



**City
of
Milwaukee**

INTERDEPARTMENTAL

CORRESPONDENCE

LEGISLATIVE REFERENCE BUREAU

Memorandum

To: Ald. James A. Bohl, Jr.

From: Richard Withers, Legislative Fiscal Analyst ext. 8532

Date: June 23, 2008

Re: Recent Municipal Legislation Increasing
Meter Fare Taxicab Rates and Charges

This memorandum responds to your request for information relating to recent changes in meter taxicab charges and rates in municipal jurisdictions across the United States. This information includes confirmed documentation that you provided from an Internet search of articles reporting changes in charges and rates proposed or passed by cities comparable to Milwaukee over the last 45 days.

The information provided includes an update on authorized maximum meter taxicab charges for cities included in previous memos, information about additional changes approved or currently under consideration by municipal jurisdictions in the last 45 days.

Cities Previously Surveyed

Cincinnati: The flag drop charge was raised by \$0.20 to \$3.60 in March of 2007 for the first 1/8th mile. The rate for each additional 1/8th mile was raised by \$0.20.

Columbus: The flag drop charge of \$2.75 for the first 1/9th mile, and the \$0.45 charge for each additional 2/9ths mile have remained the same in the last 2 years.

Indianapolis/Marion County: The flag drop charge for the first 1/5th mile of \$3.00 and the \$0.40 charge for each additional 1/5th mile has been in effect for more than 10 years. A Common Council committee is considering an increase in the second and subsequent 1/5th mile to \$0.65. The proposed legislation would establish an advisory committee for future taxicab charge and rate changes.

Minneapolis: The flag drop charge of \$2.50 has remained the same (statewide) for more than 2 years; rates for mileage are negotiable; there is discussion of increasing the mileage rates. Changes in the flag drop rate are currently under consideration for taxicabs licensed by the City. The majority of taxicabs are, however, governed by the Metropolitan Airports Commission which includes a multi-county regional area.

Philadelphia: The flag drop charge proposed for an increase in late 2007 has been left at the same amount of \$2.70. Effective June 2, 2008, the fare after the flag drop has been increase from \$2.10 to \$2.30 per mile.

Portland (OR): The flag drop rate of \$2.50 has remained the same over the last 2 years. The charge for each mile has been raised from \$2.10 to \$2.30, effective April 9, 2008.

Seattle: The flag drop rate has remained at \$2.50; however, a fluctuating gas surcharge – set at \$1.00 in December of 2007 – has been in effect for several years, and is automatically shifted up or down when changes in gas prices are sustained for a 14-day period. The Seattle gas surcharge is currently set at \$1.50. Other charges have not changed and are set at \$0.20 per 1/10th mile past the first 1/10th and \$0.50 per minute waiting.

Other Cities Recently Adopting or Considering Taxicab Fares Changes Include:

Ann Arbor: The City Council added a charge of \$0.50 per trip, an additional \$0.15 per mile and a \$0.25 surcharge at the end of May, 2008.

Boston: The Police Department is considering authorizing an increase in the flag drop charge from \$2.25 to \$2.75. Additionally, a 50% increase in mileage has been proposed by taxicab operators. The mileage rates may vary from operator to operator.

Buffalo: The Common Council will consider an increase of \$0.60 per mile on June 24, 2008.

Cleveland: The City Council passed an ordinance providing a temporary increase of \$1.00 per ride effective the week of June 9, 2008.

Oklahoma City: A petition is currently pending for a 25% rate increase from the current maximums of \$3.80 for the first mile and \$1.80 for each additional mile.

St. Paul: The City Council is currently considering an increase of \$0.30 per mile from \$1.90 to \$2.20.

Recent Revision of Milwaukee Meter Taxicab Charges

Common Council File Number 050730, passed on May 9, 2006, effective May 26, 2006, temporarily increased the taxicab rate for the first 1/8th mile or fraction of a mile from \$1.75 to \$2.75. The ordinance in Common Council File Number 061038 established a new

permanent rate of \$2.25 for the first 1/8th mile effective March 16, 2007. The charge for each additional 1/8th of a mile, or fraction thereof, is set at \$0.25. The charge for each minute of waiting time is \$0.25 (\$15.00 per hour). The charge for each additional passenger over the age of 12 is \$0.75. The charge for each grocery bag or luggage handled by the driver is \$0.10. The minimum charge for taxicab fares from Mitchell International Airport into the City is \$6.00.

Proposed Changes in Milwaukee Meter Taxicab Charges

The change to City of Milwaukee taxicab charges proposed by your amendment to Council File # 080193 would raise the flag drop charge from \$2.25 to \$2.75. The amendment will be redrafted to reflect that no change is proposed related to additional fractions of a mile past the first 1/8th.

The latest 18-month trend in regular gasoline prices is attached.

Please contact the Bureau if you have any questions or would like further information.

attachment

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6/23/2008