

Ordinance No. 124441

Council Bill No. 118036 [118036]

AN ORDINANCE relating to companies and drivers of a new type of for-hire vehicle in order to create a pilot program for transportation network companies and affiliated drivers and vehicles: establishing minimum operating requirements for transportation network companies and affiliated drivers; imposing vehicle inspections; imposing a zero tolerance drug use policy for affiliated drivers; imposing minimum insurance requirements for transportation network companies and affiliated vehicles; requiring rate transparency for transportation network companies; and establishing licensing fees; raising the maximum number of taxicab licenses issued by the City; revising terminology; adding new sections and amending various Sections of Chapter 6.310 of the Seattle Municipal Code.

Related Legislation File:

Date Introduced and Referred: <u>2.24.14</u>	To: (committee): <u>Taxi, For Hire, and Limousine Regulations</u>
Date Re-referred:	To: (committee):
Date Re-referred:	To: (committee):
Date of Final Action: <u>3.17.14</u>	Date Presented to Mayor: <u>3.18.14</u>
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# The City of Seattle - Legislative Department

Council Bill/Ordinance sponsored by: James Curren

## Committee Action:

Date	Recommendation	Vote
<u>2-27-14</u>	<u>PASS AS AMENDED</u>	<u>5 YES, 4 ABSTAIN</u> <u>SC, TR, NL, KS</u> <u>TB, JU, MD, BH</u> <u>SB</u>

This file is complete and ready for presentation to Full Council.

## Full Council Action:

Date	Decision	Vote
<u>3.17.14</u>	<u>Passed as Amended</u>	<u>9-0</u>



CITY OF SEATTLE

ORDINANCE 124441

COUNCIL BILL 118036

AN ORDINANCE relating to companies and drivers of a new type of for-hire vehicle in order to create a pilot program for transportation network companies and affiliated drivers and vehicles: establishing minimum operating requirements for transportation network companies and affiliated drivers; imposing vehicle inspections; imposing a zero tolerance drug use policy for affiliated drivers; imposing minimum insurance requirements for transportation network companies and affiliated vehicles; requiring rate transparency for transportation network companies; and establishing licensing fees; raising the maximum number of taxicab licenses issued by the City; revising terminology; adding new sections and amending various Sections of Chapter 6.310 of the Seattle Municipal Code.

NOW, THEREFORE,

**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

Section 1. The City Council ("Council") makes the following legislative findings of fact and declarations:

1. The Council finds that technology that allows consumers to directly dispatch drivers for trips via the internet using mobile interfaces such as smartphone applications, ("application dispatch") did not exist in Seattle when for-hire driver and vehicle regulations were last amended by Ordinance 122763 in 2008; and

2. The Council caused a taxi, for-hire, and limousine services demand study ("demand study") to be undertaken to evaluate passenger demand and assess the quality of service and the final study was completed by consultants on September 3, 2013; and



1           3. The Council finds, and the demand study supports, that the public is receptive to  
2 application dispatch technology and such technology is capturing a growing share of the  
3 traditional taxicab and for-hire vehicle market, especially during periods of peak demand<sup>1</sup>; and

4           4. The Council finds, and the demand study supports, that some companies using  
5 application dispatch technology to offer transportation services in Seattle are unlicensed and  
6 affiliated with unlicensed for-hire drivers (unlicensed drivers) and vehicles<sup>2</sup>; and

7           5. The Council finds that as the use of application dispatch technology by unlicensed  
8 companies, vehicles, and drivers raises significant public safety and consumer protection  
9 concerns; and

10          6. The Council finds that the use of application dispatch technology by unlicensed  
11 companies and drivers are competing with existing licensed taxicab and for-hire drivers in the  
12 transportation market and causing negative impacts; and

13          7. The Council finds that unlicensed drivers using application dispatch technology are  
14 providing trips as for-hire drivers via a new type of for-hire vehicle because they are operating  
15 motor vehicles used for the transportation of passengers for compensation and these drivers are  
16 currently operating illegally without for-hire driver licenses or regulatory oversight; and

17          8. The Council finds that companies providing transportation services via application  
18 dispatch with unlicensed affiliated drivers are operating illegally without a license or regulatory  
19 oversight; and

20          9. The Council finds that there is no gratuitous purpose for offering and receiving  
21 transportation services, and unlicensed drivers and companies using application dispatch  
22 technology offer transportation services for compensation for the following nonexclusive  
23

24  
25 \_\_\_\_\_  
<sup>1</sup> 2013 City of Seattle and King County Taxi, For Hire Vehicle and Limousine Services Demand Study, Final Report,  
page 22

26 <sup>2</sup> *Id.*



1 reasons: the companies are registered for-profit corporations, drivers are recruited with promises  
2 to be paid, drivers intend to be paid, and passengers are paying for services rendered; and

3 10. The Council finds that the creation of a pilot program, establishing minimum  
4 operating requirements for unlicensed drivers and unlicensed companies using application  
5 dispatch technology is appropriate and necessary to protect the safety of the public; and

6 11. The Council finds a pilot program establishing transparency of rates prior to a  
7 passenger initiating a ride via application dispatch is appropriate and necessary for consumer  
8 protection; and

9 12. The Council finds that the creation of a pilot program regulating unlicensed  
10 companies and affiliated drivers using application dispatch technology will promote fair  
11 competition among other licensed transportation providers; and

12 13. The Council finds that the creation of a pilot program strikes a balance between  
13 safety and innovation, so that regulation provides a safety net that the public can rely on for its  
14 protection while new businesses innovate and use technology to better the lives of  
15 Washingtonians; and

16 14. The Council finds that the issuance of an additional 100 taxicab licenses per year for  
17 the years 2014 and 2015 as authorized by SMC 6.310.500(D) would promote fair competition  
18 and meet current and future demand for efficient and economical for-hire transportation services;  
19 and

20 15. The Council finds it necessary to review the pilot program to ensure it is fulfilling its  
21 purpose of promoting public safety, consumer protection and fair competition, so City Council  
22 will assess the benefits and any negative unintended consequences of the pilot program by no  
23 later than June 1, 2015. The review of the pilot program shall include an assessment of taxi  
24 industry trips and revenue, the percentage of taxi industry trips that are dispatched on any  
25 platform, the response times for any companies in the dispatch market, the locations of rejected  
26 rides by any companies in the dispatch market, the financial burdens of drivers across the





1 different platforms, any available data about driver experiences and driver migrations across  
2 platforms, collisions, driver violations, rates, and customer satisfaction rates and complaints. If  
3 no further action is taken by City Council, the program will automatically continue; and

4 16. The Council finds that it has the authority to establish code to regulate for-hire  
5 vehicles as granted by Article 11, Section 11 of the Washington State Constitution and RCW  
6 46.72.160.

7 Section 2. Section 6.310.100 of the Seattle Municipal Code, last amended by Ordinance  
8 118341, is amended as follows:

9 **6.310.100 Purpose((¶))**

10 A. Transportation network companies (TNC) provide application dispatch services  
11 (technology that allows consumers to directly request dispatch of for-hire drivers for trips via the  
12 internet using mobile interfaces such as smartphone applications.) to connect drivers with  
13 passengers for transportation services. While active on a TNC dispatch system, TNC drivers are  
14 for-hire drivers operating for-hire vehicles. The ordinance codified in this chapter is an exercise  
15 of The City of Seattle's power to license for-hire vehicles, taxicabs, for-hire drivers ((and))  
16 taxicab associations, and transportation network companies, and issue TNC vehicle  
17 endorsements, for regulations and revenue. Some of its regulatory purposes are to increase the  
18 safety, reliability, cost-effectiveness, and the economic viability and stability of privately-  
19 operated for-hire vehicle and taxicab services within The City of Seattle. This chapter is not  
20 intended to regulate limousines and is consistent and compliant with RCW Chapter 46.72A.

21 B. The Director may issue a moratorium suspending the issuance of TNC vehicle  
22 endorsements or TNC licenses upon finding that the continued issuance of TNC vehicle  
23 endorsements or TNC licenses threatens public safety or raises substantial consumer protection  
24 concerns. In making such a finding the Director shall consider, but is not limited to  
25 considering: consumer complaints, the stability of the market for taxi and for-hire  
26 transportation services, consumer demand for transportation services, and the financial



1 viability of transportation service providers. Where the issuance of TNC vehicle endorsements  
2 or TNC licenses has been suspended pursuant to this subsection, the suspension shall last no  
3 more than 180 days. At least 30 days in advance of issuing a moratorium, the Director shall  
4 notify the Council in writing of the intent to do so and the reasons for doing so.

5 C. Within 60 days of the effective date of this ordinance, and within every 60 days  
6 thereafter through June 30, 2016, the Director shall report to chair of the Taxi, For-hire, and  
7 Limousine Regulations Committee of the Seattle City Council on the response, behavior, and  
8 experience of the different segments of the for-hire market.

9 D. If, upon review of the market for for-hire transportation, the Director finds that it is  
10 in the public interest that the cap on the number of TNC-endorsed vehicles that may be  
11 concurrently active on a TNC system should be adjusted or removed, the Director will submit  
12 the findings to the Council in writing and seek legislative authority to change or remove the  
13 cap.

14 Section 3. Section 6.310.110 of the Seattle Municipal Code, last amended by  
15 Ordinance 123361, is amended as follows:

16 **6.310.110 Definitions((A))**

17 For the purposes of this chapter and unless the context plainly requires otherwise, the  
18 following definitions apply:

19 "Active on the TNC dispatch system" includes but is not limited to: when the driver is  
20 logged onto the transportation network company (TNC) application dispatch system showing  
21 that the driver is available to pick up passengers; when a passenger is in the vehicle; when  
22 TNC dispatch records show the vehicle is dispatched; or when the driver has accepted a  
23 dispatch and is enroute to provide transportation services to a passenger.

