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STUDY AUTHORIZATIONS

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HEARING

BEFORE THE

SUBCOMMITTEE ON FISCAL AFFAIRS

OF THE

COMMITTEE ON

THE DISTRICT OF COLUMBIA

UNITED STATES SENATE

NINETY-THIRD CONGRESS

FIRST SESSION

ON

H.R. 8250

TO AUTHORIZE CERTAIN PROGRAMS AND ACTIVITIES
OF THE GOVERNMENT OF THE DISTRICT OF COLUMBIA,
AND FOR OTHER PURPOSES

JULY 19, 1973

Printed for the use of the
Committee on the District of Columbia



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PROGRAMS, ACTIVITIES, AND TAXICAB INDUSTRY STUDY AUTHORIZATIONS

THURSDAY, JULY 19, 1973

U.S. SENATE,
COMMITTEE ON THE DISTRICT OF COLUMBIA,
SUBCOMMITTEE ON FISCAL AFFAIRS,
Washington, D.C.

The subcommittee met at 5:30 p.m., pursuant to call, in room 6226, Dirksen Senate Office Building, Senator Daniel K. Inouye (chairman of the subcommittee) presiding.

Present: Senator Inouye.

Staff present: Andrew E. Manatos, associate staff director; and Colbert I. King, minority staff director.

Senator INOUE. The committee will please come to order.

This evening's hearing before the Subcommittee on Fiscal Affairs of the Senate Committee on the District of Columbia is for the purpose of taking testimony regarding H.R. 8250, commonly known as the Point-of-Order bill.

Most of the provisions contained in this bill were included in a bill introduced by Senator Stevenson on June 30, 1971—S. 2204, the District of Columbia Administrative Improvements Act.

Hearings were held on that legislation October 28, 1971. It was favorably reported to the Senate floor where it passed on December 1, 1971, by a voice vote. No action was taken on that legislation by the House of Representatives.

One provision included in H.R. 8250 authorizing and directing a study of the taxicab industry in the District of Columbia and more particularly the feasibility of installing meters in Washington taxicabs, has also been heard before this committee previously.

On January 28, 1972, I introduced S. 3091, a bill to authorize a study of the feasibility of the installation of meters in taxicabs in the District of Columbia. On March 7, 1972, hearings were conducted on that legislation.

The provisions in H.R. 8250, relating to District of Columbia school teachers working on Capitol Hill, was a provision of S. 1998, the District of Columbia Educational Personnel Act. That bill, introduced by Senator Tunney on June 3, 1971, had a hearing on November 24, 1971, and was reported by the Senate District Committee on April 5, 1972.

The Senate passed that bill on April 13, 1972, and it was sent to the House of Representatives where no action was taken on it.

I now place in the record a copy of H.R. 8250, the bill under consideration this evening.

Also to be entered in the record from the Government of the District of Columbia: a letter of transmittal; a section-by-section analysis and justification; a copy of the proposed legislation; and a report on H.R. 8250.

[The material referred to follows:]

93^d CONGRESS
1st SESSION

H. R. 8250

IN THE SENATE OF THE UNITED STATES

JUNE 12, 1973

Read twice and referred to the Committee on the District of Columbia

AN ACT

To authorize certain programs and activities of the government of the District of Columbia, and for other purposes.

1. *Be it enacted by the Senate and House of Representa-*
2. *tives of the United States of America in Congress assembled,*

3 EXPENDITURES FOR EMERGENCIES

4 SECTION 1. When required by the public exigencies to
5 meet conditions caused by emergencies such as riot, pesti-
6 lence, public insanitary conditions, flood, fire, storm, and sim-
7 ilar disasters, the Commissioner of the District of Columbia,
8 pursuant to regulations prescribed by the District of Colum-
9 bia Council, is authorized to expend such amounts as may be
10 necessary without regard to advertising provisions of section
11 3709 of the Revised Statutes (41 U.S.C. 5).

1 OFFICIAL USE OF MOTOR VEHICLES

2 SEC. 2. All passenger motor vehicles and watercraft
3 owned by the District of Columbia shall be operated and
4 utilized in conformity with section 5 of the Act of July 16,
5 1914, as amended by section 16 of the Act of August 2,
6 1946 (31 U.S.C. 638a), and shall be under the direction
7 and control of the Commissioner of the District of Colum-
8 bia. The Commissioner is authorized to alter or change
9 the assignment or direct the alteration or interchangeable
10 use of any passenger motor vehicles or watercraft by officers
11 and employees of the District of Columbia except as other-
12 wise provided in such Act. Limitations on the official use
13 of passenger motor vehicles, as set out in section 5 of such
14 Act, shall not apply to the Commissioner or, with the ap-
15 proval of the Commissioner, to officers and employees of the
16 District government the character of whose duties make
17 such transportation necessary.

18 FUNERAL AND BURIAL SERVICES

19 SEC. 3. (a) The Commissioner of the District of Colum-
20 bia is hereby authorized, pursuant to regulations prescribed
21 by the District of Columbia Council, to provide for the pay-
22 ment of reasonable funeral and burial expenses of indigent
23 residents of the District of Columbia and of persons under
24 the care and custody of the District of Columbia government
25 institutions.

(b) Nothing in this section shall be construed as repealing or in any way modifying any provision of the Acts approved April 29, 1902 (D.C. Code, secs. 2-201 through 2-209) and April 20, 1906 (D.C. Code, secs. 27-129 through 27-131), or of the District of Columbia Public Assistance Act of 1962 (D.C. Code, sec. 3-201 et seq.).

PAYMENTS TO PATIENTS

SEC. 4. The Commissioner of the District of Columbia, pursuant to regulations prescribed by the District of Columbia Council, is authorized to furnish cash payments to needy patients in hospitals operated by or under contract (relating to the care of needy patients) with the District of Columbia in such amounts and at such times as he may determine.

CARE OF PATIENTS IN SECTARIAN AND NONSECTARIAN INSTITUTIONS

SEC. 5. Notwithstanding any other provision of law, the Commissioner of the District of Columbia, pursuant to regulations prescribed by the District of Columbia Council, is authorized from time to time to enter into contracts with institutions under sectarian and nonsectarian control, and to make payments to such institutions, for the care of indigent and medically indigent patients in hospitals and for the care and maintenance of persons who are a responsibility of the District of Columbia. The Council shall, in determining the level of payment to sectarian and nonsectarian institutions,

1 take into consideration average costs in caring for like per-
2 sons in area institutions, and in no event shall such payment
3 for medical services exceed reasonable costs as determined
4 under the District of Columbia medicaid program.

5

STIPENDS FOR PATIENTS

6 SEC. 6. The Commissioner of the District of Columbia is
7 authorized, pursuant to regulations prescribed by the District
8 of Columbia Council, to provide for the payment of stipends
9 to patients and residents employed in institutions of or under
10 programs sponsored by the government of the District of
11 Columbia as an aid to their rehabilitation or for training
12 purposes. Nothing contained herein shall be construed as
13 conferring employee status on any person covered by this
14 section.

15 BENEFITS FURNISHED WORKERS IN DISTRICT FACILITIES

16 SEC. 7. Notwithstanding any other provision of law, the
17 Commissioner of the District of Columbia is authorized to
18 furnish, pursuant to regulations prescribed by the District
19 of Columbia Council, subsistence, living quarters, and laun-
20 dry in lieu of salary to persons authorized by the Commis-
21 sioner to work in facilities of the government of the District
22 of Columbia for the purposes of securing training and ex-
23 perience in their future vocations. Nothing contained herein
24 shall be construed as conferring employee status on any
25 person covered by this section, nor as superseding the re-

1 quirements of sections 5352 and 5353 of title 5, United
2 States Code, relating to student employees specified therein
3 who are assigned or attached to a hospital, clinic, or medical
4 or dental laboratory.

5

FIRE PROTECTION SERVICES

6 SEC. 8. The Commissioner of the District of Columbia
7 is authorized to make provisions and payment for the furnish-
8 ing of fire prevention and fire protection services to District
9 of Columbia government institutions located outside the Dis-
10 trict of Columbia.

11

FUNDS FOR THE PREVENTION AND DETECTION OF CRIME

12 SEC. 9. The Chief of Police of the Metropolitan Police
13 Department is authorized, with the approval of the Commis-
14 sioner of the District of Columbia and within the limits of
15 appropriations therefor, to make expenditures for the pre-
16 vention and detection of crime under his certificate. The cer-
17 tificate of the Chief of Police for such expenditures shall be
18 deemed a sufficient voucher for the sum therein expressed to
19 have been expended.

20

ATTENDANCE AT PISTOL MATCHES

21

22 SEC. 10. The Commissioner of the District of Columbia
23 is authorized to pay the expenses of officers and members of
24 the Metropolitan Police Department and the Department of
Corrections for attending pistol matches, including entrance

1 fees, and is further authorized to permit officers and members
2 to attend such matches without loss of pay or time.

3 PAYMENT OF REWARDS

4 SEC. 11. The Commissioner of the District of Columbia,
5 pursuant to regulations prescribed by the District of Colum-
6 bia Council, is authorized to provide for the payment of re-
7 wards for the capture, or for information leading to the ap-
8 prehension, of fugitives from District of Columbia penal,
9 correctional, and welfare institutions and of conditional re-
10 lease and parole violators. Funds appropriated pursuant to
11 this section shall be apportioned and expended in the discre-
12 tion of, and upon such conditions as may be imposed by, the
13 Commissioner of the District of Columbia. No reward money
14 shall be paid to any officer or employee of the Metropolitan
15 Police Department, or of any penal, correctional, or welfare
16 institution, or of any court, legal agency, or other agency
17 closely involved in the criminal justice system.

18 DISCHARGE AND RELEASE PAYMENTS

19 SEC. 12. The Commissioner of the District of Columbia
20 is authorized to furnish each prisoner upon his release from
21 a penal or correctional institution under the jurisdiction of
22 the government of the District of Columbia with suitable
23 clothing and, in the discretion of the Commissioner, a sum
24 of money, which shall not exceed \$100.

1 ·CONSTRUCTION SERVICES WORKING FUND

2 .SEC. 13. (a) There is established in the Treasury of the
3 United States a permanent working fund, without fiscal
4 year limitation, to be known as the Construction Services
5 Fund, Department of General Services, District of Columbia.
6 The Commissioner is authorized to transfer to such fund
7 from capital outlay appropriations for public building con-
8 struction such amounts as he may deem necessary to carry
9 out the purposes of this section, and, subject to subsequent
10 adjustment, advances and reimbursements may be made to
11 such fund from appropriations for services to other depart-
12 ments and agencies of the District government, without ref-
13 erence to fiscal year limitations on such appropriations. The
14 fund shall be available for expenses incurred in the initial
15 planning for construction projects, for work performed under
16 contract or otherwise, including, but not limited to, prelim-
17 inary planning and related expenses, surveys, preparation
18 of plans and specifications, soil investigation, administration,
19 overhead, planning design, engineering, inspection, and con-
20 tract management.

21 (b) The District of Columbia Council shall annually
22 review the budget of the Construction Services Fund within
23 ninety days after the annual District of Columbia Appropria-
24 tions Act is enacted into law.

1 (c) The District of Columbia Council, the Board of
2 Higher Education, the Board of Vocational Education, the
3 Board of Education, the Public Library Board, and the Ex-
4 ecutive Director of the District of Columbia Court System
5 shall be kept fully advised, at least semiannually, of the
6 status of projects and activities within their respective areas
7 of concern which are financed from the Construction Services
8 Fund.

9 SNOW AND ICE REMOVAL

10 SEC. 14. Notwithstanding any other provision of law,
11 appropriations for the Department of Highways and Traffic
12 and the Department of Environmental Services of the gov-
13 ernment of the District of Columbia shall be available for
14 purposes of snow and ice removal when so ordered by the
15 Commissioner of the District of Columbia.

16 FEDERAL-AID HIGHWAY PROJECTS

17 SEC. 15. The Commissioner of the District of Columbia
18 is authorized to enter into contracts in connection with proj-
19 ects undertaken as Federal-aid highway projects under the
20 provisions of the Federal Aid Highway Act of 1944 in
21 such amounts as shall be approved by the Federal Highway
22 Administration, Department of Transportation.

23 GRADE-CROSSING ELIMINATION PROJECTS

24 SEC. 16. The Commissioner of the District of Columbia
25 is authorized to construct grade-crossing elimination and

1 other wholly District construction projects or those author-
2 ized under section 8 of the Act of June 16, 1936 (49 Stat.
3 1521), and section 1 (b) of the Federal Aid Highway Act
4 of 1938, in accordance with the provisions of such Acts.
5 Pursuant to this authority, the Commissioner may make
6 payment to contractors and payment for other expenses in
7 connection with the costs of surveys, design, construction,
8 and inspection pending reimbursement to the District of
9 Columbia by the Federal Highway Administration, Depart-
10 ment of Transportation, or other parties participating in such
11 projects.

12 CIVIL DEFENSE MATCHING FUNDS

13 SEC. 17. Section 3 (h) of the Act entitled "An Act to
14 authorize the District of Columbia government to establish
15 an Office of Civil Defense, and for other purposes", approved
16 August 11, 1950 (D.C. Code, sec. 6-1203 (h)), is amended
17 by striking the semicolon and inserting in lieu thereof a
18 comma and the following: "and, when authorized by the
19 Commissioner, appropriations available to the District of
20 Columbia may be used to match financial contributions made
21 by any department or agency of the United States to the
22 government of the District for the purchase of civil defense
23 equipment and supplies;"

1 ACQUISITION OF LAND FOR WASHINGTON AQUEDUCT

2 SEC. 18. Appropriations are hereby authorized for the
3 acquisition, by gift, dedication, exchange, purchase, or con-
4 demnation, of land or rights in or on land or easements
5 therein for the Washington aqueduct by the Chief of Engi-
6 neers, Corps of Engineers, United States Army, or his
7 designated agents.

8 ADMINISTRATIVE EXPENSES OF WORKMEN'S

9 COMPENSATION LAW

10 SEC. 19. The Act entitled "An Act to provide compensa-
11 tion for disability or death resulting from injury to employees
12 in certain employments in the District of Columbia, and for
13 other purposes", approved May 17, 1928 (D.C. Code, secs.
14 36-501, 502), is amended by renumbering section 3 as sec-
15 tion 4 and by inserting the following new section immediately
16 after section 2:

17 "SEC. 3. There are authorized to be appropriated such
18 sums as may be necessary to pay the expenses incurred by
19 the United States Department of Labor in the administration
20 of this Act."

21 DRIVER EDUCATION PROGRAM

22 SEC. 20. The Board of Education is authorized, within
23 the limits of appropriations therefor, to accept, on a loan
24 basis, and to maintain and provide for insurance of motor

1 vehicles, for use in the driver education programs of the
2 public schools.

3 SUBSISTENCE AND TRANSPORTATION FOR HANDICAPPED
4 CHILDREN

5 SEC. 21. The Board of Education is authorized to pro-
6 vide for the furnishing of subsistence supplies and transpor-
7 tation for severely handicapped children attending special
8 education schools or classes established for their benefit in
9 the public school system of the District of Columbia.

10 SUMMER SCHOOL COMPENSATION

11 SEC. 22. Compensation payable to personnel employed
12 in the summer school program of the public school system
13 of the District of Columbia is hereby authorized to be charged
14 to the appropriation for the fiscal year in which the pay
15 periods end.

16 SUMMER EMPLOYMENT OF DISTRICT SCHOOL TEACHERS

17 SEC. 23. Subsection (e) of section 5533 of title 5,
18 United States Code, is amended (a) by inserting "(1)"
19 immediately following "(e)"; and (b) by adding the fol-
20 lowing new paragraph:

21 “(2) Subsection (c) of this section does not apply to
22 pay received by a teacher of the public schools of the Dis-
23 trict of Columbia for employment in a position during the
24 summer vacation period.”.

1 **SCHOOL CEREMONIAL EXPENSES**

2 SEC. 24. The President of the Federal City College, the
3 President of the Washington Technical Institute, the Pres-
4 ident of the District of Columbia Teachers College, and the
5 Superintendent of Schools are hereby authorized to utilize
6 moneys appropriated for the purposes of this section for such
7 expenses as they may respectively deem necessary to conduct
8 such official ceremonial, representational, and graduation ac-
9 tivities as are normally associated with the programs of
10 educational institutions.

11 **AMENDMENT OF LAWS RELATING TO ADVERTISING**

12 SEC. 25. (a) The second sentence of the first section
13 of the Act approved February 28, 1898 (D.C. Code, sec.
14 47-1001), is amended to read as follows: "The notice of
15 sale and the delinquent tax list shall be advertised according
16 to regulations prescribed by the District of Columbia Coun-
17 cil. Competitive proposals shall be invited by the Commis-
18 sioner of the District of Columbia from the various daily
19 newspapers published in the District for publishing such
20 delinquent tax list."

21 (b) Section 7 of the Act approved February 28, 1898
22 (D.C. Code, sec. 47-1008), is amended to read as follows:
23 "SEC. 7. The expenses of advertising the notice of sale
24 and delinquent tax list for real property taxes, water charges,
25 sanitary sewer service charges, and special assessments in

1 arrears together with penalties and costs, shall be reimbursed
2 to the District by a charge to be fixed annually by the Com-
3 missioner and assessed against each lot or piece of property
4 advertised. The amounts so received shall be deposited to
5 such fund of the District as the Commissioner shall from
6 time to time determine."

7 (c) The first sentence of section 5 of the Act approved
8 June 11, 1878 (D.C. Code, sec. 7-601), is amended by
9 striking "and if the total cost shall exceed \$5,000, then in
10 one newspaper in each of the cities of New York, Philadel-
11 phia, and Baltimore also for one week," and inserting in lieu
12 thereof: "but not elsewhere, unless the need for advertising
13 outside the District shall have been specifically approved by
14 the Commissioner".

15 (d) Appropriations authorized by this Act or any Act
16 of Congress shall be available to the Commissioner for gen-
17 eral advertising authorized by law, and for the publication
18 of notices of public hearings, orders, regulations, amend-
19 ments of orders and regulations, tax and school notices, and
20 similar matters of public interest, in the District of Columbia
21 Register, and, except as otherwise provided by law, in
22 such newspapers, legal periodicals, trade journals, and other
23 printed media at such times and in such places as may be
24 approved by the said Commissioner.

1

OFFICIAL FUNDS

2

SEC. 26. The Commissioner of the District of Columbia, the Chairman of the District of Columbia Council, the Superintendent of Schools, the President of the Federal City College, the President of the Washington Technical Institute, and the President of the District of Columbia Teachers College are hereby authorized to provide for the expenditure, within the limits of specified annual appropriations, of funds for such purposes as they may respectively deem necessary. Their determination thereof shall be final and conclusive, and their certificate shall be sufficient voucher for the expenditure of appropriations made pursuant to this section.

14

TAXI SERVICE STUDY

15

SEC. 27. (a) Notwithstanding any other provision of law, the Public Service Commission of the District of Columbia is authorized and directed to conduct a study of the adequacy of service and regulation of the taxicab industry in the District of Columbia. The study shall include the feasibility of allowing the installation of meters in taxicabs in the District of Columbia.

22

(b) Within six months following the date of enactment of this Act, the Public Service Commission shall transmit the final report of the results of such investigation and study, including its finding and recommendations, to the Commis-

23

24

25

1 sioner of the District of Columbia and the District of Colum-
 2 bia Council, and the District of Columbia government shall
 3 within ninety days consider the same, and transmit its recom-
 4 mendations and the final report of the Public Service Com-
 5 mission to the Congress.

6 AUTHORIZATIONS

7 SEC. 28. Appropriations to carry out the purposes of
 8 this Act and the amendments made by this Act are hereby
 9 authorized.

Passed the House of Representatives June 11, 1973.

Attest:

W. PAT JENNINGS,

Clerk.

THE DISTRICT OF COLUMBIA,
 Washington, D.C., April 19, 1973.

The Honorable the PRESIDENT, U.S. SENATE,
 Washington, D.C.

DEAR MR. PRESIDENT: The Government of the District of Columbia has the honor to submit for consideration of the 93rd Congress a draft bill "To authorize certain programs and activities of the government of the District of Columbia, and for other purposes." The purpose of the proposed legislation is to provide substantive legislation for certain limitations, legislative provisions, programs, and activities which heretofore have been authorized only by language contained in various District of Columbia appropriation acts.

For a number of years provisions have been included in the District's budget requests and incorporated into the District appropriation acts to authorize various expenditures, to permit certain exceptions to existing law, to limit the use of funds, and for other purposes. District appropriation acts prior to 1962 carried an individual listing of departments, and specific appropriations and limitations were shown for each of these departments. The District of Columbia Appropriation Act, 1962 (75 Stat. 560) consolidated or eliminated many of these individual items and categories, and added a new general provision, section 15, which carried over into fiscal year 1962 the limitations and legislative provisions contained in the 1961 Appropriations Act. All subsequent appropriation acts for the District of Columbia, including the Act for the fiscal year ending June 30, 1973, have contained a similar general section.

The attached draft bill contains, in twenty-six separate sections, substantive legislative authority to permit the continuation of these various activities, exceptions, and limitations. Since none of the provisions in the proposed legislation has a basis in substantive law, each of them is subject to the raising of a "point of order" against its inclusion in subsequent appropriation acts. It is essential to the effective and orderly operations of the District government, therefore, that a permanent statutory basis be provided in order that these vital programs and exceptions not be curtailed. Enactment of the proposed legislation will provide this basis and remove the possibility of a "point of order" objection to the appropriation act language.

Each substantive section of the draft bill has been approved previously in one form or another by the Congress for inclusion in a District of Columbia appropriation act, one as early as 1883 and others in the early 1900's. None of the requested provisions represents any new proposal or any change in existing procedures, nor will the approval of any such provision result in increased expenditures or require additional appropriations.

The purpose of each of the requested substantive provisions of law are set out in greater detail in the attached section-by-section analysis and justification of the proposed legislation. For the reasons contained in the attachment, we strongly urge the favorable consideration and early enactment of this draft bill.

The Office of Management and Budget has advised that, from the standpoint of the Administration's program, there is no objection to the submission of this proposed legislation to the Congress.

Sincerely yours,

WALTER E. WASHINGTON,
Commissioner.

Attachments.

SECTION-BY-SECTION ANALYSIS AND JUSTIFICATION OF THE PROPOSED BILL "TO
AUTHORIZE CERTAIN PROGRAMS AND ACTIVITIES OF THE GOVERNMENT OF THE
DISTRICT OF COLUMBIA

EXPENDITURES FOR EMERGENCIES

Section 1 of the draft bill provides a basis in permanent law for the appropriation of funds to be expended by the Commissioner of the District of Columbia to meet conditions caused by emergencies such as riot, pestilence, public insaniary conditions, flood, fire, storm, and similar disasters. A provision authorizing expenditures by the District of Columbia to meet conditions caused by emergencies first appeared in the District's appropriation act for the 1883 fiscal year. This proposal would incorporate into permanent law authority for the appropriation of funds to enable the District government to respond when confronted with emergency situations, and would obviate the necessity of complying with certain advertising requirements set out in section 3709 of the Revised Statutes of the United States, as made applicable to the District of Columbia by the Act of January 27, 1894 (28 Stat. 33).

OFFICIAL USE OF MOTOR VEHICLES

Section 2 restates and clarifies the authority of the Commissioner of the District of Columbia to control and regulate the operation and use of passenger motor vehicles and watercraft owned by the District government. The official use of government-owned motor vehicles is governed by the requirements of section 5 of the Act of July 16, 1914, as amended by section 16 of the Act approved August 2, 1946 (31 U.S.C. 638a). The Commissioner has designated various uses of District motor vehicles for official purposes, and this section of the bill would continue his authority to make certain limited exceptions from the requirements of the Act. This proposal relates to the use and designation of motor vehicles only and is not an authorization of funds. Accordingly, no money is appropriated for these purposes.

FUNERAL AND BURIAL EXPENSES

Section 3 authorizes the Commissioner, under regulations prescribed by the District of Columbia Council, to provide for the payment of funeral and burial services for deceased indigent residents of the District and for persons under the care of District institutions. Such persons include children and adults residing at various District welfare institutions, prisoners incarcerated in penal and correctional institutions, and patients in hospitals, for whom the responsibility of disposal at public expense may and often does fall upon the District government.

While there is statutory authority for the cremation of indigents and for the burial of recipients of public assistance, in general the responsibility of furnishing most burial services is authorized only by language appearing in appropriation acts. Enactment of section 3 would provide the requisite authority for furnishing funeral and burial services, and under the authority to prescribe regulations would afford the flexibility needed to establish standards of eligibility and adequate administrative procedures.

PAYMENTS TO PATIENTS

Section 4 provides a permanent, substantive basis in law for the furnishing of financial assistance by way of small cash payments to indigent patients in need thereof at Glenn Dale Hospital located in the State of Maryland. The funds provided are to be used by the patients primarily to purchase small, personal grooming aids. Glenn Dale Hospital is an institution devoted to the treatment of tuberculosis and other chronic disease, and the period of hospitalization is usually lengthy. Many of the patients admitted are destitute, and monies available from charitable organizations or private sources have not fully supplied the total needs of such indigent patients. The annual appropriation, limited in amount as it is, has nevertheless been very helpful in meeting personal welfare needs of the patients, and in contributing to their morale, treatment, and rehabilitation.

CARE OF PATIENTS IN SECTARIAN INSTITUTIONS

Section 5 authorizes the Commissioner to enter into contracts with and to make payments to institutions under sectarian control for the care of persons who are a responsibility of the District of Columbia. This authority is necessary to overcome the effect of a provision first contained in the District of Columbia Appropriation Act for the fiscal year ending June 30, 1897, under the heading "Board of Children's Guardians" (29 Stat. 393, 411) and repeated in the Appropriation Act for the fiscal year ending June 30, 1898 (29 Stat. 665, 683). The provisions in these Acts, among other things, declared it to be the policy of the Government of the United States to make no appropriation of money or property for the purpose of founding, maintaining, or aiding by payment for services, expenses, or otherwise, any church or religious denomination, or any institution or society which is under sectarian or ecclesiastical control.

Notwithstanding the prohibition in the 1897 and 1898 Appropriation Acts, the Congress from time to time has appropriated funds for the care of patients in institutions under sectarian control and for the care and maintenance of women and children in such institutions. By its annual appropriation of funds for such purposes, the Congress has recognized the existence of a need which can be met only by utilizing such institutions, but has not enacted permanent legislation authorizing such appropriations. The Commissioner strongly believes that the availability of care afforded by sectarian institutions should continue and that the Congress should authorize the appropriation of funds to provide such care.

This proposal does not affect the level of expenditures for the care of persons for whom the District is responsible. It relates only to the types of institutions in which such persons may receive care paid for by the District. Among the major programs involving use of sectarian institutions are the medical charities, medicaid, and foster care for dependent children.

STIPENDS FOR PATIENTS

Section 6 authorizes the Commissioner, pursuant to regulations prescribed by the District of Columbia Council, to make payment of stipends to patients and residents employed in institutions of or under programs sponsored by the District of Columbia. The section further provides that payment of such stipends shall not confer employee status on the affected persons. Utilization of the services, in useful and productive activities, of patients and residents of District health and welfare institutions is of mutual benefit. To the persons rendering such services, there is provided remuneration and physical therapy which aids in their rehabilitation and enhances the possibilities of their successful readjustment to non-institutional living. The District Government, on the other hand, secures the use of necessary and valuable services, conserves manpower, and is enabled to release to the community better-trained and motivated citizens. This proposal would not be applicable to inmates of District penal or correctional institutions.

BENEFITS FURNISHED WORKERS IN DISTRICT FACILITIES

Section 7 authorizes the Commissioner to furnish, pursuant to regulations prescribed by the District of Columbia Council, subsistence, living quarters, and laundry to certain persons who, although not employees of the District of Columbia, are permitted to work in facilities of the District Government for the purpose of securing training and experience in their future vocations. Under the

authority of annual appropriations, a considerable number of persons work in facilities of the Government of the District of Columbia under an arrangement whereby, in exchange for their services in fields of activity in which they desire to secure training and experience, they are given subsistence in lieu of salary. The proposed section 7 of the bill will operate in conjunction with, but will not supersede, the provisions of sections 5351 through 5356 of title 5 of the United States Code authorizing the utilization of student-employees, such as a student nurse, medical or dental intern, resident-in-training, student dietician, student physical therapist, and student occupational therapist in District hospitals, clinics, and laboratories. The Department of Human Resources and the Department of Corrections all have a need for the services of persons seeking training and experience in their future vocations. Such persons, having completed, or in the course of completing, their academic studies in the field in which they intend to specialize, can, under supervision, provide services beneficial to the District of Columbia. At the same time, the District Government, with its great variety of needs, is in a position to furnish these students with the training and experience they seek.

FIRE PROTECTION SERVICES

Section 8 of the bill authorizes the Commissioner of the District of Columbia to make provision and payment for the furnishing of fire protection and fire prevention services to District institutions and facilities located in the neighboring jurisdictions outside the District of Columbia. Funds for the payment of such services first appeared in the District's appropriation act for fiscal year 1957, and authorized payment to the Glenn Dale Volunteer Fire Department in Maryland for providing fire protection to the Glenn Dale Hospital in Maryland. This section would authorize payment to any local unit furnishing fire protection services to District institutions located outside the city which are not otherwise protected by a District operated facility or under a mutual aid agreement with a neighboring fire department.

FUNDS FOR THE PREVENTION AND DETECTION OF CRIME

Section 9 provides substantive law authorizing the Chief of Police of the Metropolitan Police Department, with the approval of the Commissioner and within the limits of appropriations, to expend funds for the prevention and detection of crime. This section authorizes such expenditures under the certificate of the Chief of Police. Security, one of the essential elements for successful investigations in the detection and prevention of crime, obviously could not be maintained if the Chief of Police were required to submit itemized vouchers for expenditures from the fund and the information thereon were accessible to persons outside the Department. The fund is subject to audit by the District's Office of Municipal Audits and past audits indicate that the present internal controls for the expenditure of these funds are adequate. Funds for these purposes have been appropriated since 1903.

ATTENDANCE AT PISTOL MATCHES

Section 10 provides substantive law authorizing the payment of expenses for attendance by members of the Metropolitan Police Department and officers of the Department of Corrections at pistol matches, including entrance fees, without loss of pay or time. The Commissioner believes that it is in the interest of efficiency that police and correctional officers develop the skill of marksmanship and maintain that skill by means of participation in competitive matches. The District's Appropriation Act for 1940 first authorized funds for attendance at pistol matches.

PAYMENTS OF REWARDS

Section 11 authorizes the Commissioner to provide for the payment to persons other than officers and members of the Metropolitan Police Department and officials and employees of District institutions, of rewards, in amounts discretionary with the Commissioner and upon such conditions as he may impose, for the capture, or for information leading to the apprehension, of fugitives from District of Columbia penal, correctional, and welfare institutions and of conditional release and parole violators. The authority which the Commissioner seeks under the terms of this section of the bill is similar in purpose to the dis-

cretionary authority possessed by the Attorney General of the United States pursuant to § 3059 of title 18, United States Code, to pay rewards for the capture of persons charged with violation of the criminal laws of the United States.

DISCHARGE AND RELEASE PAYMENTS

Section 12 authorizes the Commissioner to furnish suitable clothing and monetary payments, in an amount not in excess of \$100, to persons released from District of Columbia penal and correctional institutions. The authority provided by the proposed section 12 is identical with that provided the Attorney General of the United States under § 4281 of title 18, United States Code, with respect to Federal prisoners.

Critical to the success of a released prisoner in re-establishing himself in the free community is the period immediately after discharge and until he can become gainfully employed. Much effort and considerable investment is made during the prisoner's confinement in providing education and training to equip him with the tools of a lawful livelihood. To release many such persons to the community with little or no funds to sustain them during the period of readjustment aborts the considerable rehabilitative efforts that have been provided. The Commissioner believes that from a correctional as well as a rehabilitative viewpoint the furnishing of discharge gratuities is worthwhile, and that authority for these activities should be continued by a permanent provision of law.

CONSTRUCTION SERVICES WORKING FUND

Section 13 establishes a permanent construction services working fund. The need of the District Government for advances of funds appropriated for construction projects for the initial planning stages thereof was first recognized by the Congress in the District of Columbia Appropriation Act, 1925 (43 Stat. 541) wherein a percentage of such appropriations was authorized for planning purposes.

In order to provide adequately for the financial requirements of the District Government in connection with the preliminary planning, survey, architectural, engineering, and other work related to public building construction projects and repair and improvement projects provided for in appropriations for the various District departments, a working fund is necessary. Such a fund provides flexibility in the application of available funds to all of the projects involved; a means by which these services may be performed for various District departments and the cost thereof charged to the proper appropriation or fund; and a source of funds for financing advance planning. The Commissioner considers it desirable to make such fund available to pay for initial planning services performed under contract. This will provide additional flexibility in the use of available funds, and uniformity in the method of recording and reporting costs, without loss of over-all financial control. It will also provide permanent authority for entering into contracts for these services.

The Commissioner believes that a fixed percentage applied to all of the public building construction projects involved, as has been the practice in recent appropriation acts for the District, no longer constitutes the best method of determining the cost of construction services. The relation of the costs of construction services to total project costs varies significantly according to the types and sizes of the buildings to be constructed. Occasionally, to meet changed requirements of a using department or agency, a project must be partially or completely redesigned. Under the present method of limiting amounts available for construction services, long and often costly delays occur before additional funds can be obtained for such work. Accordingly, if section 13 of the draft bill is enacted, amounts required for construction services would be determined through established budgetary practices and transfers of funds accomplished by authority of the Commissioner.

SNOW AND ICE REMOVAL

Section 14 makes appropriations available for snow and ice control. For many years, District of Columbia appropriation acts have included, in one form or another, a provision allowing the utilization for snow and ice control of appropriations for activities presently embraced within the scope of the Department of Highways and Traffic and the Department of Environmental Services. The history of this provision indicates that it was inserted in the appropriation acts

to eliminate any question as to whether the funds appropriated for these activities could be made available for snow and ice control. Accordingly, the Commissioner recommends the enactment of legislation specifically authorizing this action. This proposal will make available for snow removal other funds appropriated to the Department of Highways and Traffic and the Department of Environmental Services when required.

FEDERAL AID HIGHWAY PROJECTS

Section 15 of the draft bill provides authority for the Commissioner to obligate funds for certain Federally-aided highway construction projects in excess of the amount of funds appropriated to the District for the project. In letting contracts for such construction, the District of Columbia must record an obligation for the full cost thereof, and the appropriation is reimbursed by the Department of Transportation as the work progresses. This proposed section provides an exception to a provision of the Anti-deficiency Act (31 U.S.C. sec. 665) which prohibits any expenditure or obligation under any appropriation or fund in excess of the amount available.

GRADE-CROSSING ELIMINATION PROJECTS

Section 16 is similar in purpose to that of section 15 and provides an exception to the Anti-deficiency Act forbidding the obligation of funds in excess of an appropriation with respect to grade-crossing elimination and other entirely local District construction projects, or projects authorized under section 8 of the Act of June 16, 1936 and section 1(b) of the Federal Aid Highway Act of 1938. This section will authorize the Commissioner to contract for the construction of such projects and to make payments to contractors and payments for other expenses in connection with the costs of surveys, design, construction, and inspection pending reimbursement of such expended amounts from Federal authorities and other participants in the projects.

CIVIL DEFENSE MATCHING FUNDS

Section 17 of the bill amends section 3(h) of the Act approved August 11, 1950 (D.C. Code, sec. 6-1203(h)), to provide that when authorized by the Commissioner, appropriations available to the District of Columbia may be used to match financial contributions made by any department or agency of the United States to the government of the District for the purchase of civil defense equipment and supplies. The statute under which the District's Office of Civil Defense was established, authorizing said Office to "utilize the services, equipment, supplies, and facilities of existing agencies of the District", contemplates that assistance in the matter of supplies might be extended to the Offices of Civil Defense by other District agencies. This is standard practice in the States. In the opinion of the Comptroller General of the United States the wording of the Office of Civil Defense appropriation language is such that it should cover all expenses necessary and other funds of the District may not be used to supplement civil defense activities. The amendment proposed by section 17, therefore, will allow the Commissioner to authorize expenditure of funds of other District departments for matching purposes for items approved by any Federal agency or department for civil defense equipment and supplies.

ACQUISITION OF LAND FOR WASHINGTON AQUEDUCT

Section 18 provides substantive law for the acquisition, by gift, dedication, exchange, purchase, or condemnation, of land or easements therein for the Washington Aqueduct. There is a continuing need for authority by officials of the Corps of Engineers to acquire land for purposes related to the supply of water to the District of Columbia. The Commissioner believes it to be desirable that a basis in permanent law be sought for such acquisitions to meet future needs.

ADMINISTRATIVE EXPENSES OF WORKMEN'S COMPENSATION LAW

Section 19 amends the Act approved May 17, 1928 (D.C. Code, §§ 36-501, 502) to provide permanent authority for the assessment against appropriations of the District of Columbia of administrative expenses incurred by the Department of Labor in enforcing within the District applicable provisions of the Longshoremen's and Harbor Workers' Compensation Act. Workmen's compensation laws

are not administered by any agency of the District of Columbia. Administration of the program and disbursement of necessary funds with respect to employment in the District is vested in the Bureau of Employees' Compensation, United States Department of Labor. Reimbursement for expenditures attributable to administrative operations in the District is accomplished by a transfer of funds from District appropriations to the Department of Labor under the authority of annual appropriation acts. Section 19 will provide the requisite statutory authority for the transfer of such funds.

DRIVER EDUCATION PROGRAM

Section 20 authorizes the Board of Education to accept on a loan basis, and to maintain and provide appropriate insurance coverage on passenger motor vehicles used in the driver education program of the public schools.

This section of the bill is necessary because of a decision of the Comptroller General to the effect that restrictions in section 638a of title 31, United States Code, are equally applicable to the acquisition of motor vehicles by gift or loan. Thus, the District of Columbia may accept motor vehicles on gift or loan for use in the school system's driver education program only when specifically authorized in an appropriation act. This proposal would also authorize the District to provide for the maintenance of these vehicles and to provide insurance coverage. The District government is basically a self-insurer and there is no general authority in law to purchase and pay premiums on insurance policies for any program or activity. Section 20 would provide the requisite authority for this phase of the public school's educational program.

SUBSISTENCE AND TRANSPORTATION FOR HANDICAPPED CHILDREN

Section 21 authorizes the Board of Education to provide subsistence to and transportation for severely handicapped children attending special education classes and schools in the public school system of the District of Columbia. Because of the nature of the physical and mental handicaps of atypical pupils attending special programs and facilities, it is vitally necessary if these children are to secure an education that they receive subsistence and transportation assistance.

SUMMER SCHOOL COMPENSATION

Section 22 provides that compensation payable to personnel employed in the summer school program of the public school system may be charged to the appropriation for the fiscal year in which the pay periods end. The so-called Anti-deficiency Act (§ 3679 of the Revised Statutes) which was made applicable to the District of Columbia by the Act approved July 1, 1902 (D. C. Code, § 47-106), *inter alia*, prohibits "payment of money for any purpose, in advance of appropriations made for such purpose, unless such contract or obligation is authorized by law." Enactment of section 22 will provide a basis for the continuation of procedures of the public schools, now authorized by annual appropriation acts, which greatly simplify the pay roll and accounting records, and eliminate the requirement of charging these expenditures to appropriations for two separate fiscal years.

