



# Operating Authority: Passenger Carrier (except Taxis)

## FREQUENTLY ASKED QUESTIONS WHEN STARTING A FOR-HIRE TRANSPORTATION BUSINESS

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### Company Start-Up

**Q: How can I get operating authority for a sedan, van, limousine, charter bus, regular scheduled bus, or bingo service in Maryland?**

Submit an *Application for Authority to Operate as a Carrier of Passengers by Motor Vehicles in Intrastate Commerce in Maryland*, along with appropriate documents. Contact the Transportation Division of the Public Service Commission of Maryland at:

6 St. Paul Street, Baltimore, MD 21202, or  
mpsc@psc.state.md.us, or  
410-767-8128.

**Q: How can I become a charter, contract, sightseeing or water taxi (for-hire water vehicle) in Maryland?**

Contact the Transportation Division at 410-767-8128 for an application packet and instructions.

**Q: What name should I use to file my application?**

Your own name, a trade name, or the name of your corporation or limited liability company. Register a trade name or file *Articles of Incorporation for a Corporation or Limited Liability Company* with the MD Department of Assessments and Taxation (SDAT) - [www.dat.state.md.us](http://www.dat.state.md.us).

**Q: Once I apply for operating authority, how long is the process?**

It is typically between four to six weeks.

**Q: Can I start operating my business while I'm waiting to be approved?**

No.

**Q: Do I need to purchase a vehicle before I am granted approval (operating authority) for my company?**

Yes, you must own or lease an insured vehicle before your operating authority can be granted.



**Q: If I have a stretch limousine, do I need special documentation?**

Yes, submit proof (e.g. odometer disclosure statement or bill of sale) to the Transportation Division that your vehicle is a stretch limousine. A limousine must contain certain specified amenities and modifications (see MVA law Transportation Article 13-939).

**Q: Will every person who drives my vehicle for-hire need a Passenger-For-Hire driver's license?**

Yes, if the vehicle is designed for 15 or fewer passengers (including the driver), you and any driver will need a **Passenger-For-Hire driver's license**.

No, if the vehicle is designed for 16 or more passengers (including the driver), you and any driver will need a **commercial driver's license** issued by the Motor Vehicle Administration (MVA).

### Insurance

**Q: I already have personal automobile insurance on my vehicle, do I need commercial insurance?**

Yes, your insurance must meet the Maryland Public Service Commission's (PSC) requirements. The minimum insurance requirements for passenger-for-hire vehicles are as follows:

For seating capacity of **7 passengers or less**:

- (a) \$50,000 for injury to any one person, \$100,000 for injuries to two or more persons, and \$20,000 for property damage; or
- (b) \$120,000 combined single limit.

For seating capacity of **8 to 15 passengers**:

- (a) \$75,000 for injury to any one person, \$200,000 for injuries to two or more persons, and \$50,000 for property damage; or
- (b) \$250,000 combined single limit.

For seating capacity of **16 or more passengers**:

- (a) \$75,000 for injury to any one person, \$400,000 for injuries to two or more persons, and \$100,000 for property damage; or
- (b) \$500,000 combined single limit.

**Q: Where can I get insurance?**

Either a private insurer or the Maryland Automobile Insurance Fund (MAIF) may insure you. Contact the Maryland Insurance Administration (MIA) for a list of insurance companies at [www.mdinsurance.state.md.us](http://www.mdinsurance.state.md.us), or call 410-468-2000 or 1-800-492-6116. Annually, you will need to submit an updated Insurance Certificate showing proof of insurance.

**Q: If I am a sole proprietor with only one (1) vehicle and operating the vehicle myself, do I need Workers' Compensation Insurance.**

No. You will need to complete and sign the form "Exclusion Form - Workers' Compensation Insurance."

**Tags and Decals**

**Q: How do I get for-hire tags for my vehicle?**

Submit to the Transportation Division: (1) a *Passenger Vehicle List*, (2) required insurance certificate, and (3) Maryland State Inspection Certificate.

PSC will return to you the stamped Passenger Vehicle List with the appropriate endorsement for the type of tags that MVA is to issue for that vehicle.

Then, take the stamped and approved Passenger Vehicle List (fax copies are not accepted), Maryland State Inspection Certificate and any MVA documents to the MVA to have the appropriate tags issued.

**Q: What is a Passenger Vehicle List?**

A PSC form (TR-605) that lists the vehicle(s) you plan to operate in your for-hire business.

**Q: What else do I need to operate the vehicle(s) for-hire?**

A decal from the PSC showing that the vehicle is authorized for-hire. Call the Transportation Division at 410-767-7923, Monday through Thursday (8:00am to 11:00am) to schedule an appointment.

The decal will be issued when your vehicle: (1) is properly marked with company name or logo and unit number, (2) has the required safety equipment and (3) has for-hire tags. The decal will be affixed to your vehicle by PSC staff. Additionally, the vehicle must be inspected twice each year: once by a PSC inspector and once at a certified Maryland State Inspection Facility.



**Operating**

**Q: Where will I be allowed to operate once I am approved?**

You may operate throughout Maryland.

To operate in the Washington metropolitan area (Washington DC, Montgomery and Prince George's Counties in Maryland, and Arlington and Fairfax Counties in Virginia) you will also need authority from the Washington Metropolitan Area Transit Commission (WMATC). For WMATC Authority, call 202-331-1671. Note: If operating ONLY within the area of the WMATC Authority, no PSC authorization is necessary.

**Q: Will I be able to operate at BWI Thurgood Marshall Airport once I am approved by PSC?**

You may drop off passengers at BWI Thurgood Marshall Airport, but you may not pick up passengers without the required permit from the Maryland Aviation Administration (MAA), 410-859-7298.

**Q: Do I need to submit/file my fees for service?**

Yes, you must submit a rate sheet listing all fees/rates you will charge. Once your authority has been granted, you may change your rates by filing written notice of any change in fees/rates 30 days in advance of the effective change. You decide what fees/rates you will charge for your services.

**Q: What is a rate sheet?**

A rate sheet lists charges (called tariffs) that you will charge customers for transportation within Maryland. The rate sheet may specify point to point, mileage, or an hourly rate.

**Q: What information must I include on my rate sheet?**

- Your rates,
- your name,
- your company or trade name (if applicable),
- your business address, telephone number, date, and
- owner's signature(s).

**Maryland Public Service Commission**

**TRANSPORTATION DIVISION**

William Donald Schaefer Tower  
18<sup>th</sup> Floor  
6 St. Paul Street  
Baltimore, MD 21202-6806

**Phone (410) 767-8128**  
**MD Toll Free 1(800) 492-0474**

<http://www.psc.state.md.us/psc/>