

Department of Cable and Consumer Services

LOB #11:

REGULATION AND LICENSING

Purpose

Regulation and Licensing issues licenses, permits, certificates, or registrations to numerous regulated business activities in the County ensuring that the business activities it oversees comply with all applicable state and County ordinances, for the benefit and safety of Fairfax County consumers.

Description

Regulation and Licensing issues licenses, permits, certificates, or registrations to taxicab operators, taxicab drivers, canvassers, peddlers, solicitors, vendors, promoters, massage establishments and therapists, pawn brokers, precious metal and gem dealers, going out-of-business sales, solicitors representing charitable organizations, and trespass tow operators. Regulation and Licensing mediates complaints in these business areas subject to applicable Fairfax County Code.

Regulation and Licensing performs inspections of taxicabs and other regulated businesses to ensure compliance with County ordinances. Taxicabs are inspected on a regular schedule, while other businesses, such as tow operators and massage establishments, are inspected in response to complaints. Regulation and Licensing works with and trains law enforcement officers on applicable County ordinances in these business areas.

Regulation and Licensing provides staff support to the Trespass Towing Advisory Board, which makes recommendations to the Board of Supervisors on towing industry rates and regulations.

Benefits

Regulation and Licensing benefits the community in the following ways:

Maintaining Safe and Caring Communities

Regulation and Licensing supports the *Maintaining Safe and Caring Communities* County Vision Element through its regulation of businesses. Regulation and Licensing protects the personal safety of the public by performing background checks on each individual who applies for a license. In FY 2015, Regulation and Licensing issued 2,906 licenses, permits, certificates, and registrations. Regulation and Licensing performs regular safety inspections of taxicabs, which further protects the public by ensuring that taxicabs meet basic safety standards. Regulation and Licensing ensures that vehicles placed into service as taxicabs meet the requirements of Fairfax County Code Chapter 84.1 and that each taxicab conforms with statutory insurance requirements. Regulation and Licensing performs inspections of each taxicab biannually for vehicle safety and taximeter accuracy. In FY 2015, Regulation and Licensing performed 2,208 inspections of taxicabs and other regulated businesses to ensure compliance with County ordinances.

Taxicab driver licensing ensures that individuals who operate licensed taxicabs in the County meet the driver requirements set forth in the Fairfax County Code. Drivers must have an acceptable driving record and criminal background check, in addition to demonstrating knowledge of map reading and the taxicab ordinance. The public benefits from having safe, knowledgeable drivers operating taxicabs in Fairfax County.

Solicitor, peddler, and charitable solicitor ordinances ensure that individuals who offer goods, services, or collect donations from charities, often by going door-to-door in the communities of the County, have an acceptable criminal background check, and otherwise meet the requirements of the Fairfax County Code. This oversight of door-to-door vendors promotes the safety and well-being of residents.

Department of Cable and Consumer Services

Massage regulation ensures that massage therapists who work in the County have completed a massage therapy training program and are certified by the Virginia Board of Nursing to perform massage. Oversight includes the licensing and inspection of massage establishments. The public benefits from having trained and certified massage therapists in the County.

Pawnshops and precious metal and gem dealer regulation ensures that individuals who make loans on tangible items of value and who purchase precious metals, such as gold, or gems from the public are doing so in accordance with state and County ordinances. Dealers are required to obtain certain information from sellers and report all purchased items to the Fairfax County Police Department. Oversight of these business areas makes it less likely that dealers are purchasing stolen merchandise and makes it easier for police to identify the seller of stolen items.

Regulation and Licensing ensures that trespass tow operators meet the requirements of state and County towing ordinances in the towing, storage, and release of vehicles that are towed from private property without the permission of the vehicle owner. Regulation and Licensing mediates trespass towing complaints from the public, and advises owners and managers of private property on trespass towing matters.

