



AGENDA ITEM #3J
April 14, 2009

Introduction

Isiah Leggett
County Executive

OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

MEMORANDUM

April 10, 2009

TO: Phil Andrews, President
Montgomery County Council

FROM: Isiah Leggett, County Executive

SUBJECT: Resolution for Taxicab Fees

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I am transmitting a proposed Resolution which revises some taxicab fees as I proposed in my budget. These Fee increases are estimated to generate an additional \$368,130 in FY 2010. The County Council is authorized to set taxicab fees by resolution after a public hearing. The Director of the Department of Transportation (DOT) must charge the fees to administer Chapter 53 of the County Code.

This resolution proposes to eliminate the fee for a temporary taxicab driver identification card (ID) because temporary IDs are no longer issued. It also proposes to increase the fee for Passenger Vehicle License (PVL) renewals from \$325 to \$750 and the fee to transfer from one to four PVLs from \$2,500 to \$5,000 for each license transferred. The PVL renewal fee and the fee to transfer individual licenses have not been increased since they were established by Executive Regulation 3-00 in March 2000.

The current taxicab fees do not provide sufficient revenue to cover the costs to the Department of processing taxicab applications, issuing licenses, and enforcing the code. This is occurring at the same time as demands on staff are increasing due to a January 2009 court decision that will allow Barwood Cab to transfer most of their 360 taxicab licenses to individuals. This will result in a reversal to the County taxicab structure from an 80 percent fleet – 20 percent individual system. Prior to 2005, the Taxicab Unit was essentially self-funded with fee revenue matching Unit expenditures. Since FY 2006, the Unit has been funded at approximately the thirty-five percent level with tax revenues. The increase in fees is needed to return the Taxicab Unit to a self-supporting basis, maintain the current staffing and add an additional licensing specialist and one inspector.

I recommend that the Council approve this resolution. The proposed \$5,000 transfer price will help cover the costs, although the revenue from this particular fee is dependant on the number of licenses transferred. The PVL renewal fee of \$750 is the fee that produces regular and recurring revenue annually because it is the fee that every licensee must pay each year to operate a taxicab. This is the foundation of the fee revenue. If DOT is going to be able to meet the ongoing taxicab licensing and enforcement needs, as well as an increase in responsibilities, the revenue that will be provided by the fees is necessary.

IL/jm

Attachments

Resolution No. _____
Introduced: _____
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council

SUBJECT: Taxicab Fees

Background

1. Sections 53-107 and 53-206 of the County Code, as amended by Chapter 37 of the Laws of Montgomery County (Bill 37-05), authorize the Council to set, by resolution adopted after a public hearing, taxicab fees that the Director of the Department of Transportation must charge to administer Chapter 53 of the County Code.
2. Section 53-107(b) provides that the Council must not set fees that exceed the aggregate cost of administering Chapter 53, except as authorized by Section 53-206.
3. The County Executive has requested an increase in taxicab fees to cover the cost of administering Chapter 53.
4. The increase is needed because the cost of administering the regulation of the taxicab industry is increasing due to a recent court decision. The decision will allow Barwood to transfer their fleet licenses to individuals. This will result in a change of the County taxicab structure from an 80% fleet/ 20% individual system to a system with 75% of the taxicab licenses held by individuals.

Action

The County Council for Montgomery County, Maryland approved the following Action:

The Director of the Department of Transportation must charge the taxicab fees described in Table I, attached to and made part of this resolution.

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council

Date

**TABLE I
TAXICAB FEES**

I. Driver Identification Card (ID)

Application	\$20
New one year	\$50
Renewal one year	\$75
Renewal two year	\$150
Duplicate	\$25
Test Fee	\$20

II. Passenger Vehicle License (PVL)

Renewal	\$750
Vehicle Replacement	\$75
Affiliate Company Transfer	\$150
Application for Individual PVL	\$500
Application for Fleet PVLs	\$1,000
New Taxicab PVL in Service (Individual)	\$5,000
New Taxicab PVL in Service (Fleet)	\$2,500
License Transfer	
1 -4 PVLs	\$5,000
5 -100 PVLs	\$10,000 +\$500/PVL over 4
101 +PVLs	\$58,000 +\$250/PVL over 100
Vehicle reinspection 1 st	\$25
Vehicle reinspection 2 nd	\$75
Vehicle reinspection 3 rd	\$150

TAXICAB FEES

	December 2005 Resolution #15-1269	Proposed 2009 Resolution
Driver Identification Card (ID)		
Application	\$20	
[Temporary	\$15]	<u>NA</u>
New one year	\$50	
Renewal one year	\$75	
Renewal two year	\$150	
Duplicate	\$25	
Test Fee	\$20	
 Passenger Vehicle License (PVL)		
Renewal	[\$325]	<u>\$750</u>
Vehicle Replacement	\$75	
Affiliate Company Transfer	\$150	
Application for Individual PVL	\$500	
Application for Fleet PVLs	\$1,000	
New Taxicab PVL in Service (Individual)	\$5,000	
New Taxicab PVL in Service (Fleet)	\$2,500	
[Ownership] License Transfer		
1 -4 PVLs	[\$2,500/PVL]	<u>\$5,000/PVL</u>
5 -100 PVLs	\$10,000 +\$500/PVL over 4	
101 +PVLs	\$58,000 +\$250/PVL over 100	
Vehicle reinspection 1 st	\$25	
Vehicle reinspection 2 nd	\$75	
Vehicle reinspection 3 rd	\$150	