SUMMER EMPLOYMENT OF DISTRICT SCHOOL TEACHERS

Section 23 would amend section 5533 of title 5 of the United States Code, as amended by section 477(d) of the Legislative Reorganization Act of 1970 (84 Stat. 1195), so as to negate a restrictive provision contained in subsection (c) of such section which has the effect of precluding the employment of District public school teachers in Congressional offices during the summer months of the school year.

Section 5533(c) of title 5 of the United States Code provides in pertinent part as follows:

"(c) (1) Unless otherwise authorized by law . . . appropriated funds are not available for payment to an individual of pay from more than one position if the pay of one of the positions is paid by the Secretary of the Senate or the Clerk of the House of Representatives, or one of the positions is under the Office of the Architect of the Capitol, and if the aggregate gross pay from the positions exceeds \$7,724 a year.

* * * * *

"(3) For the purposes of this subsection 'gross pay' means the annual rate of pay (or equivalent thereof in the case of an individual paid on other than an annual basis) received by an individual."

A position is defined by section 5531(2) of title 5, as a civilian office or position in the legislative, executive, or judicial branch of the United States Government or in the municipal government of the District of Columbia. Inasmuch as the basic annual pay of District school teachers exceeds the limitation contained in section 553(c), this latter provision effectively precludes their employment in positions in the offices listed in paragraph (1) of such subsection (c) during the summer vacation period, at a time when many such teachers are not drawing salary from the District Government and are not actually engaged in teaching in the school system.

It would appear that this is not one of the results intended or anticipated by Congress, especially in view of the fact that under paragraph (c) of section 5533(d) of title 5, the Congress specifically excepted pay received by teachers for employment in a position during the summer from the prohibition in section 5533(a) against the receipt of basic pay from more than one position for more than an aggregate of forty hours of work in one calendar week. The anomaly of existing law, therefore, is that District teachers may, during the summer months, work anywhere in the District Government and in the executive or judicial branches of the Federal Government, but may not work for the legislative branch.

Under the temporary authority provided in annual District of Columbia Appropriation Acts, public school teachers working for Congress during the summer months are now exempted from the provisions of section 5533(3) of title 5.

In view of the matters recited above, the Commissioner believes it is fair and equitable to provide permanent authority for District school teachers to obtain employment in Congressional offices during the summer vacation period when they are not engaged in teaching activities, and, therefore, recommends the amendment of section 5533 of title 5, United States Code, as provided by section 23 of the bill.

SCHOOL CEREMONIAL EXPENSES

Section 24 authorizes the Presidents of the Federal City College, Washington Technical Institute, District of Columbia Teachers College, and the Superintendent of Schools to expend such funds as may be appropriated for the purposes of conducting official ceremonial, representational, and graduation activities of the kind usually associated with the programs of educational institutions.

AMENDMENT OF LAWS RELATING TO ADVERTISING

Section 25 of the proposed bill amends, under subsection (a), the second sentence of section 1 of the Act approved February 28, 1898, as amended (D.C. Code, § 47-1001) to eliminate the requirement that an annual notice of sale and the delinquent tax list of real property in the District to be sold for nonpayment of taxes shall be advertised in both a morning and evening newspaper, and provides, in lieu thereof, for publication of such notice and tax list in only one daily newspaper of general circulation published in the District. As a matter of fact, publication of the notice of sale and delinquent tax list has, since 1934, been made in one daily newspaper, rather than two, pursuant to a proviso for the fiscal year ending June 30, 1935 (46 Stat. 846).

The Commissioner is of the view that publication of the notice of sale and tax list in one daily newspaper, together with the present requirement that notice be given in the regular issues of two daily papers that such a list has been so published, should provide sufficient coverage of and publicity for an ensuing tax sale as well as afford affected property owners and other interested parties with adequate notice thereof. In view of the obvious economics to be secured by advertising in only one newspaper, and the further fact that the Congress has provided temporary authority for such limited advertising for the past thirty-eight years, the Commissioner urges favorable consideration of subsection (a) of section 25.

Subsection (b) amends section 7 of the Act of February 28, 1898, as amended (D.C. Code, § 47-1008), to authorize the Commissioner to fix annually a charge for each lot or piece of property advertised in the delinquent tax list and to deposit the amounts so received to such fund of the District as the Commissioner may in his discretion determine.

Subsection (c) amends the first sentence of section 5 of the Act approved June 11, 1878 (D. C. Code, § 7-601) to eliminate the requirement of advertising in New York, Philadelphia, and Baltimore newspapers, of highway, sewer, and public works repair and construction projects whenever the cost thereof exceeds \$5,000. Under the proposed amendment, such advertising in the newspapers of other cities will be ordered only in those instances which are specifically approved by the Commissioner. Language to obviate the necessity of advertising in out-of-town newspapers first appeared as a proviso in the District Appropriation Act for the fiscal year ending June 30, 1933 (47 Stat. 349) and similar language has been included in all subsequent appropriation acts enacted for the District. The cost of advertising in non-local newspapers is excessively expensive and wider and better coverage of pending construction projects can be obtained through notices in trade journals at no cost to the District. The Commissioner, therefore, recommends enactment of subsection (c) to make permanent his authority to permit out-of-town advertising only when the need therefor is specifically demonstrated.

The fourth subsection of section 25 consolidates and makes permanent several provisions of law which heretofore have appeared in various appropriation acts. Subsection (d) makes appropriations available to the Commissioner for general advertising authorized and required by law and, additionally, authorizes the Commissioner to publish notices of public hearings, orders, regulations, amendments, tax and school notices, and similar matters of public interest in the District of Columbia Register and, except as otherwise provided by law, in such newspapers, legal periodicals, trade journals, and other printed media as he considers necessary. The flexible authority provided by this subsection will enable the Commissioner to continue his present policies of giving widespread dissemination, coverage, and publicity to matters affecting the public interest as well as the interests of the District government and which are essential to the effective daily operations of a modern municipality.

OFFICIAL FUNDS

Section 26 authorizes the expenditure, within the limits of specified annual appropriations, of funds by the Commissioner of the District of Columbia, the Chairman of the District of Columbia Council, the Superintendent of Schools, and the Presidents of the Federal City College, Washington Technical Institute, and District of Columbia Teachers College, on their respective certificates, in connection with matters of a confidential nature which each deems necessary in overseeing, as the case may be, the operations of the District government, the public school system, and the respective educational institutions with which they are charged.

This section would provide permanent statutory authority for the expenditure of confidential funds while maintaining Congressional control over the amount of funds available to be spent under the certificate of each of the officials, since the provision states that the specified officials "are hereby authorized to provide for the expenditure, *within the limits of specified annual appropriations*, of funds for such purposes as they may respectively deem necessary" (emphasis added). The Commissioner and selected top level officials of the District government, to effectively carry out their duties and responsibilities, must have a limited amount of funds available for which their certificate will be sufficient voucher for an expenditure. This kind of authorization provides the officials with essential flexibility so that the funds may be expended for purposes of investigation or entertainment, or for governmental functions of a confidential nature, when an expenditure for some specific purpose may not be authorized in basic law, or when the timing or means of purchase make it important for effective operations that normal procurement procedures not be followed.

APPROPRIATIONS

Section 27 authorizes appropriations to carry out the purposes of the bill and the amendments to other laws made by the bill.

A BILL To authorize certain programs and activities of the government of the District of Columbia, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

EXPENDITURES FOR EMERGENCIES

Sec. 1. Notwithstanding any other provision of law, the Commissioner of the District of Columbia is authorized, when required by the public exigencies, to expend such amounts as may be necessary to meet conditions caused by emergencies such as riot, pestilence, public insanitary conditions, flood, fire, storm, and similar disasters.

OFFICIAL USE OF MOTOR VEHICLES

Sec. 2. All passenger motor vehicles and watercraft owned by the District of Columbia shall be operated and utilized in conformity with section 5 of the Act of July 16, 1914, as amended by section 16 of the Act of August 2, 1946 (31 U.S.C. 638a), and shall be under the direction and control of the Commissioner of the District of Columbia. The Commissioner is authorized to alter or change the assignment or direct the alteration or interchangeable use of any passenger motor vehicles or watercraft by officers and employees of the District of Columbia except as otherwise provided in such Act. Limitations on the official use of passenger motor vehicles, as set out in section 5 of such Act, shall not apply to the Commissioner or, with the approval of the Commissioner, to officers and employees of the District government the character of whose duties make such transportation necessary.

FUNERAL AND BURIAL EXPENSES

Sec. 3. (a) The Commissioner of the District of Columbia is hereby authorized, pursuant to regulations prescribed by the District of Columbia Council, to provide for the payment of reasonable funeral and burial expenses of indigent residents of the District of Columbia and of persons under the care and custody of District of Columbia government institutions.

(b) Nothing in this section shall be construed as repealing or in any way modifying any provision of the Acts approved April 29, 1902 (D.C. Code, secs. 2-201 through 2-209) and April 20, 1906 (D.C. Code, secs. 27-129 through 27-131), or of the District of Columbia Public Assistance Act of 1962 (D.C. Code, sec. 3-201 et seq.).

PAYMENTS TO PATIENTS

Sec. 4. The Commissioner of the District of Columbia is authorized to furnish cash payments to needy patients of the Glenn Dale Hospital in such amounts and at such times as he may determine.

CARE OF PATIENTS IN SECTARIAN INSTITUTIONS

Sec. 5. Notwithstanding any other provision of law, the Commissioner of the District of Columbia is authorized from time to time to enter into contracts with institutions under sectarian control, and to make payments to such institutions, for the care of indigent and medically indigent patients in hospitals and for the care and maintenance of persons who are a responsibility of the District of Columbia.

STIPENDS FOR PATIENTS

Sec. 6. The Commissioner of the District of Columbia is authorized, pursuant to regulations prescribed by the District of Columbia Council, to provide for the payment of stipends to patients and residents employed in institutions of or under programs sponsored by the government of the District of Columbia as an aid to their rehabilitation or for training purposes. Nothing contained herein shall be construed as conferring employee status on any person covered by this section.

BENEFITS FURNISHED WORKERS IN DISTRICT FACILITIES

Sec. 7. Notwithstanding any other provision of law, the Commissioner of the District of Columbia is authorized to furnish, pursuant to regulations prescribed by the District of Columbia Council, subsistence, living quarters, and laundry in lieu of salary to persons authorized by the Commissioner to work in facilities of the government of the District of Columbia for the purpose of securing training and experience in their future vocations. Nothing contained herein shall be construed as conferring employee status on any person covered by this section, nor as superseding the requirements of sections 5352 and 5353 of title 5, United States Code, relating to student employees specified therein who are assigned or attached to a hospital, clinic, or medical or dental laboratory.

FIRE PROTECTION SERVICES

Sec. 8. The Commissioner of the District of Columbia is authorized to make provisions and payment for the furnishing of fire prevention and fire protection services to District of Columbia government institutions located outside the District of Columbia.

FUNDS FOR THE PREVENTION AND DETECTION OF CRIME

Sec. 9. The Chief of Police of the Metropolitan Police Department is authorized, with the approval of the Commissioner of the District of Columbia and within the limits of appropriations therefor, to make expenditures for the prevention and detection of crime under his certificate. The certificate of the Chief of Police for such expenditures shall be deemed a sufficient voucher for the sum therein expressed to have been expended.

ATTENDANCE AT PISTOL MATCHES

Sec. 10. The Commissioner of the District of Columbia is authorized to pay the expenses of officers and members of the Metropolitan Police Department and the Department of Corrections for attending pistol matches, including entrance fees, and is further authorized to permit officers and members to attend such matches without loss of pay or time.

PAYMENT OF REWARDS

Sec. 11. The Commissioner of the District of Columbia is authorized to provide for the payment of rewards for the capture, or for information leading to the apprehension, of fugitives from District of Columbia penal, correctional, and welfare institutions and of conditional release and parole violators. Funds appropriated pursuant to this section shall be apportioned and expended in the discretion of, and upon such conditions as may be imposed by, the Commissioner of the District of Columbia: *Provided*, That no reward money shall be paid to any officer or employee of the Metropolitan Police Department or of any penal, correctional, or welfare institution.

DISCHARGE AND RELEASE PAYMENTS

Sec. 12. The Commissioner of the District of Columbia is authorized to furnish each prisoner upon his release from a penal or correctional institution under the jurisdiction of the government of the District of Columbia with suitable clothing and, in the discretion of the Commissioner, a sum of money, which shall not exceed \$100.

CONSTRUCTION SERVICES WORKING FUND

Sec. 13. There is established in the Treasury of the United States a permanent working fund, without fiscal year limitations, to be known as the "Construction Services Fund, Department of General Services, District of Columbia." The Commissioner is authorized to transfer to such fund from capital outlay appropriations for public building construction such amounts as he may deem necessary to carry out the purposes of this section, and, subject to subsequent adjustment, advances and reimbursements may be made to such fund from appropriations for services to other departments and agencies of the District government, without reference to fiscal year limitations on such appropriations. The fund shall be available for expenses incurred in the initial planning for construc-

tion projects, for work performed under contract or otherwise, including, but not limited to, preliminary planning and related expenses, surveys, preparation of plans and specifications, soil investigation, administration, overhead, planning design, engineering, inspection, and contract management.

SNOW AND ICE REMOVAL

Sec. 14. Notwithstanding any other provision of law, appropriations for the Department of Highways and Traffic and the Department of Environmental Services of the government of the District of Columbia shall be available for purposes of snow and ice removal when so ordered by the Commissioner of the District of Columbia.

FEDERAL AID HIGHWAY PROJECTS

Sec. 15. The Commissioner of the District of Columbia is authorized to enter into contracts in connection with projects undertaken as Federal-aid highway projects under the provisions of the Federal Aid Highway Act of 1944, as amended, in such amounts as shall be approved by the Federal Highway Administration, Department of Transportation.

GRADE CROSSING ELIMINATION PROJECTS

Sec. 16. The Commissioner of the District of Columbia is authorized to construct grade-crossing elimination and other wholly District construction projects or those authorized under section 8 of the Act of June 16, 1936 (49 Stat. 1521), and section 1(b) of the Federal Aid Highway Act of 1938, as amended, in accordance with the provisions of such Acts. Pursuant to this authority, the Commissioner may make payment to contractors and payment for other expenses in connection with the costs of surveys, design, construction, and inspection pending reimbursement to the District of Columbia by the Federal Highway Administration, Department of Transportation, or other parties participating in such projects.

CIVIL DEFENSE MATCHING FUNDS

Sec. 17. Section 3(h) of the Act entitled "An Act to authorize the District of Columbia government to establish an Office of Civil Defense, and for other purposes", approved August 11, 1950 (64 Stat. 439; D.C. Code, sec. 6-1203(h)), is amended by striking the semicolon and inserting in lieu thereof a comma and the following: "and, when authorized by the Commissioner, appropriations available to the District of Columbia may be used to match financial contributions made by any department or agency of the United States to the government of the District for the purchase of civil defense equipment and supplies;"

ACQUISITION OF LAND FOR WASHINGTON AQUEDUCT

Sec. 18. Appropriations are hereby authorized for the acquisition, by gift, dedication, exchange, purchase, or condemnation, of land or rights in or on land or easements therein for the Washington Aqueduct by the Chief of Engineers, Corps of Engineers, United States Army, or his designated agents.

ADMINISTRATIVE EXPENSES OF WORKMEN'S COMPENSATION LAW

Sec. 19. The Act entitled "An Act to provide compensation for disability or death resulting from injury to employees in certain employments in the District of Columbia, and for other purposes", approved May 17, 1928, as amended (D.C. Code, secs. 36-501, 502), is further amended by renumbering section 3 as section 4 and by inserting the following new section immediately after section 2:

"Sec. 3. Appropriations are hereby authorized for payment of all necessary expenses incurred by the United States Department of Labor in the administration of this Act."

DRIVER EDUCATION PROGRAM

Sec. 20. The Board of Education is authorized within the limits of appropriations therefor, to accept, on a loan basis, and to maintain and provide for insur-

ance of passenger motor vehicles, for use in the driver education program of the public schools.

SUBSISTENCE AND TRANSPORTATION FOR HANDICAPPED CHILDREN

Sec. 21. The Board of Education is authorized to provide for the furnishing of subsistence supplies and transportation for severely handicapped children attending special education schools or classes established for their benefit in the public school system of the District of Columbia.

SUMMER SCHOOL COMPENSATION

Sec. 22. Compensation payable to personnel employed in the summer school program of the public school system of the District of Columbia is hereby authorized to be charged to the appropriation for the fiscal year in which the pay periods end.

SUMMER EMPLOYMENT OF DISTRICT SCHOOL TEACHERS

Sec. 23. Subsection (e) of section 5533 of title 5, United States Code, is amended (a) by inserting "(1)" immediately following "(e)"; and (b) by adding the following new paragraph:

"(2) Subsection (c) of this section does not apply to pay received by a teacher of the public schools of the District of Columbia for employment in a position during the summer vacation period."

SCHOOL CEREMONIAL EXPENSES

Sec. 24. The President of the Federal City College, the President of the Washington Technical Institute, the President of the District of Columbia Teachers College, and the Superintendent of Schools are hereby authorized to utilize moneys appropriated for the purposes of this section for such expenses as they may respectively deem necessary to conduct such official ceremonial, representational, and graduation activities as are normally associated with the programs of educational institutions.

AMENDMENT OF LAWS RELATING TO ADVERTISING

Sec. 25. (a) The second sentence of section 1 of the Act approved February 28, 1898 (30 Stat. 250; D.C. Code, sec. 47-1001), is amended to read as follows: "The notice of sale and the delinquent tax list shall be advertised once a week for two successive weeks in the regular issue of a daily newspaper of general circulation published in the District of Columbia; and notice shall be given, by advertising twice a week for two successive weeks in the regular issues of two daily newspapers published in the District of Columbia, that such delinquent tax list has been published in a daily newspaper, giving the name of such newspaper and the dates and the issues containing said list, and such notice shall be published in the two weeks immediately following the week in which the delinquent tax list shall have been published: *Provided*, That competitive proposals shall be invited by the Commissioner of the District of Columbia from the various daily newspapers published in the District for publishing the said delinquent tax list."

(b) Section 7 of the Act approved February 28, 1898 (30 Stat. 252; D.C. Code, sec. 47-1008), is amended to read as follows:

"Sec. 7. The expenses of advertising the notice of sale and delinquent tax list for real property taxes, water charges, sanitary sewer service charges, and special assessments in arrears together with penalties and costs, shall be reimbursed to the District by a charge to be fixed annually by the Commissioner and assessed against each lot or piece of property advertised. The amounts so received shall be deposited to such fund of the District as the Commissioner shall from time to time determine."

(c) The first sentence of section 5 of the Act approved June 11, 1878 (20 Stat. 105; D.C. Code, sec. 7-601), is amended by striking "and if the total cost shall exceed five thousand dollars, then in one newspaper in each of the cities of New York, Philadelphia, and Baltimore also for one week," and inserting in lieu thereof: "but not elsewhere, unless the need for advertising outside the District shall have been specifically approved by the Commissioner."

(d) Appropriations authorized by this Act or any Act of Congress shall be available to the Commissioner for general advertising authorized by law, and

for the publication of notices of public hearings, orders, regulations, amendments of orders and regulations, tax and school notices, and similar matters of public interest, in the District of Columbia Register, and, except as otherwise provided by law, in such newspapers, legal periodicals, trade journals, and other printed media at such times and in such places as may be approved by the said Commissioner.

OFFICIAL FUNDS

Sec. 26. The Commissioner of the District of Columbia, the Chairman of the District of Columbia Council, the Superintendent of Schools, the President of the Federal City College, the President of the Washington Technical Institute, and the President of the District of Columbia Teachers College are hereby authorized to provide for the expenditure, within the limits of specified annual appropriations, of funds for such purposes as they may respectively deem necessary. Their determination thereof shall be final and conclusive, and their certificate shall be sufficient voucher for the expenditure of appropriations made pursuant to this section.

APPROPRIATIONS

Sec. 27. Appropriations to carry out the purposes of this Act and the amendments made by this Act are hereby authorized.

THE DISTRICT OF COLUMBIA,
Washington, D.C., July 19, 1973.

Hon. THOMAS F. EAGLETON,
Chairman, Committee on the District of Columbia,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The Government of the District of Columbia has for report H.R. 8250, a bill "To authorize certain programs and activities of the government of the District of Columbia, and for other purposes," as passed by the House of Representatives on June 11, 1973.

With the exception of language in section 5, subsections (b) and (c) of section 13, section 27, and certain minor amendments added to the bill during its passage by the House of Representatives, H.R. 8250 is substantially similar to draft legislation submitted to the Congress by the District Government on April 19, 1973.

Language added to section 5 of H.R. 8250 would require that the District of Columbia Council, in determining the level of payment to all institutions providing medical and remedial care, under contract, to indigent and medically indigent patients, take into consideration average costs incurred by area hospitals in providing such care to other persons. While this requirement may likely result in a determination that higher rates should be paid for the medical care of District patients, it should be pointed out that the District Government will continue to be bound by and limited to the level of payments established by annual Appropriations Acts.

Subsections (b) and (c) of section 13 of the bill, as added by the House of Representatives, would direct the District of Columbia Council to annually review the budget of the Construction Services Fund, established by subsection (a) of such section 13, and would require that the District of Columbia Council and specified District agencies be kept informed as to the status of projects and activities being financed from the Fund. We offer no objection to these provisions of the bill.

Section 27 of H.R. 8250 directs the Public Service Commission to conduct a study of the adequacy of service and regulation of the taxicab industry in the District of Columbia, including a study of the feasibility of allowing the installation of meters in taxicabs. While this provision of the bill may result in additional cost to the District Government, the amount of which has not yet been determined, We have no objection to its inclusion in the bill.

For the reasons set forth in our letter of transmittal and justification of April 19, 1973, and subject to the foregoing comments, we urge the favorable consideration and early enactment of H.R. 8250.

Sincerely yours,

WALTER E. WASHINGTON,
Mayor-Commissioner.

Senator INOUE. Let's begin this evening's testimony on H.R. 8250, the point-of-order bill, with Mr. Comer S. Coppie, the Director of Budget and Financial Management in the District of Columbia.

Mr. Coppie, would you please take a seat by the microphone.

Welcome to the committee, sir.

STATEMENT OF COMER S. COPPIE, DIRECTOR, OFFICE OF BUDGET AND FINANCIAL MANAGEMENT, DISTRICT OF COLUMBIA GOVERNMENT, ACCOMPANIED BY WILLIAM A. ROBINSON, ASSISTANT CORPORATION COUNSEL

Mr. COPPIE. It is a privilege to be back before you.

Mr. Chairman, I do have a prepared statement that I would like to provide for the record. I am prepared to read that if you feel it is necessary.

Senator INOUE. Please proceed, sir.

Mr. COPPIE. Mr. Chairman, there are a number of District activities, programs, limitations, and legislative provisions that are now authorized only by language in annual appropriations acts for the city. These provisions are considered necessary for effective operation of the District government, and we are therefore requesting that they be given substantive authority through the bill being considered today.

With the exception of the taxi service study, added to the city's original bill by the House of Representatives, all of the provisions have been included in the city's budget for a number of years. Appropriations have been made for the various programs and activities authorized in appropriations language. Approval of the proposed bill will not mean significantly increased expenditures or new appropriations. Even though the House added an amendment that directs the City Council to take average costs of caring for like persons in area institutions into account in setting payments, the city continues to be limited by language in the Appropriations Act restricting the level of payments.

The one new activity in H.R. 8250 is an amendment which was added by the House to provide for a taxi service study. This section would authorize the D.C. Public Service Commission to direct a study of the adequacy of service and regulation of the taxicab industry, including the feasibility of allowing installation of meters. This, of course, is not unlike the chairman's proposal, S. 998.

Senator INOUE. May I interrupt as we proceed?

How do you propose to finance this study?

FINANCING TAXI STUDY

Mr. COPPIE. Mr. Chairman, I believe the bill authorizes an appropriation of \$25,000 and we would propose to either request an appropriation or, perhaps—

Senator INOUE. It is not in the present appropriation?

Mr. COPPIE. No, sir; it is not a current appropriation.

Senator INOUE. Have you been providing for this in the supplemental?

Mr. COPPIE. We will be providing for it in the supplemental or, perhaps, through a grant from the Department of Transportation. Senator INOUE. Please proceed.

NEED FOR SUBSTANTIVE AUTHORITY

Mr. COPPIE. Because none of the provisions in the proposed legislation is supported by substantive law, at the present time each item can be deleted from the city's budget by the raising of a point of order.

Parenthetically, I would point out that is exactly what happened on the floor of the House on the appropriation bill this year; the challenge as a point-of-order item. That challenge was sustained by the chairman of our Appropriations Subcommittee in the House. It was challenged on the basis it was not supported in substantive law.

The loss of all authority for these provisions would create serious problems for the District government. We are seeking to forestall these problems through the enactment of the bill we have proposed. We consider the passage of the authority for appropriations bill to be a matter of high priority for the District government.

Among the provisions in the proposed bill are: Authority for the Mayor to expend funds to meet emergency situations, as prescribed by the District of Columbia City Council, without compliance with certain advertising provisions.

EMERGENCY SITUATIONS

Senator INOUE. Will you provide further explanation of this, sir?

Mr. COPPIE. Mr. Chairman, right now, if an emergency situation does develop, right now, by law, we do have to go through the normal purchasing regulations in the procurement of goods and services and so forth. Through appropriation language, if an emergency situation does develop, we do have the authority to deviate from the normal procurement policies of the District government in order to address the emergencies and to sustain its requirement. That authority, as I have said, is in the appropriation language; it is subject to a point of order. It has not been challenged as a point of order. This provision would provide the necessary legal authority in basic law.

Senator INOUE. In the past 12 months, have you had several of these emergency situations?

Mr. COPPIE. In the last 12 months, I believe we have not. I believe the last emergency was in the so-called Agnes Hurricane experience in the late spring of 1972 and I believe the principal experience before that was the so-called May Day demonstrations back in May of 1971.

Senator INOUE. Please proceed, sir.

AUTHORITY TO REGULATE USE OF CITY-OWNED VEHICLES

Mr. COPPIE. Clarification of the Mayor's authority to regulate the use of passenger vehicles owned by the city and to authorize certain exemptions from Federal law in this area.

Senator INOUE. Will you give further explanation?

Mr. COPPIE. Right now, by appropriation language, the Mayor has the authority to assign or reassign automobiles in the city government as he deems the situation will require. This is primarily an authority he uses, again, to address an emergency situation. That authority is given to use in appropriation language and is subject of point of order. This would provide for that authority in substantive law and, I might underscore it, as authority the Mayor uses, again, to address an emergency situation.

Senator INOUE. Will you give an example, sir?

Mr. COPPIE. Mr. Chairman, back at the time of the riots of 1968, the so-called demonstrations of 1968, it was necessary for certain officials in the District government to be on call 24 hours a day and to have a vehicle which would allow them to get anywhere in the city within a relatively short period of time, 24 hours a day. During that emergency situation, in the city, the Mayor did allow District officials to be assigned a car—to have that car available throughout a 24-hour period, 7 days a week, to meet the requirements of that emergency.

Senator INOUE. You do not have any emergency situation at the present time, do you?

Mr. COPPIE. No, sir, we do not.

CONTRACTS WITH SECTARIAN INSTITUTIONS

Authority to enter into contracts pursuant to District of Columbia City Council regulation with sectarian institutions so that the city may have flexibility in providing certain services for persons under its care.

Senator INOUE. Will you describe this?

Mr. COPPIE. Mr. Chairman, an example of this would be a sectarian institution, such as Georgetown University Hospital, where the city would enter into a contract to provide for medical help for indigent patients to receive services at Georgetown University Hospital. I think that would be a prominent example that I could point to.

Senator INOUE. Please proceed.

RELEASED PRISONERS PAYMENTS

Mr. COPPIE. Authority to provide clothing and monetary payments, not to exceed \$100, to persons released from city correctional institutions.

Mr. Chairman, this would be an institution such as Lorton Women's Detention Center, for women being released. We provide a maximum of \$100 and I believe the amount is normally \$50 to \$75, so the person would have necessary cash on hand to meet the initial requirements for living as he proceeds into normal life.

Senator INOUE. When does a resident qualify to receive this payment?

Mr. COPPIE. Mr. Chairman, I believe—I want to reserve final judgment on this, but I think it would be subject to the approval of the Director of the Department of Corrections or through his delegation.

Senator INOUE. Can one receive payment after spending two evenings?

Mr. COPPIE. Probably not, Mr. Chairman. I believe this is the longer term resident.

Senator INOUE. Just for my edification, could you provide the committee with this information?

[The information requested follows:]

Section 12 would authorize the Commissioner of the District of Columbia to furnish each prisoner upon his release from a penal or correctional institution under the jurisdiction of the D.C. Government with suitable clothing and, in the discretion of the Commissioner, a sum of money, which shall not exceed \$100. Pursuant to a delegation of authority by the Commissioner to the Director of the D.C. Department of Corrections, the Director has promulgated a Department Order on the subject of release gratuities. The current maximum payment authorized for released prisoners is \$50 with a maximum of \$75 under certain conditions. Each inmate does not receive the maximum full amount. The average amount received per released inmate is \$12-\$15. The payment differs according to the gratuity guidelines and table, the amount of the gratuity increasing with the length of the sentence. I have attached a copy of the Department Order (No. 4200.5A).

DEPARTMENT OF CORRECTIONS, D. C.
Office of the Director

DO 4200.5A
March 5, 1968

DEPARTMENT ORDER 4200.5A

Subject: Release Gratuities

1. Purpose. To revise and redefine the Department's policy and procedures relative to awarding release gratuities.

2. Policy. The Department in attempting to develop more progressive programs in the rehabilitation of the offender is of the opinion that financial assistance upon release is directly related to the rehabilitative program. It is realized that in many cases, severe financial problems confront released offenders such as; costs of rent, food, transportation, support of dependents, etc. This administration, through periodic review of expenditures, attempts to provide release gratuities as generously as budgetary appropriations will permit. Through improved methods of administering the funds, it has been determined that an increase in release gratuities for the felony offender is now possible.

3. Criteria. The following criteria is hereby established for release gratuities:

a. Regardless of the method of official release or the institution where the sentence is served, prisoners serving felony sentences of more than one (1) year will receive the same amount of gratuity. Refer to Gratuity Table in paragraph 4 of this Order.

b. In the cases of misdemeanor prisoners, Superintendents are asked to exercise judgement in individual cases. The Gratuity Table, in paragraph 4 below, permits modest gratuities for offenders with sentences as short as sixty (60) days. However, Superintendents should not award gratuities when it appears that the offender will not use the gratuity for any useful purpose. Consideration should also be given to prior arrest records, the frequency of recent arrests, and of present attitude and expressed inter-

est. Decreasingly lesser amounts are allowed for shorter sentences on the theory that such offenders have been away from their community contacts for a shorter period of time.

c. The Superintendents of institutions housing inmates who have been in "open case" or pre-trial status for long periods of time, are authorized to provide gratuities to such offenders and will be guided by the same considerations described for misdemeanants.

4. Authorized Gratuities. The following Gratuity Table sets forth the amount of gratuity which may be authorized by Superintendents, however, Superintendents are granted authority to make exceptions to the rates set forth for misdemeanants.

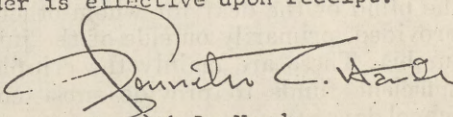
GRATUITY TABLE

<u>Sentence</u>	<u>Gratuity</u>
60 days to 89 days	\$ 2.00
90 days to 179 days	3.00
180 days to 239 days	4.00
240 days to 359 days	7.00
360 days to 719 days	10.00
Felons - over 1 year	50.00

5. Exceptions. It is realized that periodically there will be exceptional cases whereby circumstances such as emergency family needs, or other unusual situations which indicate a definite need for additional gratuities. In these cases, Superintendents may recommend that an additional gratuity be furnished which shall not exceed \$75.00. Such recommendations will be forwarded to the Director and with a written justification for the additional gratuity. Favorable consideration will not be given to these recommendations which would more appropriately come under the criteria of the Inmate Loan Program, i.e., require additional funds for purchase of tools or tuition for study, etc. The inmate population should be advised that individual requests to the Director will be returned without action since recommendations must originate with the Superintendent.

6. Applicability. This Order is applicable to all concerned activities and inmates.

7. Effective Date. This Order is effective upon receipt.


Kenneth L. Hardy
Director

DISTRIBUTION: "A" "B" "C" & "D"
(Business Officer - 30)

ANTI-DEFICIENCY ACT EXEMPTION

Mr. COPPIE. That will be done, Mr. Chairman, exemption from the Anti-Deficiency Act for certain federally funded highway projects so that the city can enter into contracts for the full cost of projects, pending reimbursement from the Federal Government.

Mr. Chairman, here we are talking about the implementation of our highway program where the program involves both city funds and Federal funds and the way to use the Bureau of Public Roads funds. Our program and city government are on a reimbursable basis so we have to go under contract and pay for that program with city funds and then it is reimbursed by the Federal Government through the Department of Transportation. The appropriation language allows us to expend in excess of the appropriation we are reimbursed. We are at the subject of point of order. This would allow us to have the protection by having a provision of substantive law.

WORKMEN'S COMPENSATION PROGRAM

Authority to reimburse the Department of Labor for administering the workmen's compensation program for the city.

Mr. Chairman, the U.S. Department of Labor administers the workmen's compensation for the city. We reimburse the Department of Labor, for those costs are appropriated to D.C. budget and are currently running about \$550,000 a year.

HANDICAPPED CHILDREN

Provision of subsistence and transportation of handicapped children to special education programs provided by the D.C. public schools.

Senator INOUE. What is a handicapped child?

Mr. COPPIE. Mr. Chairman, I believe this addresses the physically handicapped child. I am not sure of the legal definition, but I believe it primarily addresses the physically handicapped and the medically handicapped child that is in the school system of this city.

Senator INOUE. I believe the bill relates to severely handicapped. I was just wanting to know what the city meant by a severely handicapped child.

Mr. COPPIE. Mr. William Robinson, of the Corporation Counsel's office, will speak.

Senator INOUE. You may proceed with your statement, Mr. Robinson.

Mr. ROBINSON. Those subsistence and transportation services are provided to children who have physical handicaps. It does not include the blind or the deaf for whom other special types of education are provided, primarily outside of the jurisdiction of the District of Columbia. These are mainly the crippled children and those without sufficient funds to provide subsistence for themselves during the school days.

Senator INOUE. What agency determines whether the child is qualified to receive this special subsistence?

Mr. ROBINSON. The school system; under rules established by the board of education.

Senator INOUE. Thank you, sir.

ADVERTISING

Mr. COPPIE. Amendments to various laws relating to advertising by the city to give the Mayor and Council, with respect to the annual note of sale and delinquent property tax list greater discretion in meeting advertising needs and to consolidate certain related provisions.

I believe right now we are required to advertise in two newspapers and we feel it is only necessary to advertise in one. This would give the authority to the city to make that determination.

Senator INOUE. Mr. Robinson, what is the purpose of advertising?

Mr. ROBINSON. Basically, acts of Congress provide there will be wide dissemination of proposals and contract activities of the government, in order to comply with the law, which requires, in most cases, that a contract be awarded to the lowest bidder. It is necessary, then, to get as many prospective bidders as possible, to know what activities, projects, and construction activities are planned so that they may participate therein.

Senator INOUE. It is to assure the people that the government's business is the people's business?

Mr. ROBINSON. Correct.

Senator INOUE. Do you think that by advertising in one, the dissemination would be just as effective as advertising in two papers?

Mr. ROBINSON. I believe so, Mr. Chairman. These acts of Congress, which we are attempting to change here, go back to the 19th century, in many respects. One of the requirements is that there be advertisements in Baltimore, Philadelphia, New York, and other papers. Practices of the industry, throughout the years, now have caused advertising to be disseminated in other manners. The mailing out of the bid proposals to those on the mailing lists and advertising in trade journals. The unions and other persons involved now have much greater access to information than they did in the 19th century. So, as a result, Congress has for a number of years, in appropriation acts, obviated the necessity for the rather stringent requirements previously imposed.

Senator INOUE. We have two papers of general circulation in Washington, D.C. What paper is favored by the city?

Mr. ROBINSON. I think the effort is made by the Bureau of Procurement of our Department of General Services to split the advertising matters up, half and half. They make such an effort; I am quite certain they do not purposely favor any of the newspapers.

Senator INOUE. Thank you, sir.

CONFIDENTIAL FUNDS

Mr. COPPIE. Authority for official confidential funds for certain District officials, including the Mayor and the City Council Chairman.

Mr. Chairman, I point out here, in the case of the Mayor's, the spending is at the level of \$2,500 and similarly true in the case of the

City Council, \$2,500 in the case of the Federal City College, and \$1,000 for the president of the D.C. Teacher's College.

Senator INOUE. This is \$2,500 per year for the Mayor?

Mr. COPPIE. Yes, sir.

Senator INOUE. And for the Chairman of the City Council?

Mr. COPPIE. Yes.

Senator INOUE. And \$1,000—

Mr. COPPIE. For the president of D.C. Teacher's College.

Senator INOUE. Why would the president of the District of Columbia Teacher's College need confidential funds?

Mr. COPPIE. Mr. Chairman, it is primarily to allow funds to be available to meet certain personal needs they have as part of their professional responsibility.

Senator INOUE. Why should it be confidential? We just got through discussing the government's business is the people's business?

Mr. COPPIE. I believe, Mr. Chairman, in each instance, that it would not be our position that the funds should not be available for public scrutiny; if, in fact, that becomes necessary. It is really giving them certain funds they can use at their discretion, independent of the normal budgetary process and appropriation process of the city government. I would point out, in the case of the officials we have been talking about, that in most jurisdictions, we are talking about funds that are normally available to such officials substantially greater than what is available here. College presidents normally receive funds of this type.

Senator INOUE. If this is in the normal course of business—why do we use confidential? I notice the police chief gets a much larger sum but this is for certain items that are understandable but in dealing with the school of education, the Mayor, and the Chairman of the City Council—is this to hire some detective?

Mr. COPPIE. It could be used for that, under—

Senator INOUE. You mean with the police department, we are going to hire someone like the fellow we queried?

Mr. COPPIE. No; I am not saying it would be used for that; but I am saying that it is within the framework of the authority, that this could be used for that. I think the record, however, should show in the case of the Mayor, that he has used it for very prudent purposes. For example, I recall two summers ago, he was riding somewhere in the city, ran into some people in need of some funds to go to the movies on a Saturday afternoon and I think the Mayor—talking about a fairly large number of young people—tapped these funds in order that they would have an afternoon of some enjoyment. I think, normally, it is used in a prudent manner, Mr. Chairman. I would point out we are not talking about a large amount of money.

Senator INOUE. I realize that but, as you know, Mr. Coppie; it is not the amount, it is the exotic nature of the expenditure that gets the people all unsettled.

Mr. COPPIE. I think the amount of exotic use in these instances is limited.

Senator INOUE. I would not mind having a small sum of \$2,500 with that secretive title—confidential funds. It would be easy for me

to explain what I am going to be spending, when it is for movies for kids. What else did he spend it for?

