 percent is deposited in the General Fund and the remaining 16.67 percent is deposited in the PVFHCSF.
- A low-emission incentive fee though D.C. Official Code § 50-301.31(b)(11A), which is remitted by a company that uses digital dispatch for private or public vehicles-for-hire, other than taxicabs, every three months to the OCFO to be credited to the General Fund as follows:
  - $0.25 for each trip that originates in the District and that occurs in a vehicle other than a zero emissions vehicle or hybrid;
  - $0.15 for each trip that originates in the District in a hybrid vehicle; and
  - $0.10 for each trip that originates in the District in a zero emissions vehicle.

[49] Effective March 25, 1986 (D.C. Law 6-97; D.C. Official Code § 50-301.01 et seq.).
[50] Established by section 20a of the District of Columbia Taxicab Commission Establishment Act of 1985, effective March 25, 1986 (D.C. Law 6-97; D.C. Official Code § 50-301.20).
[51] Established by section 20d of the District of Columbia Taxicab Commission Establishment Act of 1985, effective March 25, 1986 (D.C. Law 6-97; D.C. Official Code § 50-301.23).

- This fee does not apply to rides transporting a passenger using a personal mobility aid, such as a wheelchair or mobility scooter, or for non-emergency medical transportation arranged through a healthcare provider.

The fiscal year 2025 collections for these revenue streams are shown in the following table:

Revenue Source	Fiscal Year 2025 Collections (thousands $)	
	PVFHCSF	**General Fund**
Licenses and Registration Fees, Etc.[52]	$2,343	-
$0.50 Passenger Surcharge	$1,167	$1,167
6 percent Gross Receipts	$7,479	$37,299
Low-Emission Incentive Fee	-	$8,479
Subtotal	$10,989	$46,945
TOTAL	**$57,933**	

DFHV collected the following data in fiscal year 2025:[53]

Trips	Fiscal Year 2025
TNCs	48,539,016
Taxis	2,542,650
TOTAL	51,081,666

Passenger Miles	Fiscal Year 2025
TNCs	305,550,969
Taxis	11,064,399
TOTAL	316,615,368

To be guaranteed to generate revenue replacement of at least $57.9 million, DFHV currently estimates it would have to institute a PMT fee of $0.18 per mile. This means that trips under 2.8 miles would default to the $0.50 per trip fee, and the PMT rate would be applied to trips above 2.8 miles in length.

WAV Fees

The bill establishes the APSF as a non-lapsing special fund administered by DFHV comprised of:

- An accessible vehicle fee of $0.25 on each completed for-hire passenger service trip in a motor vehicle that is not a WAV trip, payable at least quarterly by dispatch service providers and smart meter system providers.

[52] Vehicle Registrations, Out of State Vehicle Registrations, Payment Service Provider (PSP) Application fees, DDS Application fees, Independent Vehicle Business Application fees, District Limousine Business License fees, Taxi Face ID Licenses fees, Non-District Limousine fees, and other Special Events fees.

[53] DFHV does not have accurate data on passenger miles and number of trips for limousines and does not currently collect the $.50 per trip passenger surcharge on trips completed by limousines. The bill would make the PMT fee consistent across all services, including limousines. As a result, revenue estimates are based on trip and passenger-mile information from taxis and TNCs only.

- An accessible street hail registration fee of at least $20 per month on each registered street hail vehicle that is not a WAV.
- Any penalties assessed for dispatch service providers that are noncompliant with the WAV requirements for service[54].

Subject to available funding, DFHV must create and maintain a publicly accessible dashboard that provides anonymized and aggregated data on WAV performance metrics.

TNCs do not currently verify and report to DFHV whether the operator's vehicle is a WAV because TNCs contract out their vehicles. Therefore, all TNC trips would be subject to the $0.25 fee. DFHV has 1,341 taxis registered and 56 are not designated as a WAV. It is estimated the accessible vehicle fee will generate $12.1 million for the APSF and the accessible street hail registration fee will generate $308,400 annually.

B26-818 – For-Hire Passenger Service Reform Act of 2026
Accessible Passenger Service Fund (APSF)
($ in thousands)

	FY 2027	FY 2028	FY 2029	FY 2030	**TOTAL**
Accessible Vehicle Fee	$0	$12,125	$12,125	$12,125	$36,375
Accessible Street Hail (Taxi) Registration Fee	$0	$308	$308	$308	$925
Total Revenue Increase	$0	$12,433	$12,433	$12,433	$37,300

Driver Resources Center Fund

The bill establishes the DRCF, a special fund to be administered by the DFHV. Beginning July 1, 2027, and at least quarterly thereafter, dispatch service providers must collect and remit a $0.02 per-trip fee to the DRCF. The per trip fee will generate $243,000 in fiscal year 2027 and $3.15 million over the financial plan period.

B26-818 - For-Hire Passenger Service Reform Act of 2026
Driver Resources Center Fund (DRCF)
($ in thousands)

	FY 2027	FY 2028	FY 2029	FY 2030	**TOTAL**
Per Trip Fee[(a)]	$243	$971	$971	$971	$3,155
Total Revenue Increase	$243	$971	$971	$971	$3,155

Table Notes:

(a) Fiscal Year 2027 accounts for three months of revenue.

Office of Administrative Hearings

The Administrative Hearing Responsibility Emergency Amendment Act of 2026[55] transferred administrative hearings arising from DFHV notice of infraction actions from OAH to DMV. OAH continues to process and hear appeals from

[54] Under D.C. Official Code § 47-2891.07.
[55] As part of the Fiscal Year 2027 Budget Support Act of 2026, effective October 2, 2026 (D.C. Law 26-189; 73 DCR 11509).

- cease-and-desist orders,
- orders of immediate suspension of a vehicle-for-hire license,
- notices of proposed suspension or revocation of a vehicle-for-hire license, and
- orders of impoundment, as well as the adjudication of complaints lodged in the DFHV Office of Hearings and Conflict Resolution (OHCR) against the vehicle-for-hire industry.

The bill authorizes DHVF to issue and enforce emergency cease-and-desist orders when DFHV believes a violation of the bill is causing or could cause harm to the public. The order must be served by certified mail or personal delivery. TheThe alleged violator has 15 days after receiving the order to request a hearing. If a timely request is made, the matter is heard by OAH[56]. OAH must issue a decision within 90 days after the hearing.

The bill authorizes DFHV to immediately suspend or revoke a license if it determines that the operator poses an imminent danger to the public. When an immediate suspension or revocation is imposed, an administrative hearing before OAH must be held within three business days of DFHV's action. OAH can hear cases arising from emergency cease-and-desist orders and license suspension and revocations utilizing existing resources.

[56] With the procedures set forth in the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1203; D.C. Official Code § 2-501 et seq.).