Passenger Transportation Board
MOVING FORWARD, TOGETHER

Controlling members

Context

All licensees have a legal responsibility to adhere to the legislation, regulation, rules, and terms and conditions of their licence. Not all licensees are individuals – there are different business entities, like corporations. For the Board to assess fitness, it must know who is responsible for making decisions on behalf of the licensee – these are called “controlling members.”

In the event of any change to a licensee’s business structure after the application process has been completed, it is important that the Board is made aware of any change to controlling members. The Board is responsible for assessing licensee fitness on an ongoing basis.

Controlling members can also provide a key point of accountability. In some cases, licensees may be permitted to undertake specific actions in relation to the operation of a passenger transportation service. The Board must be able to determine who is ultimately accountable for carrying out these functions and complying with requirements.

Applicability

This policy applies to initial and ongoing changes in controlling members, management, or ownership of business entities that hold Special Authorization licences under the Act.

Policy

The purpose of this policy is to:

- Define who controlling members are.
- Establish clear requirements associated with controlling members.
- Provide processes to notify the Board when controlling members change.
- Outline authorities and responsibilities of controlling members.

Definition

A “controlling member” is an individual or position who controls a licensee’s business operations. It includes:

- If a public company or private company, then all directors and officers as defined in the Business Corporations Act.
- If a registered society, then all directors and senior managers, as defined in the Society Act.
- If a partnership, then all partners or if a limited liability partnership, then the general partner, as defined in the Partnership Act.
- If a sole proprietorship, then the sole proprietor.
- Managers occupying positions responsible for overseeing the day-to-day operation of the business.

Requirements

Licensees are requested to notify the Board of any change to the status of its controlling members (e.g., change in ownership).

Specifically, the Board requests that, within 30 days of the change, a licensee notify the Board of any change in controlling member, as applicable to the business entity and outlined in the definition section above.

The notification process includes sending the Board a letter or email outlining:

- The name and position of anyone who has ceased to be a controlling member of the licensee organization.
- The name and position of anyone who has become a new controlling member of the licensee organization.

For each new controlling members, the licensee should provide the following completed forms to the Board:

- Form 5 (Disclosure of Unlawful Activity & Bankruptcy)(655 KB)
- Form 17 (Declarations and Consent)(573 KB)

Taxi meters

The Board has authorized controlling members of taxi licensees outside of Passenger Transportation Region 1 to perform taxi meter-related tasks, or delegate that responsibility to a qualified business or individual they trust, if they are unable to access an established taxi meter service provider.

Controlling member(s) are responsible and accountable for their taxi meters meeting all regulatory standards and other Board requirements. Controlling members outside of Region 1 may perform the following tasks:

- Meter installation, programming, calibration, adjustments, testing, and any other modifications that include breaking the security seal (physical and/or electronic) to perform.

As per the Board's Rates Rule - Taxi Meters Rule, meters must be sealed before and after these tasks are being performed, and licensees must provide upon request a change log that provides a persistent audit trail of changes that have been made. Should compliance and enforcement officers encounter taxi meters that do not meet the Board's meter standards and requirements, the responsible controlling members are accountable.

Licensees operating in Region 1 have access to an established taxi meter service provider. Under these circumstances, controlling members of licensees operating in Region 1 are not authorized to perform these tasks themselves.

These changes align with the Board's use of Passenger Transportation Regions as outlined in the Passenger Transportation Regions policy.

Legislation

39.1 (1) Despite anything in this Act or the regulations,

a) the registrar may at any time, on the registrar's own initiative, if the registrar thinks it necessary or desirable, consider whether a licensee or a holder of a temporary operating permit is a fit and proper person to provide the service, and

b) the board may at any time, on its own initiative, if the board thinks it necessary or desirable, consider whether a licensee who holds a licence issued under section 29 (1) or a holder of a temporary operating permit issued under section 38 is a fit and proper person to provide the service and is capable of providing the service.

Related topics:

- Rates rules manual