24 ((A-)) "Affected licensee" means any licensee that may incur some penalty as a result of  
25 a violation. For example, if a for-hire driver of a taxicab commits a violation, the for-hire  
26  
27



1 driver, the taxicab owner, and the taxicab association with which that taxicab is associated are  
2 all affected licensees.

3 ~~((B.))~~ "Affiliated taxicab" means a taxicab licensed to operate within a particular  
4 taxicab association.

5 "Application dispatch" means technology that allows consumers to directly request  
6 dispatch of for-hire drivers for trips via the internet using mobile interfaces such as smartphone  
7 applications.

8 ~~((C.))~~ "Approved mechanic" means a mechanic on a list maintained by the Director.  
9 The list shall contain the name of each mechanic that has applied to the Director for inclusion  
10 and who (1) has met all requirements of the National Institute for Automotive Service  
11 Excellence, (2) has been awarded a Certificate in Evidence of Competence satisfactory to the  
12 Director, (3) does not own, lease or drive a taxicab or for-hire vehicle, and (4) has no financial  
13 interest, including any employment interest, in any taxicab association, taxicab or for-hire  
14 vehicle or in any company that owns or leases taxicabs or for-hire vehicles.

15 "Business service contract" means a written contract between a for-hire driver or a for-  
16 hire driver's representative and a business entity authorizing the for-hire driver to pick up  
17 passengers at the business entity's place of business.

18 ~~((D.))~~ "Certificate of Safety" means a document from an approved mechanic certifying  
19 that a particular vehicle meets all vehicle safety standards set forth in this chapter and in  
20 regulations adopted pursuant to this chapter.

21 ~~((E.))~~ "Committed a violation" means that a licensee has been issued a Notice of  
22 Violation and either has not contested the violation or did contest the violation but lost.

23 ~~((F.))~~ "Community Development Financial Institution" means a non-profit loan fund  
24 certified by the Community Development Financial Institution Fund of the U.S. Department of  
25 the Treasury, that serves economically distressed communities and underserved populations by  
26  
27





1 providing credit, capital and financial services that are normally unavailable from traditional  
2 financial institutions.

3 “Compensation” means remuneration or anything of economic value that is provided,  
4 promised, or donated primarily in exchange for services rendered. This includes, but is not  
5 limited to voluntary donations, fee-sharing between a taxicab association or transportation  
6 network company and an affiliated driver, advertisement of a taxicab association or  
7 transportation network company services, and increased patronage for taxicab association or  
8 transportation network company services.

9 ((G.)) "Contract rate" means the rate specified in a written contract signed by both  
10 parties before the dispatch of a taxicab or for-hire vehicle for the services identified in the  
11 contract. Contracts for package delivery may be made on an oral basis.

12 ((H.)) "Department" means the Department of Finance and Administrative Services of  
13 The City of Seattle, or any department that succeeds to the Department's duties under this  
14 chapter.

15 ((I.)) "Director" means the Director of Finance and Administrative Services or the  
16 director of any successor department and the Director's authorized designee.

17 ((J.)) "For-hire driver" means any person in physical control of a taxicab or for-hire  
18 vehicle, who is required to be licensed under this chapter. The term includes a lease driver,  
19 owner/operator, or employee, who drives taxicabs or for-hire vehicles, including vehicles  
20 dispatched by transportation network companies.

21 ((K.)) "For-hire vehicle" means any motor vehicle used for the transportation of  
22 passengers for compensation, except:

- 23 1. Taxicabs as defined in this chapter;
- 24 2. School buses operating exclusively under a contract to a school district;
- 25 3. Ride-sharing vehicles under Chapter 46.74 RCW;
- 26 4. Limousine carriers licensed under Chapter ((81.90)) 46.72A RCW;



1           5. Vehicles used by nonprofit transportation providers solely for elderly or  
2 handicapped persons and their attendants under Chapter 81.66 RCW;

3           6. Vehicles used by auto transportation companies licensed under Chapter 81.68  
4 RCW;

5           7. Vehicles used to provide courtesy transportation at no charge to and from  
6 parking lots, hotels, and rental offices; and

7           8. Vehicles licensed under, and used to provide "charter party carrier" and  
8 "excursion service carrier" services as defined in, and required by, Chapter 81.70 RCW.

9           ~~((L-))~~ "Handicapped person" means any person who, by reason of illness, injury, age,  
10 congenital malfunction, or other permanent or temporary incapacity or disability, is unable  
11 without special facilities or special planning or design to use mass transportation facilities and  
12 services as efficiently as persons who are not so affected. Handicapped persons include  
13 ambulatory persons whose capacities are hindered by sensory disabilities such as blindness or  
14 deafness, such mental disabilities as mental retardation or emotional illness, and physical  
15 disabilities that still permit the person to walk comfortably, or a combination of these  
16 disabilities. It also includes a semiambulatory person who requires such special aids to travel  
17 as canes, crutches, walkers, respirators, or human assistance, and a nonambulatory person who  
18 must use wheelchairs or wheelchair-like equipment to travel.

19           ~~((M-))~~ "Knowingly permit" means (1) to know of an action or condition that violates  
20 this chapter or any regulation promulgated pursuant to this chapter, and (2) to fail to take  
21 reasonable steps to cure the violation and to prevent future violations. There is a rebuttable  
22 presumption that a person knows a fact, action or condition of which a reasonable person in the  
23 same position would have knowledge.

24           ~~((N-))~~ "Lease driver" means a for-hire driver who is an independent contractor/sole  
25 proprietor who has leased a taxicab or for-hire vehicle from a taxicab or for-hire vehicle  
26 licensee or taxicab association.



1           ~~((O:))~~ "Lender" means a bank, trust company, mutual savings bank, savings and loan  
2 association, or credit union authorized to do business and accept deposits in this state under  
3 state or federal law and includes a Community Development Financial Institution qualified and  
4 approved by the Director to provide loans to licensees under Section 6.310.380

5           ~~((P:))~~ "Lessor" means a licensee of a taxicab or for-hire vehicle who leases to a lease  
6 driver.

7           ~~((Q:))~~ "Licensee" means any person or entity licensed under this chapter, including for-  
8 hire drivers, taxicab or for-hire vehicle owners, ~~((and))~~ taxicab associations, and transportation  
9 network companies.

10           ~~((R:))~~ "Motor vehicle" means every motorized vehicle by or upon which any person  
11 may be transported or carried upon a public street, highway or alley; provided, that vehicles  
12 used exclusively upon stationary rail tracks or propelled by use of overhead electric wires are  
13 not considered motor vehicles for purposes of this chapter.

14           ~~((S:))~~ "Operating in The City of Seattle" means owning, leasing, advertising, driving,  
15 occupying and/or otherwise using a taxicab or for-hire vehicle that at any time transports any  
16 passenger or item for compensation from a point within the geographical confines of The City  
17 of Seattle. The vehicle is considered to be operating during the administering of inspections at  
18 the City's inspection facility. The term does not include being in control of a vehicle that is  
19 physically inoperable. A taxicab association is "operating in The City of Seattle" if it  
20 represents or includes any taxicab that at any time transports any passenger or item for  
21 compensation from a point within the geographical confines of The City of Seattle. A  
22 transportation network company is "operating in The City of Seattle" if it provides application  
23 dispatch services to any affiliated driver at any time for the transport of any passenger for  
24 compensation from a point within the geographical confines of The City of Seattle.

25           ~~((T:))~~ "Owner" means the person whose lawful right of possession of a taxicab or for-  
26 hire vehicle has most recently been recorded with the state Department of Motor Vehicles.





1           "Personal vehicle" means a vehicle that is not a taxicab or for-hire vehicle licensed  
2 under this chapter and that is not used for a commercial purpose. A personal vehicle that is  
3 used for TNC trips is a for-hire vehicle and subject to regulation under this chapter.

4           ~~((U:))~~ "Senior Citizen" means any person over the age of 60 with a valid identification  
5 confirming that person's age.

6           ~~((V:))~~ "Special rate" means discounted rates for senior citizens and handicapped  
7 persons.

8           ~~((W:))~~ "Taxicab" means every motor vehicle:

9                   1. That is held out to the public as providing transportation to passengers or  
10 articles for hire;

11                   2. Where the route traveled or destination is controlled by the customer;

12                   3. That carries signs or indicia of a taxicab, including the words "taxi,"  
13 "taxicab," or "cab"; and

14                   4. Where the fare is based on an amount recorded and indicated on a taximeter,  
15 or by a special contract rate permitted under this chapter. Despite the foregoing, "taxicab" does  
16 not include those vehicles listed in Section 6.310.110 J2-J8 or for-hire vehicles.

17           ~~((X:))~~ "Taxicab association" means a person or ~~((organization))~~ entity licensed under  
18 this chapter that represents or owns at least 15 taxicabs licensed by the City that use the same  
19 color scheme, trade name, and dispatch services. An individual person may be a taxicab  
20 association as long as that individual owns or represents at least 15 taxicabs and otherwise  
21 meets the requirements of this chapter; provided, that for taxicab associations formed in  
22 connection with the wheelchair accessible taxicab demonstration project provided for under  
23 this chapter, the Director may waive the requirement for such taxicab associations to have 15  
24 licensed taxicabs and any taxicab association license fee for the duration of the demonstration  
25 project.



