

## **Taxicab and Livery Vehicle Regulation (2008): Post-Study Implementation**

The Legislative Program Review and Investigations Committee authorized a study to assess taxicab and livery vehicle regulation in March 2008. Connecticut state government has regulated certain economic aspects of taxicabs and livery service since the 1920s and 1930s, primarily through limiting entry into the market and controlling rates charged. Taxis and livery service are considered common carriers providing a public good, required to be available to the public. The public relies on taxi and livery service to get to work, school, grocery shopping, doctor’s appointments, and their weddings, for example.

The central question in this study was to determine the appropriate level of regulation for taxicabs and liveries in Connecticut. The study also addressed issues left unresolved by the taxicab task force established by P.A. 06-133, including operational, administrative, and governance issues related to the taxicab industry. The study examined four dimensions of regulation that may be controlled by government agencies: 1) market entry and expansion; 2) rates charged; 3) safety of passengers; and 4) service requirements.

### **Implementation of PRI Recommendations as of March 2012**

The committee adopted 58 recommendations of which 19 were raised in SB 902 (concerning the safety of taxicabs and livery vehicles), and 14 were raised in SB 903 (concerning the economic regulation of taxicabs and livery vehicles), in the 2009 legislative session. Neither bill passed.

In addition to the 33 legislative recommendations, there were 25 administrative recommendations put forth by the program review committee intended to: 1) improve taxicab and livery vehicle applications, administrative hearing efficiencies, and complaint processes; 2) tighten oversight of taxicab inspections performed by independent garages and certificate holders (i.e., taxicab company owners); and 3) have the Employment Misclassification Enforcement Commission consider the status of taxicab drivers as employees or independent contractors. Additionally, changes to the degree and type of communication between DSS, third party brokers, and DOT were recommended regarding the provision of nonemergency medical transportation to assure that qualified transportation occurred for this DSS population.

The implementation status of the committee’s administrative recommendations, as of March 2012, is summarized in the table below.

<b>Implementation Status of PRI Recommendations – Taxicab and Livery Vehicle Regulation as of March 2012</b>		
<i>Recommendation Summary</i>	<i>Status After 3 Years</i>	<i>Comments</i>
DOT Administrative Law Unit (ALU) hearing officers prepare plain language explanation of evidence required for proving	None	The Administrative Law Unit is no longer giving applicants the booklet entitled “A Guide to the Application and Hearing Process” which had

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public convenience and necessity for new taxi cab permits (#1)		been considered the vehicle for carrying out this recommendation. No new vehicle has been identified at this time.
DOT Administrative Law Unit hearing officers prepare plain language explanation of evidence required for proving public convenience and necessity for new livery permits (#34)	None	The Administrative Law Unit is no longer giving applicants the booklet entitled “A Guide to the Application and Hearing Process” which had been considered the vehicle for carrying out this recommendation. No new vehicle has been identified at this time.
Regulatory and Compliance Unit (RCU) make changes to the taxi applications including adding questions about 24 hour coverage, criminal history (#4)	None	No evidence of such change
Regulatory and Compliance Unit make changes to the livery applications (#36)	None	No evidence of such change
RCU checking for outstanding complaints on taxi applicants, and conveying info to ALU hearing officer (#5)	Partial	Outstanding complaints are reviewed, and any complaint info referred to the applications analyst
RCU checking for outstanding complaints on livery applicants, and conveying info to ALU hearing officer (#38)	Partial	Outstanding complaints are reviewed, and any complaint info referred to the applications analyst
Taxi applicants provide updated financial info to the Utilities Examiner five days prior to the hearing (#6)	None	A statutory or regulatory change is required to make this a “requirement.” The applicant is asked to provide this information prior to the hearing as was DOT’s existing practice.
Livery applicants provide updated financial info to the Utilities Examiner five days prior to the hearing (#37)	None	A statutory or regulatory change is required to make this a “requirement.” The applicant is asked to provide this information prior to the hearing as was DOT’s existing practice.

