IATR International Association of Transportation Regulators

How to Modernize Taxi Regulations

"Fair" Fare Regulation

- Only regulate fares for street-hail and stand pick-ups
- For pre-booked (dispatched) trips, leave pricing decisions to industry operators (taxi operators, e-hail providers, TNCs, etc.), and allow differentiated pricing–i.e., the co-existence of metered fares, flat rates, up-front pricing, and dynamic pricing
- Streamline taxi app e-hail approval processes
- Allow digital, app-based meters ("smart" or "soft" meters)

Driver Licensing

- Focus eligibility requirements on public safety (e.g., driving history, criminal background checks, and drug testing)
- Remove outdated testing requirements, such as extensive detailed geographical knowledge that may be unnecessary with app-booking and GPS navigation
- Simplify, expedite, and outsource licensing processes, such as:
  - *Allow for online and remote licensing;*
  - *Prioritize and expedite driver licensure when there is a job waiting for a prospective driver; and*
  - *Allow licensed transportation companies to handle background checks and other licensing functions at their business locations, instead of government agency offices*

Leasing & Renting Taxicabs

- Regulations should be limited; let the market decide lease rates and contract terms

Market Entry

- Directly align regulations with clear policy goals, such as passenger safety, service quality, driver earnings, and fraud prevention - to eliminate barriers to entry, such as:
  - *Duplicative and unnecessary license categories (e.g., company operating permits, special vehicle plates, vehicle licenses, special drivers' licenses);*
  - *High licensing fees that go well above administrative government costs;*
  - *Priority to local suppliers and incumbents when granting new licenses; and*
  - *Detailed vehicle specifications and/or vehicle makes/models.*
- Do not cap or limit Wheelchair Accessible Vehicles (WAVs) or Electric Vehicles (EVs).
- Regularly review any licensing caps (vehicle or owner permits) to meet demonstrated demand and changes in market conditions.
- Remove any unnecessary market segment distinctions so the same vehicles may pick-up through phone calls, at stands, and by app (i.e., remove or diminish distinctions between Transportation Network Companies/TNCs, taxis, and private-hire vehicles wherever possible and appropriate).

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Service Quality

Allow taxi operators to offer different types of service and the freedom to innovate above and beyond minimum base levels of service, without regulatory intervention or approval, including:

- *Not mandating all services be exactly the same in each taxicab (e.g., allow taxi owners to install music and wifi options);*
- *Allowing different vehicle types (makes/models) of the taxi owner's choice*

Allow passenger pooling or sharing, with only consumer protections and safety regulations (e.g., regulations to prevent overcharging and to preserve a passenger's right to refuse a shared ride)

Allow interior and exterior taxi advertising, with only safety regulations

Vehicle Quality and Safety

Allow freedom of vehicle choice, with minimally necessary vehicle size/type regulations (e.g., space for luggage, child safety seats)

Clearly identify street-hail taxis (e.g., display "taxi" signage, special license plate, permit)

Remove strict branding requirements for pre-arranged (dispatched) taxis (e.g., color scheme, roof lights)

Regularly review vehicle inspection requirements to reflect advances in automotive technology (e.g., electric vehicles) and advances in inspection technology (e.g., virtual inspections and/or remote monitoring)

Ease vehicle age and mileage/kilometer limits to allow vehicles to remain in service longer

Zero-Emission Vehicles

Incentivize and educate the industry to purchase EV taxis

Do not mandate EV taxis until affordable and sufficient charging infrastructure is available

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