1           ~~((Y-))~~ "Taxicab association representative" means the person or persons that a taxicab  
2 association has authorized to:

3                   1. File applications, special contract rates and charges on behalf of the taxicab  
4 association and individual owners in the taxicab association; and

5                   2. Receive and accept all correspondence and notices from the City pertaining  
6 to the taxicab association, or to the taxicabs, taxicab owners and/or for-hire drivers operating  
7 within the taxicab association; and

8                   3. Forward any correspondence, notices and/or legal process received by the  
9 association and intended for a taxicab owner and/or taxicab driver operating within the taxicab  
10 association.

11           ~~((Z-))~~ "Taximeter" means any instrument or device by which the charge for hire of a  
12 passenger carrying vehicle is measured or calculated either for the distance traveled by such  
13 vehicle or for waiting time, or for both, and upon which such calculated charges shall be  
14 indicated by means of figures.

15           "Trade dress" means the unique visual element associated with a transportation  
16 network company that is attached to a vehicle affiliated with a TNC so the public and  
17 passengers can identify the vehicle as being associated with that particular TNC. Trade dresses  
18 are not mandatory and must be approved by the Director.

19           "Transportation network company" (TNC) means a person or entity licensed under this  
20 chapter affiliated with TNC drivers that provides application dispatch services via one unique  
21 application dispatch system to connect TNC drivers with passengers for the transport of  
22 passengers for compensation and meeting the licensing requirements of Section 6.310.130 and  
23 any other requirements under this chapter.

24           "Transportation network company (TNC) driver" means a licensed for-hire driver  
25 affiliated with and accepting dispatched trips from a licensed transportation network company,  
26 while operating either a for-hire vehicle or taxicab licensed under this chapter ("TNC licensed



1 driver”) or a personal vehicle with a TNC vehicle endorsement (“TNC endorsed driver”). For  
2 purposes of this chapter, at any time while a driver is active on the TNC dispatch system, the  
3 driver is considered a TNC driver.

4 “Transportation network company (TNC) licensed driver” means a licensed for-hire  
5 driver affiliated with and accepting dispatched trips from a licensed transportation network  
6 company, while operating a for-hire vehicle or taxicab licensed under this chapter.

7 “Transportation network company (TNC) endorsed driver” means a licensed for-hire  
8 driver affiliated with and accepting dispatched trips from a licensed transportation network  
9 company, while operating a personal vehicle with a TNC vehicle endorsement.

10 “Transportation network company (TNC) representative” means the person or persons  
11 that a transportation network company has authorized to:

- 12 1. File applications, rates and charges on behalf of the TNC;
- 13 2. Receive and accept all correspondence and notices from the City pertaining  
14 to the TNC, or to affiliated drivers operating within the TNC; and
- 15 3. Forward any correspondence, notices and/or legal process received by the  
16 TNC and intended for an affiliated driver operating within the TNC.

17 “Transportation network company (TNC) vehicle endorsement” means an endorsement  
18 on a for-hire driver’s license for a personal vehicle that allows the for-hire driver to use the  
19 endorsed vehicle to affiliate with a transportation network company in order to provide  
20 transportation to passengers via an application dispatch system. The endorsement  
21 demonstrates that the vehicle has met the minimum operating requirements as set forth in  
22 Sections 6.310.325 and 6.310.327.

23 ((AA-)) “Wheelchair accessible taxicab” or “Wheelchair accessible for-hire vehicle”  
24 means a taxicab or for-hire vehicle designed or modified to transport passengers in wheelchairs  
25 or other mobility devices and conforming to the requirements of the Americans with  
26 Disabilities Act (ADA), and inspected and approved by the Director.





1 Section 4. Section 6.310.120 of the Seattle Municipal Code, last amended by Ordinance  
2 118341, is amended as follows:

3 **6.310.120 Scope((~))**

4 This chapter applies to all taxicab associations, all transportation network companies, all  
5 taxicabs, all for-hire vehicles and all for-hire drivers operating (~~within~~) in The City of Seattle.

6 This chapter is not intended to be a part of the New License Code, Chapter 6.202 et seq.

7 Section 5. Section 6.310.125 of the Seattle Municipal Code, last amended by Ordinance  
8 121738, is amended as follows:

9 **6.310.125 Violation classifications((~))**

10 A. Requirements contained within this chapter shall specify violation classifications in  
11 parentheses for the purpose of assessing monetary penalties and penalty points. General  
12 provisions for penalty enforcement are set forth in (~~SMC~~) Sections 6.310.600, 6.310.605,  
13 6.310.610, and 6.310.635. Monetary penalties and penalty points for each violation  
14 classification are specifically set forth in (~~SMC~~) Section 6.310.605.

15 B. Violation classifications are as follows:

- 16
- 17 1. Class A - violations of administrative or non-safety requirements.
  - 18 2. Class B - violations of safety requirements.
  - 19 3. Class C - other serious violations.
  - 20 4. Suspensions, revocations, and denials of licenses or TNC vehicle
- 21 endorsements are imposed when taxicab associations, transportation network companies,  
22 taxicab licensees, or for-hire drivers fail to comply with licensing or endorsement requirements  
23 pursuant to this chapter, or there is an immediate safety concern with the taxicab or for-hire  
24 vehicle.
- 25
- 26
- 27



1 Section 6. Section 6.310.130 of the Seattle Municipal Code, last amended by Ordinance  
2 119872, is amended as follows:

3 **6.310.130 Licenses required((+))**

4 A. It is unlawful to own, lease, drive or otherwise operate within The City of Seattle  
5 any taxicab or for-hire vehicle, not affiliated with and dispatched by a licensed transportation  
6 network company, within the scope of this chapter, unless:

- 7 1. The for-hire driver has a valid license issued under this chapter;
- 8 2. The for-hire vehicle or taxicab has a valid license issued under this chapter.
- 9 3. If the vehicle is a taxicab, the taxicab is affiliated with a taxicab association  
10 licensed under this chapter;
- 11 4. The for-hire driver that operates a taxicab is affiliated with a taxicab  
12 association licensed under this chapter.

13 B. It is unlawful to operate within The City of Seattle as a transportation network  
14 company (TNC) driver, unless:

- 15 1. The driver has a valid for-hire driver's license issued under this chapter;
- 16 2. The vehicle is either:
  - 17 a. A personal vehicle with a TNC vehicle endorsement, or
  - 18 b. A for-hire vehicle or taxicab licensed under this chapter; and
- 19 3. The driver is affiliated with a TNC licensed under this chapter.

20 ~~((B-))~~C. It is unlawful to operate a taxicab association within ~~((†))~~The City of Seattle  
21 without a valid license issued pursuant to this chapter.

22 D. It is unlawful to operate as a transportation network company within The City of  
23 Seattle without a valid license issued under this chapter.

24 E. It is unlawful to operate an application dispatch system within The City of Seattle  
25 unless:

- 26 1. The person or entity is a licensed transportation network company; or







1 D. Transportation Network Company (TNC) Vehicle Endorsement for For-Hire

2 Driver's License:

3 Annual vehicle endorsement fee...\$50

4 Change affiliation....\$20

5 Change vehicle....\$20

6 Change vehicle license plate...\$10

7 Late fee . . . . \$15

8 ID photo . . . . \$5

9 Fingerprinting . . . . Charge as determined by Director to cover costs

10 Replacement license . . . . \$5

11 Training class fee . . . . As determined by Director

12 E. Transportation network company:

13 Annual fee ....\$50,000 for the first year; for the second year and thereafter, either .35%  
14 of annual gross revenue or \$50,000, whichever is greater.

15 Section 8. Section 6.310.200, which was last amended by Ordinance 118341, is  
16 amended as follows:

17 ~~((SMC))~~ **6.310.200 Taxicab association ((-)) ((L))license application((-))**

18 A. Any business or individual desiring to operate as a taxicab association within The  
19 City of Seattle shall file with the Director a signed and notarized taxicab association  
20 application, on forms approved by the Director. The application shall include the following  
21 information:

22 \*\*\*

23 ~~(( 4. A brief description of the uniform the applicant taxicab association proposes to require for  
24 drivers of affiliated taxicabs, which shall include full length pants (hemmed slack material),  
25 collared shirt, and shoes. The uniform may include the option to wear shorts in the summer,  
26 provided that the shorts extend no higher than two inches (2") above the kneecap and are of a~~



1 similar color and pattern to the uniform full-length pants. Further, the uniform may be  
2 modified in individual cases as necessary to (1) avoid interfering with the for-hire driver's  
3 religious beliefs, and/or (2) accommodate the for-hire driver's disability or disabilities;))

4 ((5))4. The name, address, phone number and date of birth of the taxicab  
5 association representative;

6 ((6))5. The taxicab number (assigned by the City/County) and the name of each  
7 taxicab vehicle owner that will be affiliated with the taxicab association;

8 ((7))6. The special and/or contract rates that will be charged by taxicabs  
9 affiliated with the taxicab association; and

10 ((8))7. Any other information required by regulations adopted pursuant to this  
11 chapter.

12 ((9))8. The above application and information must be completed for each  
13 annual license renewal.

14 \*\*\*

15 Section 9. A new Section 6.310.260 to Seattle Municipal Code is adopted, as follows:

16 **6.310.260 Transportation network company license eligibility and application**

17 A. Any business or individual desiring to operate as a transportation network company  
18 within The City of Seattle shall file with the Director a signed and notarized transportation  
19 network company license application on forms provided by the Director.

20 1. To be eligible for a license, the transportation network company is limited to  
21 providing application dispatch services to transportation network company drivers meeting the  
22 requirements set forth in Section 6.310.452; further, no TNC licensed by the City of Seattle  
23 shall own or be owned or controlled, in whole or in part, by any other TNC licensed by the  
24 City of Seattle, or be owned or controlled in whole or in part by any party or entity owning or  
25 controlling, in whole or in part, another TNC licensed by the City of Seattle.