Mr. COPPIE. I think, perhaps, Mr. Chairman, it would be the terminology is unfortunate which, I think, is perhaps an outgrowth of the appropriate history surrounding the fund.

Senator INOUE. Is this the Mayor's petty cash slush fund?

Mr. COPPIE. No, sir. We could call it official funds.

Senator INOUE. In case the committee receives inquiries and we desire to respond promptly, would you provide this committee with the use that the chairman of the city council, the Mayor, and the president of the D.C. Teacher's College get—

Mr. COPPIE. Mr. Chairman, I believe as a result of a point of order challenge, it is part of our 1973 Act we do not have developed on official funds prior.

Senator INOUE. The year prior to that.

Mr. COPPIE. Thank you, Mr. Chairman.

Mr. ROBINSON. Mr. Chairman, in connection with your request, I might point out that we have provided the committee's staff with certain background information relating to all of the items and sections in the bill. Yesterday, I supplied Mr. Manatos with a copy of a ledger which we sent to Senator Stevenson who chaired the hearing on this bill in the 92d Congress which, in greater detail, explains some of the reasons and the practices underlying the use of official funds by these officers of the District Government.

Senator INOUE. Does it give the precise use of the funds for the fiscal year we just discussed?

Mr. COPPIE. It does not spell out in detail the itemized expenditures by the respective officials but it does provide certain background information which may be useful.

Senator INOUE. Without objection, your letter of November 5, 1971, addressed to Hon. Adlai Stevenson III, will be made a part of the record at this point; however, I repeat my request. Mr. Coppie.

Mr. COPPIE. That will be done, Mr. Chairman.

[The information and letter referred to follow:]

Section 26 would authorize the Commissioner of the District of Columbia, the Chairman of the D.C. City Council, the Superintendent of Schools, and the President of Federal City College, the President of D.C. Teachers College to provide for expenditure with specified annual appropriations of funds for such purposes as they may respectively deem necessary. The section further provides that their determinations would be final and their certificate shall be sufficient voucher for the expenditure of appropriations made under this section.

The official funds have been used for a variety of purposes including, social functions and receptions for persons professionally concerned with the District Government; for persons visiting the city, gifts of books or engraved objects, flowers, picture framing, small expenditures for community related purposes. The educational institutions have used official funds for: providing receptions for visiting dignitaries; paying expenses or admission fees for special guests; hosting meetings of corporate representatives for communicating manpower training, internship and student job placements; providing disbursements for representation meetings of area college administrators for cooperative educational planning, coordinating and evaluating; paying membership dues in professional organizations; procuring emergency expenditures for office and school needs; purchasing subscriptions to journals and periodicals; and paying ceremonial and travel expenses.

As we noted in a background report on this bill submitted to Committee staff, other jurisdictions provide comparable funds for certain officials. Although we have not completed a comprehensive survey, we note that in New York City the Council members are paid \$20,000 and each receives a discretionary fund of \$5,000 for which he is not accountable. In Chicago, Illinois, the Senior Councilman is paid \$11,500 and receives an \$8,600 expense account; in Baltimore, Maryland each Councilman has an expense fund of \$750 a year in addition to a salary of \$22,500 for the chairman and \$12,000 for a member. An informal telephone survey of colleges and universities in the Washington, D.C. area revealed college presidents typically have discretionary funds and the chief executive officer of these institutions has at his disposal monies to be used as he deems necessary in overseeing his respective institution. The fund ranged in amounts from \$1,000 to \$5,000 per annum in public institutions to nearly \$10,000 in private institutions.

A survey in November 1972 by the Educational Research Service (National Education Association) revealed that in cities of 300,000 or more, a total of 58.2% received expense money; 44.2% received expense money (excluding transportation allowance or allowances for out of town convention and conference attendance) and 14% received an allowance. Among those receiving specific allowances the range was from \$550 to \$4,000 a year. (Kansas City, Mo.; \$1,200/yr.; Buffalo, N.Y.; \$3,000/yr.; Dallas, Texas; \$2,000/yr.) Many large cities provide the expense funds as needed: Boston, Mass., Detroit, Mich., Los Angeles, California, Chicago, Ill., New Orleans, La., Portland, Oreg., Pittsburgh, Pa., and Memphis, Tennessee.



THE DISTRICT OF COLUMBIA

WASHINGTON, D.C. 20004

WALTER E. WASHINGTON
Commissioner
GRAHAM W. WATT
Assistant to the Commissioner

November 5, 1971

Honorable Adlai E. Stevenson III
Chairman
Business, Commerce and Judiciary Subcommittee
Committee on the District of Columbia
United States Senate
Washington, D. C.

Dear Senator Stevenson:

At the hearing of September 28, 1971, on S. 2204 and H. R. 10383, you requested additional information on two aspects of the bills.

With respect to section 801 of S. 2204, you requested a statement as to the accountability by certain District officials of funds received under annual appropriation acts for official expenses. These funds are authorized annually in a limited amount for the Commissioner, the Chairman of the District of Columbia Council, the Superintendent of Schools, the Presidents of the District's institutions of higher learning, and the Chief of Police. Inasmuch as the only existing authority for expenditure of such funds is contained in language in annual appropriation acts, these items are subject to a "point of order" objection and possible deletion from the appropriations act. Section 801 of S. 2204 would provide permanent statutory authority for such expenditures while maintaining Congressional control over the amount of funds available to be spent in this manner since the provision states that the specified officials "are hereby authorized to provide for the expenditure, within the limits of specified annual appropriations, of funds for such purposes as they may respectively deem necessary" (emphasis added).

Appropriations language providing a limited amount of monies for expenditure solely upon the certificate of the former Board of Commissioners first appeared in the District's Appropriations Act for 1931 as follows:

"Provided: That the certificate of the Commissioners shall be sufficient voucher for the expenditure not to exceed \$1,000, for such investigations as they may deem necessary. "

In the Appropriations Act for 1937 the word "purpose" was substituted for "investigations", presumably in order to give the Commissioners more flexibility. In the appropriations bill for the 1972 fiscal year, a total of \$9,000 is requested for the officials listed above to expend in this manner.

The significance of the appropriation language and section 801 of S. 2204 is that the Commissioner and other top level officials of the District Government are provided authority to expend monies for purposes not otherwise authorized by public law. All proposed expenditures by the District of Columbia Government are required to be pre-audited by the Department of Finance and Revenue. Through the pre-audit procedure, it is determined whether or not an expenditure is a legally authorized expenditure, i. e., whether the purpose is legally authorized and whether the proper requirements for public expenditure have been met. There exist an extensive and complicated series of laws, Federal and District procurement and other regulations, and decisions of the Comptroller General which must be complied with if the expenditure is to be approved.

The Commissioner and selected top level officials, to operate effectively, must have a limited amount of funds available for which their certificate will be sufficient voucher for an expenditure and thus not subject the expenditure to pre-audit. This kind of authorization provides the officials with essential flexibility so that the funds may be expended for purposes of investigation or entertainment, or for governmental functions of a confidential nature, when an expenditure for some specific purpose may not be authorized in basic law, or when the timing or means of purchase make it important for effective operations that normal procurement procedures not be followed.

I wish to point out particularly that although these expenditures are not subject to pre-audit, the officials involved are held strictly accountable for the funds. Each annual appropriation act limits the amount of monies which may be expended solely on the basis of an official's certificate. Separate limitations in the District's accounting system are

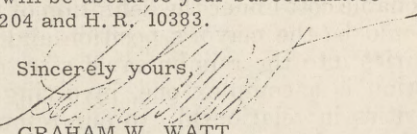
established for these funds so that when a voucher is prepared for such an expenditure, it is charged to the specific limitation on the respective fund. Regular accounting reports relating obligations and disbursements are prepared daily by the Accounting Division of the Department of Finance and Revenue and transmitted to each District agency. In addition, this appropriation limitation appears as a separate item on the Financial Plan and Status Reports issued each month. These computerized reports compare planned expenditures phased over the fiscal year with actual expenditures to date in order to provide a continuing look at the status of an account, to avoid possible deficiencies in the appropriations, and to maintain the limit established by the Congress in the appropriations act.

Thus the funds authorized for expenditure upon the certificate of the Commissioner or other designated official are fully and closely accounted for. The critical point, which I again emphasize, is that this authority, presently contained only in appropriations acts, provides important flexibility to the Commissioner and others for effectively carrying out their duties and responsibilities. Accordingly, it is important that a permanent statutory basis be secured for these expenditures which have been approved on an annual basis since 1931. Enactment of Section 801 of S. 2204 will provide this basis and will remove the possibility of a "point of order" objection to the appropriation language.

In connection with H. R. 10383, the proposed "District of Columbia Professional Corporation Act", you requested a listing of other jurisdictions which impose a tax on unincorporated businesses in a manner analogous to that of the District of Columbia. A review of the statutes of other jurisdictions confirms the statement made at the hearing that the State and City of New York are the only other jurisdictions with analogous laws. While the State of New York exempts professions in similar manner as existing District law, the Unincorporated Business Tax Law of New York City was amended in 1971 and made specifically applicable to professional organizations, effective June of 1971.

I hope that these comments will be useful to your Subcommittee in the further consideration of S. 2204 and H. R. 10383.

Sincerely yours,


GRAHAM W. WATT
Assistant to the Commissioner

Senator INOUE. Please proceed.

Mr. COPPIE. This is only a sampling of the provisions in the bill. We wish to stress that, with the exception of the taxicab study, the proposed legislation will not authorize completely new programs. It will allow us to continue existing activities and limitations considered necessary to the operation of the city government.

Thank you for the opportunity to appear in support of this legislation. We are ready to answer any questions you may have.

PAYMENT TO SECTARIAN HOSPITALS

Senator INOUE. I just have one question, Mr. Coppie; that is the payment to the sectarian hospitals. I gather that the mayor wishes to keep the payment rate at the present rate and the city council wishes to determine a payment rate which will be no higher than premeditated payment?

Mr. COPPIE. I think that does need to be clarified, Mr. Chairman. The bill that is before you, that is originally proposed by the city government, asks for authority to pay sectarian institutions for services they provided to District residents. In the hearing in the House, the question pertaining to the medical indigent program was raised. Right now, the city has two programs for the medical indigent: One is the medicaid program and the other is a medical charities program for people that cannot qualify for medicaid but, nevertheless, do require free services at the time they do require hospital treatment. The characterization of the law is that for in-patient, it is \$38. For out-patient diagnosis, \$6 per patient. I believe the Children's Hospital is \$40 per day for in-patient and \$6.75 for out-patient, Mr. Chairman. In the 1974 budget that is currently pending before the Congress, the city did not propose an increase in the rate. In the hearing before the House, this issue was addressed and they decided to provide a provision in the House version of the bills. We do oppose, Mr. Chairman, to give the city council the authority to set the rate at a level not to exceed the reasonable cost under the definition of the medicaid program. I believe it would be the mayor's position and principle that he does support inquiries into the reimbursable rate to these hospitals. However, the question is a complex one, involving not only the question of city priorities in relationship to our resource allocations program but it also has to be reviewed in relationship to the entire program of the medically indigent in the city and we currently have such a review underway.

TRANSPORTING HANDICAPPED CHILDREN

Senator INOUE. Have we made any studies as to using the new Metro system for handicapped children—in transporting the children from point to point or would that be impractical?

Mr. COPPIE. Perhaps the Metro has made studies. I am not aware of a specific city study.

Senator INOUE. The city has never considered using the Metro for this purpose?

Mr. COPPIE. For the transporting of children?

Senator INOUE. Of handicapped children?

Mr. COPPIE. I am not aware of such a study, Mr. Chairman.

Senator INOUE. All right. I thank you very much, sir.

Mr. COPPIE. Thank you, Mr. Chairman. It is a privilege to be back before you again.

Senator INOUE. Our next witness is Mr. H. Mason Neely.

STATEMENT OF H. MASON NEELY, ACTING CHAIRMAN, PUBLIC SERVICE COMMISSION

Mr. NEELY. It is a pleasure to be here this evening. I have here Mr. Linus H. Deeny, Assistant Counsel of the Corporation Counsel's Office.

I have submitted a written statement to the chairman, which I would like to read in the record.

Senator INOUE. Please proceed, sir.

Mr. NEELY. We wish to state our basic support for section 27 of H.R. 8250. Section 27 authorizes and directs the PSC to undertake a comprehensive study of the taxicab industry in the District of Columbia. Six months after enactment of this bill, the PSC would be required to submit its findings and recommendations to both the Mayor and the city council. The District of Columbia will have 90 days to review the PSC report and transmit it, together with its own findings and recommendations, to Congress.

One key element of section 27 is the explicit authorization for the Commission to investigate the feasibility of the installation of meters. As you know, every District of Columbia Appropriations Act since 1936 has contained language which prohibit the use by the PSC of any funds appropriated to it for the purposes of ordering the installation of meters. This prohibition has been administratively interpreted to include a prohibition even against studying the feasibility and desirability of meters. Section 27, as presently worded, removes any doubt about the legality of such an inquiry. The PSC also believes that it would be appropriate at the same time to undertake a comprehensive review of all aspects of the taxicab industry and the administrative structures which regulate the various aspects of the industry. There are presently at least 5 District governmental bodies who have some responsibility in this regard. The core of the study would be devoted to: (1) A determination of the proper function which taxicab service should perform in the District of Columbia as one element of the city's transportation system and, (2) the development of an administrative structure which would insure that the industry performs this function. It is anticipated that such a study would include an examination of existing agencies, laws, and regulations of the District of Columbia which are applicable to the taxicab industry; the development of an adequate statistical base regarding the present state of the industry; an examination of the relative feasibility and desirability of alternate fare systems, including meters and the present zone system, an examination of taxicab operations in some cities comparable to the District.

In conclusion, we would suggest that section 27(b) be modified to provide for completion of the PSC study within 6 months of the appropriation of the necessary funds for the study, rather than 6 months of the enactment of the bill.

COST OF TAXI STUDY

Senator INOUE. Do you have an estimate as to what the cost will be for this study?

Mr. NEELY. We have contacted various governmental bodies and it appears that \$25,000 would be a fair estimate. We will endeavor to try to look into the actual cost of the study more completely but our initial indications are that it will be approximately \$25,000.

FEAR OF METER SYSTEM

Senator INOUE. As you know, Mr. Neely, extensive hearings were held on this proposition about a year and a half ago. Those who opposed this study, opposed for reasons not cited in your presentation, you have suggested that your study will be devoted: (1) To a determination of the proper function of the taxi service in the District and, (2) the development of the administrative structure to assist the industry performance of this function and to also develop adequate statistics. Also, examine the relative feasibility of alternate fare systems, including meters and the present zoning system. The one argument presented by the cab drivers against the meter system was some fear this industry would be taken over by some combine or syndicate with meters. Therefore, they are willing to carry on the business as is, even if it means losing potential income. What is your comment, sir? Would this study consider the possibility of one cab company in the District of Columbia?

Mr. NEELY. It is very hard to comment on whether or not that statement would be a valid statement but, certainly, as the chairman has pointed out, there is considerable fear among many of the independent cab drivers in the District of Columbia that if meters were installed, this would move them out of business because there would be a syndicate, or just one particular cab corporation, controlling them. So this has to be fear for many, or all of the independent cab drivers. One good point for this bill is the fact that not only the Public Service Commission would make the study but in addition thereto the City Council, the Mayor's office, and I think that the cab drivers and the riding public should have an opportunity to be heard as to whether or not they want meters. By having these particular agencies or branches: the Public Service Commission, City Council, and Mayor's Office, we can address ourselves far more closely to the question of what the cab drivers want and what the public wants. I think it is fair and reasonable that the cab drivers have a voice in the final determination of whether or not meters should be installed.

Senator INOUE. Is it your suggestion that your agency does not have the authority or should not accept the responsibility for looking into this one major argument proposed by those against this study because of the matter of fear?

Mr. NEELY. No; none whatsoever.

Senator INOUE. Do you intend to study that?

Mr. NEELY. We do intend to study.

Senator INOUE. Then you wish to amend your statement?

Mr. NEELY. Well, the Public Service Commission will make its recommendations and we are glad to have the opportunity to make the recommendation.

Senator INOUE. I thank you very much. We have a vote coming on so, if I may, I would like to call this meeting for a short recess. I will be back in 7 minutes.

Mr. NEELY. Thank you.

[Whereupon, a short recess was taken.]

Senator INOUE [resuming]. Do you have any further statement to make, Mr. Neely?

START OF STUDY

Mr. NEELY. Just one other point, Mr. Chairman. On page 2 of my written statement, the last paragraph, we suggest that the study, if it is so granted, would start 6 months after the appropriation of the funds, instead of 6 months after the enactment of the bill. I think this would give us a little more time to plan the study.

Senator INOUE. I think that is a reasonable suggestion. We will certainly incorporate that.

I thank you very much, Mr. Neely.

Mr. NEELY. Thank you, Mr. Chairman.

Senator INOUE. Our next witness is Mr. William M. Bucher, executive vice president and director, Hospital Council of the National Capital Area, Inc.

STATEMENT OF WILLIAM M. BUCHER, EXECUTIVE VICE PRESIDENT AND DIRECTOR, HOSPITAL COUNCIL OF THE NATIONAL CAPITAL AREA, INC.

Mr. BUCHER. Thank you, Senator.

My full name is William M. Bucher. I serve as vice president of the Hospital Council of the National Capital Area—a voluntary organization of 30 metropolitan Washington area hospitals.

Today, I am pleased to appear in support of the point of order legislation, H.R. 8250, and, in particular, in support of the section thereof which will provide for the correction of several problems which have been facing the District government and the congressional committees for a number of years.

PAYMENT TO SECTARIAN HOSPITALS

The language set forth addresses the issue of payment to sectarian institutions and, importantly, gives direction to the specific responsibility for adequacy of reimbursement for the purchase of hospital care for the medically indigent. The opportunity to receive health care must exist within a relatively convenient location for the medically indigent if there is to be successful preventative health care rendered and the tax burden accordingly reduced. The utilization of a licensed hospital, regardless of its sectarian background, which in several instances locally dates back to pre-Civil War days, should require little, if any, rationale in that government should not attempt to compete with community facilities ready, willing, and anxious to render health care to the medically indigent.

ADEQUACY OF REIMBURSEMENT TO HOSPITALS

The second issue addressed by the point of order legislation concerns the responsibility for the determination of the adequacy of reimbursement for care purchased from either a sectarian or nonsectarian community hospital by the District government.

At the present time, inpatient and outpatient services purchased by the District government for approximately 15,000 medically indigent eligibles are \$38 and \$6 per day and per visit, respectively, which amounts to about one-third to one-half of the actual cost. This results in an annual program loss in excess of \$4.3 million this past year as testified to and documented before the Senate Appropriations Subcommittee on the District of Columbia.

In order that I might more currently reflect the expression of reimbursement equity as called for within this section, the District government would recognize the rates of reimbursement currently being utilized under its medicaid program. Incidentally, I spoke with your Hospital Association of Hawaii's director yesterday to ascertain the comparable formula for the State of Hawaii and found that it is full-cost reimbursement under the State-approved medicaid formula for all acute care purchased.

RECOMMENDED AMENDMENT

Because of this background and the welcomed relief of the point of order legislative section on this subject, we wish to recommend simplified language which will accomplish the objectives and clarify the designed intent as follows:

We would suggest that:

Page 3, line 24: Strike the sentence starting with "The Council shall" and add in lieu thereof the following:

The payments to such sectarian and nonsectarian institutions for the care of indigent and medically indigent patients under this program shall be those rates approved for use in payment for such services rendered under the District of Columbia medicaid program.

DIFFERENCE IN PAYMENTS FOR HOSPITAL CARE

Let me depart from the prepared statement. As Mr. Coppie explained to you, we do have two programs operating simultaneously: one program paying full costs, and the other program paying \$38 a day. In regards to your inquiry as to continuity of such programs and his response that such programs are under study; I would like to speak just quickly to raise the question that the same patient, depending on his eligibility, receives the same services in the same institution but in one case, because of a set of eligibility factors, the institution may receive \$38, and the same patient, for the same purpose and the same illness and the same institution, may be reimbursed at full cost, depending on another set of eligibility standards.

It is and always has been a personal pleasure to appear before you, Senator Inouye. I would welcome and appreciate your continuing assistance to resolve the many problems facing the District of Columbia. The language changes I have suggested are in accordance with congre-

sionally approved programs and are indeed essential to assure clarity of intent—the purpose of the point of order legislation. In conclusion, I will be pleased to respond to any questions you may have.

CITY POSITION ON AMENDMENT

Senator INOUE. Mr. Bucher, your suggestion seems very reasonable but may I, at this time, since Mr. Robinson is here, inquire as to the position of the corporation counsel?

Mr. ROBINSON. Mr. Chairman, we have not had an opportunity to study the language which Mr. Bucher has presented to the committee today. We would like to respond at a later date after we have an opportunity to review it.

Senator INOUE. Can you respond by tomorrow noon?

Mr. ROBINSON. We will do our best.

Senator INOUE. We would like to have this report to the committee this afternoon, if possible, unless Mr. Bucher wants to wait a little longer.

Mr. BUCHER. Senator, the problem we are working with has been in effect some 24 years that I have been in town. I have been before Congress each year during those 24 years, both Houses, and I have spoken with many Members and before many committees. This piece of legislation is the first time that we have been able to bring before Congress in a way in which it will be corrected from here on out and save hours and hours of both testimony, research, and paper that costs both Congress and the hospitals.

Senator INOUE. Mr. Robinson, would you provide the staff with the official position of the city as to the language change suggested by Mr. Bucher which appears on the second page of his prepared statement?

Mr. ROBINSON. Yes, sir.

Senator INOUE. And will you submit that to the staff counsel?

Mr. ROBINSON. Yes, sir.

[The information follows:]



THE DISTRICT OF COLUMBIA
WASHINGTON, D.C. 20004

WALTER E. WASHINGTON
Mayor-Commissioner

July 24, 1973

Honorable Daniel K. Inouye
Subcommittee on Fiscal Affairs
Committee on the District of Columbia
United States Senate
Washington, D. C.

Dear Senator Inouye:

At the hearing of July 19, 1973 on H.R. 8250, you requested the views of the District Government with respect to an amendment to section 5 of the bill proposed by the representative of the Hospital Council of the National Capital Area. The proposed amendment would require that the rates paid to sectarian and nonsectarian institutions by the District for the care of indigent and medically indigent patients be the same as the rates paid for medical services under the District's medicaid program. As added by the House of Representatives, section 5 of H.R. 8250 would direct the District of Columbia Council, in determining the level of payment for such services, to take into consideration the average costs incurred by area hospitals in providing such medical care to other persons, except that such payments shall not exceed reasonable costs as determined under the medicaid program.

The District Government prefers the present language of section 5 of H.R. 8250, without amendment, as it affords the District of Columbia Council the needed flexibility to establish rates with due consideration of budgetary implications and the availability of funds without having such rates of payment mandated to be identical with those paid under the medicaid program.

I trust that this information will be useful to the Committee in its further consideration of H.R. 8250.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "Walter E. Washington".
WALTER E. WASHINGTON
Mayor-Commissioner

Senator INOUE. Otherwise, Mr. Bucher, we are with you, sir.

Mr. BUCHER. Thank you very much, sir.

Senator INOUE. Thank you.

Our next witness is Mr. John Rudder accompanied by Mr. Samuel R. Watson.

STATEMENT OF JOHN RUDDER, PRESIDENT, UNITED BROTHERHOOD OF D.C. TAXI DRIVERS, ACCOMPANIED BY SAMUEL R. WATSON, BUSINESS AGENT

Senator INOUE. Gentlemen, welcome.

Mr. RUDDER. With the indulgence of the Senator, we would like for the committee's consideration to resubmit the testimony that was submitted at the hearing held before. This represents the third time we have been to the Hill, attempting to influence legislation and due to the lateness of the hour, even though we have prepared testimony, we will, at your indulgence, sir, respond.

Mr. RUDDER. Thank you, sir.

Senator INOUE. Mr. Watson has prepared a statement. Would you like to submit that statement in full?

Mr. RUDDER. Yes, sir.

[Mr. Watson's statement follows:]

July 17, 1973

Chairman
Senate District Committee
Senate Office Building
Washington, D. C. 20510

Dear Mr. Chairman:

This letter introduces me as a representative of the United Brotherhood of D.C. Taxi Drivers.

The Brotherhood endorses Mr. Diggs' proposal. We would like Congress to take an in-depth look at the problem facing the taxi industry: i.e. -- companies and the Association Dealers Insurance Company -- to find out what influence has been effective in the past and whether this influence has been good or bad. We feel that the drivers and the public are at the bottom of the heap. There are approximately 62 companies and associations in the District and I cannot comprehend what part they play in the operation of the taxicab business. When the time arrives to apply for a fare increase, these same companies and associations sit idly by and wait for some other organization or individual to file; then they try to steal the show as interveners. For example, when the United Brotherhood filed petition for a rate increase in 1971, and introduced a new map (which was drawn and concurred in by the drivers) we placed copies of both on all major company and association bulletin boards as proof of our intent. The Public Service Commission conducted a mini-study involving twenty men and came within the net range of \$3.02 per hour - which they said was more than what had been projected at our last hearing in 1969 - thus we were denied. The companies and associations did not lift a finger.

The Brotherhood filed an appeal which arrived a few days after the 30-day period. We were again denied on the basis of tardiness. Again, not one of the companies or organizations spoke up. This cost members thousands of dollars. Currently, D.C. cabs are being underpaid for interstate runs and we want to file a petition with the Washington Area Transit Commission for ten cents more per mile. The Brotherhood estimates that \$20,000 per week is paid to these organizations, yet when something arises that might benefit the members of the organization, signs are placed where drivers congregate (insurance companies, etc.) begging the drivers for money to finance the same case -- the dues were paid (such as filing petitions or making studies); dues being used to finance taxi schools so that new drivers can compete with old members.

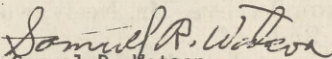
The Brotherhood feels that for the taxi industry to function properly and so drivers can earn the same amount as other professional drivers, including fringe benefits, there must be absolute control of the companies, associations and drivers. We feel the service is too essential to be entrusted to part-time drivers, that taxicabs are being used as pleasure cars going back and forth to work passing-up passengers. A number of part-timers even stop to see if passengers are going in their direction and shaking their heads if they are not makes a very poor image. Some companies and associations have put part-timers above full-timers even pleading cases for students who are working toward degrees that could care less about the industry, especially after receiving said degrees. Part-time drivers working in the government only hurts himself because as soon as it becomes known that he has a taxi, his raises become far and in-between because his supervisor/s feel that he does not need a raise by the fact that he has a cab. If the driver should protest regarding his raise, the supervisor/s will tell him that he is fortunate to have a job to come to after hacking all night.

The companies should be licensed and their intents and purposes spelled out and all benefits stated in writing. In fact, I will make a list of the things we feel this paper should contain:

1. Freeze all P.S.C. licenses (meters and limitation).
2. A minimum amount of time a cab should work.
3. License companies and associations, give guidelines of operations.
4. All cabs supplied with two-way radios.
5. Assign shifts and records kept of hours worked.
6. Companies and associations should make available all types of insurance such as hospitalization.
7. A six-month public survey taken.
8. A yearly study of taxies - make report to issue or sell.
9. Eliminate all special concessions such as hotels. (this is a form of descrimination).
10. Elect a driver representative in each company or association. (to meet once a month).
11. Eventually eliminate part-time driving.
12. Extend the time of residence from one to three years (since a knowledge of the city is required).

Thank you for your cooperation.

Sincerely,


Samuel R. Watson

FEAR OF METER SYSTEM

Senator INOUE. I believe you gentlemen were here when I asked Mr. Neely about the ever-present argument against the study relating to the matter of fear.

Mr. RUDDER. Yes, sir.

Senator INOUE. Is that your concern, also?

Mr. RUDDER. We feel the industry has already been taken over by the taxicab industry whose only purpose is to serve as leeches.

Senator INOUE. Serve as leeches?

Mr. RUDDER. On the drivers and the public, resulting in a crisis that Congressman Diggs so aptly described many times—that this city has one of the rottenest cab services. For years this industry has functioned without any responsibility to the people of the District and has resulted in the type of situation we have today. So we feel it has already taken over. We want to remediate that situation—turn it around—and the drivers and residents of the District can have a decent taxicab system.

Senator INOUE. You are saying you are against this proposal?

Mr. RUDDER. No, sir; I am for it. I am suggesting that our concern goes to the question of a big business combine already operating and performing certain functions that have prevented the people of the District from having an adequate taxi service.

Senator INOUE. I am certain the Public Service Commission will provide you with every opportunity and I am further certain that the Mayor and City Council would do likewise.

INCLUDE TAXI DRIVERS

Mr. RUDDER. Sir, one other thing. Our board did ask me to request of you—as you recall, we submitted a request seeking to volunteer our services to either this committee or the Public Service Commission and our testimony relates to this submission. We would like to do this once again. We know there is a presumption that taxi drivers are not equipped intellectually to make recommendations to an august body of this type. We know about certain presumptions.

Senator INOUE. I think to the contrary. The opinions of cab drivers are always sought, sir.

Mr. RUDDER. But we feel that in order to provide a more unbiased study that some consideration should be given to having or, including, an active, full-time driver or a number of drivers to help conduct studies. Thank you, Senator.

Senator INOUE. Mr. Neely, would you consider the proposal made by Mr. Rudder?

Mr. NEELY. I think it is a very good proposal.

Senator INOUE. Thank you very much.

Mr. WATSON. Do you have any questions, sir?

Senator INOUE. No; I think that as Mr. Rudder indicated in this hearing that we held many months ago, many of the questions posed have been considered unless you have other things to mention?

Mr. WATSON. Nothing else. I think it was pretty well covered.

Senator INOUE. Thank you. Our next witness is Mr. Irving Schlai-fer, chairman, Emergency Taxicab Committee.

STATEMENT OF IRVING SCHLAIFER, CHAIRMAN, EMERGENCY TAXICAB COMMITTEE

Senator INOUE. I believe I have seen you before.

Mr. SCHLAIFER. Yes; you have. I appeared at your hearing last year in March, regarding the bill you had suggested on the desirability of taxicab meters and we opposed it. I appreciate the opportunity to appear before you again. I was given such short notice about the meeting tonight that I was only able to prepare my statement handwritten. I would like to read it at this time.

Mr. Chairman and members of this committee, my name is Irving Schlaifer. I live at 1344 Kennedy Street NW., Washington, D.C. 20011. I am a cab owner-driver. I have been a cabdriver in Washington, D.C., for over 26 years. I am chairman of the Emergency Taxicab Committee. Its membership is composed of those in the taxicab industry that may, from time to time, find a need that through it, they can voice their opinions and take a stand on the various problems that they must face.

We are here today to say that we are absolutely opposed to section 27 (a) and (b) of H.R. 8250, introduced June 12, 1973. We ask that section 27 (a) and (b) be dropped from H.R. 8250. It proposes that \$25,000 be spent for this study. It would be a pure waste of \$25,000 and would be money down the drain. There must certainly be a better use for this amount of money.

Section 27(a) proposes that the Public Service Commission of the District of Columbia be authorized and directed to conduct a study of the adequacy of service and regulation of the taxicab industry in the District of Columbia. The study shall include the feasibility of allowing the installation of meters in taxicabs in the District of Columbia.

The reason we are here today is because the Members of Congress and the cab-riding public want better taxi service. To get better service, you need a better zone system and a better rate system.

PUBLIC SERVICE COMMISSION

The mess that we are in today is the direct blame of the Public Service Commission. The Public Service Commission is big-business oriented. The Public Service Commission prefers to deal with the real big utilities like the electric, gas, and telephone companies. We in the taxicab industry are just a nuisance to them.

The District of Columbia Public Service Commission has deliberately manipulated their control of the taxi industry over the last 39 years to force it in the direction of taximeters and limitation. The Public Service Commission has always had a history of wanting taximeters. That is why we object very vehemently to any act of Congress that would let the Public Service Commission hold hearings to determine whether we should have meters or zones. It would be like asking the fox to guard the hen house.

On July 6, 1972, I filed a petition containing 16 proposals for a taxi rate hearing before the Public Service Commission. On July 12, 1972, this petition for a rate hearing was granted as formal case No. 577. On Saturday, March 17, 1973, an interim rate increase of 15 percent

went into effect. Here it is July 1973 and we still haven't finished this taxi rate hearing. Heaven knows when this hearing will ever be completed. It is our guess that we will be extremely lucky if it is completed in 1974.

ADEQUATE COMPENSATION

The point that we are trying to make here is that adequate service is directly related to adequate compensation. You get only what you pay for. The cabdriver cannot be forever expected to work for nothing.

MILEAGE RATE ZONE SYSTEM

The key part of my taxi rate hearing proposal is that we replace the taxi zone system, now in use, made up of 26 zone areas of unequal size, with a floating zone system having zone areas of equal size, the mileage rate zone system, and, to set the fare the mileage rate zone system, based on the airline distance, at 70 cents for the first mile, 30 cents for each additional half-mile and 30 cents for each additional passenger.

The flat-rate zone system is far superior to any taxi-meter system. The mileage rate zone system will go a long way toward making the taximeter obsolete. The taximeter is the legal right to steal. All that we need to do is to replace the oppressive and obsolete taxi zone system now in use with the mileage rate zone system. Taxi service must be improved and improved at once. The Congress and the cab-riding public should not have to be made to wait forever, while the Public Service Commission takes its "sweet time" deciding on whether or not to make up its mind to authorize the use of the mileage rate zone system, now under study in the current taxi rate hearing, formal case No. 577. The Members of Congress should introduce a bill calling for the immediate use of the mileage rate zone system. Such a bill would not be in conflict with the congressional ban on the use of taximeters, but, requiring the use of a system of uniform zones.

CABDRIVERS OPPOSED TO METERS

At the hearing held Tuesday, May 22, 1973, before Hon. Thomas M. Rees, chairman of the Subcommittee on Revenue and Financial Affairs of the House District Committee, the overwhelming majority of those present were opposed to section 27 authorizing the study of desirability and feasibility of requiring the installation of meters in taxicabs in D.C. In spite of our objections, section 27 was approved. On June 11, 1973, H.R. 8250, containing section 27, was passed by the House.

On June 18, 1973, the House District appropriations bill was passed. On pages H-4863 and H-4864, Congressman William H. Natcher of Kentucky, chairman of the House District Appropriations Committee, made it crystal clear to Congressman Charles Diggs, Jr., of Michigan, chairman of the Committee on the District of Columbia, that the ban on taximeters will continue to remain as long as the overwhelming majority of the D.C. cabdrivers are against meters.

We see no reason for the taxicab industry to be studied to death. We do not need any more studies. All that we need is for Congress to tell the Public Service Commission to use the authority it already has to immediately adopt the use of the mileage rate zone system, and, if the

Public Service Commission refuses to make use of its authority to do so, then the Congress should introduce a bill calling for the immediate use of the mileage rate zone system by the Public Service Commission.

PROBLEMS WITH METERS

The taximeter is no cure-all or utopia. The cities that have taximeters are having a lot of problems with them. Several years ago, in Los Angeles, Calif., the Yellow Cab Co. was guilty of operating with fast taximeters; that is, their taximeters were set to run 20 percent to 25 percent faster than what they should have been. A \$4 trip became a \$5 trip. In New York City, a January 30, 1973, news item in the New York Times stated that the cab companies were complaining that their drivers were not turning on their taximeters and that they were collecting the cab fares from their passengers and putting the money in their pockets, therefore, the companies were losing an estimated \$3 million a year. It stands to reason that if the cabdrivers find it easy to steal from their companies, then they would find it just as easy to steal from their passengers.

It is true that we have some problems with the taxi zone system now in use in D.C. but, please don't do anything that will eventually make taximeters mandatory in the D.C. cabs. Taximeters will create many more problems and make them even harder to control. Taximeters will put a lot of companies out of business and a lot of drivers out of work.

We can solve our problems with the adoption of the mileage rate zone system. We can solve our other problems by having more hearings before the Public Service Commission so that all rules and regulations governing taxicabs can be brought up to date.

OPPOSES STUDY

Senator INOUE. I recall your testimony a year ago. In summary, why are you opposed to this study? This study will not make any determination; it will not establish the meters. It will make recommendations. From what I can gather it will take a special act to put that into operation.

Mr. SCHLAIFER. That is correct and we feel——

Senator INOUE. You do not want a study to see whether your contentions are correct or not?

Mr. SCHLAIFER. Let me just say this: We have a taxi rate hearing going on right now. I filed for the rate hearing last year in July and the petition was accepted by the Public Service Commission and of the 16 original proposals, I have suggested this: We do away with the taxi zone system now in use and go to a mileage rate zone system. I brought this map. It is on your desk there now and I have a picture of the taxi zone map now in use showing that it is a jigsaw puzzle and a monstrosity. The PSC has authority to adopt the mileage rate zone system if it chooses to do so but, for some reason, and the only thing that I can say today, is that as an educated guess, they want to go in the direction of taximeters. They do not want to do anything that will get in the way of the direction that they are now headed. Any proposal that might come up or any solution that might come up that would be an adequate answer or solution to our problem today, the

PSC will try to sidestep it. Therefore I feel that it is important for the Members of Congress to introduce a bill calling for the immediate use of the mileage rate zone system and in that way take the problem out of the hands of the PSC since they do not want to solve it.

Senator INOUE. You do not trust the PSC?

Mr. SCHLAIFER. Actually not.

Senator INOUE. You do not think it will be objective in its consideration of the problem?

Mr. SCHLAIFER. Actually not. I feel that if some other body was asked to do a study of the question of the meters or zones—in fact, it might even be suggested now that why not let the public be the final judge. Why not let the industry have an option. If they want taximeters, let those foolish enough to equip their cars with taximeters, have their taximeters. If those that want the mileage rate zone system, let them have it; and if those who feel that the zone system that they are using today is what they want to keep on using, then let them use it and then let the public which pays the bill be the final judge as to which of the three different rate systems they would choose to use and not some regulatory agency. We now have it mandatory that only one system can be used. They are having problems with taximeters in Los Angeles. They are having problems with taximeters in New York City.

Senator INOUE. In order to address itself to your problem, this bill also requires that this matter be considered by the Commissioner of the District, who is the Mayor, and the members of the City Council. Is not this sufficient protection to you?

MAYOR'S OFFICE

Mr. SCHLAIFER. Let's talk about the Mayor's office. He has a transportation consultant by the name of Douglas Schneider. He is on record as wanting taximeters. He is also on record, from the best information I can get, that he is big-business oriented. He would like to see only a few cab companies have what can be called certificates of public convenience and necessity, and which is reported in our new taxicab trade paper, that last month on a two-part series on WMAL-TV, he indicated he would like to be in a position to order the cab companies that they must have certain numbers of cabs out on the city streets at certain times to provide services. Failure to do so would mean they would have their license revoked to do business and by having this threat held over them, he feels that he can force the cab companies to provide service where it is not being provided. We feel that the solution is simpler by going to a better kind of taxicab zone system and better rate system.

Mr. Douglas Schneider is also a member of the Public Service Commission so he serves two ways. He is on the Public Service Commission as a Commissioner and he is in the Mayor's office. So, we feel we do not stand a ghost of a chance of convincing him that what we are objecting to is correct. As far as the City Council is concerned, what you have is a City Council that can be best described as a jack-of-all-trades, but a master of none. No one on the City Council has the expertise of what is required of the taxicab industry; how it should function and so on.