Connecting People and Places

Regulation and Licensing's work in the transportation sector supports the *Connecting People and Places* County Vision Element. Taxicab service is a vital piece of the overall transportation network in the County. Taxicabs are available 24 hours per day, 365 days per year to provide safe, affordable transit to passengers, including 43 wheelchair accessible taxicabs.

Maintaining Healthy Economies

Regulation and Licensing provides an avenue for individuals to become licensed in certain professions and supports the *Maintaining Healthy Economies* County Vision Element. In FY 2015, Regulation and Licensing issued licenses to 781 new applicants, creating the ability for new license holders to work in the County. Regulation and Licensing issued 1,471 renewal licenses, allowing licensees to continue performing the licensed profession.

Mandates

Local regulation of taxicabs is enabled by Code of Virginia Ann. Title 46.2, *Motor Vehicles*, Chapter 20, *Regulation of Passenger Carriers*, §46-2-2062-46.2-2067, *Regulation of taxicab service by localities; rates and charges*. Local regulation of taxicabs is set forth in Fairfax County Code Chapter 84.1, *Public Transportation*.

Local regulation of solicitors and peddlers is enabled by Code of Virginia Ann. Title 15.2, *Counties, Cities and Towns*, Chapter 9, *General Powers of Local Governments*, §15.2-913, *Ordinances regulating certain vendors*. Local regulation of solicitors and peddlers is set forth in Fairfax County Code Chapter 31, *Peddlers, Solicitors and Canvassers*.

Local regulation of charitable solicitors is enabled by Code of Virginia Ann. Title 57, *Religious and Charitable Matters; Cemeteries*, Chapter 5, *Solicitation of Contributions*, §57-63, *Local ordinances*. Local regulation of charitable solicitors is set forth in Fairfax County Code Chapter 34, *Charitable Solicitations*.

Local regulation of trespass towing is enabled by Code of Virginia Ann. Title 46.2, *Motor Vehicles*, Chapter 12, *Abandoned, Immobilized, Unattended and Trespassing Vehicles; Parking*, §46.2-1232-1233, *Localities may regulate removal or immobilization of trespassing vehicles*. Local regulation of trespass towing is set forth in Fairfax County Code §82-5-32, *Removal, immobilization, and disposition of Vehicles unlawfully parked on private or County property*.

Local regulation of massage therapy is enabled by Code of Virginia Ann. Title 15.2, *Counties, Cities and Towns*, Chapter 12, *General Powers and Procedures of Counties*, §15.2-1200, *General powers of counties*. Local regulation of massage therapy is set forth in Fairfax County Code Chapter 28.1, *Massage Therapy, Establishments and Services*.

Department of Cable and Consumer Services

Local regulation of pawnbrokers is mandated by Code of Virginia Ann. Title 54.1, *Professionals and Occupations*, Chapter 40, *Pawnbrokers*, §54.1-4000-4014, *Definition of pawnbroker*. Local regulation is set forth in Fairfax County Code Chapter 33, *Pawnbrokers and Precious Metals and Gems Dealers*.

Local regulation of precious metal and gem dealers is enabled by Code of Virginia Ann. Title 54.1, *Professionals and Occupations*, Chapter 41, *Precious Metal and Gem Dealers*, §54.1-4111, *Local Ordinances*. Local regulation is set forth in Fairfax County Code Chapter 33, *Pawnbrokers and Precious Metals and Gems Dealers*.

Local regulation of going out of business sales is mandated by Code of Virginia Ann. Title 18.2, *Crimes and Offenses Generally*, Chapter 6, *Crimes Involving Fraud*, §18.2-223 and 224, *"Going out of business" sales; permit required*.

Trends and Challenges

Regulation and Licensing continues to experience annual increases in the number of licenses issued in regulated business areas. Between FY 2011 and FY 2015, the total number of licenses issued grew by 8.7 percent. This growth over the past five years has been driven, in large part, by the massage industry with a 30 percent increase in the number of permits issued to massage therapists. Regulation and Licensing expects growth to continue as new massage establishments become permitted in the County.