26 2. The license application shall include the following information:  
27



1 a. The applicant transportation network company's name, business street  
2 address and post office box address (if any), business facsimile number, business phone  
3 number and business email address where the transportation network company representative  
4 can generally be reached between 9 a.m. and 5 p.m. on all nonholiday weekdays;

5 b. The form of business entity under which the association will operate  
6 (e.g. corporation, partnership, cooperative association);

7 i. If the applicant transportation network company is individually  
8 owned, the name, business address (or home address if no business address), telephone number  
9 and date of birth of the owner, or

10 ii. If the applicant transportation network company is a  
11 corporation, partnership or other business entity, the names, home and business addresses,  
12 telephone numbers, and date of birth of all officers, directors, general and managing partners,  
13 registered agents, and of all other persons vested with authority to manage or direct the affairs  
14 of the legal entity or to bind the legal entity in dealings with third parties, and the entity's true  
15 legal name, state of incorporation or registration with the Secretary of State of the State of  
16 Washington (if any) and State of Washington business license number, and any other  
17 information that the Director may reasonably require;

18 c. Verification that applicant uses only one application dispatch system,  
19 as approved by the Director;

20 d. The trade dress the applicant transportation network company  
21 proposes to use, if any, for each affiliated driver's vehicle, with a photo of the trade dress  
22 submitted with the application. The trade dress may be placed on the vehicle body, but not on  
23 the roof or covering any windows, vehicle lights, or obscuring the view of any mirrors, and  
24 cannot exceed four square feet;

25 e. The name, address, phone number and date of birth of the  
26 transportation network company representative;



1 f. The for-hire driver license number with TNC vehicle endorsement (if  
2 applicable), vehicle make, model, and year, and the name of each transportation network  
3 company driver affiliated with the transportation network company;

4 g. Evidence that each vehicle affiliated with a transportation network  
5 company has insurance in an amount no less than required by RCW 46.72.050 and  
6 underinsured motorist coverage indicating a minimum coverage of \$100,000 per person, and  
7 \$300,000 per accident, at any time while active on the TNC dispatch system. The Director may  
8 require a statement on Department of Licensing letterhead verifying that the policy meets state  
9 requirements. In addition, the Director shall review the insurance policies to determine that the  
10 adequately protect the public. The insurance policy or insurance binder must be submitted to  
11 the Director and shall:

12 i. Be issued by an admitted carrier in the State of Washington  
13 with an A.M. Best Rating of not less than B+ VII; provided however, that the Director may  
14 temporarily suspend any or all of these requirements if no other viable insurance options are  
15 available to the industry,

16 ii. Name The City of Seattle as an additional insured,

17 iii. Provide that the insurer will notify the Director, in writing, of  
18 any cancellation and/or non-renewal at least 30 days before that cancellation and/or non-  
19 renewal takes effect, and

20 iv. Not include self-insured retention, nonstandard deductibles,  
21 aggregate limits, territorial restrictions, named driver requirements or exclusions, or any other  
22 provisions that limit insurance coverage.

23 h. State of Washington vehicle registration for each vehicle affiliated  
24 with the transportation network company.

25 i. Certificate of 19-point inspection for each vehicle affiliated with the  
26 transportation network company as required in Section 6.310.270(X).



1                   j. Dispatch records identifying the average and minimum and maximum  
2 number of drivers and number of dispatches on the TNC dispatch system per day for the six  
3 months prior to the date of application. TNCs that were not operating in Seattle prior to the  
4 effective date of this ordinance do not need to provide these records. Under the City's authority  
5 to regulate the safety, reliability, cost-effectiveness, and economic viability and stability of  
6 privately-operated for-hire vehicle and taxicab services within The City of Seattle, this  
7 information shall only be used by the Director for purposes of determining eligibility and to  
8 assist in drafting the pilot program assessment report for review by Council.

9                   k. Any other information required by regulations adopted pursuant to  
10 this chapter.

11                   l. The above application and information must be completed for each  
12 annual license renewal.

13           B. All applications submitted to the Director must be accompanied by the license fee  
14 set forth in Section 6.310.150.

15           C. The transportation network company applicant or licensee must inform the Director  
16 in writing within seven days if any of the information provided pursuant to Section  
17 6.310.260.A changes, ceases to be true or is superseded in any way by new information.

18           D. A transportation network company license is valid for no more than one year. No  
19 transportation network company license may be renewed unless the renewal fee has been paid  
20 and all outstanding penalties assessed against the transportation network company and its  
21 affiliated drivers have been paid to the Director. The Director shall not renew the  
22 transportation network company license unless the Director determines that the transportation  
23 network company's continued operation is in the public interest. All denials of renewal  
24 applications must be set forth in writing, together with the reasons for denial. The written  
25 denial shall be delivered either personally or by first class mail to the address provided by the  
26 applicant on the license renewal application.



1 Section 10. A new Section 6.310.265 to Seattle Municipal Code is adopted, as follows:

2 **6.310.265 Transportation network company (TNC) standards for license application or**  
3 **renewal denial**

4 A. The operation of a TNC is a privilege, not a right. The TNC's ability to satisfy  
5 stated criteria for a TNC license does not create a right to a TNC license.

6 B. The Director shall deny any TNC license application if the Director determines that:

7 1. The applicant fails to submit proof of insurance as required by Section  
8 6.310.260.

9 2. The applicant provides application dispatch services to anyone other than  
10 TNC drivers meeting the requirements set forth in Section 6.310.452;

11 3. The applicant uses more than one application dispatch system;

12 4. The applicant leases, permits, or otherwise allows others to use its application  
13 dispatch system;

14 5. The applicant affiliates with and provides application dispatch services to  
15 drivers without a for-hire vehicle driver's license;

16 6. The applicant affiliates with and provides application dispatch services to  
17 drivers operating vehicles without a for-hire vehicle or taxicab license, or a vehicle without a  
18 TNC vehicle endorsement.

19 7. The application has a material misstatement or omission;

20 8. The application is incomplete; and/or

21 9. Within three years of the date of application, the applicant, or any owner,  
22 officer, director, managing partner, general partner or principal of the applicant, has had a bail  
23 forfeiture, conviction or other final adverse finding for crimes of fraud, theft, larceny,  
24 extortion, embezzlement, racketeering, Uniform Controlled Substances Act, prostitution,  
25 alcohol and/or narcotics where the commission of such crime(s) involved a TNC, vehicle  
26 affiliated with a TNC, or TNC driver.





1 C. The Director may deny any TNC license application if the Director determines that,  
2 within five years of the date of application, the TNC applicant, or if the TNC applicant is a  
3 business entity, any officer, director, managing partner, general partner, registered agent or  
4 principal of the TNC:

5 1. Within five years of the date of application, has had a bail forfeiture,  
6 conviction or other final adverse finding involving crimes directly related to the applicant's  
7 ability to operate a TNC, including but not limited to prostitution, gambling, fraud, larceny,  
8 extortion, income tax evasion; and/or

9 2. Has exhibited past conduct, as evidenced by a criminal conviction, bail  
10 forfeiture or other final adverse finding (including in a civil suit or administrative proceeding)  
11 in operating a TNC, business or vehicle that would lead the Director to reasonably conclude  
12 that the applicant will not fulfill the TNC responsibilities and requirements set forth in this  
13 chapter.

14 3. Has failed to meet one or more operating responsibilities as detailed in  
15 Section 6.310.270.

16 Section 11. A new Section 6.310.270 to Seattle Municipal Code is adopted, as follows:

17 **6.310.270 Transportation network company (TNC) operating responsibilities**

18 In addition to meeting the license application requirements set forth in Section  
19 6.310.260, the TNC must:

20 A. Maintain a business office in The City of Seattle that:

- 21 1. Is open and personally staffed all business days between 9 a.m. and 5 p.m.  
22 (Class A);
- 23 2. Has a toll-free business telephone number and toll-free passenger complaint  
24 hotline that is answered during all hours that TNC drivers are operating. (Class A);
- 25 3. Has a mailing address and email address where the TNC representative will  
26 accept mail. (Class A);
- 27



1           4. Stores all records that this chapter requires the TNC to maintain including,  
2 but not limited to, copies of for-hire drivers licenses and TNC vehicle endorsements (if  
3 applicable) of TNC drivers, lists of all TNC drivers and their affiliated vehicles, vehicle repair  
4 and service records, passenger comment records, new driver training records, vehicle insurance  
5 policies, vehicle registrations, and passenger complaint records. Records may be maintained  
6 electronically. (Class A — each requirement);

7           5. Provides secure storage for all items left in a TNC driver's vehicle by patrons  
8 and turned in by TNC drivers. (Class A);

9           B. Ensure that only 150 TNC endorsed drivers may be active on the TNC dispatch  
10 system at any given time. The data and records required to ensure compliance shall be  
11 prescribed by rules adopted by the Director; (revocation and Class C)

12           Ensure that each TNC driver's vehicle is insured as required in Sections 6.310.260 and  
13 6.310.452. (revocation and Class C);

14           C. Ensure that each affiliated vehicle maintains the TNC's dress trade, if any, at all  
15 times while active on the TNC dispatch system. (Class B);

16           D. Ensure that TNC drivers do not accept payment of fare or tips. Payment shall only  
17 be made electronically via the TNC application dispatch system. (Class B);

18           E. Ensure that TNC endorsed drivers driving a TNC endorsed vehicle do not pick up  
19 hails, cruise or otherwise solicit trips. (revocation and Class C);

20           F. Ensure that TNC drivers driving a TNC endorsed vehicle do not take trips not  
21 dispatched by the TNC. (revocation and Class C);