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Member of RCU (in addition to the Utility Examiner) be a party to ALU public hearings for taxi applications or citations (#7)	None	DOT reported that RCU is represented in all citation and rate matters, and RCU, as a practice, offers no opinion at hearings
Member of RCU (in addition to the Utility Examiner) be a party to ALU public hearings for livery applications or citations (#39)	None	DOT reported that RCU is represented in all citation and rate matters, and RCU, as a practice, offers no opinion at hearings
DOT take steps to work with DMV to have independent garages with unusually low failure rates investigated (#15)	None	DMV reported that, due to the need to redeploy staff in fall 2010 to assist with REAL ID project, it has not investigated independent garages with unusually low failure rates; however, personnel may have some limited availability in spring 2011 to investigate independent garages with unusually low failure rates. DMV and DOT may re-inspect taxicabs 8 or more years old; however, no such efforts have occurred at this time.
DOT take steps to confirm there is no ownership conflict between the independent garage inspecting the taxi and the taxicab owner (#16)	None	DOT responded that it no longer inspects taxi cabs and never reviewed documentation from the required bi-annual inspections
Require all taxi certificate holders to have access to a computer with internet capability (so they may check the DMV automated license suspension/endorsement withdrawal database) (#18)	None	No change in the department's existing practice has been made at this time. A regulatory change would be required
Consideration of the status of taxicab drivers by the Employment Misclassification Enforcement Commission (#19)	Full	Issue was discussed at length at the March 1, 2010 meeting of the Joint Enforcement Commission on Employment Misclassification, and also at a May 13, 2010 subgroup meeting. Determined not to be financially or administratively feasible for the Commission to conduct an industry-wide audit as drivers, not taxicab companies, compile payment records.

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		Commission instead will examine any complaints filed with Commission by individual taxi drivers on a case-by-case basis—currently no complaints pending.
RCU now require all livery permit holders to have access to a computer with internet capability (so they may check the DMV automated license suspension/endorsement withdrawal database) (#45)	None	No change in the department's existing practice has been made at this time. DOT responded that a regulatory change would be required.
Have DOT consider inviting applications for new service in underserved areas (#27)	None	No change in the department's existing practice has been made at this time. The DOT responded that it does not solicit applicants
Make changes to the written complaint processing system (timeliness, documentation of outcome of investigation, written response sent to complainant upon investigation completion) (#28)	None	No change made because DOT believes that is its current process (despite PRI study findings to the contrary)
Revise complaint form to include email address and fax number of RCU (#29)	Full	The complaint form has been revised as of March 2009 and is available on the department's web site
DOT update livery regulations (#32)	Partial	DOT reports that revised regulations have been drafted and are under internal review, and will be the area of focus after the bus regulation process is completed.
Abolish public hearings for medical livery permits when there is no protest to the application (#49)	None	DOT reports that while the process for regulatory hearings for medical livery under the DSS exemption are generally simple formalities, any elimination of the hearing requirement would have to be part of the statutory change that created this new classification
DSS should monitor the impact of broker contract increases on provider payouts (#50)	None	No change to the existing practice has been made relative to this issue

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DSS require brokers to annually send a list to DOT containing the names of NEMT providers under contract (#52)	Full	DSS requires brokers to send lists to DOT with names of NEMT providers currently under contract
DOT to remind DSS brokers of their obligation to notify DOT when a contract with a medical livery company is cancelled (#53)	Full	While DOT reports no change to the existing practice has been made relative to this issue, DSS responded that it reminds brokers of this obligation (supporting documentation provided by DSS)
Develop MOA with DMV to meet at least quarterly to discuss concerns, problem-solve, implement solutions, etc. regarding oversight of taxi and livery regulation (#56)	Partial	No MOA created. The agencies met twice during 2010, and held two joint unannounced inspections of taxicabs (Bradley International Airport and Union Station in Hartford)
More proactive DOT oversight of taxi and livery industries including restitution of staff resources, resumption of inspections, and increased participation in public hearings (#57)	Full	DMV and DOT performed 10 joint inspections at various train stations and airport during 2011-2012; liveries were inspected 11 times in 2012 at such locations as Aqua Turf, Mystic Marriott, and Stamford Hilton