

The Virgin Islands Consortium

Bill Making Credit Card Payment Option For Taxis Mandatory Clears Second Hurdle

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A Senator Kurt Violet-sponsored bill that requires taxi drivers in the U.S. Virgin Islands to accept a form of electronic payment was narrowly approved in the Committee on Rules and Judiciary on Friday, and will be forwarded to the full Senate, which meets on Tuesday, for final consideration before heading to Governor Albert Bryan.

Bill No. 33-0044 says, "The Commission shall establish and operate electronic monetary payment system and establish conditions and requirements of use." It also calls for the implementation of the electronic system in 120 days.

No Taxi Commission representative was present during testimony on Friday, but several individuals representing private and individual taxi operations were present.

Senator Novelle Francis, who introduced the measure for Mr. Vialet, said the time for discussion on the need for electronic payment option for taxis was ripe, arguing that competing destinations had already moved forward with implementation. He also said the bill had the support of both Chambers of Commerce in the U.S. Virgin Islands.

The individuals who testified, however, were all in opposition. Nelsa Serrano, representing Triple A Taxi which has about 60 taxi drivers, said credit card implementation was not a good idea because, "In St. Thomas we are not structured as other parts of the world." She said short drop-off points made it difficult to collect cash. "Those drop-off points are for a short time, you are almost not given enough time to collect cash because of time, space and congestion." Ms. Serrano contended that some passengers leave without paying. It was not clear, however, how that affected the discussion of credit card payment implementation.

Currently, there are apps available and catered specifically to the territory, created by electronic payment giants such as MasterCard, that simplifies the credit card payment process for taxi drivers. But Ms. Serrano said even so, some taxi drivers would not be able to use them.

"I'm telling you as a taxi driver, we're not that smart. Maybe we the younger generation, fine, [but]... we're looking out for taxi drivers on a whole," Ms. Serrano said, contending that a smartphone may be hard to operate by some drivers, many of whom she said may not have a high school diploma.

Additionally, she argued that a family traveling on one taxi, with half wanting to pay via credit card and the other half with cash, could create a problem. There, again, it was not clear what, exactly would be the problem if some paid in cash and the others with a credit card.

Another concern was the unreliable cellphone service in certain parts of the island. "I don't want to have to reach to a destination, passengers have no cash, and I can't get paid," Ms. Serrano said.

Bruce Flamon, who represented Certified Tour Guide Association and himself as an independent taxi driver, contended that independent business owners should not be told how to conduct their operations. He said the bill is "a government overreach into the private sector. The private sector does not need the government to tell us how to operate and collect in commerce."

He added, "We feel that we could have been better served if the government would have provided more training and less regulations... "Our drivers are 60+ years of age. [To require technology] we need training."

Senator Novelle Francis's first question to the testifiers, however, was one that exposed even further why many have called for the option of electronic payment from taxis. He asked them if they had a credit or debit card in their pockets, to which all responded in the affirmative. He then asked how often they used their cards. Two said their cards are used to make payments for everything from bills to buying groceries and ordering food,

while the third testifier said he used his when traveling.

Also, both Ms. Serrano and Mr. Flamon said they have credit card machines to process payments in their taxis, with Ms. Serrano stating that the machine is used for passengers who come off cruise ships without cash. "If they ask me if I have a credit card machine, I will tell them yes, and I don't mind using my credit card machine for them," she said.

Senator Myron Jackson pointed to many major cities in the U.S. that require credit cards, among them Boston, New York, San Francisco, Chicago, Denver and others. He also noted some cities that do not require credit cards, but said most of the taxi drivers in those cities have the option anyway.

And while he agreed that the territory's taxi system is unique, and that the Legislature should have engaged taxi drivers before introducing the bill, Mr. Jackson said the measure allows 120 days before implementation, and suggested that perhaps some level of discussion could be had during that time. "We're willing to sit down with you and have additional discussions," he said.

"What we seek to do is enhance the capability of our visitors as well as our residents in modern technology," Mr. Jackson stated.

Senator Athneil Thomas said the taxi drivers and the government should work together to enhance the tourism product, and said many other destinations were clamoring for tourists and are doing all they could to improve -- at times looking to how the territory has done some things. "Now everybody in the Caribbean setting up to chop off St. Thomas," he said.

The measure passed 3-2. Voting in favor were Senators Novelle Francis, Myron Jackson and Janelle Sarauw, who also serves as chair of the committee. Voting against the measure were Senators Javan James and Steven Payne, Sr. Senators Alicia Barnes and Kenneth Gittens were absent.