CONGRESS BETTER EQUIPPED

Senator INOUE. So you feel the Congress is better equipped to cope with your problem?

Mr. SCHLAIFER. Exactly. And I feel the thing to do, and it can be done immediately, is to have a bill introduced calling for the mileage rate zone system. This proposal has been before the Public Service Commission since 1958, and the history of that, at the time I first brought it before them, I said here is the solution to the problems we are having with the zone system now in use and their basic answer was to clobber me, with the idea in their mind that I would get lost and never bother them again with this proposed solution. I brought it up before the 1963 rate hearings 5 years later; basically what the lawyer for the PSC said at that time was, "Were you not here with this proposal 5 years ago and what are you doing back with it again?" Five years later in the 1968-69 hearings I brought it up again. This time, it was a question of the PSC letting me say what I wanted and it just went in one ear and out the other.

MILEAGE RATE ZONE SYSTEM

Now, I have the rate hearing and in the rate hearing the key proposal is to replace the taxi zone system now used with the mileage rate zone system and it has gotten more and more support over the years. The Washington Post gave it editorial support 4 years ago; the Evening Star gave it editorial support this year. It is no longer a case of my saying here is a solution. There are now others that have looked at it and they are now saying that they like it as well.

The only thing that is now needed is for the mileage rate zone system to be adopted and in a matter of a few weeks time, everybody will get used to using it. The public will get what they are paying for and drivers will get paid for the trip they provided.

DRIVERS REPRESENTED

Senator INOUE. How many drivers do you represent?

Mr. SCHLAIFER. I have represented quite a few thousand because the way it works out is this way: Every day, there are three or four drivers will ask me what is going on as far as the taxi industry problems are concerned.

Senator INOUE. You must have an organization. How many people are in your organization?

Mr. SCHLAIFER. I keep what I call a floating membership, if you want to put it this way. My wife gave a very clear remark to it. I was explaining it on the phone to some person asking the same question. I said it is a floating membership and my wife commented, "Yes, you or nothing." So you might call me a committee of one, trying to do what I can for the industry and as a committee of one, I think I have succeeded quite well in accomplishing many things. I have stayed on the target; I have been persistent in not dropping what I consider to be the good approaches that we need in the industry.

Many items I have proposed in the past have been adopted. Some may have said that they did not care for them but they are now in use. One proposal that I made that got a lot of objection was when I said

the cab passengers should pay cash in advance for their cab trip because we were having a problem making change and this was modified to permit the cab driver to have the option of asking for cash in advance and that has served a very useful purpose because there are some passengers that give cab drivers trouble. Another suggestion I made was that we be allowed to charge double fare for snow emergencies. This was to encourage cab drivers to come out and work on the days when there was snow on the ground otherwise there would be very few cabs available. Unfortunately this proposal was modified to full fare for each passenger.

I also said we ought to get a half-dollar for call services instead of 25 cents. This was finally adopted in March of this year. I have been proposing this change for 15 years.

Senator INOUE. You are a very effective man, sir.

Mr. SCHLAIFER. So this proposal of a new kind of taxicab zone system will make the taximeter system obsolete. I would be willing to pay \$1,000 for a taximeter if I thought it was important to my business but if you look at what I placed before you, this could be called a hand operated taximeter. So, what is the point of my having a \$300 or \$400 or \$500 taximeter when I could do it with a plastic overlay and map that would cost \$10 and at the same time, give maximum protection to my cab passenger. Now, this means that a man could call a cab company, the Public Service Commission, or the Hack Inspector's Office and could find out from them the exact price his ride would be and then when he got in the cab, he could tell the driver, "I understand that this ride is \$1, \$2," and the driver would have no quarrel with the passenger.

Senator INOUE. I am sure, Mr. Schlaifer, as chairman of the subcommittee, your arguments will be brought to the attention of all of the members.

Mr. SCHLAIFER. I would appreciate if it is possible to include some additional items.

Senator INOUE. Your statement will be made a part of the record in full.

Mr. SCHLAIFER. I meant like this map, here, of the taxi zone system, the map that has the paper clip on it, the map that I have with the Capitol Building is the center for the mileage rate zone system.

Senator INOUE. This matter will be discussed by the staff and the printer to see if it is feasible to include all of it.

Mr. SCHLAIFER. Then I have an article from the National Review, February 1972.

Senator INOUE. You wish to make this all part of the exhibits, sir?

Mr. SCHLAIFER. Part of the record.

Senator INOUE. Without objection, on the record.

Mr. SCHLAIFER. And then the item from the New York Times which means that the drivers are stealing from the companies—they do not turn the meters on they are telling.

Senator INOUE. Yes, sir.

Mr. SCHLAIFER. These are the items I feel would be important to be made a part of the record.

Senator INOUE. Present the exhibits to the staff, sir.

Mr. SCHLAIFER. Thank you very much.

Senator INOUE. I thank you very much.

[The exhibits follow:]

Letters to the Editor
The Evening Star
2nd & Virginia Avenue, S. E.
Washington, D. C.

47A

Tuesday, November 24, 1959

Dear Sir:

In Re: D.C. Taxicab Industry

The constant reference to rapid rail, street cars and buses as mass transportation needs a second look. Its feature attraction is price with a great deal of inconvenience. These inconveniences are the necessity of walking or driving to the nearest boarding point, loss of time to make connections and additional loss of time to reach the final destination. Since time is money, passengers are very selective as to which form of public transportation benefits them the most. Because of this, taxicabs are in great demand.

We have seen passengers turn to purchasing and using their own cars, mainly for transportation purposes to and from work. They justified this action because it either saved time, or the convenience of owning their own car for this purpose was well worth it. All forms of public transportation has seen a return of many of its former riders because these former riders are faced with the problem of economizing wherever possible. Improved service in all forms of public transportation will attract even greater numbers of former riders.

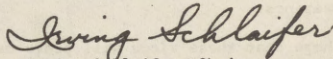
We, in the Taxicab Industry, do not appreciate being overlooked as to the part we play in mass transportation. Our 9,000 some cabs contribute a tremendous service in public transportation. During the morning or evening rush hours every form of public transportation is needed. During the slack day hours or slack night hours, taxicabs becomes in reality, almost the only form of reliable public transportation available. It would be financial suicide for the railroad, streetcar or bus operators to continue 'round-the-clock service with all of its equipment in use.

Many users of public transportation combine a taxi trip with a train trip, a taxi trip with a street car trip, a taxi trip with a bus trip, a taxi trip with a private car trip, or, the reverse procedure is used. Many use taxi trips exclusively. One, needs only to observe how many passengers use taxis when arriving or departing from the bus, railroad or airport terminals. The overwhelming majority use taxis.

During the off hours, when streetcar and bus service is reduced, taxis are the passengers preference. At night, taxis are in demand, because many streets become unsafe. At night, passengers usually fear waiting alone at some desolate corner for a streetcar or bus, or having to walk to and from such stops, therefore, the sight of a taxi is warmly welcomed and it is eagerly used. Adverse weather conditions brings about an even greater use of taxis. There are many, many other reasons, as well, that could be brought out for the desire to use taxis. It is easy to realize that when these many facts are considered, taxicabs are in reality mass transportation.

Since we are all trying to encourage a greater use of public transportation, taxi service must likewise study ways and means to carry greater numbers of passengers. If, for example, the 9,000 some taxicabs carry 500,000 passengers per 24 hour day, we should seriously consider every recommendation that will make it possible to carry 1,000,000.... 1,500,000 or 2,000,000 passengers in the same given amount of time. At the present time very few cabs operate at peak efficiency, therefore, thru thorough studies and public education better use of cabs will result. The recommendations that we have made in our testimony at the Mass Transportation Hearings, Saturday, November 14, 1959, is intended for that purpose and we trust that they will be seriously considered.

Sincerely yours,



Irving Schlaifer, Chairman
Uniform Circular Zone System Committee
912 Gallatin St., N.W.
Washington 11, D. C.

Metropolitan Planning Associates
Transit Consultants
Box 161, Washington 4, D. C.

Washington, D. C.

Yonkers, N. Y.

Trevese, Pa.

10 April 1963

Chairman
Public Utilities Commission of the District of Columbia
District Building
14th Street and Pennsylvania Avenue NW
Washington 4, D. C.

Sir:

It is understood that the Public Utilities Commission has taxed Washington taxicab drivers in order to raise funds for the purpose of conducting hearings on taxicab fares and zones. The following are Metropolitan Planning Associates' considered views on the matter of zones. We request that you weigh these views along with other testimony that you receive.

We believe that taxicab fare zones should be uniform throughout the city. We are aware of only one workable system that provides uniform fare zones: the uniform-circular-zone system.

We believe -- fortified by personal experiences with taxicab travel -- that the fixed, irregular zone system in use in the District of Columbia is discouraging more frequent use of taxicabs. We believe, further, that adoption of the popular uniform-circular-zone system would encourage more persons to use taxicabs more often. Increased taxicab use would contribute materially to efforts to decrease automobile congestion on city streets and highways.

We are definitely opposed to introduction of meters, primarily for the reason that fares cannot be accurately predetermined. A taxicab driver should be able to tell a prospective passenger exactly what the fare will be before he agrees to take the trip. Inability to do so would be a further deterrent to greater use of taxicabs by the travelling public.

We favor adoption of the rate structure on a trial basis so that the Public Utilities Commission may have the opportunity to investigate whether or not the taxicab drivers are gaining adequate revenue from trips and/or whether or not passengers feel they are paying too much for their trips (and consequently are avoiding taxicab use). The Commission can later make whatever adjustments are necessary. One of the unique advantages of the uniform-circular-zone system is that the fares can be adjusted by the Commission by either of two methods:

- (1) increase the rates, but keep the zones the same.
- (2) shrink the radius of the zones, but keep the rates the same.

In support of the uniform-circular-zone system, we could only reiterate the carefully determined advantages already brought out by other parties. We are sure that the Commission will have such information brought before it during the forthcoming hearings.

We hope that these views will prove useful to you in making your determination.

Respectfully,

Gordon J. Thompson
Executive Secretary and
Technical Project Director

Metropolitan Planning Associates
Transit Consultants
Box 161, Washington 4, D. C.

2 December 1963

The Honorable James A. Washington, Chairman
D. C. Public Utilities Commission
District Building, 14th & E Streets NW
Washington 4, D. C.

Dear Sir:

During our telephone conversation on 29 December 1963 concerning a map for use with a proposed Uniform Circular-Zone System for determining taxicab fares, you asked three questions: (1) Can such a map be prepared?; (2) How much would it cost; and (3) How much time would be required to prepare it? You desired this information on Monday in order to have it available for public hearings on Wednesday, 4 December, 1963.

Earlier today, I left a message with your secretary telling that Metropolitan Planning Associates can prepare the required map for \$1,200 in about one month's time. This cost does not include printing of the map which would probably amount to about \$600. Because of present commitments, we cannot begin the map until after the end of the year. I promised to confirm this in writing and to provide details on the preparation of the map; this is the purpose of this letter.

I would like to preface the map-making information by expressing my pleasure at learning that the Uniform Circular-Zone System is under serious consideration. Justifiably (in my estimation), taximeters are not permitted in Washington; a zone system is required. But, the present irregular-zone system contains many inequities for both passengers and drivers.

The high cost of acquiring taximeters must be passed along to the rider; he is the sole source of revenue. Questions involving hidden costs are (1) Can the D. C. government afford to inspect the meters in the large number of cabs operating here to assure their proper functioning and accuracy?, and (2) Can the Commission adequately handle the volume of complaints that might be made by riders? Unpleasant experience in other cities where taximeters prevail indicates that there can be vast variation from cab to cab for the same length of journey. Even in nearby Montgomery County, Maryland, I have found an often-taken trip to range from \$1.20 to \$1.50. This indicates an error of $3/4$ mile in $3\frac{1}{2}$ miles which is a considerable variation in meters.

Systems using the odometer as a taximeter would circumvent the installation-cost problem, but would magnify the other problems. Use of the odometer would be in variance with the intent of Congress in banning meters.

In transportation systems, "zones" with flat fares are not considered to be "mileage" systems (as are taximeters and odometers). These zones can be either uniform in size or varied to suit traffic volumes (e.g., on a transit system, a large "city" zone and smaller suburban zones). Therefore, I believe that the proposed Uniform Circular-Zone System is a zone system by definition as well as by title and is thus in consonance with the law. Yet it can nearly approximate the charges of a mileage system without the inequities of the present rigid zone system. Furthermore, it provides protection to the passenger while still being fair in remuneration to the driver. It is my opinion that the Uniform Circular-Zone System will instill a new public confidence in taxicabs and encourage greater use of them.

Metropolitan Planning Associates will compile and draft the map that is necessary for implementation of the Circular-Zone System if the Commission decides to adopt the system. We will also prepare printing instructions to be incorporated into printing specifications. It is assumed that the maps will be printed either on facilities of the D. C. government or by a separate contract to another government agency or a commercial firm.

Although a longer time would be desirable, the map can be prepared, ready for printing, in one month -- barring delays in the necessary servicing from other firms (i.e., for type-setting, photographic reductions, etc.) Time required for printing would depend upon the printer selected; the work would certainly require at least a full week on an urgent, high-priority order. Your attention is directed to the fact that, in the past, the U.S. Coast & Geodetic Survey and the Army Map Service have accomplished printing of maps for the D. C. Department of Highways and Traffic.

2 December 1963

Although the preparation cost may seem high, it is no more than the cost required to install taximeters in a few cabs. This initial cost will be a long-range investment: once prepared, the map can be inexpensively revised and reprinted from time to time as major changes take place in the street pattern (such as in the Southwest redevelopment project).

FURTHER DISCUSSION IS CATEGORIZED:

ACCURACY: This map will become a legal document. As an instrument for measuring a utility charge, it must be precise. We propose that it meet the National Map Accuracy Standards which require all well-defined features (such as street intersections) to be plotted within 1/50th-inch of their true positions. Visual acuity will not allow use of the map and a measuring device to any greater accuracy, so striving for greater accuracy would only increase the preparation cost without gaining additional utilization.

SIZE: A map scale of 1 inch to 1 mile was suggested. This would produce a map 10 by 8½ inches that could be printed on 10½- by 9-inch paper -- this is slightly longer in one dimension and slightly shorter in the other direction as compared to the present Zone Map which is 9 by 9 inches on 10- by 9½-inch paper. A larger size would improve legibility while not being too cumbersome: the scale of 1½ inches to 1 mile would produce a 12½- by 10½-inch map that could be printed on 13- by 11-inch paper. The magnifying device that Mr. Schlaifer suggests would also be helpful in enabling the map to be small in size.

SOURCES OF MAP DATA: A great number of commercial maps have been published showing the street system of the District of Columbia. Those cannot be used because they are not accurate; areas are exaggerated in order to accommodate wide, double-line road symbols, street and neighborhood names, etc. Often, new streets and subdivisions have been added "by eye". Also in use of commercial maps, copyright restrictions are encountered. Several accurate government maps are available, but they must be redrawn to suit the unique purpose and special size of the required map. We propose to use as a primary source the "Map of the Permanent System of Highways, District of Columbia," 1 inch to 2,000 feet, prepared in the Office of the Surveyor, D. C., by direction of the Engineer Commissioner, D. C., 1960 edition. Existence of streets would be confirmed by reference to aerial photography taken in April 1963 for the Bureau of Public Roads. This verification is necessary because the map prepared by the Surveyor contains some dedicated -- but not yet constructed -- streets, and because new streets have been opened since the map was published in 1960.

MAP CONTENT: This map has a unique purpose. It is for use in determining the amount of fare to be charged. The features to be drafted will be tailored to suit this need. All streets would be shown by a single-line symbol and would be labelled with their names. The Anacostia River bridges would be emphasized because these would be key intermediate points in use of the Circular-Zone System. A grid network would be shown to assist in locating streets on the map. Large park and water areas would be separately symbolized. Unnecessary clutter would be avoided by omitting buildings and their identifications (except key landmarks of significance to the cab business, such as Union Station, Greyhound and Trailways bus terminals, the new Airlines Terminal, the Capitol, and the White House), railroad sidings, airfield runways, driveways, alleys, etc. A street index, keyed to the map's grid, would be prepared for printing on the reverse side of the map (actually, it would be printed on a separate sheet of paper so that a metal sheet can be sandwiched between the map and street listing).

COLORS: Our estimate is for preparation of a single-color (black) map for printing on white paper. Use of various colors to portray different features will create too many problems of image registration that would detract considerably from the map's accuracy. However, if colors are desired for overprint (in which case registration is not critically a problem) to emphasize certain information, they can be prepared at no extra cost. For example, it has been suggested that color overprint be employed to differentiate between the city's quadrants (NE, SE, SW, and NW). The rivers could be shown in blue. If the map is reproduced in only black and white, the location grid would be indicated by tick marks in the margin; if in colors, the grid can be full lines printed in light blue across the face of the map. For color reproduction, the following is suggested:

- Black for streets, names, and border.
- Light blue for water and grid lines.
- Pale buff for Northeast quadrant.
- Pale yellow for Southeast quadrant.
- Pale pink for Northwest quadrant.

2 December 1963

The white background of the paper would serve as the "color" for the small Southwest quadrant. The blue and yellow can be overprinted with one another, if desired, to produce a green for the large parks.

PREPARATION METHOD: The Surveyor's map would be revised in accordance with the aerial photography and photographically reduced to the size selected for drafting. Drafting would be by either of two methods: (1) Scribing on plastic at the final reproduction scale; or (2) Drawing (pen and ink) at larger than reproduction scale -- the drafted image to be later photographically reduced to reproduction scale. Although scribing would guarantee fine, sharp linework, the second method is proposed because of several unique problems associated with this project. Commercially available type sizes are not small enough to be added at reproduction scale; they would have to be photographically reduced in size. Proper registration between the scribed streets and the type for their names would be difficult to assure. By using the draw-and-reduce method, decision on the final reproduction size can be deferred until immediately prior to printing the map, after samples at various reduced sizes have been inspected by the Commission. (A map designed for reduction to 1 inch to 1 mile is equally adaptable to 1 inch to $1\frac{1}{4}$ miles, $1\frac{1}{4}$ inches to 1 mile, or $1\frac{1}{2}$ inches to 1 mile.) As a byproduct of this method, the original drawing (about 2 inches to 1 mile) can become a large master map for reference in the Public Utilities Commission offices.

ENLARGEMENTS: Enlargements can also be made from the original drawing and reproduced. These can be placed at key points of taxi-traffic generation such as Union Station, bus and airline terminals, D. C. Armory, D. C. Stadium, public buildings, and hotel (and possible theater) lobbies. The Commission staff (or a contractor under Commission supervision) could draft the circular zones applicable to the individual map site onto the map to assure accuracy.

NOTES AND SUGGESTIONS ON REPRODUCTION: The maps should be reproduced by photolithography. In order to maintain the map's accuracy, the process photography must be done with a stable-base film; press plates must be metal instead of cardboard or plastic. The map can be printed at least 4-up (i.e., 4 identical maps on one sheet of paper) to reduce the printing quantity (lithographic presses usually have a capacity for 22- by 29-inch work). They would be trimmed apart after printing. The maps should be printed on a high-wet strength paper -- similar to that used for nautical charts and military maps -- in order that it will not go out of size between printing and mounting on metal. Inks for color overprints must be transparent so that they do not obliterate the black image and so that the blue and yellow will produce a green without screening. Because of narrow lines and small type that would appear on the map, it is not recommended that such overprint be by screened tint (i.e., by a color or combination of colors printed as small dots) because the dot pattern will tend to detract from the fineness of line and sharpness of type; to avoid this condition, the colors should be printed solid. A variety of surfaces can be supplied or applied by most printers -- some are laminated on, others are cemented on, still others are sprayed on. This protection of the printed image is necessary because of abrasion of constant use of the plastic measuring device. It would also be possible to slip the metal-mounted map into a transparent plastic case to serve the same purpose. The printer must be cautious that the spray or laminating process does not feather the ink, for sharpness of line is of utmost importance.

I hope that the foregoing information will prove useful to you. If you have any additional questions or desire clarification of anything stated this far, please do not hesitate to let me know.

In the event that the Commission decides to adopt the Uniform Circular-Zone System, and therefore is in need of the discussed map, Metropolitan Planning Associates would appreciate the opportunity to submit a more specific proposal for preparation of the map. As you can appreciate, this present information was hastily developed and we have not had the opportunity to confirm certain aspects of necessary services with those firms that would provide these services.

Very truly yours,

/ Signed /

Gordon J. Thompson
Executive Secretary and
Technical Project Director

Wednesday, June 24, 1970

Letters to the Editor
 The Washington Daily News
 1013 - 13th Street, N. W.
 Washington, D.C. 20005

Dear Sir:

The taximeter advocates have never given up their fight to get rid of the flat-rate zone system wherever it is in use.

We are quite well aware of the fact that the advocates for the return of the taximeters have been very busy on "Capitol Hill", selling everyone that they can the exaggerated claim that with the time and mileage taximeter, that all of the problems faced by the D.C. cab industry and that all of the problems faced by the cab-riding public will be completely solved. Nothing could be farther from the truth. All one needs to do is to look at the many problems still unsolved in those cities where the taximeter is mandatory.

With taximeters, limitation of cabs always follows. Taximeters and limitation of cabs by an arbitrarily chosen number, or, by the issuance of certificates of public convenience and necessity, or, by attrition will put thousands of cab drivers out of work. In those cities where this is the general practice, there is a serious shortage of cabs.

With taximeters, the number of cabs in Washington, D.C. would be reduced from 10,000 to 4,000. With 6,000 fewer cabs there will be thousands of fewer job opportunities in the D.C. cab industry and the related industries that provide many of the needed jobs and services for these thousands of cabs that would be forced off of the streets. The welfare department would have to face the financial burden of providing for those forced to be unemployed.

It is of the utmost importance that our lawmakers study all of these proposals brought before them and recognize the importance of those proposals that will put people to work, rather than those proposals that will put them out of work.

It is only natural that the taximeter manufacturers want the flat-rate zone system as used in D.C. done away with and that taximeters should be made mandatory. These manufacturers would then have a \$5,000,000 market in the sales and services of their unneeded and unwanted products forced upon the 10,000 cabs in D.C.

These manufacturers could very easily set aside 10% of this amount or \$500,000 to wine and dine the appropriate Representatives, Senators, city officials, regulatory agency officials and cab company management. It would be a simple matter for them to make "contributions" to their campaign or vacation funds in order to get their support.

For years the cab-riding public has been brainwashed as to the merits of the taximeter. The cab-riding public needs to be told the hard truth about what is happening to him. The cab-riding public is being fraudulently parted from more and more of his money wherever the taximeters are being used.

A similar comparison can be made with the cigarette as with the taximeter. For years the public has been brainwashed as to merits of smoking cigarettes. The cigarette smoker has been finally told the hard truth. He is now being bluntly told what the dangers and risks are to his health in smoking cigarettes. Like the cigarette smoker, the cab-riding public needs to be told what the dangers and risks are in riding cabs required to use taximeters.

We say that someday soon, the Federal Trade Commission will declare the taximeter a fraudulent device. We say that the Federal Trade Commission will declare the taximeter unfit for human use in the same way that they have finally declared the cigarette unfit for human use.

Let us try to get a clearer picture of why we say all of this about the taximeter.

The taximeter is a fraudulent device because it is the legal right to steal. The taximeter is a "one-armed bandit". Once the driver pulls the lever the "house" always wins.

- 2 -

The taximeter was never intended to protect the cab-riding public. The gimmick of the taximeter is to make carelessness profitable whether it be intentional or not. The taximeter operators prefer to call this deliberate carelessness "human errors."

The "human errors" where taximeters are used and required by law to be mandatory, have defrauded the cab-riding public of millions and millions of dollars. Yes, we would even say that the cab-riding public has been defrauded of even billions of dollars over these many years where the taximeters have been in use in this country and in other countries around the world.

There is a great turnover in cab drivers in any given small or large city. It is not a highly paid profession. It does not always attract the more capable and desirable individuals to its industry to become its cab drivers. Therefore, is it any wonder that this type of cab driver makes what these taximeter operators prefer to call "human errors"?

The taximeter is nothing more than a guessing box. It always becomes a guessing game as to what the correct fare will be. The taximeter holds the cab-riding public in a hypnotic trance. They are so hypnotized by the taximeter that they cannot take their eyes off of it until they pay what it says, be it nearly right or completely wrong. They leave the cab knowing that they have been taken, but they are unable to figure out how it happened to them.

With the taximeter identical trips do not always have identical rates. With the taximeter the cab driver is supposed to take the shortest and least expensive way possible to the cab passenger's destination. There can be but only one least expensive way, but, no limit as to the number of far more expensive ways to a cab passenger's destination.

Since we are constantly dealing with "human errors" the percentages are overwhelmingly stacked against the cab-riding public whenever he needs a cab that is required to use a taximeter. He cannot get out of being deliberately overcharged on practically every trip he takes.

We spoke of "human errors" that constantly defraud the cab-riding public. Let us now turn our attention to one of the most abusive and least noticed of the "mechanical error" methods used to defraud the cab-riding public. The size of the tire on the rear wheels will make the taximeter run faster as it wears down. Each time new tires are put on the rear wheels, the taximeter is supposed to be adjusted to make its reading correct to the tire size.

It is not unusual for a cab to put on an average of 1,000 miles per week with one driver. With 2 or 3 drivers, running the cab 24 hours a day, an average of 2,000 miles per week will result. The faster the tires wear down, the faster the taximeter runs. The net result of this is, that it becomes a very clever way to overcharge and defraud the cab-riding public.

We know of no reporter that has ever seen a taximeter manual detailing the proper steps for the correct adjusting of a taximeter. It is quite obvious that the taximeter manufacturers prefer to keep all of this to themselves and keep it a trade secret from the prying eyes of the news media and the general public.

What reporter has ever spent a day with a taximeter repairman to really learn and report his trade secrets, and, to get the facts about how fraudulent the taximeter really is?

With the flat-rate zone system as used here in D. C. the cab-riding public gets maximum protection because identical trips always have identical rates. It is impossible to get maximum protection with the taximeter because identical trips do not always have identical rates.

With the flat-rate zone system for a contract price you get a contract trip. With the flat-rate zone system all detours and delays are considered a part of the business risk.

The idea of a contract price for a contract trip is nothing new. It is used in all other forms of passenger transportation services. It is only in the taximeter operation that they refuse to use this method.

- 3 -

The taximeter operator will not give you a predetermined price on any given trip. The taximeter operator will tell you that there are many extenuating situations that could change the final price of the trip, such as, detours and delays. The taximeter operator wants the passenger to take all of the risk and pay for all of the detours and delays.

The only honest way to merchandise a service or a product is to put a price tag on it. In this way the user of the service or product can prepare himself for the cost in advance and is fully protected. The honest merchant will put a price tag on his service or product. The dishonest merchant will not. The taximeter is what the dishonest merchant will always want to use.

We are seeing more and greater demands for consumer protection. Isn't it high time that we recognize once and for all what the taximeter really is and stop its use immediately? Consumer protection is not in the vocabulary of the taximeter advocate. Consumer protection is in the vocabulary of the flat-rate zone system cab operator.

We are well aware of what is wrong with the flat-rate zone system now in use in D.C. The use of the rigidly fixed boundary lines made up of arbitrarily selected streets creates 26 zone areas of unequal size. It is a monstrosity and a jigsaw puzzle.

A 6 block trip can cost as little as 60¢ or can cost as much as \$1.45. A 3 mile trip can cost as little as 75¢. You make an absorbent profit on one trip only to have it wiped out on the next trip. The short trip rider must always subsidize the ride of the long trip rider.

The only possible and satisfactory solution to this problem is to create zone areas of equal size, wherein, the cab-riding public pays for the distance he travels. It can be best achieved by adopting the mileage rate zone system, 70¢ for the first mile, 30¢ for each additional half mile and 30¢ for each additional passenger.

The mileage rate zone system will decrease the rates where needed, increase the rates where needed and leave the rates unchanged where needed. Sixty percent of cab-riding public will pay no increase in rates.

The mileage rate zone system is a well established zone fare system. It is being used to compute parcel post rates, airline rates, trucking rates and telephone rates.

The mileage rate zone system complies with the law of Congress calling for a system of uniform zones. The mileage rate zone system will make the taximeter obsolete.

The D.C. Public Service Commission has all of the authority it now needs to have the rigidly fixed boundary line system of zone areas of unequal size replaced with the mileage rate zone system of zone areas of equal size. Once the mileage rate zone system is adopted and in use, the cab-riding public will be served on a first-come, first-serve basis.

Sincerely yours,

Irving Schlaifer

Irving Schlaifer, Chairman
Emergency Taxicab Committee
1344 Kennedy Street, N. W.
Washington, D. C. 20011

December 11, 1972

Letters to the Editor
The Washington Post
1150 - 15th St., N.W.
Washington, D.C. 20005

Dear Sir:

We do not need 24 more taxi inspectors, at a yearly cost of over \$250,000, to crack down on our 12,000 D.C. cab drivers. What we really need, is for Congress to crack down on the D.C. Public Service Commission, and, take the Public Service Commission out of the taxi business.

The cab drivers should only have to take one percent of the blame for the poor taxi service in D.C. The Public Service Commission must take 99% of the blame for this problem. They have deliberately given the cab drivers the short-end of the deal for over 39 years. Everyone has been made to suffer for it unnecessarily.

The cab drivers have always been ready, willing and able to give good service to the cab-riding public, but, that is not possible, when the Public Service Commission refuses to use the authority it already has, to give them what they need, to do their job in the way that it should be done.

The oppressive taxi zone and rate system, forced upon the cab drivers by a corrupt Public Service Commission, must be replaced by an entirely new taxi zone system. That new zone system must be the mileage rate zone system, a floating zone system based on the airline distance, 70¢ for the first mile, 30¢ for each additional half-mile, and, 30¢ for each additional passenger.

No taxi zone system should ever be used, wherein, you make an exorbitant profit on one trip, only to have it wiped out on the next trip. The ever-increasing traffic jams, and, the building of the subway system has virtually wiped out what little profit there is, with the obsolete taxi zone system now in use.

D.C. cab drivers are not on any company payroll. They are all self-employed. They must decide for themselves, how best they can make a decent day's earnings, if they are to survive in a very extremely competitive business.

Next month, on the 15th of January, taxi rate hearings will be held. The big question is, will the D.C. Public Service Commission really do its job, and, do what is necessary to make the taxi zones and taxi rates realistic and profitable, so that, the cab-riding public can expect the kind of service it should and must get, or, will the D.C. Public Service Commission, once more, become a dead-end street for all of us?

Sincerely yours,

Irving Schlaifer
Irving Schlaifer, Chairman
Emergency Taxicab Committee
1344 Kennedy St., N.W.
Washington, D.C. 20011

Irving Schlaifer, Chairman
Owner-Driver, Rental-Driver Taxicab Ass'n.
1544 Kennedy St., N. W.
Washington 11, D. C.
Phone: TUCKERMAN 2-8377

Endorsed by
The Petworth Citizens Association
Tuesday, November 17, 1959

C-12 THE EVENING STAR
Washington, D. C., Wednesday, November 18, 1959

Petworth Group Backs Circular Zone Taxi Fare

The Petworth Citizens Association last night backed a new "uniform circular zone system" for computing taxi fares.

"The present system of rigidly fixed boundary lines is unfair, arbitrary and obsolete," charged member Irving Schlaifer.

The new method provides for fares tailor-made for each passenger's requirements," he added.

The arrangement which Mr. Schlaifer demonstrated involves using a map of the city and a concentric-circle overlay.

In other business, the group backed a proposal to ask a stay from the congressional committee for the Cabin John streetcar line.

G. M. Kookegoy of the Committee To Keep the Streetcars drafted the association's petition. It asks that the junking of the car system be delayed

at least until some part of the mass transportation plan is put into effect.

Also a vote to oppose Transit President O. Roy Chalk's proposed bus fare increase was upheld by the group.

The association met at the Bernard School at Fifth and Decatur streets N.W.

Explained to
The Northeast Council of
Citizens Associations
Thursday, December 3, 1959

C-10 THE EVENING STAR
Washington, D. C., Friday, December 4, 1959

Naval Weapons Plant Job Cancellation Hit

The Northeast Council of Citizens Associations last night voted unanimously to protest the cancellation of \$10 million Government contract with the Naval Weapons Plant because it would cause an increase in unemployment.

Representative Lankford Democrat from Maryland has protested the cancellation of work on fire controls systems and guided missiles and was

joined in his protest by E. K. Morris, president of the Metropolitan Washington Board of Trade.

The council was addressed by Irving Schlaifer, chairman of the Uniform Circular Zone System Committee, on the work of his group in seeking to over haul the zone force system for taxis in the District.

The meeting was held at the Twelfth Precinct, Rhode Island avenue and Seventeenth street N.E. last night.

Endorsed by the following
Citizens Associations.

Petworth	Tues. 11-17-59
Brookland	Mon. 12-14-59
Hillcrest	Tues. 1-12-60
Michigan Park	Mon. 3-7-60
Arkansas Avenue	Mon. 3-14-60
Four Avenues Southeast	Mon. 3-28-60
West End	Mon. 4-11-60

Explained to
The Federation of Southeast
Citizens Associations
Tuesday, January 5, 1960

C-14 THE EVENING STAR
Washington, D. C., Wednesday, January 6, 1960

Southeast Group Backs Cut in Firemen's Hours

A resolution calling for the gradual reduction of District firemen's working hours from the present 60 to 48 has been adopted by the Federation of Southeast Citizens Associations last night.

A proposal to reduce the firemen's average weekly working hours to 48 by 1962 is currently being studied by District Commissioners.

Irving Schlaifer, chairman of

the "Uniform Circular Zone System Committee" and also a taxi driver, explained a new taxi fare computing proposed to the group.

Mr. Schlaifer said that the system, which requires the use of a transparent computer to be placed over a map of the District in order to count the mileage, "is now being used by trucking companies and airlines on a much larger basis."

Mr. Schlaifer is asking for the support of his system by the various citizens groups in the area.

The meeting was held at YWCA Hall, 1811 Seventeenth street S.E.

Explained to
The Glover Park Citizens Association
Monday, January 11, 1960

THE EVENING STAR C-7
Washington, D. C., Tuesday, January 12, 1960

Glover Park Unit Protests Loss of Streetcars

The Glover Park Citizens Association went on record last night as opposing D. C. Transit's conversion from streetcars to buses.

Recalling recent battles with the buses and the weather the group decided to send O. Roy Chalk a letter expressing their dissatisfaction with the change.

In other actions, the association voted to support Representative Broyhill's bill which would require the children of non-district residents to pay a public school tuition fee.

The group also decided to send letters opposing bills which would exempt property of the National Women's Party and the American War Mothers from paying District taxes. The

feeling was that the passage of such a measure would further increase the tax load on District residents.

A bill now pending, which would award District of Columbia war veterans a bonus "of not more than \$300" was questioned on the grounds that insufficient information was available as to where the funds for the payment of such a bonus would come from.

The group had as a speaker Irving Schlaifer. He spoke on the need for a "uniform circular zone" system of taxicab rates, which would "ensure that identical trips have identical rates."

The meeting was held at the Guy Mason Recreation Center, Thirty - sixth and Calvert streets, N.W., and was conducted by its president, Eugene R. Davis.

Expired to
The Citizens Association of
Takoma Park
Monday, December 7, 1956

THE EVENING STAR
Washington, D. C., Tuesday, December 8, 1959

B-7

Circular Taxi Zones Explained to Group

The Citizens Association of Takoma Park last night heard Irving Schiafer, chairman of the Uniform Circular Zone System describe the work of his committee.

Endorsed by
The Brookland Citizens Association
Monday, December 14, 1956

B-10

THE EVENING STAR
Washington, D. C., Tuesday, December 15, 1959

New Taxi Fare System Indorsed

The Brookland Citizens Association last night urged that a "unified circular zone system" of computing taxi rates be adopted in the District.

In a letter to the District Commissioners, the District Public Utilities Commission and the appropriate committees in Congress, the group expressed their feeling that "the present zone system of rigidly fixed boundary lines for computing taxi rates in the District is unfair, unreasonable, discriminatory, inadequate, inequitable and arbitrary."

Explained to
The American University Park
Citizens Association
Monday, January 4, 1960

A-2

THE EVENING STAR
Washington, D. C., Tuesday, January 5, 1960

AU Park Group Urged to Upset Liquor License

The American University Park Citizens Association last night reaffirmed opposition to the licensing of any new liquor store in the Westmoreland no more liquor stores.

Referring to the granting of a liquor license to a shop at 4855 Massachusetts avenue N.W. by the Alcoholic Beverage Control Board, association president Wilbur D. Thomas accused the board of acting arbitrarily. He told his group to "fight for their rights" in pressing for a repeal of the license.

Mr. Schiafer's group is seeking to overhaul the present zoning for taxis in the District. The meeting was held in the Takoma Park School, Piney Branch road and Dahlia street N.W.

Irving Schiafer, chairman of the Uniform Circular Zone Committee, explained "the new system would give uniform rates for uniform trips; all trips within a 1-mile radius would be in zone one, all trips within a 2-mile radius would be charged for two zones and so on. In the present fixed zone system it is possible to ride 5 miles for 50 cents while other trips may cost \$1. or more for only five blocks," he pointed out.

The meeting was conducted by Kathleen W. Noel, association president in her home at 1262 Lawrence street N. E.

did not give the area residents enough time to express cohesively their opinions, and in terming its action "illegal" urged association members to attend a board Thursday which will reconsider the case. An attorney is expected to show a petition which reflects the area's pointed opposition to the new licensing principally on the grounds that the area needs no more liquor stores.

In other business, Irving Schiafer, chairman of the Uniform Circular Zone System Committee, explained the need for a uniform taxi rate system based on circular zones determined by the passenger's starting point in a cab.

The meeting was held at the Westmoreland Congregational Church, Westmoreland circle N.W.

Endorsed by
The Hillcrest Citizens Association
Tuesday, January 12, 1960

THE EVENING STAR
Washington, D. C., Wednesday, January 13, 1960

C-15

Hillcrest Unit Backs Circular Taxi Zones

The Hillcrest Citizens Association last night cast its vote in favor of the Uniform Circular Zone system of taxicab fare regulation.

The system computes fares on a mileage basis.

Explained to
The Northwest Council of
Citizens Associations
Monday, February 29, 1960

D-11
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THE EVENING STAR
Washington, D. C., Tuesday, March 1, 1960

D. C. Tuition Bill Passage Urged

The Northwest Council of Citizens Associations last night voted unanimously to support the District school tuition bill recently passed by the House and now awaiting Senate action.

The bill would require non-resident children attending District schools to pay tuition. Letters urging action on the bill were to be sent to Chairman Bible of the Senate District Committee.

Endorsed by
The Michigan Park Citizens Association
Monday, March 7, 1960

THE EVENING STAR
Washington, D. C., Tuesday, March 8, 1960

A-9

Circular Zone Fares Indorsed

A "uniform circular zone" system of computing taxicab fares in the area was indorsed by the Michigan Park Citizens Association last night.