22           G. Require that passengers be able to view a picture of the driver and vehicle license  
23 plate number on their smart phone, tablet or other mobile device used to connect with the TNC  
24 dispatch application before the trip is initiated. (Class B);

25           H. May maintain a rating platform for TNC drivers and passengers to rate each other  
26 following a trip. TNCs shall ensure that such ratings are not based on unlawful discrimination,  
27



1 and that drivers do not discriminate against passengers or potential passengers on the basis of  
2 geographic endpoints of the ride, race, color, national origin, religious belief or affiliation, sex,  
3 disability, age, or sexual orientation/identity. (Class B);

4 I. One year from the effective date of this ordinance, the TNC shall submit to the  
5 Director a report detailing all rides that were requested but not accepted by TNC drivers. The  
6 report shall include the location and zip code of each rejected ride. (Class A);

7 J. Maintain insurance as required by Section 6.310.260, (Class C and revocation) and  
8 maintain on file at the TNC's place of business proof of insurance required by Sections  
9 6.310.260 and 6.310.452. (Class A);

10 K. Send, by first class mail and email, to a TNC driver any correspondence from the  
11 Director within five business days after the TNC receives such correspondence and keeps a  
12 written record of the mailings (Class A);

13 L. All violation notices issued by the Director to a TNC driver shall be mailed and  
14 emailed to both the driver and TNC, and the TNC shall maintain a record of the violations for  
15 at least two years (Class B);

16 M. Weekly, collect, verify accuracy and completeness, and store for at least two years  
17 TNC application dispatch records, including the hours each TNC driver is active on the TNC  
18 dispatch system, as prescribed by the Director (Class A);

19 N. Collect and provide service information, vehicle collision reports, service response  
20 time reports, reports of crimes against TNC drivers, and passenger complaints, pursuant to  
21 rules adopted by the Director as follows:

22 1. Service Information Reports. Submit quarterly, in a form approved by the  
23 Director, the monthly total of paid trips, paid miles, trip revenue, and daily operating hours for  
24 each TNC driver and vehicle (Class A);

25 2. Vehicle Collision Reports. Submit monthly, on forms approved by the  
26 Director, a list of vehicle collisions required to be reported to the Washington State Patrol



1 pursuant to RCW 46.52.030(1) and WAC 446.85-010 including the name of the TNC driver,  
2 identification of the vehicle, collision fault, injuries, and estimated damage (Class A);

3 3. Service Response Time Reports. Submit quarterly, on forms approved by the  
4 Director, average response times for service requests in the operating areas served by TNC  
5 drivers (Class A);

6 4. Crimes Against Affiliated Drivers Reports. Submit quarterly, on forms  
7 approved by the Director, a list of all crimes of assault or robbery against TNC drivers that  
8 were reported to the Seattle Police Department, including the name of the TNC driver and  
9 identification of the vehicle, incident number, description of the crime, and injuries (Class A),  
10 and

11 5. Passenger complaints. Submit quarterly, in a form approved by the Director,  
12 a report which contains information on complaints received directly from passengers and from  
13 the passenger complaint hotline as compiled from the log required pursuant to subsection  
14 6.310.270.0 regarding:

15 a. Driver conduct sorted by driving behavior, communication, personal  
16 dress or hygiene;

17 b. Vehicle condition sorted by appearance, mechanical and/or safety;  
18 and

19 c. Lack of driver knowledge of route or requested destination (Class A).

20 O. Maintain a log of, and forward to the Director upon request, each oral or written  
21 passenger complaint that the TNC receives about a vehicle, the TNC, or TNC driver. The  
22 TNC must include a notice of the action taken by the TNC to resolve the complaint and the  
23 disposition (Class A);

24 P. Notify the Director within two working days of the TNC having knowledge of the  
25 following:

26  
27



1 1. A conviction, bail forfeiture or other adverse finding received by a TNC  
2 driver for any criminal offense or traffic violation that occurs during or arises out of the  
3 driver's operation of the vehicle while active on any TNC dispatch (Class A for traffic  
4 violation, Class B for any criminal offense),

5 2. A conviction, bail forfeiture or other adverse finding received by a TNC  
6 driver for any other criminal offense directly bearing on the driver's fitness to operate a vehicle  
7 or the affiliated driver's fitness to be licensed, including but not limited to theft, fraud, robbery,  
8 burglary, assault, sex crimes, alcohol, drugs, or prostitution (Class B),

9 3. A vehicle accident required to be reported to the State of Washington involving  
10 any TNC driver (Class B),

11 4. Any restriction, suspension or revocation of a State of Washington driver's  
12 license issued to a TNC driver (Class B), and/or

13 5. Any matter listed in subsections 6.310.265.B.9 or 6.310.265.C (Class B);

14 Q. Notify the Director within five working days of any change in the affiliation status of  
15 a TNC driver or vehicle, including any TNC driver joining the TNC, and any suspension,  
16 termination, nonrenewal or revocation of a TNC driver's access to the TNC dispatch application,  
17 for-hire license or TNC vehicle endorsement. (Class A);

18 R. Comply with all regulations promulgated pursuant to this chapter (see applicable rules  
19 for penalties or actions);

20 S. Permit the Director to carry out inspections without notice of all TNC driver and  
21 vehicle records required to be kept under this Chapter 6.310, (Class B);

22 T. Employ a zero tolerance drug and alcohol policy with respect to TNC drivers as  
23 follows:



1           1. The TNC shall include a notice on its website, mobile application, and  
2 passenger trip confirmations of its zero-tolerance policy and the methods to report a driver the  
3 passenger reasonably suspects was under the influence of drugs or alcohol during the trip;

4           2. The website and mobile application must include a phone number, website  
5 link, and email to report a zero-tolerance complaint, as well as the phone number and email to  
6 report a zero-tolerance complaint to the Seattle Consumer Affairs department, (Class B);

7           U. Allow passengers to indicate whether they require a wheelchair-accessible vehicle or  
8 a vehicle otherwise accessible to individuals with disabilities. On January 1, 2015 and biannually  
9 on June 1 and January 1 thereafter, each TNC shall submit to the Director a report detailing the  
10 number and percentage of their customers who requested accessible vehicles, and how often the  
11 TNC was able to comply with requests for accessible vehicles, and a description of any instances  
12 or complaints of unfair treatment or discrimination of persons with disabilities. This report shall  
13 be made public by the Director. This report shall be used by the Director to determine what, if  
14 any, regulations need to be amended or adopted to ensure that TNCs are accessible to, and do not  
15 discriminate against persons with disabilities, (Class B),

16           V. Review criminal background checks on every TNC driver and maintain records  
17 thereof. Drivers convicted of any traffic and/or criminal offense directly bearing on the driver's  
18 fitness including but not limited to theft, fraud, robbery, burglary, assault, sex crimes, alcohol,  
19 drugs, or prostitution shall not be permitted to provide TNC services. (Class B)

20           W. Review driving records of TNC drivers and maintain records thereof. Drivers with  
21 convictions for any alcohol or drug related offense, reckless driving, hit and run, or driving with  
22 a suspended or revoked license shall not be permitted to provide TNC services. (Class B)





1 X. Prior to providing TNC services and annually thereafter, require every affiliated  
2 vehicle to undergo a 19-point inspection by a third party vendor approved by the Director that  
3 certifies in writing that the following items are mechanically sound and fit for driving:

4 (revocation and Class C)

5 1. Foot brakes (check stopping: at 20 mph, a vehicle must be capable of  
6 stopping within 25 feet);

7 2. Emergency brakes (engine stall test);

8 3. Steering mechanism;

9 4. Windshield (no chips or cracks larger than one inch);

10 5. Rear window and other glass (no chips or cracks larger than one inch);

11 6. Windshield wipers;

12 7. Headlights;

13 8. Tail lights;

14 9. Turn indicator lights;

15 10. Stop lights;

16 11. Front seat adjustment mechanism;

17 12. Doors (open, close, lock);

18 13. Horn;

19 14. Speedometer;

20 15. Bumpers;

21 16. Muffler and exhaust system;

22 17. Condition of tires, including tread depth;

23 18. Interior and exterior rear view mirrors; and



19. Safety belts and air bags for driver and passenger(s).

1  
2 Affiliated vehicles shall not be rebuilt or significantly modified from factory  
3 specifications. Transportation network companies shall maintain vehicle inspection records.

4 Y. Pay all penalties imposed by the Department that are either not contested or are  
5 upheld after review (revocation of license);

6 Z. Determine whether a TNC driver, who has been the victim of a crime of assault or  
7 robbery, has reported the crime to 911. If not, the TNC shall call 911 and report the crime  
8 immediately (Class B).  
9

10 AA. Maintain a TNC license to operate in The City of Seattle as issued under this  
11 chapter (revocation and Class C).

