The Virgin Islands Consortium

Almost 50 Percent of Taxi Operators Have Not Renewed Their License; Taxicab Accounting Numbers Still Off

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The Virgin Islands Taxicab Commission continues to struggle with enforcement in its operation, as documents presented to the Legislature last Friday noted that almost half of registered taxi operators have not renewed their business license for fiscal year 2022.

At a cost of $130 a year, those drivers owe the commission an accumulative amount of $117,650. A total of 905 drivers have not paid with just one month left until the end of the fiscal year.

Vernice Gumbs, acting executive director of the TaxiCab Commission reported that drivers have complained of a slow-down in business as a result of the Covid-19 pandemic and have therefore been unable to remain current with their payments.

“Because there was no work for the past two years, they have not been able to fulfill their obligations because things have been slow,” she noted

Ms. Gumbs explained that the commission also does not have enough enforcement officers or an appropriate system to keep track of those delinquent operators to see whether they are actively working. The commission currently employees three enforcement officers and according to Ms. Gumbs the pay is not enough to attract new officers.

“To start to attract anyone, the salaries need to be a little more attractive that what they currently are and even our current officers, they too would need an increase,” she said.

Ms. Gumbs explained that she intends to meet with the board to discuss possible increases at their next meeting.

Between October 1, 2021 and July 31, 2022, the commission, which is responsible for regulating the automobile-for-hire industry which includes taxis, tour operators and limousines, collected at total of $328,930.09. Of the 1,957 registered members, 1,052 business licenses were paid and accounted for $124,692 of that amount.

Ms. Gumbs said that in reviewing the operations of the commission, there was a “number of discrepancies” and “inconsistencies” with using the current manual system.

“Having gone through this process to compile these numbers, I had no knowledge of this,” she remarked, noting that the the commission would now have to review its records, identify those persons who have not paid and get a letter format in place to send out and make notifications for payment.

The numbers presented are as a result of a request from the Committee on Finance for the commission to give correct figures regarding its operating expenses and revenue collection, after the commission’s executives proved numerous times during an earlier budget hearing in August that they could not account for a majority of the TaxiCab’s operating proceeds.

The commission could neither account for the number of taxi operators under its jurisdiction, or present the Senate with the correct number of taxi licenses or medallions auctioned for taxi drivers at the last hearing. And even while some of this information was presented this time, senators felt that it was not enough information to make a decision on the budget.

In the end, Senator Donna Frett-Gregory said that the information provided by the acting executive director was still not sufficient. Senator Janelle Sarauw shared similar thoughts.

“I really believe they need to give us a clear accounting of FY 2022, so it could be clear as to what direction the TaxiCab commission is going in. The information is just still off,” offered Ms. Frett-Gregory.

“How is it that you are so off in your funding,” Ms. Sarauw questioned, noting that on many occasions, members of the taxi association have not been able to pay because there was no administrative staff to collect payments at the commission’s office.

Revenues for the TaxiCab Commission are derived when they issue business licenses, forms, publications, penalties, and citations.

In its budget report, the body showed that it had spent just over $397,000 of its 2022 budgeted amount, leaving Senator Kurt Vialet to question whether the full funding was needed.

“This year, you’re on target to spend probably $600,000, so you’re coming in almost $400,000 under what was allocated. As of June 30th, you had only spent $397,109.14.”

The commission has been asked to put a plan in place to collect those outstanding amounts and to provide a more up-to-date representation of their expenses. “A great portion of your budget, $700,000 come from the money that you collect - $700,000 out of a million,” he said.

In 2023, the commission is asking for an appropriation of $1,006,321 to operate, similar to the amount budgeted for FY 2022.

Meanwhile, the final approval for tariff increase was expected to be made Monday, after which the commission will announce the change and circulate the document for a final time before implementing the new fees.