As proposed by Irving Schiafer, an independent cab

driver, the plan would replace the present rigid pattern of fare zones with a more flexible arrangement, measuring trips in 1-mile zones from the point of origin.

The association also backed a bill to require payment of tuition by non-resident students in District public schools. Further business included the passage of a resolution urging the Public Utilities Commission to allow an increase in the number of buses on the Hillcrest Heights run from Barney Circle.

The meeting was held at the Columbia Federal Savings and Loan Association building, 5301 Wisconsin avenue N.W. Edmund C. Cuth, president of the Council, presided.

Explained to the following
Citizens Associations.

Northeast Council	Thurs. 12- 3-59
Takoma Park	Mon. 12- 7-59
American University Park	Mon. 1- 4-60
Federation of Southeast	Tues. 1- 5-60
Glover Park	Mon. 1-11-60
Northwest Council	Mon. 2-29-60
Chillum Heights	Mon. 3-21-60

Endorsed by
The Arkansas Avenue Community Association
Monday, March 14, 1960

THE EVENING STAR A-9
Washington, D. C.
Tuesday, March 15, 1960

Group Indorses Taxi Fare Plan

The proposed uniform circular zone system for taxicab fares was indorsed last night by the Arkansas Avenue Community Association after hearing a talk by Irving Schlaifer, chairman of the Circular Zone Committee.

The circular system would enable the taxi fare to be com-

Explained to

The Chillum Heights Citizens Association
Monday, March 21, 1960

THE EVENING STAR
Washington, D. C., Tuesday, March 22, 1960

Alternates Urged For Sessions of Federation

The Chillum Heights Citizens Association last night urged the Federation of Citizens Association to approve accreditation of one or two alternate delegates from member associations, in addition to the two delegates already authorized.

The federation is currently considering a move to increase delegate strength of each member association from two to three.

The Chillum Heights group is urging the adoption of the alternate delegate provision

puted from the point of embarkation of the passenger and not by the crossing of fixed boundary lines.

Also speaking at the meeting was Dr. George A. Bogen, who encouraged support of the eye banks in the Washington area.

The association noted that traffic lights which they have sought at the intersections of Ingraham, Gallatin and Decatur streets with Georgia avenue will be installed. They voted to ask elimination of no-parking signs on Georgia avenue from Arkansas to Missouri avenues, n.w.

said the move would facilitate greater participation and more interest in federation affairs by member bodies.

The meeting heard Irving Schlaifer, chairman of the Uniform Circular Zone System Committee for computing District fares, urge adoption of a plan which would enable fares to be computed from the point of passenger embarkation, and not by the crossing of fixed boundary lines.

The meeting discussed a "clean-up" campaign for the area. Interested persons were requested to forward suggestions to Mrs. Joseph Katsurani, delegate to the federation.

The meeting was conducted by Harry Mendelson, president, at the Luther Rice Memorial Baptist Church, North Capitol street and Missouri avenue.

Endorsed by
The Four Avenues Southeast Citizens
Association
Monday, March 28, 1960

B-4 THE EVENING STAR
Washington, D. C., Tuesday, March 29, 1960

Licensing Fee Rise Opposed

A proposed increase in District occupational and professional license fees was opposed by the Four Avenues Southeast Citizens Association last night.

A uniform circular zone system for computing taxi fares was indorsed after a talk by Irving Schlaifer, chairman of the Uniform Circular Zone System Committee.

The meeting was held at Ryland Methodist Church, Branch avenue and S street S.E., and was conducted by John N. Weber, association president.

Endorsed by
The West End Citizens Association
Monday, April 11, 1960

D-16

THE EVENING STAR
Washington, D. C.
Tuesday, April 12, 1960

West End Unit Backs District Suffrage Plan

The suffrage amendment now being studied by House Judiciary Subcommittee members received unanimous indorsement last night from the West End Citizens Association.

The amendment calls for a vote for Washingtonians in the national elections for President, Vice President, and for the election of delegates to the House of Representatives. The subcommittee concluded hearings on the proposed amendment last week. A similar measure has already been passed by the Senate.

The association also joined forces with John W. Lyon, vice president and general manager of the Parking Management, Inc. in opposing the redevelopment plan of an 8-acre Foggy Bottom area as a luxury apartment project.

\$20 Million Project

The plan, termed the Columbia Plaza project, was proposed by the staff of the National Capital Planning Commission and the Government-sponsored Redevelopment Land Agency.

Objection to the \$20 million apartment project was stated by association president, Lester H. Steinman. He said he was "opposed to the public stepping in to do the job that private enterprise could do just as well."

Mr. Lyon stated that his company feels it could comply with the requirements of a redevelopment and do it without the use of public funds.

The association voted to send its members to a public hearing on the renewal plan slated

for mid-May. Members of the association objected to the RLA plan since they feel the area does not fall under the RLA "blight" criteria.

Hits GWU

Mr. Steinman also commented that he "resented George Washington University officials saying they could build on 'private property'." He referred to a statement by Dean Charles B. Nutting of GWU's National Law Center, that the university would be built on a 10-acre tract by Pennsylvania avenue and tenth. Twelve hundred people, N.W. The association president said the university does not now own much of the land in the tract.

Another speaker at the meeting, Irving Schlaifer, received another indorsement for his uniform circular taxicab zoning plan from the association. The plan would base rates on the actual distance traveled rather than on fixed boundary lines.

The meeting was held in the Western Presbyterian Church, 1906 H street N.W.

THE NEW YORK TIMES, TUESDAY, MARCH 5, 1968 PAGE C-43

CABS WILL CARRY RIDERS IN GROUPS AT LOWER RATES

By Edward Hudson

Both passengers and drivers will benefit under the city's new plan to allow group riding in taxis. The plan will go into effect April 2 with rides from the Eastern Airlines shuttle terminal at La Guardia Airport to four zones in Manhattan.

Under the group fares, a passenger going from the shuttle to the Grand Central district will pay \$3 for the ride if he shares the cab with one other person; \$2.50 if there are two others, and, \$2 if there are three other riders.

The regular metered fare for the same trip is estimated at \$4. So, the riders will save 25 to 50 per cent. At the same time the cab company will receive \$6 to \$8 for the normal \$4 trip. The drivers will gain because they receive a percentage of the fare.

Travelers will still have the option of demanding sole occupancy of a cab, even though they will use the same waiting line as the group riders.

FAMILY SAVINGS

Husbands and wives, or other persons traveling together to the same address, will pay only what the meter registers, as they do now.

The group taxi fares were disclosed yesterday by Arnold Fraiman, Chairman of the Mayor's Taxi Study Panel and the city's Investigation Commissioner.

The four zones were laid out to encompass the destinations of 90 per cent of the shuttle's passengers, Mr. Fraiman said. The zones and the group fares areas follows:

Zone 1—all of Manhattan south of 23rd Street. Two passengers will pay \$4.25 each; three passengers \$3.50 each and four passengers, \$3 each. The taxi panel calculated that the average or base, metered fare to this zone is \$6, when (Continued on Page 82, Column 4)

CITY CABS TO BEGIN GROUP RIDING PLAN

(Continued From First Page, Second Section)

three passengers are brought to different addresses.

Zone 2—23rd Street to 60th Street east of Fifth Avenue. Two passengers will pay \$3 each; three passengers will pay \$2.50 each and four passengers \$2 each. The base fare was estimated at \$4.

Zone 3—60th to 96th Street, east of Fifth Avenue. The group fares will be the same as Zone 2. The base fare is also estimated to be the same. The purpose of two East Side zones is to group passengers with similar destinations.

Zone 4—23rd Street to 72nd Street west of Fifth Avenue. The base fare was calculated at \$5.25. Two passengers will pay \$4 each under the group rates. Three passengers will pay \$3 each and four will pay \$2.50 each.

FIRST TIME IN CITY

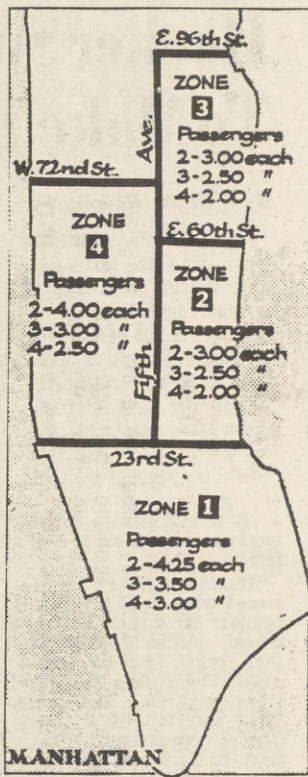
The experiment in group riding will be the first time in the form of cab sharing has been tried in New York City, Mr. Fraiman said, and will be conducted only from the shuttle terminal, where a special dispatcher—a city employee paid by Eastern—will group passengers going to the same zone.

There have been recent complaints by taxi riders that cab drivers at Kennedy International Airport have been telling passengers they must pick up additional fare-paying passengers before heading for the city. This is against police hack bureau regulations, which forbid soliciting additional passengers, or, charging more than is on the meter for a trip within New York City limits, which Kennedy is.

Mr. Fraiman said he advised the taxicab managements and union of the new group fares and "they're both cooperating with them completely."

Although some cabs will hold five passengers, Mr. Fraiman said four would be the maximum allowed for group rides to prevent the system from becoming too complicated.

From the files of Irving Schlaifer, Chairman
Owner-Driver, Rental-Driver Taxicab Association
1344 Kennedy St., N. W., Washington, D. C. 20011
Phone: TUCKerman 2-8377



Potomac Watch

Hacker Suggests a System To Make Taxi Fares Fair

**By William Raspberry**

THE EXTRA NICKEL your one-zone taxi ride costs, starting yesterday, is a minor inconvenience to you. But for the cabbie who chauffeurs you, it is more likely to be an insult.

A 10 per cent increase sounds fairly reasonable, but for the one-zone trip that constitutes perhaps the bulk of the average cabbie's work, it will mean a 5-cent increase over the old 60-cent fare.

Washington's hackers staged three brief strikes in protest of that token increase, including the one that began Sunday midnight. The strikes may not mean very much, however. They only tell the Public Service Commission that most hackers are unhappy with the fare structure here, and the PSC has known that for years.

The hackers' dismay stems from two basic reasons: the rate itself is low (Washington has perhaps the cheapest cab ride of any major city in the country) and the absurd zone system, imposed by Congress, makes the rate structure unfair to both cabbie and passenger.

The PSC has chopped the city up into 26 zones of various sizes and shapes. Any ride within a single zone—which can be all the way from the Capitol to the east entrance of the State Department—costs 65 cents. Any trip that crosses a boundary—22d Street n.w., for example—costs a dollar, even if it's from the east entrance to the west entrance of State.

THE RETURN FOR the same distances increase with the number of passengers, which is why single fares keep getting passed up while drivers look for the more-lucrative group rides.

The rates are based on mileage instead of zones for any ride that crosses the District line. Thus a ride to the D.C. side of Western Avenue, based on the zone system, may cost only half as much as a mileage trip that terminates on the Maryland side of the same street.

The resident who knows this and walks the extra 100 feet to save a buck infuriates the cabbie. The stranger who learns it the hard way thinks he has been robbed.

Cabbies love to cruise near the downtown hotels because there is always the chance they'll get an airport run. That is mileage all the way, and lucrative. But you may wait for an hour at Union Station, particularly if you're black. The cabbie will think you want to go to far Southeast Washington, a long, zone-based ride that may be half again as far as National Airport but only half as lucrative.

It is a system designed to infuriate cabbie and passenger alike.

The obvious solution would be time-and-distance meters, but Congress has specifically forbidden that bit of logic. Probably the next best alternative would be a mileage zone system, such as proposed by Irving Schlaifer, perhaps the town's most talkative and exasperating hacker.

UNDER SCHLAIFER'S system, a zone boundary would no longer be a fixed line on a city map but a point a half-mile away from the point of origin. He would use a clear plastic card with a series of concentric circles indicating zone lines. He would place the center at the point of origin and count the number of half-mile zones to the destination. (A ruler could be substituted for the plastic card with the same result.)

In any case, a passenger would pay for the distance he had traveled, not for his luck in crossing or avoiding arbitrary zone lines.

Schlaifer's system has a lot to recommend it. If it were tied to a flat rate regardless of the number of passengers and extended to include interstate runs, it would avoid most of the passenger complaints. Schlaifer also believes that with a basic 60-cent fare plus 25 cents for each additional half-mile, cabbies could earn substantially more money.

If the system worked as well as Schlaifer expects, it could trigger an influx of part-time hackers. This could be handled by setting realistic limits on the number of cab licenses or at least on the number of part-time operators.

But this is a minor problem. The mileage zone system seems so clearly superior to the present setup that the PSC, during its current fare deliberations, ought to give it very serious consideration.

The Washington Post

AN INDEPENDENT NEWSPAPER

THURSDAY, MARCH 13, 1969

PAGE A24

Revamping the Zone System for Cabs

The District of Columbia's taxicab drivers have made their point and made it abundantly. Monday's all-day strike, as well as three prior brief strikes, was remarkably successful for an industry as full of one-man operations and individualists as this one. Obviously, the chairman of the Public Service Commission was right in saying that fares cannot be changed solely because of the strike but just as obviously the cab drivers have established that the time for a complete overhaul of the rate structure has come.

Washington has long been noted for the low cost of taxicab service and the 10 per cent fare increase authorized recently by the Public Service Commission is not going to change that appreciably. The existing zone system, drawn as it is to keep down the cost of rides throughout the business district, makes a cab ride from Capitol Hill to Dupont Circle or beyond just about the best transportation bargain going, except for the Staten Island Ferry. As any of our congressional overlords will be the first to tell you, there is much to be said for this, from every point of view except that of the men who drive the cabs. An increase in cab fares will hurt the most those who can least afford it since traveling by taxi is more commonplace here among the poor than in almost any other major city. But even a 20 per cent increase, the goal of the striking drivers, would do nothing to remove the inequities that are the zone system's worst evils.

The easiest way to get rid of this basic problem the lack of correlation between the cost of a ride and either the mileage traveled or the time required—is to switch the city's cabs to meters. The practical objections to such a switch, however, are just as important as the fact that Congress has specifically ruled out meters here. The cost of installing meters is substantial and might drive out of business many of the drivers whose presence now makes cab transportation feasible here. In addition, meters geared solely to mileage encourages cabbies to take the longest possible routes and those that include time as a factor encourage slowness as well as indirectness. In a city with as many tourists as this one attracts, particularly one in which the street pattern mystifies almost everyone, meters might well create more problems and more dissatisfaction than zones.

The variant being proposed by some of the drivers, a system of floating zones based on mileage, has much to commend it. This system, discussed in William Raspberry's column in this newspaper on Monday, would authorize fares of, say, 60 cents to any point within a mile, as the crow flies, of the spot of origin. Charges would be worked out by providing drivers with standardized maps and a set of concentric circles to be used in measuring distances. A change to this kind of zone system no doubt would take some getting used to. And it is not clear that the PSC has authority to authorize its use. But it is an idea that ought to be explored. The cab drivers deserve a better shake than they are getting—and raising fares again will not give it to them.

Potomac Watch

Hackers' Fair Deal Studied



By
William
Raspberry

There can be little doubt that taxi fares—and, therefore, hackers' income—have not kept pace with the cost of living in Washington.

Nor is there much doubt that the Public Service Commission which regulates the taxi industry here will do something about it—something beyond the 10 per cent interim increase it recently granted.

What remains to be worked out now is the amount of the increase. That is a chore that takes a good deal of time. The PSC is wrestling with that one now. It was wrestling with it, in fact, when Washington hackers staged their recent strikes.

In order to determine what is a reasonable rate increase, the PSC must first determine how much cabbies are earning now. The only reliable way to find out is to examine the daily trip manifests of the city's 10,000 cab drivers.

THAT AMOUNTS to a few million manifests a year, and the PSC obviously has no intention of reviewing all of them. But it does intend to examine a reasonable sampling of them. PSC staffers are now surveying the industry to learn such things as the number of radio cabs, fulltime hackers and the like so they can draw up a scientific sample.

Public Service Commissioner William Porter expects it will be at least three months before the PSC can come up with a new rate proposal.

Porter acknowledges that it has been five years since the cabbies have been granted a rate increase.

"That's because it's been five years since the cab drivers have come in to ask for an increase," he said.

THE PETITION is in, but so far the only data in the record to support it is the increase in the cost of living since 1964.

It has been suggested in this column that while the PSC is considering a tax rate increase it also give some consideration to revamping the present zone system, perhaps replacing it with the mileage-zone system proposed by Irving Schlaifer, self-appointed spokesman for the local taxi industry.

Porter isn't very enthusiastic about that one. He admits there is something wrong with a system that makes it more expensive (\$1) to ride the two blocks from the Washington Hilton to the Universal Building than the three miles from the Universal Building to the United States Capitol (65 cents). But there would be inequities in any system, he said.

Porter also doubts that the Commission has the authority to introduce Schlaifer's system, under which a passenger would pay for the distance he traveled, "because of the congressional rider."

THE RIDER he referred to is the prohibition attached every year to the District appropriations bill: "Appropriations in this Act will not be used for or in connection with preparation, issuance, publications or enforcement of any regulations or orders of the Public Service Commission requiring installation of meters in taxicabs or for in connection with the licensing of any vehicle to be operated as a taxicab, except for operation in accordance with such system of uniform makes sense.

That admittedly complex language, it seems to me, clearly prohibits the PSC from considering meters but by no means bars the Commission from replacing the present fixed zones with Schlaifer's floating ones.

While the PSC is figuring out how to give the cabbies what they need—more money—it might also consider giving riders what they need: a zone system that makes sense.

NOTHING FOR THE MAN

A member of the rip-off generation finds that stealing is OK, if it's from the boss, or the customer, or the old lady on Social Security, or a drunk. But not from the blind—because that's too easy

Apologies of a Dishonest Cab Driver

DONALD HEBERT

THE FOLLOWING is a chronological account of a typical day in a cab driver's life. The names have been changed to protect the guilty.

10:00 A.M. I rise. Having worked until early that same morning I am reluctant to do so, but motives of greed impel me. I must get in early enough to get one of a certain kind of cab without which the day's money-making activities would be severely hampered.

11:10 A.M. I arrive at the office and as always my Honey is there. It's not a new cab; it smokes, the back seat comes apart, it's usually dirty and always ugly, but it runs good and it's the money-makingest cab in the place.

In driving a metered cab there are certain, shall we say, refinements that can increase one's per-hour salary as much as 200 per cent. Principal among these has to do with removing the odometer, that item hooked up to the speedometer cable which tells the driver how far he has gone.

In a metered cab where the driver's salary is determined by a percentage of the gross, the meter is supposed to be used on every job to show the passenger the cost of the trip and to record each time the meter was put on (trips) and each subsequent increase (units). At the end of each day the driver consults the meter to determine how much all his passengers ought to have paid him. He then divides the take, paying the owner his percentage, 55 per cent to 60 per cent, and keeping the balance and all tips.

Problem: How to carry a passenger and collect the fare without having to put it on the meter.

One solution is simply to high-flag the passenger; in other words carry him with the meter off. But this is dangerous because a hack inspector can catch



you if he sees you carrying a passenger in the cab with the meter off.

By disconnecting the odometer, if you have a cab where this is possible (Honey is such a cab), you will also disconnect the meter. Then no matter how far you drive the meter will never change from the initial figure and no mileage will be accumulated.

For instance, suppose you've got an old lady and the odometer is off. Put the meter on (trips are registered by the motion of the flag not by distance traveled) and ask the old bag how much her fare generally runs (nine out of ten know exactly). Charge her that much even if she is a bald-faced liar (frequently they are). Never upset her because all she has to do when she gets home is feed her birdies and call in to the office and complain. No matter how far the run is the meter will not change. If she wonders about this give her a story about how you suspected it was broken last trip but you were not sure but now you are so when she removes

herself from the cab you're headed straight for the office for repairs etc. . . . Then put the whole amount in your pocket, keep the meter on and go looking for more. You can ride around all day like that and never get caught for high-flagging because the meter is on.

11:15 A.M. I'm on the stand called "X." Sometimes there is a wait; sometimes not. The dispatcher hasn't missed me since I called in for gas; hopefully he won't for quite a while.

11:20 A.M. A lady going to Chester Heights. A good run, it ought to be worth \$2.50 anyway. She's old and not very talkative. She knows a short cut and I take it. Always go the way the customer says even if you know it's the long way. They've still got to pay.

'Pretty Good So Far'

11:35 A.M. Trip over. \$2.70 on the meter. She gives me three bucks. I stick the money in my pocket and thank her in one motion, not knowing whether she intended me to keep the change. Most passengers, particularly old ladies on Social Security, just do not have the *chutzpah* to ask for their change when you act like you intend to keep it. That's three for me nothing for the man. In fifteen minutes that's not bad but now I've got to deadhead all the way back to "X." So I whip that odometer off, cut the meter and take off.

11:55 A.M. I'm back but third out on the stand. This could hurt my average.

12:10 P.M. Something going to Minnesota Ave. NO TIP. (Just let el cheapo walk in front of the cab.) Sixty cents more in the pocket. Mark it in the book. ("The book" is a little folder I use to keep track of the trips and units. It is separate from the official manifest and its existence is top-secret. Even the

letters in it are abbreviated and even the abbreviations are in Russian.)

12:15 P.M. I've been out an hour now so I ought to take something from the poor dispatcher who has been screaming for anybody open anywhere. "Just give me your number and I'll give you a job, fellows. PLEASE!!" I respond and he gives me a job. This job goes down on the manifest so I got to split it with the man but the odometer is off so I am accumulating stuff that I can make good use of later.

12:20 P.M. Finished. A little book-work and back to "X."

12:25 P.M. A double off "X." A double or triple is what every driver looks for. Two different people usually going in the same direction; you run them both together but charge them each full fare. Double profit. This particular one is not too good however since they go in opposite directions. They were afraid they wouldn't get a cab so they both climbed in. It beats sandbagging anyway. Takes a while to run. All \$3.95 in the pocket. Including tips I'm making around \$8 for a little over two hours.

1:00 P.M. A job from the dispatcher going out to Vernontown. A good run in itself but it takes too long and it leaves me way out in the sticks. Maybe I'll get something coming back.

1:40 P.M. A damned grocery run. Load in the groceries at no extra charge. Short run. Little money. Carry the groceries inside. Bad scene; my average is suffering but I've still got the "O" off so I'm accumulating the stuff good days are made of.

2:00 P.M. I've deadheaded back to town. A man can starve living off those grocery runs. It is the pickups that count. You don't have to split them.

3:00 P.M. More pickups; more money. I check back in with the dispatcher now, since he's crying. If he misses me it could get touchy trying to explain my extended absence. The last job he has me down for was over an hour ago. He is begging. I vouchsafe my location. My disappearance goes unnoticed. If every driver behaved the way I did the people would never get their cabs. To hell with them. Never anything decent. This one goes over to the public-housing development. It runs \$1 and that is exactly what I get. Poor blacks never tip mainly because they are too poor. Rich blacks, of which there are known to be a couple, tip with the best of them. Four hours and \$18 in the pocket. Pretty good so far.

3:20 P.M. At this point I decide to take another job from the dispatcher. I only have \$4 on the manifest and if I overdo those pickups they will certainly wonder where I've been and just what I've been doing. This next job is a little better, going a little way downtown. Now, with the big "O" still off I'm really beginning to accumulate trips, units and mileage. I've got an excuse for disappearing now. When you are downtown the interference from the mobile telephones is such that you can't make out what your dispatcher is saying for all the stock tips and idle gossip.

4:10 P.M. Got to get into position back up in Vernontown because there is a good job coming up at five. It's an everyday thing and really helps the mileage when you run it off the odometer. It doesn't pay much money but it goes fast.



5:05 P.M. I get the job but I'm going to be late. Got a run from Park Crest Valley over to Vernontown where I wanted to be. But the guy is a real talker who loves to toot his own horn. I'm not rude but I check my watch now and then. He is so fetched with himself he doesn't notice my squirming. I always squirm when some guy thinks I'd rather listen to him than make money. Three times he starts to leave and three times he remembers another battle he was in. Should I tell him to keep it in his head? Naw. He can't help it. Maybe he'll get tired. Just a little more talk and he is up again. I knew he hadn't drowned in his own glory when he came up the fourth time. This time I didn't give him a chance to sit back down. I put it in gear and roll a little. He gets the hint and shuts the door. I tell him how much I enjoyed listening to him and he soaks it up.

5:30 P.M. I arrive at the parking lot where I am to meet several passengers and haul them to the nearest bus line for some cheaper conveyance. They fill up the back seat and it begins to move around like it had a mind of its own. The passengers get nervous. I assure them nothing has lived under that seat for months now and it's probably safe.

6:10 P.M. Drop the people off, mark it in the book, replace the back seat and I'm off. I now have accumulated 78 units, four trips and over fifty miles all of which must be used up before I can turn Honey in. Time to hook up the odometer. Here is what makes Honey such a dream. That odometer goes back in the slot just like sex only more profitable. A twist here, a turn there and a little jiggle and she's all hooked up safe and sound. Time to work off the mileage and build up my

manifest which at this point is pitiful. At six o'clock I had put \$31 in my pocket and only \$11 on the manifest. For the inexperienced driver the reverse is always true. They turn in more money to the boss than they take home. I'd quit before I'd ever do that.

Maybe . . .

6:15 P.M. Starting to get dark. Another double at "X." This time a lady goes to the public-housing development and another lady off the bus going to Vernontown, the opposite direction. Might as well run them both rather than let some new guy get one and split it with the boss. The lady going to Vernontown gets off last and she's another talker. She won't stop talking but she's a good tipper and kinda nice too. I carry her bags to the door and walk briskly away. Napoleon once said, "I

may lose battles but never lose minutes." My sentiments exactly.

6:55 P.M. My first drunk. An idiot going to Park Crest Valley. He was in the 82nd Airborne Division, Gavin's old unit, and normally we would have much to talk about if he weren't so tight you could get drunk just smelling his breath. He's got to get up front with me. UGH!! They always got to get up front. They think it makes them either superordinary or non-drunk to sit up front with the driver. He wants me to feel how strong his arm is. I oblige.

6:57 P.M. Since I haven't put in an appearance on the official board and since the dispatcher is calling Park Crest Valley for cabs I decide to bid. "22 willing on a PCV at Mark and Skinner Sts." I thought for sure he would send me to Park Crest Valley where I was going with Dean Martin anyway but that ignorant dispatcher pulls one of those tricks they pull when you bid en route and they don't know you're en route. He sends me right back to "X" where I got the drunk. Now I got to hustle. I got to run this drunk all the way to PCV and make it all the way back to "X" before the people call in wanting to know where their cab is and the dispatcher discovers either that I wasn't where I said I was or it's taking me twenty minutes to go two blocks. To compound the problem the traffic lights are all against me. I just can't make any time. When we get there the drunk wants me to hear some more stuff. He can't seem to get his money out. Watching the clock. Finally

he pays me in small change and very slowly starts to get out. Strange as it may sound, a drunk may not be able to see the cab but he always manages to come up with the right change. But there is a trick you can pull on a drunk when he is in the back seat. Pull a single out of your pocket while en route and inconspicuously put it on the front seat. When you go to drop him off, if he pays with a five for, say, a \$1.50 run, put the five in your shoe and pick up the one and tell him he owes you 50 cents. It'll serve him right for getting so drunk he doesn't know what he's doing. The trick works with blind people too but it's so easy there is no artistic challenge so I generally give blind people the break. This particular drunk was up front so I couldn't rip him off. Better luck next time.

7:10 P.M. Back to "X" for my other passengers.

7:20 P.M. Got the people at "X" going just a few blocks but they were very patient so apologize and carry their stuff. I made up a lie as to why I was late and thereby saved my tip.

9:15 P.M. Business is really slow. I've had a few jobs, nothing special, a drunk or two and a couple of nasty people. They were a young man and an older woman straight from the penetralia of the Ozark Mountains where the telephone was just recently discovered. The man is just out of prison for assault and judging by the way he talks it must have been the English language he assaulted. The woman looks like an unusually despoiled mummy with large

bulging eyes and a hairdo in the early bird's nest style. I have made \$41 for myself and put \$18 on the manifest.

9:20 P.M. A man approaches my window. He looks clean so I roll down the glass to hear his proposition. Not always but usually when they approach your window they want to bargain for a discount before they get in. This guy is different. He wants to know where he can get a bottle at this hour. I am tempted by such events for I know that some drivers can make a good living bootlegging liquor to such people. They pick up a few half-pints on their own and when someone asks in their cab they send up a balloon to see what happens. If the guy seems amenable the driver makes the pitch. A reasonable mark-up: 100 per cent, that's all. You can make a good living at it but if you ever get caught you can really get busted. Besides, I do not drink myself and I won't help another man drink for money; especially for money. There is a little dignity among the worst of us. But the man wants me to take him across the county line where he can get some booze and then bring him back. Legally I cannot refuse. Out and back in thirty minutes. That was my last job for 45 minutes.

10:15 P.M. My \$4 per hour average is shot. A lady gets in the cab but only speaks Spanish. My Spanish is lousy but it must be better than hers because at least I can understand what I am saying.

10:30 P.M. Back on the stand. Six cabs ahead of me. This is bad. There are no pickups and the dispatcher is putting out one call every five minutes for twenty hungry cab drivers.

11:00 P.M. Twelve hours and \$43 but from here on in it gets worse. Since I cleared all my units and trips up around 10:45 and my manifest agrees with the meter I have decided to run the rest of the night strictly legal and just shoot for \$50 which is a respectable sum.

12:30 A.M. A few more. Nothing significant. \$48 for me and \$28 for the boss of which he only gets a majority percentage. Not a bad day but the business is so lousy I decide to call it quits. Into the office. Count up. Give the man his and put mine away. Got to catch a cab home to Vernontown. It runs \$2.50 and I give him three. He runs it off the meter and puts it all in his pocket. Everyone is happy and what the boss don't know won't hurt him. Maybe. □

TAXI OWNERS CITE 'FLAG-UP' LOSSES

My Times Jan 30
Drivers Said to Steal More
Than \$3-Million a Year

By FRANK J. PRIAL

Taxicab drivers are stealing more than \$3-million a year from their employers here, the taxi industry says, and more often than not they are doing it with the compliance of their passengers.

Both the Metropolitan Taxicab Board of Trade, which represents the owners of some 7,000 yellow medallion taxis, and the chairman of the City Taxi Commission, Michael J. Lazar, agree that incidents of "riding with the flag up"—that is, without using the taximeter—have doubled in the last year.

"A lot of people take it lightly," Mr. Lazar said yesterday. "but these guys are embezzling funds from the companies that employ them."

Moreover a passenger's right to liability damages in an accident might be endangered.

Bernard Lerner, executive director of the Taxicab Board of Trade, urged all cab passengers who are coerced into riding without the meter "to get out at the end of the trip and pay nothing." He added: "You're only required to pay what the meter says. If it reads zero, that's all you have to pay."

Regular Pattern Reported

Interviews with a number of passengers who take cabs frequently disclosed a regular pattern. Usually the drivers are young and articulate, their offers come late at night, and, for most trips around midtown Manhattan, the most frequently suggested "fee" is \$2. Usually the approach is: "Do you mind if I make this one for myself?"

A woman who lives in the West 70's told of taking a taxi home from Fifth Avenue and 57th Street. When the driver suggested riding with the meter off for \$2, she replied: "Nothing doing. That's a \$1.40 ride at the most."

The woman recalled: "He said to me, 'O.K., but some people are really cheap.'"

Some riders who reject the offer of a flag-up trip report that the drivers become surly. A woman traveling recently from Times Square to 218th Street in Manhattan—normally a \$7 trip with tip—said a driver had refused to turn on his meter.

"I've closed my books for the night, lady," he told her. "I'm not going to open them up again for you." She rode flag up.

Pressure Tactics Noted

Some drivers announce half-way through a trip that they have "forgotten" to turn on the meter, and that to do so at that point would mean collecting only half of the proper fare. The hope is that the customer will feel obligated to complete the trip with the meter off.

Many cab patrons are unaware that by making a deal with the driver, they may be making it difficult for themselves to press a liability claim in the event of an accident.

"This is a hazy area," one taxi executive said, "but if there is no entry on the driver's trip log for the time you were in the cab, it is certainly going to complicate making any claim."

Under Taxi Commission regulations, a driver caught working with the meter off is fined \$25 for the first offense within a year and \$50 for the second; for the third, his hack license is revoked.

"It's very difficult to catch someone three times within one year," Chairman Lazar said. "Since the regulations were published about a year ago, we've revoked about 30 licenses for driving flag-up."

Mr. Lazar said 10 of these revocations were imposed in the last three weeks.

Owner Awareness Indicated

Several drivers interviewed said they were sure the fleet owners knew that stealing was taking place. "But," said one, a moonlighting college student, "they would rather have the cars out making something than sitting in the garage."

On this point, Arthur Gore, a spokesman for the fleet owners, said: "It's probably true. But any owner who condones that sort of thing is writing his own ticket to bankruptcy. The rest of the business would like him to pick up all the dishonest drivers, if that's the way he prefers to work."

Various devices to insure that the meter is activated for each trip have been tried by the taxi industry. The most famous is the so-called "hot seat," in which the weight of a passenger trips a recording device. In this way the number of riders who enter the car each day is tallied.

But industry sources admit that some drivers know how to deactivate the hot seat, while others simply invite a prospective passenger to sit in the front—unwired—seat. Mr. Gore said the industry was experimenting with newer gadgets to insure that all trips were fully recorded.

Editorial Comment.

The Evening Star

and

The Washington News

CROSBY N. BOYD, *Chairman of the Board*

JOHN H. KAUFFMANN, *President*

NEWBOLD NOYES, *Editor*

A-10

THURSDAY, FEBRUARY 8, 1973

Do Taxi Drivers Get Enough?

The ancient and somewhat symbiotic relationship between newspaper writers and cab drivers prompts us to notice that this is the time of year when requests for higher taxi fares poke up like premature daffodils.

The present proposition before the District Public Service Commission calls for an immediate 15 percent across-the-board increase, plus doubling the 25-cent surcharge for taxis one summons by telephone.

An independent hacker, one Irving Schlaifer, meanwhile has before the board a more dramatic proposal, parts of which apparently have the backing of a respectable part of the taxi industry. Schlaifer would scrap the present inequitable zone system (in which a passenger can ride all the way from the Capitol to the east door of the State Department for 75 cents, but pay \$1.10 for a trip of three or four blocks if he happens to cross a zone line) and substitute a straight mileage system.

Specifically, he proposes 70 cents for the first mile, 30 cents for each further half-mile, 30 cents for each additional passenger in groups bound for the same destination, full fares for passengers picked up along the way, a 50-cent extra "express" charge for aristocrats who re-

fuse to let the driver pick up other fares, 10 cents for each bag (the first one now rides free), and a 50-cent special bonus for rush-hour runs.

There is obviously something of the dreamer in Schlaifer, and mathematicians will have fun figuring how much such a system would cost whom. (Plenty in most cases, we'd guess).

We don't like the sound of the surcharges, and we think that baggage, by and large, ought to ride free (elderly shoppers on pensions shouldn't be charged for their grocery bags out of simple humanity, and jet-setters with suitcases presumably reward an obliging hacker with generous tips), but we think there's some merit in the Schlaifer straight-mileage system. Meters are ghastly enemies of the nervous system, but who could quarrel with an honest dashboard odometer, showing the distance run?

We are going to get a lot of arguments wherever we take a stand on this, there being no such thing as a taxi driver without convictions, but for starters we'd say that a hacker ought to earn about as much as a bus driver does. The average Washington taxi driver, we're told, makes \$3.02 an hour; a Metrobus driver makes \$5.24½. Clearly the man in the cab needs help.

The Library of Congress, Legislative Reference Service, Washington 25, D. C.
 The Uniform Circular Zone System of Taxicab Fares, with Particular Reference To The
 District of Columbia

By, Catherine S. Corry, Economics Division, August 15, 1960

Existing and proposed systems

The District of Columbia uses a fixed zone system in computing taxicab fares. Under this system the area is divided into twenty-three zones, arranged in a somewhat circular manner with the downtown zone in the center. This central zone is surrounded by five zones, which in turn surrounded by eight others, with the remaining zones located in the more outlying areas. The fare for a trip increases directly with the number of zones in which the taxicab travels in carrying a passenger to his destination, as well as varying with the number of passengers. This system has been in effect since July 1935, although there have been changes in the zones since that time.

Under the proposed uniform circular zone system the existing zone boundaries would be eliminated. Each taxicab driver would be furnished with a map showing the principal streets of the District on one side with a more detailed map on the other. In addition, he would have a transparent plastic computer on which are drawn concentric circles with radii of one, two, three, ... miles in terms of the scale of the smaller map. These circles would form the zone boundaries. To compute the fare, the center of the computer would be placed on the smaller map at the origin of the trip, and the fare would depend on the number of zones in which the taxicab traveled in reaching the destination. If question arose as to the location of the points of origin or destination, reference would be made to the larger map, which would show all the streets in the District of Columbia.

Thus, under this proposal the zone structure would be that of concentric circles with the center depending on the origin of the trip. Trips to destinations within a one-mile radius would be charged the fare for one zone, destinations lying from between one to two miles from the origin 'as the crow flies' would be charged for two zones, etc. There would be no fixed zone boundaries. Presumably the fare under this system would also depend on the number of passengers.

Background of the uniform circular zone system

The uniform circular zone system was originally proposed in April 1956 by Irving Schlaifer, a Washington taxicab driver, to Representative Olin E. Teague, who was chairman of the Public Utilities, Insurance, and Banking Subcommittee of the House Committee on the District of Columbia. According to an article appearing in the *Evening Star*, Mr. Teague and members of the Public Utilities Commission felt that the proposal should not be raised at that time during which the question of taxicab meters was under consideration¹. In June and July 1957 Mr. Teague's subcommittee held hearings on the Taxicab Industry in the District of Columbia. There was apparently no reference to the uniform circular zone system in the testimony of Mr. Schlaifer or of other witnesses.

On August 21, 1958, Mr. Schlaifer and E. Erwin Dollar, the chairman and co-chairman of a newly created Uniform Circular Zone System Committee, asked the District of Columbia Public Utilities Commission for a hearing on the circular zone proposal. Informal hearings were held by the Commission on October 1, 1958, and on December 8, 1958. On January 16, 1959, the Public Utilities Commission issued a memorandum opinion (P.U.C. No. 2942/208) denying the proposal, pointing out among other reasons that it "would be too complex and too cumbersome in operation to serve as a satisfactory replacement for the present system of uniform zones."

Despite the fact that Mr. Schlaifer's proposal failed to get the support of the Public Utilities Commission, it has subsequently received the endorsement of the Arkansas Avenue Community Association, the Brookland Citizens Association, the Hillcrest Citizens Association, the Michigan Park Citizens Association, and the Petworth Citizens Association.

Although material has been prepared by the Uniform Circular Zone System Committee in support of their proposal and the Public Utilities Commission memorandum raises several objectives to it, there appears to be no literature in the field discussing the circular zone system. There is no indication that any other city has ever tried it, and there appears to have been little discussion of the question in Washington, D.C. As pointed out above, it was not mentioned in the 1957 Congressional hearings; the Washington Board of Trade has not taken any position on this issue. There is virtually no material on which to base a comprehensive analysis of the proposal.