12 BB. To the extent that the TNC's insurance coverage is insufficient to satisfy the  
13 requirements of SMC 6.310.260.A.2.g, the TNC itself shall assume liability, including the costs  
14 of defense and indemnification, for a TNC driver's claim(s) in an amount up to the minimum  
15 insurance coverage requirements per RCW 46.72.050 and minimum underinsured motorist  
16 coverage of \$100,000 per person and \$300,000 per accident. (Class B and 14 day suspension.).  
17

18 CC. TNCs shall provide a written insurance disclosure to TNC drivers. The written  
19 insurance disclosure must include the following language: "[insert full corporate name and  
20 designation of TNC] confirms, in accordance with SMC 6.310.260.A.2.g, that while driver  
21 [insert driver's full name] is active on its TNC dispatch system as defined by SMC 6.310.110,  
22 the driver's vehicle is insured as required by RCW 46.72.050 and SMC 6.310.260.BB." This  
23 disclosure to be signed by the driver and an officer of the TNC. No additional language in the  
24 disclosure will contradict or in any way diminish the force of the required language. (Class B.)  
25  
26  
27



1 Section 12. A new Section 6.310.275 to Seattle Municipal Code is adopted, as follows:

2 **6.310.275 Transportation network company (TNC) transfers in the interest of a**  
3 **transportation network company**

4 A TNC license is not transferable. However, an interest in a business entity holding a  
5 TNC license may be transferred, but only after the new owner or principal has submitted an  
6 application, met the standards and requirements contained in Sections 6.310.260 and 6.310.265  
7 and secured written approval of the Director.  
8

9 Section 13. A new Section 6.310.325 is added to the Seattle Municipal Code as follows:

10 **6.310.325 Vehicles affiliated with a transportation network company (TNC) vehicle**  
11 **operating requirements**

12 No vehicle affiliated with a TNC shall operate within The City of Seattle to transport  
13 passengers for compensation unless the following minimum vehicle requirements are met:  
14

15 A. The vehicle is a taxicab or for-hire vehicle licensed under this chapter, or the  
16 vehicle has a TNC vehicle endorsement.

17 B. Affiliated with a licensed transportation network company;

18 C. Affiliated with a driver with a for-hire driver's license;

19 D. The vehicle has insurance coverage as required by section 6.310.260;

20 E. Passed the 19-point vehicle inspection as required by subsection 6.310.270.X;

21 except for for-hire vehicles and taxicabs licensed under this chapter; and  
22

23 F. The vehicle model year can be no more than seven years prior to the license date.  
24

25 Section 14. A new Section 6.310.327 is added to the Seattle Municipal Code as follows:  
26  
27  
28



1 **6.310.327 Transportation network company (TNC) vehicle endorsement eligibility and**  
2 **application**

3 A. Within 45 days of the passage date of this ordinance, any person who wishes to  
4 affiliate and operate for a TNC using a personal vehicle shall submit an application for a TNC  
5 vehicle endorsement, and shall obtain a TNC vehicle endorsement within 90 days of submitting  
6 the applications; provided that a person with a for-hire driver's license who has any ownership  
7 interest in a licensed for-hire vehicle or taxicab is not eligible to obtain a TNC vehicle  
8 endorsement. Failure to obtain a TNC vehicle endorsement within this timeframe, for any reason  
9 other than delay caused by the City, prohibits any person from lawfully operating as a driver for  
10 a TNC with a personal vehicle. Driving without a TNC vehicle endorsement is unlawful per  
11 Section 6.310.130, subject to penalties pursuant to Section 6.310.600.

12  
13 B. The TNC vehicle endorsement is not valid and effective until and unless the driver  
14 obtains a for-hire driver's license under this chapter. The for-hire driver's application process is  
15 governed by Section 6.310.400.

16  
17 C. To be eligible to apply for a TNC vehicle endorsement the following is required:

18 1. The registered owner is the only driver that may operate the vehicle to provide  
19 transportation to passengers via the TNC application dispatch system;

20  
21 2. The applicant does not have any ownership interest in a licensed for-hire  
22 vehicle or taxicab licensed; (denial of endorsement) and

23 3. The vehicle is personal and not a for-hire vehicle or taxicab licensed under this  
24 chapter. (denial of endorsement)



1 D. To apply for the TNC vehicle endorsement, the applicant shall complete, sign, swear  
2 to and file with the Director a TNC vehicle endorsement application on forms provided by the  
3 Director to include the following information:

4 1. Name, aliases, residence and business address, residence and business  
5 telephone numbers;

6 2. Place and date of birth which shall be at least 21 years prior to the date of  
7 application, height, weight, color of hair and eyes;

8 3. Washington State driver's license number. Providing the social security number  
9 is optional. The applicant must present his/her Washington State driver's license at time of  
10 application;  
11

12 4. Proof that the applicant is authorized to work in the United States;

13 5. Evidence of personal and commercial vehicle insurance as required by Section  
14 6.310.452; (denial of endorsement)

15 6. Evidence of for-hire driver's license; (denial of endorsement)

16 7. Proof that applicant's vehicle has passed the vehicle inspection as required by  
17 subsection 6.310.270.X (denial of endorsement); and  
18

19 8. Proof that applicant's vehicle model year is no more than seven years prior to  
20 the license date. (denial of endorsement)

21 9. Such other information as may be reasonably required by regulation  
22 promulgated under this chapter.  
23

24 10. The above application and information must also be completed and supplied  
25 during any annual license renewal.  
26



1 Failure to meet any of these requirements within this timeframe, for any reason other than  
2 delay caused by the City, shall result in the denial of the issuance of the TNC vehicle  
3 endorsement. All denials or revocations of TNC vehicle endorsement applications must be set  
4 forth in writing, together with the reasons for denial or revocation. The written denial shall be  
5 delivered either personally or by first class mail to the address provided by the applicant on the  
6 license renewal application.

7  
8 E. The TNC vehicle endorsement consists of a certificate that shall include the following  
9 information:

- 10 1. Vehicle identification number (VIN);
- 11 2. Registered owner's full legal name;
- 12 3. License plate number;
- 13 4. Expiration date; and
- 14 5. Unique certificate number that will correspond with the TNC vehicle

15 endorsement sticker affixed to the for-hire driver's license.

16  
17 F. The TNC vehicle endorsement is inseparable from the for-hire driver's license and the  
18 lease, transfer or assignment of the vehicle endorsement is prohibited.

19 Section 15. A new Section 6.310.328 is added to the Seattle Municipal Code as follows:

20 **6.310.328 Transportation network company (TNC) vehicle endorsement standards for**  
21 **denial**

22  
23 A. The Director shall deny any TNC vehicle endorsement application if the Director  
24 determines that:

- 25 1. The applicant has failed to submit a complete, satisfactory application pursuant



1 to SMC Section 6.310.327;

2 2. The applicant has failed to affiliate with a licensed TNC;

3 3. The applicant has made any material misstatement or omission in the  
4 application for an endorsement;

5 4. The applicant fails to meet one or more of the applicant or vehicle  
6 requirements pursuant to Sections 6.310.325 and 6.310.327; and/or

7 5. Within three years of the date of application, the applicant has had a  
8 conviction, bail forfeiture or other final adverse finding of criminal fraud, larceny, theft,  
9 prostitution, extortion, racketeering, robbery, or violation of the Uniform Controlled Substances  
10 Act where such crime involved the use of the endorsed vehicle.

11 B. The Director may deny any TNC vehicle endorsement application if the Director  
12 determines that:

13 1. Within five years of the date of application, the applicant has had a conviction,  
14 bail forfeiture, or other final adverse finding involving crimes reasonably related to the  
15 applicant's ability to operate a for-hire business, including but not limited to prostitution,  
16 gambling, fraud, larceny, extortion, income tax evasion;

17 2. Within two years of the date of application, the applicant has been found,  
18 either through a criminal conviction, bail forfeiture or other final adverse finding (including in a  
19 civil suit or administrative proceeding) to have exhibited past conduct in driving or operating a  
20 for-hire vehicle for-hire business which would lead the Director to reasonably conclude that the  
21 applicant will not comply with the provisions of the chapter related to vehicle requirements and  
22 the safe operation of the vehicle;





1           3. Within two years of the date of application, the applicant has engaged in the  
2 business of operating any taxicab or for-hire vehicle within The City of Seattle without a current  
3 valid license from The City of Seattle;

4           4. Within twelve months of the date of application, the applicant has violated  
5 King County or Port of Seattle ordinance or regulation pertaining to the operation of taxicabs  
6 while in those jurisdictions, if such violation would constitute grounds for license revocation or  
7 denial if occurring within the City; and/or  
8

9           5. Within twelve months of the date of application, the applicant has had its City  
10 of Seattle for-hire vehicle license revoked.

11           Section 16. A new Section 6.310.329 is added to the Seattle Municipal Code as follows:

12           **6.310.329 TNC vehicle endorsement expiration and renewal**

13           A. All TNC vehicle endorsement shall be effective for no more than one year and shall  
14 expire the same day as the for-hire driver's license it endorses.  
15

16           B. TNC driver must renew the TNC vehicle endorsement every year. No TNC vehicle  
17 endorsement may be renewed unless all outstanding penalties assessed against the for-hire driver  
18 of the endorsed vehicle are paid in full to the Director.

19           C. The Director shall grant all timely submitted and completed renewal applications of  
20 qualified TNC drivers; provided, however, that the Director shall deny any renewal application if  
21 grounds exist for the Director to deny an endorsement pursuant to Section 6.310.327 or Section  
22 6.310.329 A. If no such grounds exist, the Director shall examine all Department records on the  
23 endorsed vehicle and may deny the renewal if grounds exist that would justify denial under  
24 Section 6.310.329 B.  
25  
26



1 Section 17. Section 6.310.330 of the Seattle Municipal Code, last amended by Ordinance  
2 124256, is amended as follows:

3 **6.310.330 Taxicab licensee and for-hire vehicle licensee responsibilities((=))**

4 \*\*\*

5 E. The taxicab or for-hire vehicle licensee must maintain daily trip sheet records, in  
6 accordance with SMC Section 6.310.460.F, and complaint logs, as prescribed by the Director by  
7 rule for all licensed vehicles. A taxicab licensee must insure that all original daily trip sheets are  
8 given to the taxicab association representative at least weekly. The for-hire vehicle licensee must  
9 keep daily trip sheets and complaint logs for a minimum of two (2) years. The for-hire vehicle  
10 licensee must provide to the Director, through their association representative, quarterly the  
11 following information compiled from the daily trip sheets:  
12

- 13 1. Number of service requests (trips) during the last quarter;
- 14 2. Average operating hours per week per vehicle for the last quarter;
- 15 3. Number of complaints received regarding:
  - 16 a. Driver conduct categorized by driving behavior, communication,  
17 personal dress or hygiene,
  - 18 b. Vehicle condition categorized by appearance, mechanical and/or safety,
  - 19 c. Service response, ((and))
  - 20 d. Lack of driver knowledge including incorrect route or no knowledge of  
21 destination requested

22 4. Total fare revenue during last quarter;

23 5. Average service response time per month; and



1 ((4.))6. All complaints received regarding either the for-hire driver or the taxicab  
2 or for-hire vehicle, where such complaint involves an alleged violation of this chapter, including  
3 a note of the action taken to resolve the complaint and the disposition, if known (all violations  
4 within subsection E are Class A).

