COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the request of the County Executive

AN EXPEDITED ACT to:

(1) allow the Director of Transportation to waive certain restrictions on transfer of certain taxicab licenses in certain circumstances;
(2) subject the creation of a security interest in certain taxicabs to the requirements of the Maryland Uniform Commercial Code; and
(3) generally amend the law governing issuance and transfer of taxicab licenses.

By amending
Montgomery County Code
Chapter 53, Taxicabs and Limousines
Section 53-204

The County Council for Montgomery County, Maryland approves the following Act:
Sec. 1. Section 53-204 is amended as follows:

53-204. Transferability; security interest.

* * *

(c) [A license issued to an individual] Except in the case of a transfer under subsection (f), a license issued to any licensee may be transferred only if the license was not issued or transferred within the previous 3 years.

(d) The Director must not approve the transfer to an individual of a license issued to a fleet if:

(1) the same fleet has already transferred more than 2 licenses to individuals during that calendar year; or

(2) the transfer would result in individuals holding more than 30% of the total number of licenses then in effect.

[[The Director may waive the limits on transfer contained in this subsection on written request of a licensee for good cause, and may attach reasonable conditions to any waiver.]] Until December 31, 2009, the Director, after receiving a written request from a licensee, may waive either limit in this subsection on transferring a license issued to a fleet when the Director concludes that a waiver is necessary to avert a potential significant loss of service or to preserve or promote adequate taxicab service in all areas of the County, and the waiver will not reduce or impair competition, public welfare, and public safety. If the Director waives either limit for a fleet, the Director must at the same time waive the same limit for each other fleet so that each fleet's share of the waivers approved for all fleets is at least the same as that fleet's share of all fleet licenses when the application for a waiver was filed. The Director may attach reasonable conditions to any waiver, including requirements for
purchase of commercial liability insurance and maintenance of minimum numbers of accessible vehicles and limits on the number of new licenses a company can apply for or receive in a 2-year period after it transfers existing licenses.

* * *

(f) A security interest may be created in a passenger vehicle license in accordance with the Maryland Uniform Commercial Code, subject to the Director's approval. The Executive may by regulation attach further conditions to the creation of a security interest, consistent with this subsection, as necessary to avoid significant disruptions in taxi service. The Director may approve the creation of a security interest only if:

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Sec. 2. Expedited Effective Date. The Council declares that this legislation is necessary for the immediate protection of the public interest. This Act takes effect on the date when it becomes law.

Approved:

Michael J. Knapp, President, County Council

Approved:

Isiah Leggett, County Executive

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council