Therefore, an attempt will be made here to analyze the uniform circular zone system in terms of fare structures in the taxicab industry and in other somewhat comparable fields and then to consider some of the arguments favoring and opposing it which have been or might be made.

Fare structures

Before considering different types of fare structures, it should be pointed out that the fare or price paid by the consumer of a transportation or communication service is the result of both the rate structure and the rate level. As is readily apparent, these two factors are interrelated, since the level of rates can only be set after a rate structure has been determined. Nevertheless, there is a distinct difference between the two, as can be illustrated by existing taxicab fares in the District of Columbia. Here the rate structure embraces the fixed zone system and the decision to base rates on the number of passengers. The rate levels refer to the actual price which is charged for a one zone ride, a two zone ride, a one zone ride by a group, etc. It should be noted that the rate level can be altered either by raising or lowering the prices for these trips or by changing the size or boundaries of the zones. In analyzing the uniform circular zone system, it is the rate structure and not the rate level which is primarily at issue.

As in industrial markets, the price or fare of transportation and communication service is determined by conditions of demand and supply. The rate structure and the rate level are the mechanisms through which the interplay of the demand, or value of the service, and the supply, which is closely related to the cost of the service, and the supply, which is closely related to the cost of the service, determine the final price. Although it is quite obvious that demand and supply conditions determine the level at which fares are set, these factors are also important in determining the fare structure.

In the taxicab industry it would appear that the cost of a trip is most directly related to the distance traveled and to the time consumed. Although in some communities the fare structure is a flat rate, it is the meter and zone systems which are generally used in larger urban areas. The taxicab meter can be related either to time or distance. In some cases it can be set to increase the fare at

1/ Bassett, Grace. "P.U.C. Asked to Study New Taxi Rate Plan," Evening Star, August 21, 1958, p. A 23.

certain distance intervals, but when the taxicab's speed falls below a minimum it begins operating on the basis of time. Zone systems, both fixed and the proposed circular system, are related to distance with the fare increasing as more zone boundaries are crossed.

OUR
The value of service is also evident in taxicab fare structures. Although the availability of substitute means of transportation and the prices charged by these substitutes may have more influence on the fare level, their pricing structure might well influence that of the taxicab industry with which they compete. One element of value of service, ability to pay, seems to be reflected in taxicab fare structures which charge nothing or have a lower rate structure for babies and infants. The extra service charge for calling a cab in the District of Columbia would appear to be related not only to the extra cost of travelling to pick up the passenger but also to the preferential treatment which the passenger receives. The same would seem to be true for group fares. The passenger is generally willing to pay more for being carried directly to his destination than for spending time picking up and taking passengers to theirs and for sharing his cab with strangers. On the other hand, in carrying a group of passengers to one destination, the cost of the trip would be the same as with one passenger, but certainly the value of the service to the group would be greater.

If it is assumed that the proposed circular zone system will retain group riding, the major difference between it and the existing system is the manner in which they relate the fare structure to distance. It should be noted that although meters might bring the time element into the fare structure, Congress has repeatedly refused to permit meters in the District of Columbia, and their use will not be considered in this paper. In appraising the manner in which the two alternatives treat the distance question, it is helpful to consider the manner in which this question has been solved in other transportation and communication industries.

Distance as a factor in the fare structures of comparable industries

It is in the transportation and communication fields that distance is an important cost item and thus is reflected in the rate structures. This can be seen first in the transportation of passengers.

In aviation, passenger fares in general vary proportionately with the distance between origin and destination. There are modifications to this statement since a \$3.00 charge is added to the fare determined by the rate per mile times the mileage and since the fares today are influenced by the historical development of the fare making process. In addition, the class of service and type of plane enter into the fare structure. Thus, the standard fare for domestic flights, exclusive of the additional charge, amounts to about 6 to 6-1/2 cents per passenger mile for first class and to about 4-1/2 cents per passenger mile for coach service.

In the railroad industry, there are also different rates for different classes, e.g. coach and Pullman, but here, too, the rate increases on a mileage basis. In motor bus fares the distance factor is perhaps a little less evident, since other factors such as terrain and competition are also important. However, although fares on motor buses are generally tapered, i.e. the rate per mile decreases for longer trips, the total fare increases with an increase in distance.

The rate structure for freight carriage by railroad is extremely complicated with numerous class rates and commodity rates. The tapering system is generally used, and rates usually do not increase with each mile but rather with groups of miles, known as distance blocks. For instance, the rate may be the same for trips of 240 and 244 miles, but it is more for trips of 245 miles, and subsequently increases for each additional five or ten miles. Despite the complexity of the freight rate structures, distance is an important element here and also in motor carrier freight rates.

In all of the industries described above, there is a similarity to the proposed uniform circular zone system of taxicab fares. The nation is not divided into zones in these systems, but rather the origin of the trip is used as the starting point in computing the fare on the basis of mileage. Whether straight mileage or distance blocks, proportional or tapered rates are used, it is the distance between origin and destination which is important. In these cases, however, there is one factor that makes it much easier to apply this principle than it would be for taxicabs. In each instance, the number of origins and destinations although many are limited. In most communities there is only one railroad terminal, one bus terminal, and one airport, which serve as origins and destinations. Thus, it has been possible to develop schedules showing the fares and rates on these established trips. To be sure, railroad freight tariffs are extremely complicated, so that it takes an expert to determine rates. However, the time spent in such calculations is not as important an element here as in the transportation of passengers.

There are, however, other transportation and communication services which bear a greater resemblance to the taxicab industry because, although the number of origins and destinations is somewhat limited, they are so numerous that a fare schedule from the exact origin to the exact destination is not practicable.

One of these industries is the transit industry. Although there are definite stopping points for buses and streetcars, these modes of urban transportation, unlike those for interurban transportation, generally do not use fare schedules based on origin and destination. In many cities, such as Washington, there is one flat fare and no account is taken of the distance traveled. In others, it has been recognized that distance is a factor in transportation costs. To meet this, a zone system is used, and the passenger's fare is dependent on the number of zones in which he rides. In many cities there are only two zones, one comprising the downtown and the other the outlying areas. It is apparent that these transit zone systems are comparable to the existing fixed zone system for taxicabs in the District of Columbia.

Another service in which the computation of distance is important is that of parcel post service. Although, of course, the number of post offices is limited, on June 30, 1959, there were 27,443 of them, hardly a very manageable number. To meet this situation the Post Office Department has divided the country into geographical units. There are approximately 3,600 of these units in the United States and it is from these rather than from the some 27,000 post offices that ~~parcel~~ post rates and rates for second class mail containing advertising are computed.

The structure of rates from these units is quite similar to that under the proposed taxicab system. In addition to local delivery, there are eight zones, the first and second applying to distances up to 150 miles by the shortest practicable mail route, the third for distances from between 150 to 300 miles, the fourth for distances from 300 to 600 miles, etc. The parcel post rate depends on the number of zones lying between the originating and terminating units.

Although there is similarity in structure, postal employees do not use maps and plastic computers in determining the number of zones between the units. Instead they refer to a post office directory to determine the unit in which lies the post office to which the parcel is addressed and then find the unit number in a zone key prepared specifically for the originating postal unit. This zone key shows the number of zones between the units. Recently a simpler method of determining the number of

zones has been developed and is in use in about fifty of the nation's major cities. Here again there is a different parcel post zone guide for each unit. On the first page is an index by state, which indicates those states in which all the post offices lie in one zone. For other states it is necessary to refer to the other pages on which post offices are listed alphabetically by state. For instance, in the zone guide in use for unit 1071, under Maine it lists those post offices which are in zone 5 and states that all other post offices are in zone 4. This system eliminates the need to look up unit numbers.

The long distance telephone toll rate structure for interstate calls is quite similar to that of the post office although differing somewhat in operation. The distance between origin and destination is again the important factor. In this case the origins and destinations are rate centers, which in general are cities, towns, or villages, although in certain cases cities have more than one rate center and some communities are assigned adjacent rate centers.

Here again a type of zone system is used with the rates increasing by distance blocks. Thus, station-to-station daytime rates for the initial three minutes are 30 cents for long distance calls to rate centers from over 30 to 40 miles away, etc. The distances used are the airline miles between rate centers.

Although schedules of telephone rates to the principal cities have been prepared for ready reference, the computation of rate distances is done as follows. Every rate center is given a differential horizontal and a vertical coordinate according to its latitude and longitude. The mathematical difference between the horizontal coordinates of the originating and terminating rate centers and the difference between their vertical coordinates are then located on a table which shows the rate.

The rates for sending telegrams are also computed on the basis of number of miles from the origin. Here again there are distance blocks with one rate for 0 to 125 miles, a slightly higher one for 126 to 225 miles, etc., and rates for areas adjacent to large cities are the same as those for points in the city.

Should the uniform circular zone system be used in the District of Columbia?

As pointed out above, this paper is concerned with the relative merits of the existing taxicab fare structure in the District of Columbia and of the proposed uniform circular zone system. The following pro and con arguments are based on the assumption that these are the only alternatives being considered.

Arguments favoring the uniform circular zone system

1. Although distance is recognized as a meaningful standard for fare structures, it is only the uniform circular zone system which actually takes into account the distance between origin and destination. The relationship between the existing fare structure and distance is quite farfetched; it is based instead on the number of arbitrarily drawn zone boundaries crossed during a trip.
2. Quite apart from the merits of dividing the city into zones, the zones under the existing system, are of all different sizes in area. On the other hand, the proposed system has the advantage of uniformity. The rate increases will occur at uniform distance intervals, regardless of the origin of the trip.
3. The proposed system is more equitable, both for the driver and the passenger. Under the fixed zone system the driver is often paid more for a short than for a long trip; here his payment will be related to his costs. Furthermore, there will no longer exist the discrimination against a passenger who lives just beyond a zone boundary and must pay a two zone fare for short trips beyond the zone line. Although it might be argued that the passenger can walk several blocks to the other zone before hailing or after leaving the cab, this is impracticable when the passenger takes a cab to save time, because of inclement weather, or because it is after dark.
4. The fact that the uniform circular zone system embodies distance blocks is no disadvantage over the present system, whose zones are in effect irregular distance blocks. It is obvious that there must be some interval at which fares are increased whether it be one, two, or a fraction of a mile. In rail freight transportation, telegraph, telephone, and parcel post service, these intervals are generally much more than a mile. Even on the smaller scale of taxicab operations one mile is a fairly small interval; if conditions warranted, however, this system could be based on much smaller zones.

5. The use of distance from origin to destination as the basis for computing fares has many precedents in the transportation and communication fields. Railroad, motor carrier, bus, and parcel post transportation prices are based on this concept of distance as are long distance telegraph and telephone rates. The experience in these areas shows that this type of system is not only ideal, but also workable.

6. It is simple to determine distance from origin to destination by use of the computer. By placing the computer on the map, it will be quite clear to both driver and passenger how many zones have been crossed. If any questions should arise, they can be quickly answered by referring to the larger map.

7. Determining taxicab fares under the uniform circular zone system will not be time consuming. When a passenger telephones for a taxicab the dispatcher will tell him the number of zones in the trip, and maps and zone computers in homes and offices will permit other passengers to determine the fare before entering a cab. In many other cases the passenger will remember the number of zones on trips he makes often, and taxicab drivers will come to know fares on many common trips as a result of their experience under this system. Even where it is necessary to use the computer, this operation can be completed quickly while the driver waits at a red light or stops because of traffic congestion. In the limited cases where the larger map must be consulted, only a brief amount of time will be involved.

8. According to the Uniform Circular Zone System Committee, use of this system will result in an increase in cab driver income. On the other hand, for 60 percent of the passengers the fare will not be increased and for 2 percent it will be lower. Thus, introduction of this system should not decrease the demand for taxicab service.

9. This proposed system has already received the support of a number of citizens' association.

Arguments opposing the uniform circular zone system

1. As pointed out by the Public Utilities Commission with respect to the prohibition of taxicab meters: "It appears to the Commission that any mileage rate, such as that contained in the proposal, would violate the intent and spirit of the statute, if not its exact language."

2. It is argued that the merit of the proposed system lies in its use of distance between origin and destination. However, the distance measured is airline distance, not the distance actually traveled by the taxicab. Furthermore since, as an example, fares will jump between 2.9 miles and just over 3.0 miles and not between 2.1 and 2.9 miles, the proposed system will also contain inequities.

3. Although there are precedents in other fields for the measurement of distance from origin to destination, these precedents are not relevant to this situation for numerous reasons. In the first place, since there are in most cases a limited number of origins and destinations, it has been possible to make up rate schedules, which show at a glance the rate between two locales. In other cases where there are a larger number of originating and terminating point use has been made of geographical units, by the post office, or rate centers, by the telephone industry. This has reduced the complexity of the rate schedule by cutting down on the number of origins and destinations. On the other hand, persons can hail taxis at just about any point on the District's street system and each of these points is a separate origin. Likewise there are a countless number of taxi trip destinations, and rate schedules are impracticable.

Even where there are no rate schedules between points, the methods of computing rates in other industries are much simpler and quicker than under this system. In the post office it takes only a moment with the new booklets to find the name of the destination, and the older method does not require the use of a map and computer. Although the computation for telephone rates is a bit more complicated, there are many cases in which rate schedules make it unnecessary and the time element in computing telephone bills is not so important. Furthermore, the persons making these computations are generally concerned with the rates from one origin to many destinations, not from many origins to many destinations.

4. The uniform circular zone system is apparently completely new and untried. Is it wise to choose a city as large as Washington to carry out this experiment? Think of the time and expense involved in training new drivers and outfitting each cab with computer and map.

5. The system is too difficult to understand. One important source of demand for taxicabs in the District of Columbia is the tourist, who is not familiar with bus routes. It is unrealistic to expect the tourist to figure out this taxicab fare structure with its map and computer. Likewise, it will take longer for the new taxicab driver to familiarize himself with this system. In addition, since computations on the smaller map are at best approximations, there are likely to be arguments between passenger and driver.

6. The system is too time consuming. Computations with the map and computer take time, and if it is necessary to refer to the detailed map, which would have to be very large, additional time is lost. Furthermore, it would be extremely complicated and time consuming for use with group riding. If four passengers are picked up at different origins, it is necessary to make a separate measurement for each of them. Since group riding is especially prevalent during rush hours, these computations would undoubtedly tie up traffic.

7. It is unlikely that many fares would be remembered by the passengers or drivers. Unlike the present system there are no fixed boundaries which are easy to remember in computing the number of zones. Instead there are many combinations of origins and destinations, and a driver would only be able to remember the fare for a small number of them.

8. The effect of the proposed fare structure on taxicab riding is questionable. Because of a probable increase of fares for longer trips, this system might cause more taxicabs to be concentrated in the downtown region.

9. This proposal has received the consideration of the District of Columbia Public Utilities Commission and been denied.

Footnote by Irving Schlaifer.

In a letter addressed to Irving Schlaifer on March 26, 1958, Mr. Kenneth M. Hoover, Project Director, Mass Transportation Survey, National Capital Planning Commission, Washington, D.C., had this to say about the Uniform Circular Zone System, "This is a unique idea and I have no doubt could be employed for the purpose intended."

On August 30, 1958, the Washington Afro-American gave it editorial support and on January 9, 1959, the Washington Post and Times Herald gave it editorial support.

Endorsed by the following Citizens Ass'ns.

Petworth	Tues.	11-17-59
Brookland	Mon.	12-14-59
Hillcrest	Tues.	1-12-60
Michigan Park	Mon.	3-7-60
Arkansas Avenue	Mon.	3-14-60
Four Avenues Southeast	Mon.	3-28-60
West End	Mon.	4-11-60

Explained to the following Citizens Ass'ns.

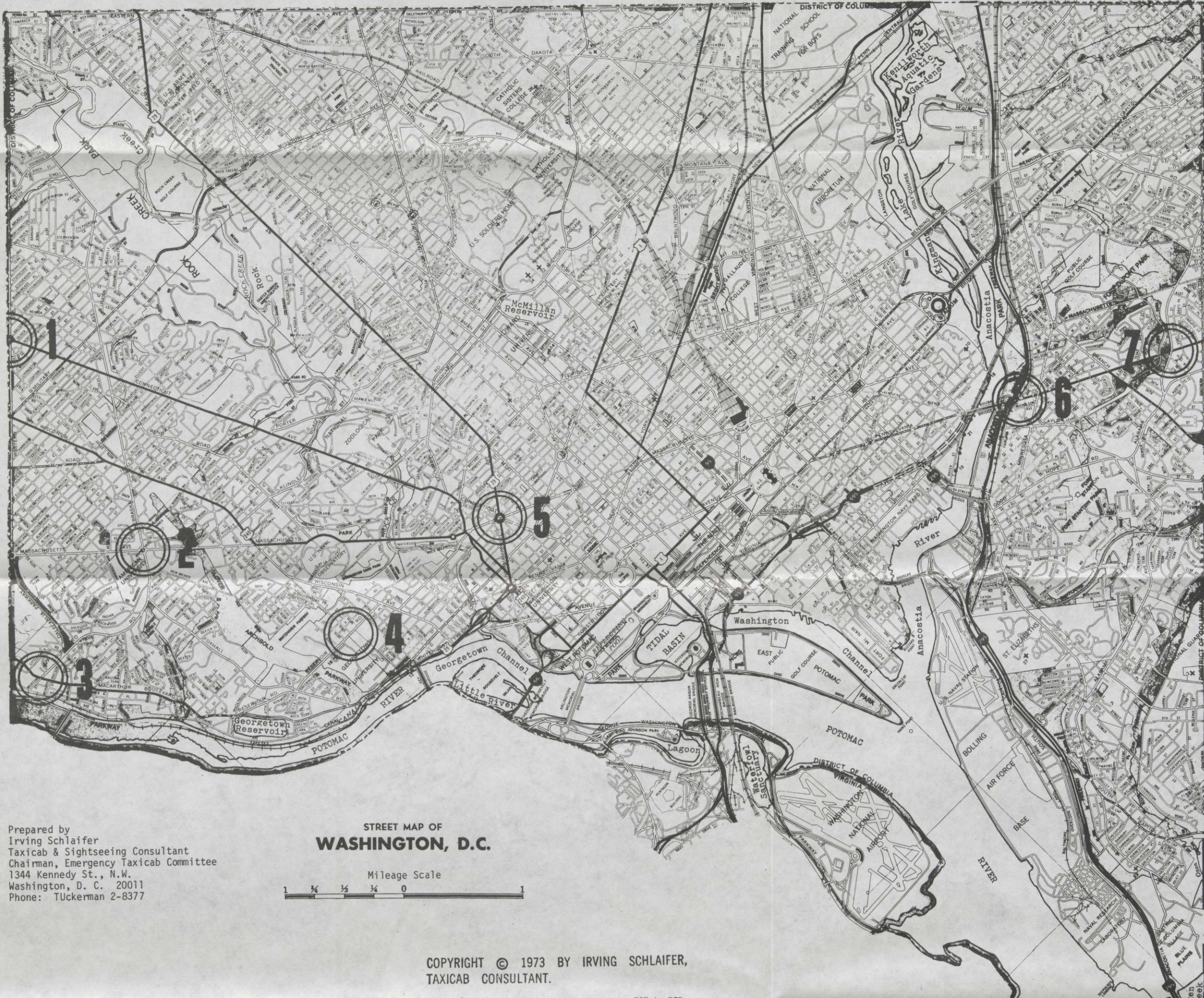
Northeast Council	Thurs.	12-3-59
Takoma Park	Mon.	12-7-59
American University Park	Mon.	1-4-60
Federation of Southeast	Tues.	1-5-60
Glover Park	Mon.	1-11-60
Northwest Council	Mon.	2-29-60
Chillum Heights	Mon.	3-21-60

.70	1.00	1.30	1.60	1.90	2.20	2.50	2.80	3.10	3.40	3.70	4.00	4.30	4.60	4.90	5.20	5.50	5.80	6.10
1 Zone	1½ Zones	2 Zones	2½ Zones	3 Zones	3½ Zones	4 Zones	4½ Zones	5 Zones	5½ Zones	6 Zones	6½ Zones	7 Zones	7½ Zones	8 Zones	8½ Zones	9 Zones	9½ Zones	10 Zones
1 Mile	1½ Miles	2 Miles	2½ Miles	3 Miles	3½ Miles	4 Miles	4½ Miles	5 Miles	5½ Miles	6 Miles	6½ Miles	7 Miles	7½ Miles	8 Miles	8½ Miles	9 Miles	9½ Miles	10 Miles

Mileage Rate Zone System taxi fare ruler.
Additional half-mile zones.

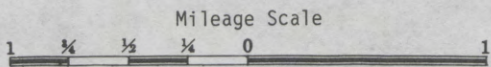
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TAXICAB CONSULTANT.

.30	.60	.90	1.20	1.50	1.80	2.10	2.40	2.70	3.00	3.30	3.60	3.90	4.20	4.50	4.80	5.10	5.40	5.70	6.00
½ Zone	1 Zone	1½ Zones	2 Zones	2½ Zones	3 Zones	3½ Zones	4 Zones	4½ Zones	5 Zones	5½ Zones	6 Zones	6½ Zones	7 Zones	7½ Zones	8 Zones	8½ Zones	9 Zones	9½ Zones	10 Zones
½ Mile	1 Mile	1½ Miles	2 Miles	2½ Miles	3 Miles	3½ Miles	4 Miles	4½ Miles	5 Miles	5½ Miles	6 Miles	6½ Miles	7 Miles	7½ Miles	8 Miles	8½ Miles	9 Miles	9½ Miles	10 Miles



Prepared by
Irving Schlaifer
Taxicab & Sightseeing Consultant
Chairman, Emergency Taxicab Committee
1344 Kennedy St., N.W.
Washington, D. C. 20011
Phone: TUCKERMAN 2-8377

STREET MAP OF WASHINGTON, D.C.



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In order to explain the use of the above map of Washington, D. C., you will note the Mileage Rate Zone System taxi fare rulers that are placed above the map. These same rulers can be made on a clear transparent plastic overlay with a magnetic handle.

The map would be placed on a heavy metal tin sheet. Both would be mounted on heavy cardboard. In order to protect the map, metal sheet and heavy cardboard from wear and tear, it would be necessary to cover the top and bottom with a clear, transparent, flexible, heavy duty plastic.

In order to explain the use of this map and the plastic Mileage Rate Zone System taxi fare ruler, the following seven reference points are marked off on the above map.

- "1" Chevy Chase Circle in N. W., D. C.
- "2" Ward Circle in N. W., D. C.
- "3" Loughboro Road and MacArthur Blvd., in N. W., D. C.
- "4" 37th Street and Reservoir Road in N. W., D. C.
- "5" Dupont Circle in N. W., D. C.
- "6" Fairlawn Avenue and Pennsylvania Avenue in S. E., D. C.
- "7" Alabama Avenue and Pennsylvania Avenue in S. E., D. C.

Please Note: The mileage rate would be based on airline distance, 70¢ for the first mile and 30¢ for each additional half-mile.

The following will explain the use of the seven reference points and Mileage Rate Zone System taxi fare ruler.

"1" to "2"

At least 98% of all cab trips would be a trip using any two points, such as, "1" to "2". The number of zones traveled and to be charged is easily determined by placing the taxi fare ruler on "1" and measuring to "2". It will measure 2½ zones, making it \$1.60.

"1" to "2" to "3"

The next most frequently used cab trip would be a trip using any three points, such as, "1" to "2" to "3". In this example, we first measure from "1" to "2" and find it to be 2½ zones. We then measure from "2" to "3" and find it to be 1½ zones. Therefore, this combination trip will give us a total of 4 zones, making it \$2.50.

"1" to "2" to "3" to "4" to "5"

The least frequently used cab trip would be a trip using any five points, such as, "1" to "2" to "3" to "4" to "5". In this example, we first measure from "1" to "2" and find it

to be 2½ zones. We then measure from "2" to "3" and find it to be 1½ zones. We then measure from "3" to "4" and find it to be 3 zones. We then measure from "4" to "5" and find it to be 2 zones. Therefore, this combination trip gives us a total of 9 zones, making it \$5.50.

"5" to "6" to "7"

Many trips make it necessary to use one of the several bridges that cross the Anacostia River. Rivers are natural barriers that require the use of bridges to get from one side to the other.

An example trip is shown involving points "5" to "6" to "7". This trip originates at "5" and has its destination at "7". It is therefore necessary to use a bridge to get across the Anacostia River. The choice of which bridge to use, is controlled by using that bridge which provides for the least number of zones to be traveled necessary to complete such a trip.

In this example, we first measure from "5" to "6" and find it to be 4½ zones. We then measure from "6" to "7" and find it to be 1½ zones. Therefore, this trip gives us a total of 6 zones, making it \$3.70.

"2" to "5"

On less than 2% of all cab trips, we will have the problem of zone line crossing at a point which is the destination of a particular cab trip. This example can be clearly illustrated on a trip from "2" to "5". When we measure from "2" to "5", we find that it is not less than 3 zones and not more than 3½ zones. The passenger must be protected against the possibility of having to pay for an additional ½ zone by having a provision made that such trips be solved in this manner; the charge would be for the least number of zones traveled, plus 10¢. Therefore, this trip would be 3 zones, plus 10¢, making it \$2.00.

The cab passenger that wishes to have complete control of this example trip, can simply give his destination to be within the lower zone cost and walk the last half-block or block, to his true destination and in this way be charged for only 3 zones.

The above examples and instructions clearly illustrate how easy it is to use the map and the plastic Mileage Rate Zone System taxi fare ruler. This method can be easily compared to the number of miles traveled to the number of zones traveled.

A cab driver need only to write down the last three digits appearing on the odometer (speedometer) at the start of the trip, and, the last three digits appearing on the odometer at the end of the trip, and, after a simple subtraction of these figures, he will find that the number of miles traveled and the number of zones traveled, are quite often the same.

The cab driver, because of his experience and knowledge of the city, will not need to use the plastic taxi fare ruler on more than 10% of his trips. In a short matter of time, many of his passengers will just say, "Driver, you don't have to use that taxi fare ruler, I know that I am going on a 2 zone trip to such and such address."

This fact alone will bring down the number of times that the cab driver will have to use the plastic taxi fare ruler. Most important of all, he will remember the number of zones traveled on his many frequently repeated trips. This will lessen his need to use the plastic taxi fare ruler.

The Mileage Rate Zone System will simplify the job of policing cab rate charges. The

D. C. Public Service Commission
1625 Eye St., N. W.
Washington, D. C. 20006
Phone: 629-2301

and the

Office of Public Vehicles Services
D. C. Department of Motor Vehicles
469 "C" St., N. W.
Washington, D. C. 20001
Phone: 629-3751

will find that the Mileage Rate Zone System will be easy to put into operation.

.70	1.00	1.30	1.60	1.90	2.20	2.50	2.80	3.10	3.40	3.70	4.00	4.30	4.60	4.90	5.20	5.50	5.80	6.10
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Mileage Rate Zone System taxi fare ruler.
Additional half-mile zones.

.30	.60	.90	1.20	1.50	1.80	2.10	2.40	2.70	3.00	3.30	3.60	3.90	4.20	4.50	4.80	5.10	5.40	5.70	6.00
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The mileage zone rate for this map starts within the small double circle at the U. S. Capitol Building.



Prepared by
Irving Schlaifer
Taxicab Consultant
Chairman, Emergency Taxicab Committee
1344 Kennedy St., N.W.
Washington, D. C. 20011
Phone: TUCKERMAN 2-8377

STREET MAP OF
WASHINGTON, D.C.
Mileage Scale
1 ½ ¼ 0 1

PUBLIC SERVICE COMMISSION
OF THE DISTRICT OF COLUMBIA

COPY

FILE NO. _____

MEMORANDUM

May 5, 1967

TO: George A. Avery, Chairman
FROM: William H. Clark, Jr., Assistant Chief Engineer
SUBJECT: Circular Zone System

As my last official statement before I tender my resignation, I would like to state my position on one of the controversial propositions discussed at length during my stay with the Commission--the circular zone system.

This system for taxi fares has merit in that it is the only system proposed to date whereby the rider will pay for the exact distance traveled per airline mile. It is not connected in any way to a meter system. A passenger will pay for zones crossed plus any zones entered. Taxi drivers will have trouble computing fares, but after a year of use, they will encounter no more difficulty than they are now having with the present zone system.

I hope you will take my views into consideration when you are making your decision.

WHC
WHC:ba

PROPOSED REGIONAL RAPID RAIL TRANSIT
PLAN AND PROGRAM

Prepared by

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

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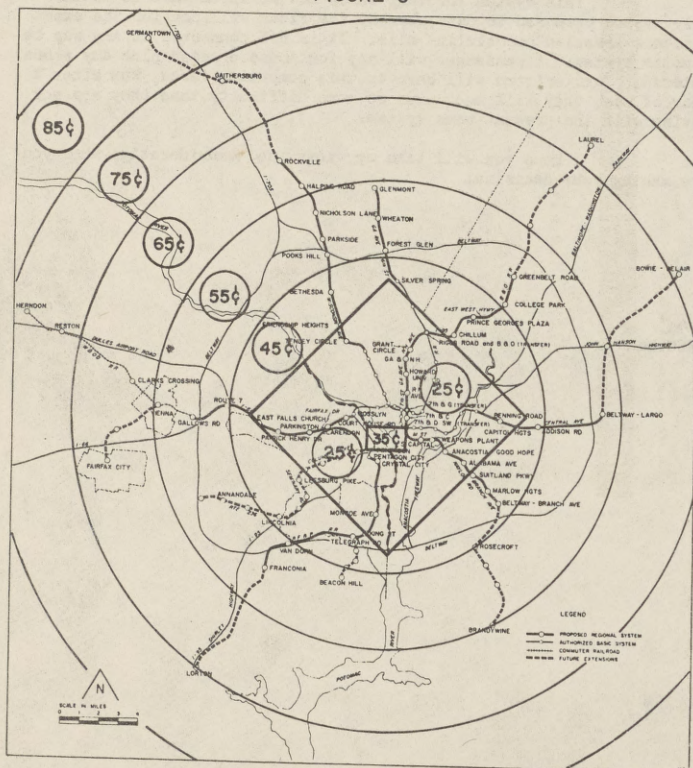
THOMAS W. FLETCHER

HAROLD J. CASTO

JACKSON GRAHAM
GENERAL MANAGER

DECEMBER 1967

FIGURE 6



ASSUMED ZONE FARE SYSTEM
PROPOSED REGIONAL SYSTEM
1967

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

-27-

Please Note: This is a Mileage Rate Zone System!



INSTRUCTIONS FOR INSCRIBING PARCEL POST ZONE ARCS ON MAP

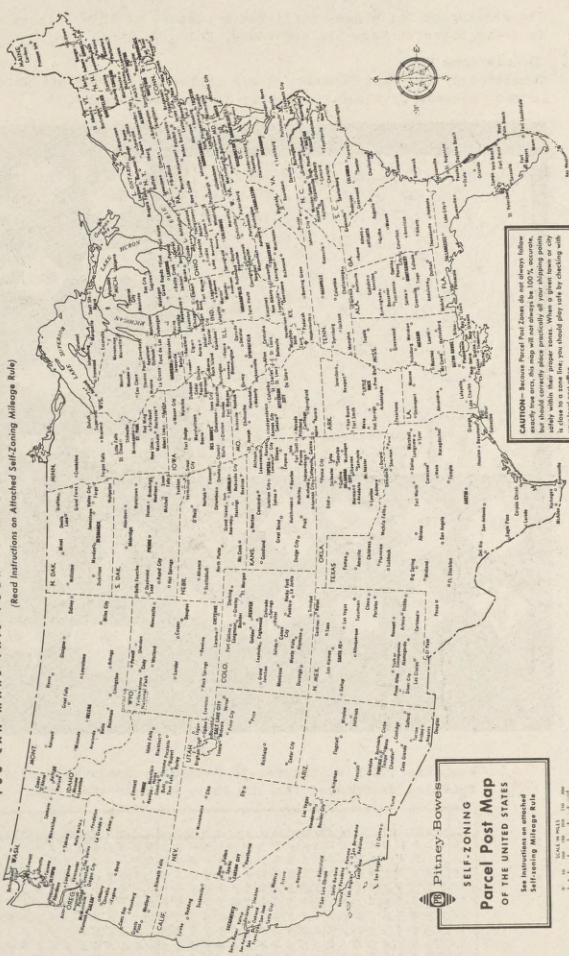
(1) Put thumb tack through the dot on the other side of this rule city is located. (2) Then inscribe arcs for Parcel Post Zones by placing points at a color pencil through line holes on the rule where arrow points to "Your City". (3) Then place rule on the map so that thumb tack goes through spot at point where your first indicate the various zone distances—in a series of six arcs.

YOUR CITY	ZONE 1 0-150 Miles	ZONE 2 150-300 Miles	ZONE 3 300-400 Miles	ZONE 4 400-600 Miles	ZONE 5 600-1,000 Miles	ZONE 6 1,000-1,400 Miles	ZONE 7 1,400-1,800 Miles	ZONE 8 1,800 Miles and beyond
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SELF-ZONING MILEAGE RULE

This is your rule for marking off the Parcel Post Zones on any map. It is a color pencil rule with thumb tack holes. Use the thumb tack and rule to mark off the zones on any map. See INSTRUCTIONS FOR USE ON REVERSE SIDE.

YOU CAN MAKE THIS YOUR PARCEL POST ZONE MAP, WHEREVER YOU ARE
(Read Instructions on Attached Self-Zoning Mileage Rule)



SELF-ZONING Parcel Post Map OF THE UNITED STATES

See Instructions on attached
Self-Zoning Mileage Rule

© 1970 Pitney-Bowes, Inc.
Printed in the U.S.A.
Model Copyright by MAILSHOOT COMPANY, INC., N.Y.C. New York

NOTE: All lines shown on this map have first class post offices.

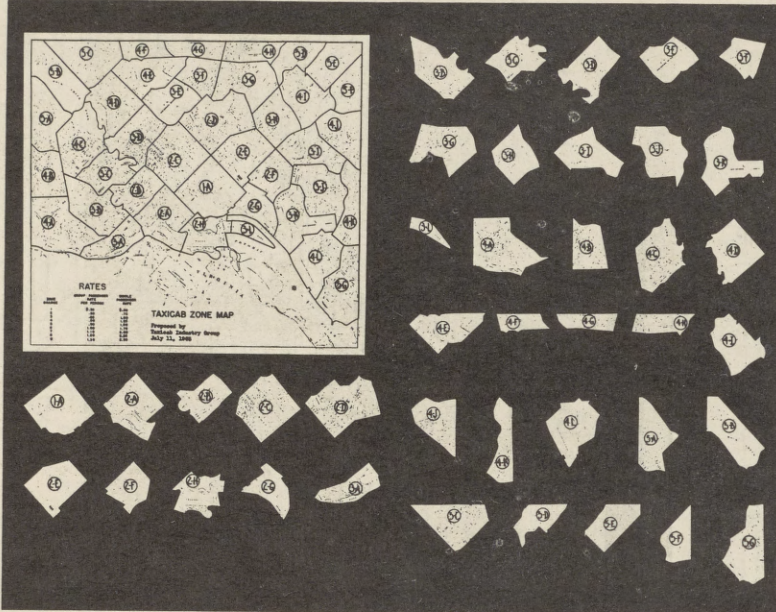
CAUTION: Because this is a self-zoning map, the user must place the thumb tack through the dot on the other side of the rule, and place the rule on the map so that the thumb tack goes through the spot at point where your first indicate the various zone distances—in a series of six arcs. It is, then, in a same line, you should place rule by checking with your hand post office.

Model Copyright by MAILSHOOT COMPANY, INC., N.Y.C. New York

The Washington Daily News published a picture of this 40 zone area map in their paper on Page 61, Wednesday, July 17, 1963.

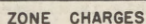
40 Zone Area Map.

Submitted by the Taxi Industry Group in the 1963-1964 Taxi Rate Hearings. It was rejected by the D. C. Public Service Commission.



Use this block of figures to determine the number of zones traveled or crossed for the above 40 zone area map.

	1A	2A	3A	4A	5A	6A	7A	8A	9A	10A	11A	12A	13A	14A	15A	16A	17A	18A	19A	20A	21A	22A	23A	24A	25A	26A	27A	28A	29A	30A	31A	32A	33A	34A	35A	36A	37A	38A	39A	40A																														
1A	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40																														
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4A	4	3	2	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40																											
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6A	6	5	4	3	2	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40																									
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9A	9	8	7	6	5	4	3	2	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40																						
10A	10	9	8	7	6	5	4	3	2	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40																					
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18A	18	17	16	15	14	13	12	11	10	9	8	7	6	5	4	3	2	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40													
19A	19	18	17	16	15	14	13	12	11	10	9	8	7	6	5	4	3	2	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40												
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32A	32	31	30	29	28	27	26																																																															



	Zone Charge	Group Passenger Rate	Single Passenger Rate
A ride confined to any subzone of zone 1	1	\$.50	1.00
A ride between any of the subzones of zone 1	1	.50	.75
A ride confined to any subzone of zones 2, 3, 4, or 5	1	.50	1.00
A ride between a point in zone 1 and a point in zone 2	2	1.00	1.75
A ride between a point in zone 1 and a point in zone 3	3	1.00	1.45
A ride between a point in zone 1 and a point in zone 4	4	1.15	1.60
A ride between a point in zone 1 and a point in zone 5	5	1.30	2.00

Rides originating in one subzone and terminating in another, the zone charge is shown below:

		TO SUBZONE																											
		1A	1B	1C	1D	2A	2B	2C	2D	2E	3A	3B	3C	3D	3F	3G	3H	4A	4B	4C	4D	4E	4F	4G	4H	5A			
FROM SUBZONE	1A	-	1	1	1	2	2	2	2	2	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	1A		
	1B	1	-	1	1	2	2	2	2	2	3	3	3	3	3	3	3	3	4	4	4	4	4	4	4	4	5	1B	
	1C	1	1	-	1	2	2	2	2	2	3	3	3	3	3	3	3	3	4	4	4	4	4	4	4	4	4	5	1C
	1D	1	1	1	-	2	2	2	2	2	3	3	3	3	3	3	3	3	4	4	4	4	4	4	4	4	4	5	1D
	2A	2	2	2	2	1	2	3	3	2	2	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	2A	
	2B	2	2	2	2	1	2	3	3	2	2	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	2B	
	2C	2	2	2	2	3	2	1	2	3	3	3	3	3	3	3	3	3	4	4	3	3	3	3	3	3	3	2C	
	2D	2	2	2	2	3	3	2	1	2	4	4	3	3	2	2	3	3	5	5	5	5	5	5	5	5	5	2D	
	2E	2	2	2	2	3	3	2	1	2	4	4	3	3	2	2	3	3	5	5	5	5	5	5	5	5	5	2E	
	3A	3	3	3	3	2	3	4	4	3	1	2	3	3	5	5	5	5	5	5	5	5	5	5	5	5	5	3A	
	3B	3	3	3	3	2	3	4	4	2	1	2	3	4	5	5	5	5	5	5	5	5	5	5	5	5	5	3B	
	3C	3	3	3	3	3	2	3	2	3	4	3	2	1	3	4	4	5	5	5	5	5	5	5	5	5	5	3C	
	3D	3	3	3	3	3	4	3	2	3	4	4	3	2	1	3	4	5	5	5	5	5	5	5	5	5	5	3D	
	3F	3	3	3	3	4	3	2	2	3	5	4	3	3	1	2	3	4	6	6	6	4	3	2	2	3	4	3F	
	3G	3	3	3	3	4	3	2	3	2	5	5	5	5	2	1	2	4	6	6	6	6	3	2	2	3	5	3G	
	3H	3	3	3	3	4	4	3	2	2	5	5	5	4	3	2	1	3	6	6	6	5	4	2	2	2	3	3H	
4A	4	4	4	4	3	3	4	5	4	2	2	3	5	6	6	6	5	1	2	3	5	7	7	7	7	7	4A		
4B	4	4	4	4	3	3	4	5	3	2	2	4	6	6	6	6	2	1	2	4	6	7	7	7	7	7	4B		
4C	4	4	4	4	4	3	3	4	5	3	2	3	4	6	6	6	3	2	1	2	5	6	7	7	7	7	4C		
4D	4	4	4	4	5	4	3	4	5	3	2	3	4	5	6	5	4	2	1	4	5	6	6	7	7	7	4D		
4E	4	4	4	4	5	4	3	3	4	6	6	4	2	3	4	5	7	6	5	5	4	1	2	3	3	4	4E		
4F	4	4	4	4	5	4	3	3	4	6	6	6	5	2	2	5	7	7	7	6	5						4F		
4G	4	4	4	4	5	5	4	3	3	6	6	6	5	3	2	4	7	7	7	6	3	2	1	2	2	2	4G		
4H	4	4	4	4	5	5	4	3	3	6	6	6	5	3	2	4	7	7	7	6	3	2	1	2	2	2	4H		
5A	5	5	5	5	6	6	5	4	4	7	7	7	6	5	3	5	8	8	8	7	4	3	2	2	2	2	5A		
		1A	1B	1C	1D	2A	2B	2C	2D	2E	3A	3B	3C	3D	3F	3G	3H	4A	4B	4C	4D	4E	4F	4G	4H	5A			

Tuesday, November 7, 1972

D. C. Public Service Commission
Cafritz Building
1625 Eye St., N. W.
Washington, D. C. 20005

In Re: Formal Case No. 577

Gentleman:

At the prehearing conference held in the New Executive Office Building at 10 A.M., November 2, 1972, Chairman Waterman requested that we submit any additional proposals in writing that we would want to be considered and made a part of Formal Case No. 577.