5 \*\*\*

6  
7 K. A wheelchair accessible taxicab licensee must personally drive the vehicle a minimum  
8 of thirty hours per week for at least forty weeks per year for a period of three years following the  
9 date of issuance of a new wheelchair taxicab license (wheelchair taxicab license revocation). If a  
10 licensee fails to fulfill the minimum use requirement in any one year period within the three year  
11 period following the date of issuance, the license shall be subject to revocation. Wheelchair  
12 taxicab licensees shall submit original trip sheets to the Director on a monthly basis, in a manner  
13 prescribed by Director's rule, to prove compliance with the minimum use requirement. For  
14 purposes of this paragraph, "licensee" or "licensees" refers to individual licensees, single sole-  
15 shareholders of a licensed corporation, or single members of a licensed limited liability  
16 company. This subsection shall take effect and be in force retroactively as of the effective date  
17 of this ordinance. (Class A, if trip sheets are submitted late; wheelchair taxicab license  
18 revocation, if trip sheets are falsified or not in compliance).  
19

20 \*\*\*

21  
22 N. After December 31, 2007, new taxicab licenses shall be issued to single individuals  
23 only, and no corporation, limited liability company, or partnership shall obtain any license held  
24 by an individual until the expiration of a period of five ~~((5))~~ years following the original date of  
25 issuance to the individual licensee currently holding the license; ~~((provided, however))~~ except  
26  
27



1 that throughout subsection 6.310.330.N, wheelchair accessible taxicab licenses, provided they  
2 were not issued for 2006-2008 demonstration projects, are not transferable until the expiration of  
3 a period of three years following the original date of issuance, provided further, however, that  
4 new taxicab licenses may be issued to and be held by the following business entities:

5           1. Corporations held by a single shareholder provided that the taxicab must be  
6 personally operated by the single shareholder for a period of five years from the date of issuance  
7 of the license and the ownership of the shares of the corporation cannot be changed within the  
8 five-year period. Any change of ownership of shares of the corporation shall result in revocation  
9 of the license.  
10

11           2. Limited liability companies comprised of a single member provided that the  
12 taxicab must be personally operated by the single member for a period of five years from the  
13 date of issuance of the license and no change of membership may take place within the five-year  
14 period. Any change of membership of the limited liability company shall result in revocation of  
15 the license.  
16

17           For a period of five (~~((5))~~) years following the date of issuance of a new taxicab license,  
18 all new taxicab licensees must personally drive the taxicab for a minimum use requirement of  
19 (~~((thirty (30)))~~) 30 hours per week for a minimum of (~~((forty (40)))~~) forty weeks per year (taxicab  
20 license revocation). If a licensee fails to fulfill the minimum use requirement in any one year  
21 period within the five year period following the date of issuance, the license shall be subject to  
22 revocation. Taxicab licensees shall submit original trip sheets to the Director on a monthly basis,  
23 in a manner prescribed by Director's rule, to prove compliance with the minimum use  
24 requirement. For purposes of this paragraph, "licensee" or "licensees" refers to individual  
25  
26  
27



1 licensees, single sole-shareholders of a licensed corporation, or single members of a licensed  
2 limited liability company. (Class A, if trip sheets are submitted late; taxicab license revocation, if  
3 trip sheets are falsified or not in compliance).

4           3. At the time of the transfer of any taxicab license occurring after August 1,  
5 2008, the transferor(s) and transferee(s) of the license shall report to the Director the amount of  
6 consideration, if any, paid by the transferee to the transferor in exchange for the transfer of the  
7 license. The amount of consideration shall be reported in a manner determined by rule  
8 promulgated by the Director. The failure to report, or the reporting of false information, shall be  
9 grounds for suspension or revocation of the license. In creating and maintaining records of the  
10 amount of consideration paid, the Director shall not identify the transferees and transferors, nor  
11 shall the Director require the submission of any records that identify the transferees and  
12 transferors.  
13

14           4. The Director shall conduct a survey of taxicab licensees to determine the  
15 market value of taxicab license transfers that have occurred from January 1, 1991 through  
16 August 1, 2008. All licensees shall respond in good faith to the survey to provide accurate  
17 information to the extent reasonably possible (Class A). Responses to the survey shall be made in  
18 such manner determined by ~~((rule))~~ rule promulgated by the Director. In creating and maintaining  
19 records of the amount of consideration paid, the Director shall not identify the transferees and  
20 transferors, nor shall the Director require the submission of any records that identify the  
21 transferees and transferors.  
22

23           5. This subsection shall take effect and be in force retroactively as of the effective  
24 date of this ordinance.  
25  
26



\*\*\*

1  
2 Section 18. Section 6.310.340 of the Seattle Municipal Code, last amended by Ordinance  
3 122763, is amended as follows:

4 **6.310.340 Taxicab and for-hire vehicle—~~((L))~~license transfer~~((:))~~**

5 A for-hire vehicle or taxicab license may be transferred subject to the following  
6 restrictions and/or conditions:

7  
8 A. New taxicab licenses issued after December 31, 2007 are not transferable for a period  
9 of five ~~((5))~~ years from the original date of issuance~~((:))~~, except that wheelchair accessible  
10 taxicab licenses, provided they were not issued for 2006-2008 demonstration projects, are not  
11 transferable for a period of three years from the original date of issuance. This subsection shall  
12 take effect and be in force retroactively as of the effective date of this ordinance.

13  
14 \*\*\*

15 Section 19. Section 6.310.415 of the Seattle Municipal Code, last amended by Ordinance  
16 121738, is amended as follows:

17 **~~((SMC))~~ 6.310.415 For-hire driver training program~~((:))~~**

18 A. All initial for-hire driver applicants, within 120 days of submitting an application,  
19 must have successfully completed ~~((, prior to taking the written examination, no earlier than six~~  
20 ~~((6) months before submitting the application,))~~ a training program approved by the Director that  
21 provides information about ~~((the history and geography of the Seattle and Puget Sound area,))~~  
22 defensive driving, use of emergency procedures and equipment for the driver's personal safety,  
23 risk factors for crimes against for-hire drivers, enhancement of driver/passenger relations, and  
24



1 ((~~appearance and~~)) professional conduct and communication skills. The oral examination may  
2 be taken prior to the training class to expedite the licensing process (denial of license).

3 B. Currently-licensed for-hire drivers must meet the requirements of subsection A of this  
4 section if:

5 1. A taxicab association or transportation network company with which the for-  
6 hire driver is affiliated requests that the for-hire driver receive a refresher course; or

7 2. The Director has reasonable grounds, based on documented complaints and/or  
8 violations, to believe that a refresher course is necessary (suspension).

9 ~~((C. A for-hire driver must complete a separate training session and written test on for-  
10 hire driver personal safety within three (3) months from the date of issuance of the initial license.~~

11 ~~The Director shall set forth the requirements of the training program by rule (suspension).))~~

12 ~~((D))~~C. A for-hire driver who operates a wheelchair accessible taxicab must successfully  
13 complete a separate training program for the special needs of passengers in wheelchairs,  
14 including but not limited to, loading and tie-down procedures and door-to-door service as  
15 prescribed in rule by the Director (Class C).

16 Section 20. Section 6.310.420 of the Seattle Municipal Code, last amended by Ordinance  
17 121738, is amended as follows:

18 **6.310.420 For-hire driver written and oral examination((:))**

19 A. The Director shall prescribe the content of the examination, which must test the  
20 applicant's:





1                   1. Knowledge of taxicab, for-hire vehicle, transportation network company  
2 vehicle endorsement and for-hire driver requirements contained in applicable codes and  
3 regulations;

4                   2. Ability to speak and understand oral and written English sufficient for fulfilling  
5 the minimum acceptable standards for a taxicab, for-hire vehicle and/or for-hire driver;

6                   3. Knowledge of vehicle safety requirements;

7                   4. Knowledge of the geography of Seattle, King County and surrounding areas,  
8 and knowledge of local public and tourist destinations and attractions; and  
9

10                  5. Knowledge of risk factors for crimes against for-hire drivers, emergency  
11 procedures, and taxicab equipment for driver's personal safety.

12                  B. After submitting an application for an initial for-hire license, the applicant must pass a  
13 written and oral examination administered by The City of Seattle and/or jointly with King  
14 County.  
15

16                  C. An applicant who fails the written and/or oral examination(~~(, including the initial and~~  
17 ~~periodic for hire driver written safety test,)) is entitled to one ((1)) free opportunity to retake  
18 the examination. A second failure will result in a sixty-day wait for another opportunity to take  
19 the examination, and another license application fee. All later examination tries will require the  
20 sixty-day wait, and repayment of the ((license)) application fee.  
21~~

22                  D. The written and oral examination is not required for the renewal of a for-hire driver's  
23 license unless the applicant's license has remained expired for more than one ((1)) year. If the  
24 license has remained expired for more than one ((1)) year, and the applicant can provide  
25  
26  
27



1 documentation that he/she had previously passed the oral examination, only the written  
2 examination will be required.