The taxicab industry is currently facing market challenges as a result of Transportation Network Companies operating in the area, such as Uber and Lyft. This has impacted the number of taxicab drivers who seek a license, which dropped by seven percent in FY 2015. Regulation and Licensing will monitor developments in the taxicab industry as other transportation options become available to residents.

Regulation and Licensing developed the current guidelines for food truck vendors, which outline the requirements that food trucks must follow to vend legally in the County on private property. Regulation and Licensing is working with County agencies and stakeholders to develop a regulatory framework for the fast-growing food truck industry and a new permit process for food trucks that vend on certain roadways.

Resources

Category	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted
LOB #11: Regulation and Licensing			
FUNDING			
<u>Expenditures:</u>			
Compensation	\$138,966	\$143,406	\$136,904
Operating Expenses	85,629	87,642	109,208
Total Expenditures	\$224,595	\$231,048	\$246,112
General Fund Revenue	\$243,365	\$226,380	\$218,935
Net Cost/(Savings) to General Fund	(\$18,770)	\$4,668	\$27,177
POSITIONS			
Authorized Positions/Full-Time Equivalents (FTEs)			
<u>Positions:</u>			
Regular	2 / 2	2 / 2	2 / 2
Total Positions	2 / 2	2 / 2	2 / 2

Department of Cable and Consumer Services

Metrics

Metric Indicator	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate	FY 2017 Estimate
Licenses, permits, certificates, and registrations issued	2,530	2,806	2,906	2,908	2,918
Number of inspections performed	2,223	1,456	2,208	1,450	1,450
Number of customer transactions processed	13,563	14,599	14,302	14,200	14,200
Number of customer transactions processed per FTE ¹	4,521	3,650	3,576	3,550	3,550

¹ FTE total includes 2 positions supported by the General Fund and 2 supported by Fund 40030, Cable Communications.

Licenses, permits, certificates, and registrations issued

In FY 2015, Regulation and Licensing issued 2,906 licenses, permits, certificates, and registrations to those businesses and individuals engaged in regulated business activities in the County. The overall number of credentials issued has historically increased year to year, with annual fluctuations across business areas. Regulation and Licensing expects the demand for credentials to increase slightly, as reflected in future year estimates.

Number of inspections performed

Regulation and Licensing performs inspections of taxicabs and other regulated businesses in the County. Taxicabs are inspected biannually for interior cleanliness and to ensure that lights, tires, windshield wipers, and other equipment on the vehicle, are in good operational condition. Taximeters are tested once per year to ensure that the meter is properly calibrated to calculate the correct fare for each taxi trip. These inspections ensure that taxicab passengers are traveling in safe, clean vehicles and are charged a fare that complies with the County-established taxicab rate. In FY 2015, Regulation and Licensing conducted 2,208 taxicab inspections. FY 2013 and FY 2015 show a higher number of inspections than FY 2014 and the number projected for future years, due to an increase in taxicab rates in those years. When a taxicab rate change is implemented, a special inspection of all certificated taxicabs is conducted to ensure that all taximeters have been properly calibrated for the new taxicab rates. This special inspection requires that over 650 additional inspections be performed. Trespass tow operation inspections include inspections of trespass tow storage lots and properties from which tows occur to ensure compliance with County ordinance provisions. Massage establishments are inspected for compliance with permit requirements.

Number of customer transactions processed

Regulation and Licensing provides service via telephone, email, in person, or through the complaint process, completing more than 14,300 customer transactions in FY 2015. Regulation and Licensing provides advice to thousands of callers each year, frequently eliminating the need for the consumer to file a formal complaint. Regulation and Licensing expects customer transactions to remain consistent in future years.

Number of customer transactions processed per FTE

Regulation and Licensing operates with a staff of four FTE positions (total includes 2 positions supported by the General Fund and 2 supported by Fund 40030, Cable Communications), each processing over 3,500 customer transactions in FY 2015.