I stated at this hearing that the purpose of the 16 proposals in my original petition was to make it possible for the cab driver to have a net take home pay of \$5.00 per hour. The net take home pay of the cab driver, today, is anywhere from \$2.00 to \$3.00 per hour. Many occupations requiring far less skill than that of a cab driver, such as, a dishwasher, pay \$2.00 per hour or more, plus fringe benefits, such as, workman's compensation, unemployment compensation, hospital and medical care, overtime pay, bonuses, vacation pay, etc.

The 16 proposals that I have recommended will not only increase rates where needed, but, will decrease rates where needed. It will also leave the rates unchanged where needed. This means that 60 percent of the cab passengers will pay no increase in rates. The remaining 40 percent will have their rates increased or decreased. But, even more important, it means that the cab riding public will now be served on a first come, first serve basis. It also means that the now empty cab stands, will attract cab drivers to occupy them.

Naturally, any changes that will definitely improve the net take home pay of the cab driver, brought about as a direct result of these hearings, such as, the adoption of the Mileage Rate Zone System and higher rates for other services performed by the cab driver, will attract a great many more men and women to now want to drive a cab. If this is allowed to happen, the taxi industry will be flooded with a surplus of cabs and their drivers. Therefore, any expected increase in the net take home pay of those now driving cabs will be completely wiped out. Every effort must now be made to prevent this from happening. Higher rates must have higher standards.

In my original petition of July 6, 1972, I submitted 16 proposals. It is now requested that the following proposals be added to my original petition.

Proposals continued:

17. to require that only brand new vehicles be put in service as taxicabs, and, that when the cab owner leaves the taxi industry the taxicab leaves with him.
18. to require that a mileage limitation and an age limitation on taxicabs be 300,000 miles or 7 years, whichever comes first.
19. to require that only a built for the purpose taxicab can be used, be it a sedan, station wagon or van, and, must have a seating capacity of not less than 8 adult passengers, including the driver.

Page 2. In Re: Formal Case No. 577.

Proposals continued:

20. to require that a "new taxicab reserve replacement fund" be set up which would make the holder of a P.S.C. taxicab vehicle license set aside not less than \$10.00 per week for each vehicle licensed as a taxicab. This reserve fund shall be used for the express purpose of buying a new taxicab.
21. to require that all new cab drivers wanting to obtain a P.S.C. taxicab license with which to operate their own cab, to guarantee to be a full time cab driver for not less than three years.
22. to require that two-way radios be made mandatory equipment for all taxicabs. This will provide for better and quicker service. It will also provide an effective tool with which to fight the rising crime rate against the cab driver.
23. to require that the green trouble light be made mandatory for all taxicabs. The use of the green trouble light is now optional.
24. to require that a mandatory fund be set aside each week for workmen's compensation, health and accident insurance, retirement fund, etc.
25. to permit the use of destination signs at all hours, such as, Sheriff Road, N.E., Connecticut Avenue, N.W., Naylor Road, S.E., Petworth, Capitol Hill, etc.
26. to make use of every option that the P.S.C. has that will make it possible for the cab driver to have a net take home pay of not less than \$5.00 per hour.

We must make being a cab driver a profession. To make it a profession, the cab driver must adequately compensated for his services. To make it a profession, the cab driver must be protected from an unhealthy oversupply or surplus of taxicabs and cab drivers competing with each other for the same customer. The purpose of all of these proposals that I have submitted is to make cab driving a profession.

Very truly yours,

Irving Schlaifer

Irving Schlaifer
1344 Kennedy St., N. W.
Washington, D. C. 20011

March 12, 1973

PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA

IN THE MATTER OF

Petition of Irving Schlaifer for Investigation of the)
 Rules and Regulations Pertaining to Rates and Charges)
 for the Operation of Taxicabs in the District of)
 Columbia)

Formal Case No. 577

Opposition of Irving Schlaifer

Party Petitioner

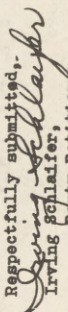
To Motion For A Second Delay In Proceeding

The Party Petitioner in this proceeding hereby opposes the March 5, 1973, Motion of Charles Jay Pilzer, attorney, for a further delay of 90 more days to June 15, 1973, for the Phase One part of this hearing.

For reasons, the Party Petitioner, respectfully directs the attention of the Commission to the following:

1. That the Formal Case No. 577, should not last "forever" because those represented by Charles Jay Pilzer, attorney, cannot force their affiliated cab drivers to bring in their manifest and other records for the purpose of producing the necessary facts needed for the Phase One part of this hearing.
2. That at the November 2, 1972, pre-hearing conference, those represented by Charles Jay Pilzer, attorney, said, "that all that they needed was 60 days time to be ready for the Phase One part of this hearing." Therefore, the date for the Phase One part of this hearing was set for January 15, 1973.
3. That on December 21, 1973, those represented by Charles Jay Pilzer, attorney, claimed that because of various unforeseen complications, it was necessary to request that the Phase One part of this hearing be delayed for another 60 days, to March 15, 1973.
4. That on January 2, 1973, the Party Petitioner, filed an opposition to this motion for a 60 day delay.
5. That on January 11, 1973, the P.S.C. in its Order No. 5559, granted the 60 day delay requested by those represented by Charles Jay Pilzer, attorney, and, reset the date for the Phase One part of this hearing to March 15, 1973.

6. That this second request for a second delay will fail because, (1) March is the month for the cab drivers and fleet owners to get their new license plates and P.S.C. licenses for their vehicles for hire, and, (2) April is income tax month, therefore, most of them will just feel like they "have had it". They just will not feel like cooperating with their companies and associations and bring in their manifests and other records.
7. That the "roadway to hell is paved with good intentions". That we have already seen that the good intentions of those represented by Charles Jay Pilzer, attorney, just don't mean a thing, and, if its on paper, you just might as well forget it and tear it up.
8. That the only sensible way to get things done, is for the P.S.C. to hire a consulting firm to do the Phase One part of this hearing. The P.S.C. has one major advantage that the Taxicab Industry just does not have, and that is, the force of the law. The P.S.C. can subpoena the records of every cab driver, cab company and cab association. This cannot be done by the Taxicab Industry. The Taxicab Industry must rely on the voluntary method of getting the cab drivers to come in with their manifests and other records. The overwhelming majority of these cab drivers are not about to volunteer to do anything.
9. That this additional 90 day delay requested by those represented by Charles Jay Pilzer, attorney, is a pure waste of very, very precious time. It is a public-be-damned policy. The public is screaming for better cab service. The P.S.C. should not make itself a party to the unnecessarily delaying of the right of the public to the getting of better cab service. The public should get what it pays for, and, the cab drivers should be adequately paid for the services they provide.
10. That the P.S.C. should tell those represented by Charles Jay Pilzer, attorney, to "put-up or shut-up".

Respectfully submitted,

 Irving Schlaffer,
 Party Petitioner

March 12, 1973

PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA

IN THE MATTER OF

Petition of Irving Schlaifer for Investigation of the
Rules and Regulations Pertaining to Rates and Charges
for the Operation of Taxicabs in the District of
Columbia.)
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Formal Cast No. 577

Supplemental Memorandum Of Party Petitioner
To Formal Case No. 577
To Taxi Rate Case Hearing Held On
Tuesday, February 20, 1973

The Party Petitioner has committed himself to the burden and expense of filing the original petition for a rate case before the P.S.C. The Party Petitioner having been an intervenor in the last several rate cases before the P.S.C. is well aware of the amount of days, weeks, months and even years, necessary to complete a rate case before the P.S.C. The Party Petitioner, at no time, initiated any effort to "hurry up" the granting of any rate increases. The Party Petitioner has indeed shown great patience in allowing for all of the needed time for everyone involved in this hearing to prepare their case.

The intervenors represented by Charles Jay Pilzer, attorney, were the original petitioner for the '63-'64 taxi rate case before the P.S.C. They were also intervenors in the '68-'69 taxi rate case before the P.S.C. filed by Taxi Local 814 of the International Association of Machinists Union. Therefore, they are well aware as to the number of days, weeks, months and even years, necessary to complete a rate case before the P.S.C.

Charles Jay Pilzer, attorney, with all of his expertise, at the November 2, 1972 prehearing conference, had no trouble in agreeing to the date of January 15, 1973, as Phase One of this hearing. On December 21, 1972, Charles Jay Pilzer, attorney, filed a motion for a 60 day delay to March 15, 1973 for Phase One of this hearing. On January 2, 1973, the Party Petitioner filed an opposition to this motion.

The P.S.C. in Order No. 5559, January 11, 1973, Formal Case No. 577, granted the 60 day delay requested by Charles Jay Pilzer, attorney. Section 2 of Order No. 5559 states the following:

That the time for the filing of direct testimony by all parties to this proceeding seeking changes in taxicab rates, fares or zones be extended from January 15, 1973 to March 15, 1973. Such testimony is to be filed with the Commission and served upon all parties by the close of business on that date.

The ink had hardly become dry on Order No. 5559, when Charles Jay Pilzer, attorney, on January 26, 1973, filed a Petition for Interim Relief, asking for:

1. On page one of this Petition, first paragraph reads as follows:
Charles Jay Pilzer, as attorney for The Taxicab Industry Group, the Capitol Cab Cooperative Association, Inc., and the Independent Taxi Owners' Association, Inc., hereby respectfully requests that this Commission grant an interim increase pending final determination in the above matter of approximately 15 percent across the board, rounded. In support hereof he states:

2. On page six, point number nine reads as follows:
 Since the time that a charge of 25 cents was instituted for telephone service, numerous increases have been made in the charges for telephone service to be paid to the telephone company. The level of service in response to telephone calls has deteriorated because drivers will not respond to requests for bids on telephone jobs. An increase in the tariff for telephone dispatch cab service from a charge of 25 cents to 50 cents would tend to provide better service and would not cause a hardship on the using public.
3. Charles Jay Pilzer, attorney, concludes this Petition with this final paragraph on page six, as follows:
 Wherefore, your Petitioner, for all of the reasons set forth herein, requests that this Commission grant an immediate interim increase of 15 percent in general rates, rounded, and an increase in the telephone service charge from 25 cents to 50 cents. The statistical material set forth herein is based upon Federal Government statistics and is, therefore, of obvious reliability. The information contained herein is sufficient to constitute a basis for the granting of such relief and the magnitude of the relief requested is more than justified by the statistical information proffered herein, since an increase in excess of twice 15 percent would be required either to provide taxicab drivers with the same percentage increase as comparable groups or to enable them reach an equal dollar level to employees engaged in similar services.

On January 30, 1973, the P.S.C. issued a Notice of Hearing, to be held on Tuesday, February 20, 1973, at 10:00 A.M. in Room 314, Cafritz Building, 1625 Eye St., N.W., Washington, D.C. 20005. All of this, within four days of the filing on January 26, 1973, the Petition for Interim Relief by Charles Jay Pilzer, attorney. It is also interesting to note that on Monday, January 29, 1973, a meeting was held at the Commission's office at 10:00 A.M. for approximately ninety minutes with the Charles Jay Pilzer, attorney, his intervenors, members of the P.S.C. staff, a member of the Hack Inspectors' Office, and the Petition for Interim Relief. $\rightarrow$ ①

① and others that I may not know about, so that, as the Party Petitioner understands it, to discuss off the record the merits of the Petition for Interim Relief.

Since all of this is directly related to this rate case, this is absolutely no justification for not asking the Party Petitioner to be present at this meeting. The Party Petitioner is quite certain that the Members of Congress will be interested in learning of the high-handed ways in which the P.S.C. conducts its business.

It would appear that the P.S.C. did not want to give Party Petitioner or the other intervenors the opportunity to oppose the Petition for Interim Relief filed January 26, 1973 by Charles Jay Pilzer, attorney. In spite of this "hurry up" on the part of the P.S.C. the Party Petitioner did file, within ten working days, on Thursday, February 8, 1973, a motion in opposition to the Petition for Interim Relief. For reasons unknown to the Party Petitioner, the P.S.C. did not notify any of the interested parties, in writing, that it had received a motion in opposition to the Petition for Interim Relief.

The P.S.C. has consistently confused everyone with its constantly changing of its orders. At the November 2, 1972 prehearing conference the P.S.C. made it crystal clear that it would not consider any recommendations that would use "shortcuts" to speed up the granting of rates increases. The P.S.C. at this hearing insisted that this rate case follow an orderly procedure. The Party Petitioner agreed wholeheartedly with this procedure.

The P.S.C. in its Order No. 5559, dated, January 11, 1973, once more insisted that this rate case follow an orderly procedure. However, on January 30, 1973, the P.S.C. issued a notice of a hearing to be held February 20, 1973 to consider a Petition for Interim Relief filed on January 26, 1973, in behalf of those represented by Charles Jay Pilzer, attorney. The P.S.C. has leap-frogged all over the place to do everything it possible can, to accommodate those represented by Charles Jay Pilzer, attorney.

The Party Petitioner has every right to insist on far better treatment from the P.S.C., since it was the Party Petitioner that filed the original petition with its 16 proposals on July 6, 1972. It was on July 12, 1972, that the P.S.C. accepted this petition with its 16 proposals and designated it to be Formal Case No. 577. On page 3 of this Order, 2nd paragraph, it states as follows:

The Commission, upon consideration of said petition, has determined that petitioner's request for a hearing should be granted.

The intervenors represented by Charles Jay Pilzer, attorney, with all of its supposedly financial strength, sat on its hands doing absolutely nothing to file an original petition for a tax rate hearing. Now that the Party Petitioner filed a petition for a rate hearing and it was accepted, the intervenors represented by Charles Jay Pilzer, attorney, have made it their position to take over this hearing as if they were the original petitioner and that the Party Petitioner was merely an intervenor.

Every objection made by the Party Petitioner to the P.S.C. is treated in what can be called a "high-handed" manner. The P.S.C. says at the hearings, "We will get to your proposals later. Now is not the time to bring them up and that what you want to bring up belongs in Phase Two of this hearing." But the P.S.C. says to the intervenors represented by Charles

Jay Pilzer, attorney, "Forget Phase One of this hearing and tell us what you want now even though it belongs in Phase Two of this hearing and we will see what we can do to get it for you." It would appear as if the P.S.C. has prejudged this case! In the meantime all of the damage will have been done and the Party Petitioner's 16 original proposals and 10 additional proposals (but never acknowledged by the P.S.C.) filed November 7, 1972, as the result of the November 2, 1972, prehearing conference won't be worth the price of the piece of paper it was written on.

The Party Petitioner should certainly have some priority in this matter of Formal Case No. 577. The Party Petitioner strongly objects to "being used". The direction in which this tax rate case has now gone, the expression of "being used" is indeed appropriate.

At this point, I must bring to the attention of the P.S.C. point one of the Petition for Interim Relief by Charles Jay Pilzer, attorney. It is as follows:

1. Precedent for such an increase has been established in previous rate hearings due to the complex nature of the taxicab industry in the District of Columbia and the difficulty in assembling appropriate evidence for final determination expeditiously. In the last rate case, Formal Case No. 536, this Commission followed the herein suggested procedure in Order No. 5204, dated February 3, 1969, wherein it granted an interim increase 10 percent pending final determination. (Order No. 5395 dated August 22, 1969, in Formal Case No. 536 was the final order and allowed an additional 10 percent increase.)

While all of this is true, what is left unsaid, is the fact that a group of cab drivers calling themselves the Emergency Taxicab Committee, demonstrated, picketed and called for taxi strikes while the '68-'69 taxi rate hearings were going on. The Party Petitioner was its first Chairman. Check your files for news coverage of these events.

The first three hour strike was held on Lincoln's birthday, Wednesday, 2-12-69 from 4 P.M. to 7 P.M. The second three hour strike was held on Wednesday, 2-27-69 from 4 P.M. to 7 P.M. The third strike was a 24 hour strike held on Monday, 3-10-69. The fourth strike was a 12 hour strike held on Tuesday, 7-15-69 from 7 A.M. to 7 P.M. Each of these four taxi strikes were a complete success. In addition to these taxi strikes, we had some hard bargaining sessions with the then Chairman of the P.S.C., George A. Avery. All of this activity before and after the granting of an interim increase of 10 percent on February 3, 1969, had a lot to do with the breaking of a tradition and the setting of this precedent.

Since the Chairman of the Emergency Taxicab Committee is the Party Petitioner, no demonstrations, picketing or taxi strikes are in the works as of now, but, that does not rule out any of these things from happening.

The intervenors represented by Charles Jay Pilzer, attorney, have seen fit to agree with several of the proposals filed by the Party Petitioner, such as:

1. Proposal 4, to permit all individual passengers sharing a cab while group riding and not of the same party to pay the full single passenger fare. Please Note--- that Proposal 4, is worded to fit the rate structure of the Mileage Rate Zone System. In order that it fit the rate and zone system now in use, it must also say that group riding rates shall be used only when all passengers get in at the same place and get out at the same place.
2. Proposal 6, to permit a 50 cent charge in response to a telephone call.

The Party Petitioner agrees with those intervenors represented by Charles Jay Pilzer, that these two proposals be adopted at once.

These two proposals have been proposed by the Party Petitioner, as an intervenor, in the '63-'64 and the '68-'69 taxi rate hearings, but the intervenors represented by Charles Jay Pilzer have been deliberately negligent in doing anything about it, until this hearing. The very reasons used by them at this hearing to have these proposals adopted now, are the very same reasons that existed then, but, they deliberately shut their eyes to it and did absolutely nothing about it. It is little wonder that those cab drivers affiliated with their companies and associations have done everything that is legally correct to make themselves unavailable to provide such services. It is easy to see why our taxi services have gone down the drain.

It is the Party Petitioner's opinion that this is but a small step in the right direction. It will take every recommendation and proposal that the Party Petitioner has made, to turn around the direction in which the Taxi Industry has been heading over these many years. The direction in which the Taxi Industry has been heading is a form of suicide or self-destruction. This a Taxi Industry of marginal operators, be they cab drivers, companies or associations.

Now we come to the heart of the Petition for Interim Relief, the granting of an immediate interim increase of 15 percent in general rates, rounded. The party Petitioner has interpreted this 15 percent rate increase as applying to all of the rates that we use, be it, for suitcases, personal service, hourly rates, etc., and so stated it at the hearing held Tuesday, February 20, 1973. Charles Jay Pilzer, attorney, then immediately insisted that on only three issues were involved, one, increase the charge for answering a telephone call from 25 to 50 cents; two, redefining the application of rates for group riding, and three, increasing the zone rates by 15 percent, rounded, at this time. (There will, of course, be a demand for another 15 percent increase on the zone rates in the future hearings of this same case.)

This is but an end run around the Party Petitioner's proposal to have the obsolete taxi zone system now in use, replaced with Mileage Rate Zone System. It is an attempt to knock the Party Petitioner out of the "ball game" by having the first zone rate for a single passenger go from 75 cents up to 85 cents. The Party Petitioner wants the first zone rate for a single passenger go from 75 cents down to 70 cents.

The P.S.C. must agree with the Party Petitioner that taxi rates must not go out-of-sight and, thereby, causing the Taxi Industry to lose even more of its cab passengers. The Party Petitioner must object to any rate increase in zone rates at this time. The fact that the cost of operations has gone up since the '68-'69 taxi rate hearings, does not necessarily mean that the net take home pay has gone down; it could have just as easily gone up. Charles Jay Pilzer, attorney, has only attempted to show, at this hearing held February 20, 1973, that the operating costs have gone up. The Party Petitioner has no argument with these facts, but, must part company with the case presented by Charles Jay Pilzer, attorney, because he fails to show what the average cab driver will gross for each day, each week and each month. Without these figures it is anybody's guess as to what the average cab driver's net take home pay will be. Charles Jay Pilzer, attorney, is asking us to be patient with him, and, sure enough in a month, two months, three months or maybe even in four months, he will somehow manage to bring in the figures that we need to know about, right this very minute, to justify his demands that his clients be given the 15 percent zone rate increase "at once", with the needed but unavailable facts accepted sight unseen. He has presented only half of his case... the easy half. We still do not know what is fact or fiction.

The Party Petitioner objects very strongly to the giving of a blank check to the intervenors represented by Charles Jay Pilzer, attorney, and letting them fill in whatever amount they choose to make it, in this case the 15 percent interim rate increase. They want the P.S.C. to give them more money for doing the same lousy job. They are in absolutely no position to guarantee to the P.S.C. that service to the public will dramatically improve, once the rate increases are approved. They have no control over the working habits of their affiliated drivers. All that they can do, is, to cross their fingers and hope for the best. Instead of rewarding them for doing a lousy job, they should be fired, or, put out of business.

The Party Petitioner has stated that the taxi zone system now in use is obsolete and has proposed that it be replaced with the Mileage Rate Zone System. The Party Petitioner has also proposed that rates be reduced where needed, increased where needed and left unchanged where needed. The intervenors represented by Charles Jay Pilzer, attorney, want to perpetuate the life of the obsolete taxi zone system now in use. They should let it die a natural but respectable death. They want, to keep constantly trying, to revive it from death's door, for several more years, by giving it more blood transfusions called 15 percent interim rate increases. They propose that certain rates go up, that other rates remain the same, but, they do not propose to reduce any of the rates now in use.

Rip Van Winkle had the good sense to wake up after being asleep for 20 years, but, when will the P.S.C. and the Taxi Industry have the good sense to finally wake up to what is going on all around them? They have been asleep on the job for almost 40 years... already twice as long as Rip Van Winkle was asleep! Wake up! Wake up! Before it is too late! The Metro subway is now being built! Before you know it, it will soon be completed and in full operation! Last year, for the Christmas season, the D.C. government put into operation the downtown shuttle bus. For the first several weeks, they invited the general public to ride it free. The ride now costs only 10 cents from Dupont Circle to 7th and "D" St., S.W., a trip of almost three miles! John Hechinger, former Chairman of the D. C. City Council, wants all rides on our city owned mass transit system to be free. He argues very convincingly as to why this is the right thing to do.

The P.S.C. issued a Notice of Hearing, dated, January 30, 1973, that on Saturday, February 10, 1973 at 9 A.M., in Hearing Room B of the Interstate Commerce Commission, 12th and Constitution Avenue, N.W., Washington, D.C., a hearing devoted solely to the question of the quality of taxicab service within the District of Columbia was held. Members of the public who desired to state their views regarding the quality of taxicab service within the District were given an opportunity to be heard at this public hearing. At the time this hearing was going on, the P.S.C. broadened it to permit members of the Taxicab Industry to give their views related to the quality of taxicab service, etc.,

The Party Petitioner at that hearing recommended that the P.S.C. assess the Taxicab Industry \$25.00 for each P.S.C. license required to operate a cab, this money to be used for the purpose of auditing the books of the cab companies, associations and independent cab-owner-drivers. This audit could then be used to establish the needed information and facts necessary for Phase One of the taxi rate case.

A precedent for such a procedure was established in the last taxi rate case, Formal Case No. 536. The P.S.C. refers to it in its notice of a "Pre-Hearing Conference Order", Order No. 5552, Formal Case No. 577, dated, November 21, 1972, in part three of this Order, last paragraph on page four and continued on page five. It reads as follows:

Finally, the Commission must consider the matter of establishing a timetable for the conduct of Phase One. The Taxicab Industry Group requested a period of sixty days from the date of the pre-hearing conference to submit direct testimony. Mr. Schlaifer suggested January 15, 1973 as a deadline for the submission of direct testimony. Other parties suggested shorter periods of time. While the Commission desires that this proceeding go forward as quickly as possible, it is also aware of the fact that a considerable amount of time is necessary for the proper preparation of direct testimony on the part of the original petitioner and those intervenors who are seeking an increase in the net income of the individual driver from his taxicab operations. In this regard, the Commission is mindful of a prior taxicab case before us involving a rate increase (Formal Case No. 536), in which the petitioner was unable to establish, on its own evidence, justification for a rate increase to the satisfaction of the Commission. As a consequence, in Formal Case No. 536, the Staff was called upon to undertake an extensive study of the taxicab industry which ultimately formed the basis for the total rate increase which was granted. The Commission advises the parties that it is not inclined to look favorably upon a situation in the present case in which the Staff would be called upon to, in effect, build petitioners' case for a rate increase.

On February 16, 1973, the P.S.C. issued a Miscellaneous Trust Fund Deposit, Order No. 422, Formal Case No. 577. This order states in part as follows:

The Commission has determined that, in order to defray the expenses of this proceeding and the costs of any investigations or studies deemed by it to be necessary as part of this proceeding, an assessment must be made (pursuant to the provisions of D. C. Code Sec. 43-412) against the owner of every taxicab who is required to pay a licensing tax under the provisions of D.C. Code Sec. 47-2331 (d).

Therefore, It Is Ordered:

That each owner of a taxicab who shall apply for a P.S.C. license pursuant to the provision of D. C. Code Sec. 47-2331 (d) for the period running from April 1, 1973 through March 31, 1974, is hereby assessed the sum of two dollars (\$2.00) for each such cab licensed.

That each such owner shall make payment of the sum due under this Order at the time of the payment of the licensing tax for such period.

It has always been the position of the Party Petitioner that the burden and expense of making a taxi rate case before the P.S.C. should be the responsibility of the entire Taxicab Industry. No one cab-owner-driver, group of cab-owners-drivers, union, company, association, or, group of companies and associations, should be obliged to take on the burden and expense of making a taxi rate case before the P.S.C., since, it is the entire Taxicab Industry that will benefit from the outcome of such taxi rate cases, then it is only fair and right that the members of the Taxicab Industry pay their equal share of such costs.

We each have a vested interest in the outcome of such taxi rate cases. Each party in such taxi rate cases will do everything possible to "sell" the Commission the advantages of their proposals. The P.S.C. should not be placed in the position of appearing to allow itself to be compromised, just because one group of taxicab operators makes the claim that they represent the will of the Taxicab Industry.

The P.S.C. must not let itself be sold a bill-of-goods that the Taxicab Industry comes first and that the customer comes last. The Party Petitioner and those that he represents take the position that customers come first, for without the customer, the Taxicab Industry would not exist.

The Party Petitioner and those that he represents, contend that the P.S.C. should use the money assessed of the Taxicab Industry to make a taxi rate case as was done in Formal Case No. 536. There are a great many consulting firms in the Nation's Capital that have the expertise to assist the P.S.C. in making such a rate case. This would then permit each Party in the case to concentrate its energy and time on the real problems of what is best for the Taxicab Industry in the way of zones, rates, rules and regulations. The Miscellaneous Trust Fund Deposit had approximately \$13,000 on hand before Formal Case No. 577 was started. Some of this money will have to be used to pay for the cost of the "daily copy" transcript, etc. The new \$2.00 assessment should bring in at least an additional \$17,000 by the end of July, 1973. With what is already on hand, this will make it a grand total of \$30,000. Therefore, there should be enough money to hire a consulting firm to make a taxi rate case for the P.S.C. If more money is needed, the Taxicab Industry can be assessed again for whatever additional amount is necessary.

Please note, that in the taxi rate hearings held years ago, the original petitioner had the additional burden and expense of paying for the "daily copy" transcript, etc. It was the Party Petitioner that originally suggested that the P.S.C. start assessing the Taxicab Industry for the cost of these hearings. This was over ten years ago. Since that time the original petitioner has not had the burden and expense of paying for the "daily copy" transcript, etc. We should now go one step further and have the P.S.C. engage a consulting firm to do the Phase One part of our taxi rate case, and, let the members of the Taxicab Industry concentrate its time and energy on Phase Two part of this hearing.

The Party Petitioner contends that we once had a Taxicab Industry of 80 percent full time cab drivers, and that it is now an industry of 80 percent part time cab drivers. At the hearing held on February 20, 1973, some of the witnesses contended that the Taxicab Industry is now composed of 85 percent part time and 15 percent full time cab drivers. The Party Petitioner contends that this is so, because of the zones, rates, rules and regulations, etc., that we have used over the years, we have become a part time Taxicab Industry, and that the only way that we can turn around the direction in which we have been heading, is to adopt an entirely new taxi zone system, the Mileage Rate Zone System, an entirely new package to go with it, update the rules and regulations, and adopt higher standards to bring about self-limitation of taxicabs.

Those represented by Charles Jay Pilzer, attorney, want everything to remain the same. The same old obsolete zone system... the same old rate package with an increase here and there... the same old rules and regulations... the same long-standing problems... the same long-standing driver dissatisfaction... the same long-standing rider dissatisfaction, and, no higher standards for self-limitation of taxicabs. They have structured their entire operations on the apparent theory that the more licensed part-time cab drivers that they have, the more insurance and membership fees they can collect, the more money they will make. They are not at all concerned about giving real taxicab service to the public. It is a sort of a hurrah for me and the hell with you attitude... a customer be damned attitude.

The P.S.C. has only concerned itself with the earnings of the cab drivers. It is high time that it concern itself with the earnings of those company and association officials that claim that they represent those drivers affiliated with their operation. The Party Petitioner has had it brought to his attention that several of these companies and associations have gone up on their membership dues in the past several months. The question that must be asked, "Could this be the real reason that they are in such a big hurry to get the

interim rate increase, just to show their membership that they are not only concerned about getting something for themselves, but, can get something for their membership, as well, in the form of a taxi rate increase, long before the hearings are even completed. The question that must then be asked: "Is it the duty of the P.S.C. to get them off the hook?"

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RATES NOW IN USE

Zone	Group Passenger Rate Per Person	Single Passenger Rate
1	\$.50	\$.75
2	.70	1.10
3	1.00	1.45
4	1.15	1.80
5	1.30	2.20
6	1.45	2.55
7	1.60	2.90
8	1.75	3.30

A trip in any subzone of Zone 1-single passenger rate \$.60-group rate \$.50 per passenger; between any two subzones regular rate.

PROPOSED BY THE TAXI INDUSTRY GROUP

Zone	Group Passenger Rate Per Person	15 Percent Interim Rate Increase	Single Passen- ger Rate	15 Per- cent In- terim Rate Increase
1	\$.50 to	\$.60	\$.75 to	\$.85
2	.70 to	.80	1.10 to	1.25
3	1.00 to	1.15	1.45 to	1.65
4	1.15 to	1.30	1.80 to	2.05
5	1.30 to	1.50	2.20 to	2.50
6	1.45 to	1.65	2.55 to	2.90
7	1.60 to	1.85	2.90 to	3.30
8	1.75 to	2.00	3.30 to	3.80

A trip in any subzone of Zone 1-single passenger rate \$.70-group rate \$.60 per passenger; between any two subzones regular rate.

PROPOSED BY THE TAXI INDUSTRY GROUP

15 Percent Interim Rate Increase.

Zone Charge	Group Passenger Rate Per Person	Single Passenger Rate
1	\$.60	\$.85
2	.80	1.25
3	1.15	1.65
4	1.30	2.05
5	1.50	2.50
6	1.65	2.90
7	1.85	3.30
8	2.00	3.80

A trip in any subzone of Zone 1-single passenger rate \$.70-group rate \$.60 per passenger; between any two subzones regular rates.

The Party Petitioner's proposal is the Mileage Rate Zone System, a floating zone system, based on the airline distance.

.70¢ for the first mile

.30¢ for each additional half-mile

.30¢ for each additional passenger.

ALTERNATE PROPOSAL BY THE PARTY PETITIONER

Percentage increase resulting from redefining
of single passenger rate when group riding.

Zone	Group Passenger		Interim Rate	Single Passenger Rate	Interim Percentage Increase
	Charge	Per Person			
1	\$ 5.50		\$ 7.75	\$ 50.00	
2	7.70		1.10	57.14	
3	1.00		1.45	45.00	
4	1.15		1.80	56.52	
5	1.30		2.20	69.23	
6	1.45		2.55	75.86	
7	1.60		2.90	81.25	
8	1.75		3.30	88.57	

Group Rate	Single Passenger Rate
\$ 5.50	\$ 6.60
	\$ 20.00

Since we all agree that the rates and charges for group riding be redefined, there is a golden opportunity to bring down our rates. The redefining of group rates, means that we will no longer need a group passenger rate column. All that we will now need is the single passenger rate column. All that is now needed, is to redefine group rates in this way, it shall be the full single passenger fare for the first passenger, plus 30 cents for each additional passenger, when they get in at the same place and get out at the same place. Compare the group rates now in use with the proposed new way of determining group rates.

PROPOSED BY THE TAXI INDUSTRY GROUP

Percentage increase resulting from redefining of
single passenger rate when group riding. First
column show the group rates now in effect. Second
column show the 15 percent rate increase in the
single passenger column.

Zone	Group Passenger		Interim Rate	Single Passenger Rate	Interim Percentage Increase
	Charge	Per Person			
1	\$ 5.50		\$ 8.85	70.00	
2	7.70		1.25	78.57	
3	1.00		1.65	65.00	
4	1.15		2.05	78.26	
5	1.30		2.50	92.31	
6	1.45		2.90	100.00	
7	1.60		3.30	106.25	
8	1.75		3.80	117.14	

Group Rate	Single Passenger Rate
\$ 5.50	\$ 7.70
	\$ 40.00

		Single Passenger					Single Passenger		
		Rate Plus 30 cents					Rate Plus 30 cents		
		Additional Passenger					Additional Passenger		
		Represents A Savings Of Plus Or Minus					Represents A Savings Of Plus Or Minus		
		Group Rates Now In Use					Group Rates Now In Use		
		One Zone Trip					One Zone Trip		
1	Passenger	\$.75	\$.75	\$.00 minus	1	Passenger	\$.75	\$.75	\$.00 minus
2	" s	1.00	1.05	.05 minus	2	" s	1.00	1.05	.05 minus
3	"	1.50	1.35	.15 plus	3	"	1.50	1.35	.15 plus
4	"	2.00	1.65	.35 "	4	"	2.00	1.65	.35 "
5	"	2.50	1.95	.55 "	5	"	2.50	1.95	.55 "
6	"	3.00	2.25	.75 "	6	"	3.00	2.25	.75 "
7	"	3.50	2.55	.95 "	7	"	3.50	2.55	.95 "
		Two Zone Trip					Two Zone Trip		
1	Passenger	\$ 1.10	\$ 1.10	\$.00	1	Passenger	\$ 1.10	\$ 1.10	\$.00
2	" s	1.40	1.40	.00 plus	2	" s	1.40	1.40	.00 plus
3	"	2.10	1.70	.40 plus	3	"	2.10	1.70	.40 plus
4	"	2.80	2.00	.80 "	4	"	2.80	2.00	.80 "
5	"	3.50	2.30	1.20 "	5	"	3.50	2.30	1.20 "
6	"	4.20	2.60	1.60 "	6	"	4.20	2.60	1.60 "
7	"	4.90	2.90	2.00 "	7	"	4.90	2.90	2.00 "
		Three Zone Trip					Three Zone Trip		
1	Passenger	\$ 1.45	\$ 1.45	\$.00 plus	1	Passenger	\$ 1.45	\$ 1.45	\$.00 plus
2	" s	2.00	1.75	.25 plus	2	" s	2.00	1.75	.25 plus
3	"	3.00	2.05	.95 "	3	"	3.00	2.05	.95 "
4	"	4.00	2.35	1.65 "	4	"	4.00	2.35	1.65 "
5	"	5.00	2.65	2.35 "	5	"	5.00	2.65	2.35 "
6	"	6.00	2.95	3.05 "	6	"	6.00	2.95	3.05 "
7	"	7.00	3.25	3.75 "	7	"	7.00	3.25	3.75 "
		Four Zone Trip					Four Zone Trip		
1	Passenger	\$ 1.80	\$ 1.80	\$.00 plus	1	Passenger	\$ 1.80	\$ 1.80	\$.00 plus
2	" s	2.30	2.10	1.20 plus	2	" s	2.30	2.10	1.20 plus
3	"	3.45	2.40	1.05 "	3	"	3.45	2.40	1.05 "
4	"	4.60	2.70	1.90 "	4	"	4.60	2.70	1.90 "
5	"	5.75	3.00	2.75 "	5	"	5.75	3.00	2.75 "
6	"	6.90	3.30	3.60 "	6	"	6.90	3.30	3.60 "
7	"	8.05	3.60	4.45 "	7	"	8.05	3.60	4.45 "

		Single Passenger					Single Passenger		
		Rate Plus 30 cents					Rate Plus 30 cents		
		Additional Passenger					Additional Passenger		
		Represents A Savings Of Plus Or Minus					Represents A Savings Of Plus Or Minus		
		Group Rates Now In Use					Group Rates Now In Use		
		Five Zone Trip					Five Zone Trip		
1	Passenger	\$ 2.20	\$ 2.20	\$.00 plus	1	Passenger	\$ 2.20	\$ 2.20	\$.00 plus
2	" s	2.60	2.50	.10 plus	2	" s	2.60	2.50	.10 plus
3	"	3.90	2.80	1.10 "	3	"	3.90	2.80	1.10 "
4	"	5.20	3.10	2.10 "	4	"	5.20	3.10	2.10 "
5	"	6.50	3.40	3.10 "	5	"	6.50	3.40	3.10 "
6	"	7.80	3.70	4.10 "	6	"	7.80	3.70	4.10 "
7	"	9.10	4.00	5.10 "	7	"	9.10	4.00	5.10 "
		Six Zone Trip					Six Zone Trip		
1	Passenger	\$ 2.55	\$ 2.55	\$.00 plus	1	Passenger	\$ 2.55	\$ 2.55	\$.00 plus
2	" s	2.90	2.85	.05 plus	2	" s	2.90	2.85	.05 plus
3	"	4.35	3.15	1.20 "	3	"	4.35	3.15	1.20 "
4	"	5.80	3.45	2.35 "	4	"	5.80	3.45	2.35 "
5	"	7.25	3.75	3.50 "	5	"	7.25	3.75	3.50 "
6	"	8.70	4.05	4.65 "	6	"	8.70	4.05	4.65 "
7	"	10.15	4.35	5.80 "	7	"	10.15	4.35	5.80 "
		Seven Zone Trip					Seven Zone Trip		
1	Passenger	\$ 2.90	\$ 2.90	\$.00 plus	1	Passenger	\$ 2.90	\$ 2.90	\$.00 plus
2	" s	3.20	3.20	.00 plus	2	" s	3.20	3.20	.00 plus
3	"	4.80	3.50	1.30 plus	3	"	4.80	3.50	1.30 plus
4	"	6.40	3.80	2.60 "	4	"	6.40	3.80	2.60 "
5	"	8.00	4.10	3.90 "	5	"	8.00	4.10	3.90 "
6	"	9.60	4.40	5.20 "	6	"	9.60	4.40	5.20 "
7	"	11.20	4.70	6.50 "	7	"	11.20	4.70	6.50 "
		Eight Zone Trip					Eight Zone Trip		
1	Passenger	\$ 3.30	\$ 3.30	\$.00 minus	1	Passenger	\$ 3.30	\$ 3.30	\$.00 minus
2	" s	3.50	3.60	.10 minus	2	" s	3.50	3.60	.10 minus
3	"	5.25	3.90	1.35 plus	3	"	5.25	3.90	1.35 plus
4	"	7.00	4.20	2.80 "	4	"	7.00	4.20	2.80 "
5	"	8.75	4.50	4.25 "	5	"	8.75	4.50	4.25 "
6	"	10.50	4.80	5.70 "	6	"	10.50	4.80	5.70 "
7	"	12.25	5.10	7.15 "	7	"	12.25	5.10	7.15 "

The intervenors represented by Charles Jay Pilzer, attorney, want the group riding rates in the first zone to go from 50 cents each up to 60 cents each. The Party Petitioner wants the first zone rate for group riding to be 70 cents for first passenger and 30 cents for each additional passenger.

The new group rate shall be the full single passenger fare for the first passenger, plus 30 cents for each additional passenger, when they shall get in at the same place and shall get out at the same place.

Compare the following rates for a one zone trip of one mile or less.

One Zone Trip	Intervenors' 15 Percent Interim Rate Increase	Party Petitioner's Rate	Party Petitioner's Rate Represents A Savings Of
1 Passenger	\$.85	\$.70	\$.15
2 " " s	1.20	1.00	.20
3 " "	1.80	1.30	.50
4 " "	2.40	1.60	.80
5 " "	3.00	1.90	1.10
6 " "	3.60	2.20	1.40
7 " "	4.20	2.50	1.70

Compare the following rates for a two zone trip of one mile or less.

Two Zone Trip	Intervenors' 15 Percent Interim Rate Increase	Party Petitioner's Rate	Party Petitioner's Rate Represents A Savings Of
1 Passenger	\$1.25	\$.70	\$.55
2 " " s	1.60	1.00	.60
3 " "	2.40	1.30	1.10
4 " "	3.20	1.60	1.60
5 " "	4.00	1.90	2.10
6 " "	4.80	2.20	2.60
7 " "	5.60	2.50	3.10

Compare the following rates using the "New Group Rate" for a one zone trip of one mile or less.

One Zone Trip	New Group Rate	Party Petitioner's Rate	Party Petitioner's Rate Represents A Savings Of
1 Passenger	\$.85	\$.70	\$.15
2 " " s	1.15	1.00	.15
3 " "	1.45	1.30	.15
4 " "	1.75	1.60	.15
5 " "	2.05	1.90	.15
6 " "	2.35	2.20	.15
7 " "	2.65	2.50	.15

Compare the following rates using the "New Group Rate" for a two zone trip of one mile or less.

Two Zone Trip	New Group Rate	Party Petitioner's Rate	Party Petitioner's Rate Represents A Savings Of
1 Passenger	\$1.25	\$.70	\$.55
2 " " s	1.55	1.00	.55
3 " "	1.85	1.30	.55
4 " "	2.15	1.60	.55
5 " "	2.45	1.90	.55
6 " "	2.75	2.20	.55
7 " "	3.05	2.50	.55

Compare the following Intervenor's' proposed rate for a one zone trip with the "New Group Rate".

(One Zone Trip	Intervenor's' 15 Percent Interim Rate Increase	New Group Rate	New Group Rate Represents A Savings Of
1 Passenger	\$.85	\$.85	\$.00
2 " " s	1.20	1.15	.05
3 " "	1.80	1.45	.35
4 " "	2.40	1.75	.65
5 " "	3.00	2.05	.95
6 " "	3.60	2.35	1.25
7 " "	4.20	2.65	1.55

It is said that the Tourist Industry is the largest industry in Washington, D. C. outside of those employed by the Federal Government and the D. C. Government combined. It is not unusual that there will be 4, 5, 6, 7, 8, 9 or 10 in a single family visiting and sightseeing in Washington, D. C. Thousands of such families arrive here each year to visit and sightsee in their Nation's Capital. The father or mother paying the taxi fare in this city are shocked beyond belief that our taxi rates gouge them and are outrageously high. This was one of the many reasons used by the National Park Service to justify the necessity of bringing in the Tourmobile Shuttle Bus. Virtually all of the former short but exceedingly expensive taxi trips have now been taken over by the far less expensive Tourmobile Shuttle Bus. A great many cab drivers that once upon a time made a nice living hauling sightseeing families from point to point in the Mall area, are no longer able to do so because of the exceedingly high rates that they must charge. These same cab drivers can no longer compete with the Tourmobile Shuttle Bus. With the adoption of the Party Petitioner's Mileage Rate Zone System and reasonable rates to go with it, the cab driver will once more be able to compete with the Tourmobile Shuttle Bus for the business of the sightseers wanting transportation for hire in the Mall area.

The intervenors want to see the taxi rates go so sky high and completely out-of-sight in the Mall area, that there will be virtually no chance of ever getting back what we have already lost, or, will continue to lose forever to other modes of transportation. For example, a trip from the Lincoln Memorial to the Washington Monument is less than one mile, and, a trip from the Washington Monument to the Jefferson Memorial is less than one mile. Under the present zone system each trip is a two zone charge. The intervenors represented by Charles Jay Pilzer, attorney, want the group riding rate for a two zone trip to go from 70 cents each up to 80 cents each.

The Party Petitioner does not believe that the cab passengers should be put in a position of a squeeze play, more money to be squeezed out of them, than is absolutely necessary at this time, with the only hope that the P.S.C. will protect their interests. As it now stands, it looks as though the P.S.C. is only concerned about looking out for the interests of those intervenors represented by Charles Jay Pilzer, attorney.

The Party Petitioner agrees:

1. That the charge for call service should go from 25 cents to 50 cents.
2. To the redefining of group rates.
3. To leaving the zone rates as they are, but, eliminate the group riding column and redefine group riding to mean that the full single passenger fare shall be charged, plus 30 cents for each extra passenger, when they shall get in at the same place and shall get out at the same place.

These three proposals will more than take care of the 15 percent interim rate increase requested at this time by those represented by Charles Jay Pilzer, attorney. This will eliminate the need for any rollback of prices when the hearings are concluded.

Respectfully submitted,

Irving Schlaifer
Irving Schlaifer,
Party Petitioner

Please Note:

On March 6, 1973, the Party Petitioner, received a letter from Charles Jay Pilzer, attorney, dated March 5, 1973, containing a "Motion To Extend Time Requirement For Filing Direct Testimony." He requests that the time for submitting direct testimony for Phase One of this proceeding be extended three (3) months to June 15, 1973.

This Phase One hearing was set originally for January 15, 1973. Then it delayed to March 15, 1973. Now it is being asked that it be delayed again to June 15, 1973. How many more times will the Phase One part of our hearing be delayed? Keep in mind that it was on July 12, 1972 that the P.S.C. accepted the Party Petitioner's original petition and that it was designated to be Formal Case No. 577.

The P.S.C. should be very blunt and tell the intervenors represented by Charles Jay Pilzer, attorney, to either put up or shut up.

The P.S.C. should go ahead with holding the hearing on March 15, 1973, as originally scheduled. Since Phase One of this hearing was scheduled for that date and is apparently going to be delayed for another 90 days, that date should not be wasted, but, should be used to discuss and make a part of this record, the various points brought up in this memorandum.

Comments by the Honorable William H. Natcher of Kentucky, Chairman, Subcommittee on the District of Columbia Appropriation, and, the Honorable Charles Diggs, Jr. of Michigan, Chairman, Committee on the District of Columbia, on the feasibility and desirability of installing taximeters in taxicabs operating in the District of Columbia.

H 4863

June 18, 1973

CONGRESSIONAL RECORD—HOUSE

H 4864

Mr. DIGGS. Mr. Chairman, I am new in the position of chairman of the authorizing committee, and if there has been any success resulting from my assumption of that role, part of it is attributable to the kind of cooperation and wisdom which has been shared with me by this highly respected chairman of the Subcommittee on Appropriations for the District of Columbia.

So I rise, not because it is traditional for this kind of comment to be made on the floor under these kinds of circumstances, but out of my genuine high respect for the understanding that he has of the problems of the District and for his genuine efforts to protect the Federal interests mandated by the Constitution. The gentleman was, as a matter of fact, modest in reflecting what this bill actually does, because, in addition to providing for the normal operating expenses, there is new ground broken in the construction program requested by the District, security is being tightened out at the Lorton complex, the quality of hospital service in the District of Columbia General is being improved and a hundred closed beds, is being reopened at District of Columbia Village, which provides care for the elderly.

This is in addition to the accommodations for pay raises, higher rents, supplies, equipment, loan repayments as reflected in the budgetary demands on the District.

Of course, Mr. Chairman, there were some things that were requested by the local government that were not approved in the measure as it presently stands, but the legislative process on this measure has not been completed. They are important things, and they ought to be mentioned; namely, a cost of living increase in benefits.

Additional funds relative to certain aspects of the public school system and the Office of Consumer Affairs in the Mayor's office went down the drain.

Overall, however, I think we must commend Chairman Natcher for his consideration and compassion.

There is one other point, Mr. Chairman, which is I think we ought to recognize: Just as this represents a new high for a District budget, it also represents a high for the District of Columbia government and the District of Columbia people themselves in sharing its financing. As the chairman indicates, this represents a Federal payment of 21.24 percent, which means on the reverse side that 78.76 percent of the District of Columbia budget is being paid from the taxes of local people. Oftentimes people get the impression that the Federal payment covers all of the expenditures. I do not think we should leave that kind of an impression. When you look over the figures on page 6 of the committee report, from 1921 through 1974, you will find on the average that District of Columbia citizens have financed some 82.9 percent of the expenditures over that 53-year period and during the latter part of World War II and during the Korean conflict the District taxpayers share was about 90 percent.

In closing, I have one other point I

would like to get a clarification of from our distinguished chairman.

I noted in section 6 of the bill a prohibition again against the use of funds for studies on meters in taxicabs.

The CHAIRMAN. The time of the gentleman has expired.

Mr. NATCHER. Mr. Chairman, I yield the gentleman an additional 3 minutes.

Mr. DIGGS. Last Monday, June 11, you will recall the House voted overwhelmingly 268 to 84 in favor of a bill which among other things authorizes a comprehensive study under local option of taxicab service in the District of Columbia, including the feasibility and desirability of installing meters.

I emphasize that it simply authorized a study. So I ask Chairman Natcher if section 6 of the pending bill will still specifically prohibit a study of the meter system?

Mr. NATCHER. Will the gentleman yield?

Mr. DIGGS. I yield to the gentleman.

Mr. NATCHER. I would like to say to my distinguished friend, the chairman of the legislative committee, that as far as the provision in the appropriation bill is concerned, there is nothing that conflicts with the provision carried in your bill from the legislative committee.

Mr. Chairman, I would like to call to my friend's attention one or two matters concerning this matter.

This restriction has been carried in the bill for over 30 years. It was placed in the bill by a former chairman of the Committee on Appropriations, the distinguished gentleman from Missouri (Mr. Cannon) some 34 or 35 years ago. The operators of the taxicabs at that time were against meters. The people in our Nation's Capital were against meters. That provision has been carried on down through the years.

I have received letters in the last 2 weeks from the taxicab industry group—and I know that my distinguished friend, the gentleman from Michigan (Mr. Dicks) has also received these letters—in which this organization says they are against meters, and the only ones that they know of who are for the meters are the people interested in selling the meters.

Four or five years ago one company that manufactures meters—and these meters sell from \$300 to \$500 each—made up its mind that they were going to force this committee to delete this provision.

Mr. Chairman, this was not in the best interests of our Nation's Capital, and we refused to do so, and we have carried the provision on down to this point.

As I understand, the Public Service Commission will make a study. No additional funds will be involved. There is no limitation as far as what they may do. But I would like to say to my distinguished friend, the gentleman from Michigan (Mr. Dicks), that I hope after the Public Service Commission starts its study that at least they let the people who operate the taxicabs, will be heard, and if they are against meters, Mr. Chairman, then I do not think they ought to be installed.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. NATCHER. Mr. Chairman, I yield 2 additional minutes to the gentleman from Michigan (Mr. Dicks).

Mr. DIGGS. I thank the gentleman for yielding me this additional time.

Mr. NATCHER. If the gentleman will yield further, I would like to say that as far as the companies who make the meters are concerned, Mr. Chairman, they do not control this matter, although they have tried all down through the years. There is no conflict here. I think the procedure the distinguished gentleman from Michigan is following is good, it is proper procedure. But I would like to make one suggestion, and that is if the Public Service Commission recommends meters, I think that the distinguished gentleman from Michigan and his committee ought to bring a bill back to the House and let the House vote on it. I say that to the gentleman in all frankness. I might add that I voted for the gentleman's bill the other day. There is no conflict here, and I think the gentleman is proceeding correctly.

Mr. DIGGS. Mr. Chairman, I thank the gentleman from Kentucky (Mr. Natcher) for his contributions.

PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA
1625 I Street, N.W., Washington, D.C. 20006

July 12, 1972

IN THE MATTER OF

A Petition for Investigation of the
Rules and Regulations Pertaining to
Rates and Charges for the Operation
of Taxicabs in the District of Columbia.)
)
) Formal Case No. 577
)

PUBLIC NOTICE

On July 6, 1972, the Public Service Commission of the District of Columbia (Commission) received a petition from Irving Schlaifer, a District taxicab operator (petitioner). Said petition requested that the Commission hold a formal hearing to determine whether or not:

1. To replace the taxi zone system now in use, made up of 26 zone areas of unequal size, with a floating zone system having zone areas of equal size, the mileage rate zone system;
2. To set the fare for the mileage rate zone system, based on the airline distance, at 70¢ for the first mile, 30¢ for each additional half-mile and 30¢ for each additional passenger;
3. To permit group riding at the discretion of the cab driver at all times;
4. To permit all individual passengers sharing a cab while group riding and not of the same party to pay the full single passenger fare;
5. To permit no cab passenger to ride free because of age;
6. To permit a 50¢ charge in response to a telephone call;

7. To permit a 50¢ charge for dismissal of a taxicab
7. To permit a 50¢ charge for dismissal of a taxicab after it arrives in response to a telephone call;
8. To permit a 50¢ extra charge for rush hour service
8. To permit a 50¢ extra charge for rush hour service 7:00 - 9:30 a.m. and 4:00 - 6:30 p.m.;
9. To permit a 50¢ extra charge for express service
9. To permit a 50¢ extra charge for express service in response to a passenger's request that no additional passengers shall be picked up while enroute to his destination;
10. To permit a 10¢ charge for each suitcase;
10. To permit a 10¢ charge for each suitcase;
11. To permit a 10¢ charge for each large bag of groceries, each large shopping bag, or, other articles and packages of a similar size;
11. To permit a 10¢ charge for each large bag of groceries, each large shopping bag, or, other articles and packages of a similar size;
12. To permit a \$1.50 charge for each trunk or similar large article. A trunk is herein described as a piece of baggage having a minimum dimension or cubic content in excess of 9" x 18" x 32" or 3 cubic feet respectively;
12. To permit a \$1.50 charge for each trunk or similar large article. A trunk is herein described as a piece of baggage having a minimum dimension or cubic content in excess of 9" x 18" x 32" or 3 cubic feet respectively;
13. To permit a 10¢ charge for each minute of waiting time;
13. To permit a 10¢ charge for each minute of waiting time;
14. To permit a \$6.00 charge per hour for a taxicab employed on an hourly basis;
14. To permit a \$6.00 charge per hour for a taxicab employed on an hourly basis;
15. To permit the total taxi fare, or, a time fare of 15¢ per minute, to be charged, whichever is greater, so that the cab driver shall be fairly compensated for their services at all hours of the day or night, with a provision that this time fare shall not be used whenever the cab driver chooses to make himself available for group riding;
15. To permit the total taxi fare, or, a time fare of 15¢ per minute, to be charged, whichever is greater, so that the cab driver shall be fairly compensated for their services at all hours of the day or night, with a provision that this time fare shall not be used whenever the cab driver chooses to make himself available for group riding;
16. To permit the use of contract rates to be applied to the moving of a passenger's personal property such as clothing, suitcases, radio or television set from one address to another, delivery of parcels, sightseeing, etc. The rate charged shall be that which is mutually agreeable. The cab driver and the cab passenger shall agree in advance as to what service shall be rendered and what rate shall be paid.
16. To permit the use of contract rates to be applied to the moving of a passenger's personal property such as clothing, suitcases, radio or television set from one address to another, delivery of parcels, sightseeing, etc. The rate charged shall be that which is mutually agreeable. The cab driver and the cab passenger shall agree in advance as to what service shall be rendered and what rate shall be paid.

And to grant any other or further relief that the Commission may deem just and appropriate.

The Commission, upon consideration of said petition, has determined that petitioner's request for a hearing should be granted.

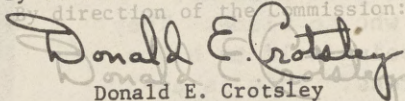
THEREFORE, IT IS ORDERED:

Section 1. That petitioner shall present, in a hearing to be set by the Commission, evidence in support of the relief sought in his petition.

Section 2. That a pre-hearing conference shall be set on a date to be determined in the future by the Commission. Such date shall be determined with consideration being given to all other prior commitments of the Commission concerning formal cases which are currently being processed by the Commission. At said conference, procedures for the orderly exchange and presentation of evidence shall be established. Subsequent to the pre-hearing conference, the Commission will set a date for the commencement of the formal hearing in this case.

Section 3. That any parties who will be affected by any determination made by this Commission in any order or orders issued as a consequence of said hearing shall file notice with the Commission of a desire to intervene not later than one week prior to the close of business on the date to be set by the Commission for the holding of a pre-hearing conference. A copy of the petition is available for inspection by any interested member of the public in the offices of the Commission, 1625 I Street, N.W., Room 204.

By direction of the Commission:


Donald E. Crottsley
Executive Secretary

[From Cab & Driver, July 6, 1973]

No Meters, Please !!

BY IRVING SCHLAIFER

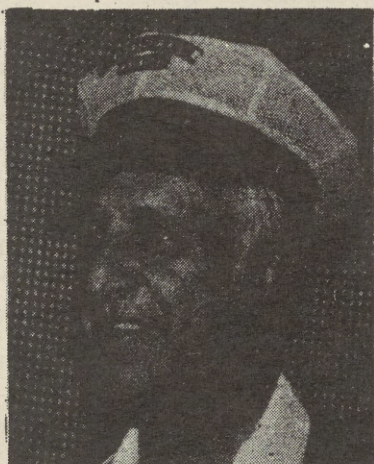
The late Representative Clarence Canon of Missouri and the present Representative William H. Natcher of Kentucky should be praised for seeing to it that the use of taximeters in the D.C. cabs is absolutely prohibited. The flat-rate zone system that is required to determine the taxi fare in D.C. is far superior to any taximeter.

Our once excellent taxi service is no longer so. The cab riding public just does not know who to blame. They are being told to blame Congress. This is absolutely wrong! The entire blame should and must be placed on the D.C. Public Service Commission.

This commission has just virtually sat on its hands for the last 39 years, since 1933, doing as little as possible for the taxi industry that it is supposed to regulate. This commission has shut its eyes to the fact that this industry now has 80 percent of its drivers working part-time, when

it used to have 80 percent of its drivers working full time.

This fact alone should be a loud and clear signal to this commission that all is not well with the taxicab industry. Must we become an industry of 100 percent part-time drivers before this commission finally wakes up to the fact that



IRVING SCHLAIFER

it is not doing its job? Congress should demand that this commission get busy and give the taxi industry whatever it needs to do its job.

It can be done without taximeters. All that we need is a whole new zone system and a whole new rate package to go with it.

Naturally, the taximeter manufacturers want the D.C. flat-rate zone system abolished, and, taximeters made mandatory. They would then have a \$5,000,000 market in the sales and service of their unneeded and unwanted products forced upon the approximately 10,000 D.C. cabs. The overwhelming majority of D.C. cab drivers are absolutely opposed to installation of taximeters.

The taximeter is the legal right to steal. It is a "one-arm bandit"; once the driver pulls the lever the "house" always wins. It is nothing more than a guessing box. It always becomes a guessing game as to what the final fare will be. With it, you do not know the exact price of any given trip until it is completed. With it, identical trips do not always have identical rates.

The gimmick of the taximeter is to make carelessness profitable, whether it be intentional or unintentional. It was never intended to protect the cab-riding public. It is a public-be-damned device. The public has been deliberately brainwashed into believing that it protects them. Nothing could be further from the truth.

The taximeter is a fraudulent device. We would not be a bit surprised that some day soon, the Federal Trade Commission will declare it to be a fraudulent device and outlaw its use.

It is only with the flat-rate zone system, as used here in D.C., that the cab-riding public can get maximum protection. First, with it, the cab passenger can always know in advance the exact price of his trip before it is taken, and second, identical trips will always have identical rates. What better consumer protection can you have than this?

We are well aware of what is wrong with the flat-rate zone system now in use. The use of the rigidly fixed boundary lines made up of arbitrarily selected streets creates 26 zone areas of unequal size.

It is a monstrosity

and a jigsaw puzzle. With it, a six block trip can cost as little as 70 cents or can cost as much as \$1.65. With it, a five mile trip can cost as little as 85 cents. With it, you can make an exorbitant profit on one trip, only to have it wiped out on the next trip.

The only possible and satisfactory solution to this problem is to create zone areas of equal size, wherein the cab-riding public pays for the distance he travels. It can be best achieved by adopting a floating zone system, the mileage rate zone system--70 cents for the first mile, 30 cents for each additional half-mile, and 30 cents for each additional passenger.

The mileage rate zone system will decrease the rates where needed, increase the rates where

needed, and leave the rates unchanged where needed. Sixty percent of the cab-riding public will pay no increase in rates.

The mileage rate zone system is a well established floating zone fare system. It is used to compute parcel rates, airline rates, trucking rates, and telephone rates.

The mileage rate zone system complies with the law of Congress calling for a system of uniform zones. The mileage rate system will make the taximeter obsolete.

The D.C. Public Service Commission has all the authority it now needs to have the rigidly fixed boundary line system of zone areas of unequal size, replaced with zone areas of equal size. Once the mileage rate zone system is adopted and in use, the cab-riding public will be served on a first come, first served basis. (Irving Schlaifer is Chairman of the Emergency Taxicab Committee. This article was originally printed in the Washington Afro-American of February 26, 1972.)

Senator INOUE. Our next witness is Mr. Alexander Yaron, the editor of the Cab & Driver newspaper.

STATEMENT OF ALEXANDER YARON, JR., EDITOR, CAB & DRIVER, NEWSPAPER

Senator INOUE. Are you Mr. Yaron?

Mr. YARON. Yes, sir. I pronouncing it correctly?

Senator INOUE. Am I pronouncing it correctly?

Mr. YARON. Yes, sir. come, sir.

Senator INOUE. Welcome, sir.

Please proceed.

Mr. YARON. My purpose in being here is to witness, possibly, the benefit of anything I have learned and not as a representative of any number of cab drivers. one person per car is coming to an end. American

I feel that the era of one person per car is coming to an end. Americans are going to have to face the fact that driving to work by themselves in their private car has long ago ceased being a right, and can no longer be considered a luxury, but must be thought of as a selfish transgression against the rights of others. commuters are going to have to

In every major city in this country, commuters are going to have to accept the fact that they must start rubbing elbows with their neighbors. Washingtonians, in particular, are discovering that they can adjust to being within an arm's reach of people on a bus for the sake of saving time, money, and air. airport in my cab one afternoon rush

I was taking a man out to the airport in my cab one afternoon rush hour and I was making disagreeable comments about people who suffer that way twice a day. He volunteered that at home he commutes all alone 1 hour each day and he loves it because those are the only 2 hours of the day he has to himself. I found that to be a depressing commentary on the life of modern man. efficiency and privacy. Our trans-

Unfortunately, we can't have both efficiency and privacy. Our transportation systems have to gear themselves toward the efficient movement of greater numbers of people. Harried souls, like the commuter I mentioned, have to look elsewhere for their privacy. start with our cab

As for efficiency, we in Washington have a headstart with our cab system. We can move more people, in less time, at less cost to passengers, more profit to driver, less waste of natural resources, and less pollution of the environment than any system with meters. By keeping the rates low in some cases and raising them in others, we can virtually guarantee taxi service to anyone who wants it. one wants more

Washington needs clean air, people need cabs, no one wants more cars; we can give people an alternative to their private cars with a properly designed zone system. Thank you. Mr. Yaron. I gather from

Senator INOUE. Thank you very much, Mr. Yaron. I gather from this you are against the inclusion of section 27 of this bill?

Mr. YARON. Yes, sir. and you are also against the meter system?

Senator INOUE. And you are also against the meter system?

Mr. YARON. Yes, sir. sure you that this statement will be brought to

Senator INOUE. I assure you that this statement will be brought to the attention of my colleagues on the subcommittee. follows:]

[Exhibit submitted for the record by Mr. Yaron follows:]

[From the Cab & Driver, July 6, 1973]

WE DISAGREE

(By Alex Yaron, editor)

On the eighteenth and nineteenth of June, WMAL Radio ran a two-part news-story on Taxicabs. In it some statements were made about the present system and about drivers that we would like to address ourselves to.

To begin with a self-appointed authority by the name of Irwin Dollar claimed that the D.C. cab driver works only when he feels like working, for as long as he feels like, and cares nothing for the needs of people who want cabs. How does he substantiate statements like that? By explaining that that is the way he works.

Okay, so Dollar tries to give the impression that the D.C. hacker is lazy and selfish. Let's understand something. There are many drivers who are part timers. We are not sure of the statistics, and there are many who, although they derive all their income from hacking, do not do it for eight hours a day, five days a week for many reasons.

The reason that the majority of D.C. hackers fall into these two categories is that you simply can't make enough money as a cab driver in the District by working full time at it to support a family. So what do you have? You have part timers adding to their income from a regular job; older hackers who can't, for health reasons, work long hours; younger types like me who are unmarried, like their freedom, and don't need much money; and the small core of full time family men, paying mortgages and sending their children through school by hacking 10 to 12 hours a day because it's the only way they know how. The ones who do provide for their families by hacking work very long hours and usually have a wife who also works.

The second part of the broadcast we feel obliged to comment upon is that in which the ideas of Mr. Douglas N. Schneider are aired. Mr. Schneider is a member of the three man Public Service Commission which sets the rates for all public utilities in the District. Now, towards the last part of the interview with him, Mr. Schneider makes some statements which make us feel that he does care about the cab driver and is sincere. However, we feel it incumbent upon us to state that we disagree with his evaluation of what would provide good service for the cab riders of this city.

Mr. Schneider wants meters and some fleet owned cabs. He feels that that would provide control over where taxicabs are. He states that it would be possible to order a cab company to place their cabs "in certain strategic places." And "keep cabs flowing in certain areas where they are needed at certain times and put some responsibility for the placement of the service on the cab company."

We think that that sounds good but don't understand what it means. There might be a system about which we are unaware by which someone (presumably a radio dispatcher) would be able to discern where the cabs of his company are at any given moment, and be able to tell them to cruise in a specific area. There might be but as of now we don't know of it. What is being overlooked in all this is that hacking is piece work, meters or no, you go where the money is. It would be interesting to find out how one would order cabs to go to where there is no business, or why. But that is what it comes down to, because if there *is* business in an area that's where you will find the cabs.

We would like to offer in support of our views the following examples. The first two being New York City and the City of Chicago. There the meter system has been popular for many years, along with a limitation on the number of cabs and fleet ownership. However, in New York because of the scarcity of cabs and their high cost hundreds of thousands of people still drive their private cars into Manhattan, where last we heard, it cost \$9.00 an hour to park your car in a lot. And the cab service is so poor in *both* cities that "gypsy" cabs abound. Those cabs are unlicensed, private vehicles used as taxis mostly in ghetto areas. The authorities largely ignore them since they fill a need that the fleet monopolies are unwilling to supply. But, they are ignored only as long as do not cut into the revenues of the legal monopolies.

Our prime example which we feel disproves Mr. Schneider's contention that fleet ownership will lead to better control of cabs and the ability to command service is our own near and dear, National Airport. There you find one of the most locked up gold mines in the country. Greyhound Bus Company has a con-

cession from the airport by which they pay the FAA \$480,000 a year to get sole access to the loading area. Not only that, but the police and courts aid and abet them (with taxpayers money) in prosecuting any independent cab who dares to cut into their private reserve.

The main point is that in spite of the death grip Greyhound has on the airport cab system they have so little control over their drivers that on a Sunday evening at the airport you can see hundreds of people standing like on high ground in a flood waiting hours for the Greyhound cabs to ferry them home (and at outrageous prices at that, since most of the cabs take on a full load and charge everyone what is on the meter, or else a price they make up off the top of their heads.) So much for fleet operation. And don't for one minute allow yourself to think that Greyhound's interest in the airport is one of Public Service. That is a classic example of a system that has meters, and limitations, and is fleet owned and *still* can't give adequate service.

In ending we would like to say that no one expects bus drivers, or train conductors, or airline pilots to perform their duties motivated simply by a sense of Duty to the public Welfare. But that is exactly what people expect from D.C. hackers.

Remember, most drivers are part timers because hacking simply does not offer enough pay or security for a man with a family. The answer to that is not abolition of the free enterprise system in D.C. with the formation of "Big Brother" combines like in the rest of the country, but those changes in the system advocated by responsible, representative groups like the Taxicab Industry Group and The Washington Area Cab Drivers, Inc. Changes which would make hacking a trade with a return that can rival the benefits of a regular job. If you want more full time drivers make it worth their while and you will have an abundance of them, and don't kid yourself that meters and limitations and fleet ownership will do anything but cause more, and worse, problems.

Mr. YARON. Thank you.

Senator INOUE. Thank you very much, sir.

As chairman of this full committee, the Honorable Thomas F. Eagleton has received a letter dated July 19, 1973, from Mayor-Commissioner Walter E. Washington. Without objection, this letter will be made a part of the record.¹

Senator INOUE. It appears that we have gone through the witness list.

Mr. MATTHEWS. Mr. Chairman, I would like to apologize for being late.

Senator INOUE. Will you identify yourself?

Mr. MATTHEWS. My name is Fred D. Matthews and I am here as an officer of the Taxicab Industry Group of the District of Columbia.

STATEMENT OF FRED D. MATTHEWS, EXECUTIVE SECRETARY, TAXICAB INDUSTRY GROUP OF THE DISTRICT OF COLUMBIA

Senator INOUE. I have seen you before.

Mr. MATTHEWS. We were here before.

Now, I have to apologize for coming late and without being properly addressed to your honorable committee but it is the very essence of what we wish to say and it is intended that your committee should hear it. If you do not mind, I would like to read into the record as to our position.

Senator INOUE. Please proceed, sir.

Mr. MATTHEWS. Thank you. The question before this committee pertains to a proposed study concerning the installation of taximeters

¹ See p. 131.

and a grant of authority to the Public Service Commission to limit licenses.

Justification for the bill is the alleged lack of quality service by the taxicab industry.

The taxicab industry group believes that the proposals would only add to the problems of service.

A review of the industry in other areas, areas with meters and limitations, points up that these cities also have problems, in many cases problems greater than ours.

EXAMPLES OF THE PROBLEMS

A. *Driver turnover*: Our industry is unique. 80 percent of our drivers own their cabs. They invest between \$5,000 and \$6,000 for a cab, an annual investment of \$15 million made by the drivers of this community. In areas where there is limitation, you generally have company-owned vehicles with either renters or employee drivers. One company in Montgomery County reports an annual driver employee turnover of 300 percent.

B. *Increased cost*: Meters cost approximately \$350 per cab or \$3,150,000 to convert the current cabs. Who is going to pay for this? The public, by increased fares.

C. *Insurance*: The district cab driver pays \$338 per year in insurance. A Montgomery County cab pays \$1,151 per year. A Prince Georges County cab pays \$1,315 per year. A Fairfax County cab pays \$800 per year. Why? Accident rates are higher. Most of the drivers are either renters or employees and do not care about the condition of the cab. An increase in insurance would ultimately be paid by the riding public. This means inexperienced drivers, reckless drivers, and a general disinterest concerning the public.

D. *Increased cost to public*: A review of mileage charges in other cities compared to the zone rate could price our service out of the market. *Example*: An eight zone fare costs \$3.80. That's for a trip of between 10 and 12 miles. A standard rate in other cities is \$0.60 the first $\frac{1}{4}$ mile, \$0.25 each additional $\frac{1}{4}$ mile. Ten miles would represent a cab fare of \$10.40. Can the public afford such a fare?

CURRENT QUALITY OF SERVICE

Let's examine the current quality of service.

A. Our industry is currently transporting over 184,000 passengers per 24-hour period [based on 2,300 cabs per hour, four passengers per hour, 18 hours full utilization, 8 hours one-half utilization.]

B. The four radio dispatched companies complete 301,000 dispatches a month.

C. We transport passengers for District agencies:

1. Department of Human Resources, approximately 3,800 per month.

2. Veterans' Administration, approximately 2,100 per month.

D. The cost is reasonable and affordable. A passenger knows what his fare will be regardless of the time involved. That it is affordable

is witnessed by the demand for service in the low income areas, a demand we have difficulty meeting.

RECOMMENDATIONS ON IMPROVING SERVICE

We, as an industry, desirous of improving the quality and quantity of service, more interested than any other individual or group here because we represent an industry that has invested \$54 million in cabs, and \$1,500,000 in radio equipment. In addition to our cash investment we have invested time and effort to enable our business to grow.

We propose a study on how to improve service. Some of the ideas we have are:

1. Make it easier for a passenger to register a complaint. They now have to go downtown, which requires time and effort.

2. More enforcement of current regulations. Drivers have been accused of passing up passengers on the street. This is a violation of current regulations. Proper enforcement of current regulations will result in improved service.

3. The Taxicab Industry Group is willing to sponsor a full-time complaint bureau, that would give us an opportunity to police ourselves. However, to do so we would need the aid and assistance of the authorities.

SUMMARY OF POSITION

We are opposed to the proposals. We do not believe that they offer any solution to our problems, but only compound them.

We recommend a study be conducted to determine what can be done to improve the quality of service for the taxi riding public.

Senator INOUE. How large is your organization?

Mr. MATTHEWS. We represent about 80 to 85 percent of the industry. May I suggest, Mr. Chairman, this is how we determine on a particular issue—we may have 85 percent. On another issue, it may actually be 80 percent. But on this issue here alone, from which we speak, on the basis of what we put this into the record, we have 83 percent of our taxi industry represented here, by signature on the forms which we will submit if you will permit us to, we will bring back—no, may I say, Mr. Chairman, we have done that already, at the last hearing, we submitted to you the sample of the survey we took of the names of the companies signed that survey so you have that in your file. But we can submit another copy of it if you need it, to show you how we arrived at the 83 percent. Which would be in number about 8,500.

Senator INOUE. I would like to, in closing the hearings here, read from section 27 in order to assure those who opposed this. "Notwithstanding any other provision of law, the Public Service Commission of the District of Columbia is authorized and directed to conduct a study of the adequacy of service and regulation of the taxicab industry in the District of Columbia." You are not opposed to that, are you?

Mr. MATTHEWS. No; may I say, Mr. Chairman, in no sense are we opposed to any study that would lend its efforts to improving the quality and quantity of service. We are for that all the way. May I add one thing, too. This is one thing we believe as an industry and we feel very strongly about it. As this statement here says we just

cannot believe that there is any need to go into a long study of a meter—the expenditures, and utilization of the energies of high-paid personnel to make that determination—because we are convinced that the meter cannot improve the service. It will not make you pick up a man on the corner because a meter is sitting on the dashboard. We believe it contradicts these things mentioned here. We are for the study 100 percent that tends to lend itself to improving the quality of service and quantity of service. And may I say this right now, we are working very faithfully on this. We have been on the congressional side and they are working very closely with us in determining a feasible spot where these cabs are willing to come here if they can get to the point where they are seen by the Members of the Congress or the Senate, but the big trouble is to find a place where a cab can be left without being harassed by the authorities. The police have a job to do and they have to keep the traffic moving. They will not let us stop here. So, now, the House side is studying giving us entry off New Jersey Avenue where we can keep 8 or 10 cabs waiting there and we will help man that in order to show it can be done without that meter—and in any other section of the city.

I would like to make one example for you—I know you must be very tired after the long hearing today—but over at the Kennedy Center theater there was this very problem—the lack of quality service where it ought to be. They talked to us and we got on the phone and had meetings. We went in there and got an arrangement worked out with the police department so that we brought those cabs in there and they have a place where they can stash them back. It is working out beautifully. There, we have starters and they are helping out. It is those kind of things; we want a little cooperation from the city authorities.

Let us have a break to do this thing, with the equipment we have, without getting millions of dollars going out to some other area of the country for equipment we really do not need.

Thank you, sir.

Senator INOUYE. I thank you very much.

You may be assured, like all other statements, it will be given serious consideration and to further assure you of our desire to provide all of the possible safeguards, as this section provides, even after the study it is still subject to the approval of the Congress of the United States.

Mr. MATTHEWS. Right. We appreciate that.

Mr. YARON. Mr. Chairman, would it be possible to enter something into the record?

Senator INOUYE. It is a public hearing.

Mr. YARON. Could it just be put in?

Senator INOUYE. Without objection, whatever exhibit you wish will be made a part of the record, at the point of your testimony, sir.

Mr. YARON. Thank you very much.

Senator INOUYE. If there are no further witnesses, this subcommittee will stand adjourned. Time is 7:10 p.m.

[Whereupon, at 7:10 p.m., the subcommittee adjourned.]

² See p. 131.

³ See p. 131.

and there is a great deal of work to be done in the
 future. The present state of the country is such that
 it is necessary to take steps to improve the
 condition of the people. The first step is to
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