3 Section 21. A new Section 6.310.452 is added to the Seattle Municipal Code as follows:

4 **6.310.452 TNC driver operating, conduct, and passenger relations standards**

5 In addition to meeting the for-hire operating standards set forth in Section 6.310.450, the  
6 TNC drivers must meet the following operating, conduct, and passenger relations standards:

7  
8 A. Drivers operating for a transportation network company shall not transport passengers  
9 for compensation without: 1) first obtaining and maintaining a valid for hire driver's license;  
10 (first violation, civil penalty; subsequent violation, misdemeanor; both Class C) and 2) using a  
11 vehicle that is a for-hire vehicle or taxicab licensed under this chapter, or a vehicle with a TNC  
12 vehicle endorsement. (Class C)

13  
14 B. TNC drivers shall not be in control of a for-hire vehicle for more than 12 hours spread  
15 over a total of 15 hours in any 24-hour period. Thereafter, such TNC driver shall not drive any  
16 for-hire vehicle until ten consecutive hours have elapsed. For the purposes of this subsection,  
17 hours driven in for-hire vehicles in other platforms (taxicabs, for-hire vehicles) are aggregated.  
18 (suspension and Class B);

19  
20 C. TNC drivers, while active on the TNC dispatch system, shall not operate a vehicle that  
21 is unaffiliated with a TNC to transport passengers. (Class C and revocation)

22  
23 D. TNC drivers shall have evidence of personal and commercial vehicle insurance in  
24 their possession at all times when active on the TNC dispatch system. (Class B)

25  
26 E. TNC drivers shall maintain a personal auto insurance policy provided, that if the  
27 insurance policy lapses or is canceled, or a vehicle is deleted from the policy, proof of a new



1 policy including the vehicle must be filed with the Director before the vehicle is canceled or  
2 deleted from the previous policy (summary suspension);

3 F. TNC drivers shall immediately notify the transportation network company and the  
4 Seattle Police Department when the TNC driver has been the victim of a crime (Class B).

5 G. TNC drivers shall not accept payment of fare or tips. Payment shall only be made  
6 electronically via the TNC application dispatch system. (Class B).

7 H. TNC endorsed drivers driving with a TNC endorsed vehicle shall not pick up, cruise  
8 or otherwise solicit trips (Class C and revocation)

9 I. TNC drivers driving with a TNC endorsed vehicle shall be the registered owner of the  
10 affiliated vehicle used to transport passengers (Class A).

11 J. TNC drivers shall, at the end of each trip, check the vehicle for any article(s) that are  
12 left behind by passenger(s). Such articles are to be reported as found property, and such property  
13 is to be returned to a transportation network company representative as soon as is practicable  
14 (Class A);

15 K. TNC drivers shall have in the driver's possession a valid Washington State driver's  
16 license, a valid for-hire driver's license, and documentation that they are affiliated with a  
17 licensed TNC at any time the TNC driver is active on the TNC dispatch system.(suspension and  
18 Class B);

19 Section 22. Section 6.310.465 of the Seattle Municipal Code, which Section was last  
20 amended by Ordinance 122763, is amended as follows:

21 **6.310.465 For-hire driver(~~(—)~~)(~~(P)~~)passenger relations standards(~~(=)~~)**



1           ~~(( A. A taxicab driver shall wear only the uniform adopted by the association and~~  
2 ~~approved by the Director or a costume meeting all requirements of SMC 6.310.225 and SMC~~  
3 ~~6.310.480. (Class A). ))~~

4           ~~(( B ))~~ A. When wearing a costume a driver shall display a photograph of the driver  
5 dressed in the costume along with the driver's for-hire license. (Class A).

6           ~~(( C. A for hire driver's clothes shall be neat and clean at all times that the driver is on the~~  
7 ~~driver's shift. The term "neat and clean" as it relates to clothes shall mean that all clothing is~~  
8 ~~clean, free from soil, grease and dirt and without unrepaired rips or tears. Drivers shall not wear~~  
9 ~~as an outer garment any of the following: undershirt or underwear, tank tops, body shirts (see-~~  
10 ~~through mesh), swimwear, jogging or warm-up suits or sweatshirts or similar attire, shorts or~~  
11 ~~trunks (jogging or bathing), sandals, or any similar clothing. Summer uniforms can include~~  
12 ~~Bermuda shorts (hemmed slack material) that extend down to within two (2) inches of the top of~~  
13 ~~the knee cap. (Class A). ))~~

14           ~~(( D. A for hire driver shall be clean and well groomed at all times while on duty. "Clean"~~  
15 ~~means that state of personal hygiene, body and hair cleanliness and absence of offensive body~~  
16 ~~odor normally associated with frequent clothes laundering and bathing or showering. "Well~~  
17 ~~groomed" means beards and mustaches are groomed and neatly trimmed, and scalp and facial~~  
18 ~~hair is neatly trimmed, and combed or brushed (Class A). ))~~

19           ~~(( E ))~~ B. A for- hire driver shall provide customers with professional and courteous  
20 service at all times (Class A).

21           ~~(( F ))~~ C. A for-hire driver shall not refuse a request for service because of the driver's  
22 position in line at a taxicab zone; a passenger may select any taxicab in line (Class B).



1 ((G)) D. A for-hire driver shall at all times assist a passenger by placing luggage or  
2 packages (under ~~((fifty (50)))~~ 50 pounds) in and out of the taxicab or for-hire vehicle (Class A).

3 ((H)) E. A for-hire driver shall not refuse to transport in the taxicab or for-hire vehicle  
4 any passenger's wheelchair which can be folded and placed in either the passenger, driver, or  
5 trunk compartment of the taxicab or for-hire vehicle, an assist dog or guide dog to assist the  
6 disabled or handicapped, groceries, packages or luggage when accompanied by a passenger  
7 (Class B).  
8

9 ((I)) F. A for-hire driver shall provide each passenger a taximeter receipt upon payment  
10 of the fare (Class A).

11 ((J)) G. A for-hire driver shall use the most direct available route on all trips unless the  
12 passenger specifically requests to change the route (Class B).  
13

14 ((K)) H. A for-hire driver shall not permit any person or pet to ride in the taxicab or for-  
15 hire vehicle unless that person or pet accompanies, or is in the vehicle at the request of, a fare-  
16 paying individual. This requirement shall not apply to ~~((uniformed))~~ driver trainees (Class A).

17 ((L)) I. A for-hire driver shall not refuse to transport any person except when:  
18  
19 1. The for-hire driver has already been dispatched on another call;  
20 2. The for-hire driver arrives at the place of pick-up and upon arrival the  
21 passenger is acting in a disorderly or threatening manner, or otherwise is acting in a manner that  
22 would cause a reasonable person to believe that the for-hire driver's health or safety, or that of  
23 others, may be endangered;  
24 3. The passenger cannot, upon request, show ability to pay the fare; or  
25  
26  
27  
28



1 4. The passenger refuses to state a specific destination upon entering the taxicab  
2 (Class B).

3 ((M)) J. A for-hire driver shall not smoke in the taxicab or for-hire vehicle (Class A).

4 ((N)) K. A for-hire driver shall be able to provide a reasonable amount of change, and if  
5 correct change is not available, no additional charge will be made to the passenger in attempting  
6 to secure the change (Class A).

7 ((O)) L. A for-hire driver shall not make any discriminatory charges to any person, or  
8 make any rebate or in any manner reduce the charge to any person unless such is in conformity  
9 with the discounts or surcharges contained in the filed rates (Class B).

10 ((P)) M. A for-hire driver shall not operate a wheelchair accessible taxicab unless the for-  
11 hire driver has successfully completed the special training requirements set forth in ((SMC))  
12 subsection 6.310.415.D((E)) (Class C and five-day suspension).

13 N. A for-hire driver must be clean and neat in dress and person and present a professional  
14 appearance to the public.

15 Section 23. Section 6.310.470 of the Seattle Municipal Code, which Section was last  
16 amended by Ordinance 122763, is amended as follows:

17 **6.310.470 For-hire driver soliciting and cruising standards((:))**

18 **A. Taxicabs((:))**

19 1. A for-hire driver may solicit passengers only from the driver's seat or standing  
20 immediately adjacent to the taxicab (within ((twelve (12))) 12 feet), and only when the vehicle is  
21 safely and legally parked (Class A).

22 2. A for-hire driver shall not use any other person to solicit passengers (Class A).



1                   3. A for-hire driver shall not hold out the taxicab for designated destinations  
2 (Class A).

3                   4. A for-hire driver shall not park a taxicab and wait for walk up passengers in a  
4 marked passenger load zone, truck load zone, or charter bus zone. A for-hire driver may drop off  
5 passengers or pick up hailed trips in a passenger load zone except as provided by ~~((SMC))~~  
6 subsections 6.310.475.D and 6.310.475.E (Class A).

8                   B. For-hire ~~((V))~~vehicles~~((.)~~)

9                   ~~((1. — A for-hire driver in a for-hire vehicle is prohibited from soliciting  
10 passengers, from cruising for passengers, or from picking up passengers in a taxi zone (Class  
11 B.))~~)

13                   1. A for-hire driver in a for hire vehicle licensed under this chapter may solicit  
14 passengers only from the driver's seat or standing immediately adjacent to vehicle (within 12  
15 feet), and only when the vehicle is safely and legally parked (Class A).

17                   2. A for-hire driver shall not use any other person to solicit passengers (Class A).

18                   ~~((3. — All trips must be pre-arranged as defined by the Director by rule (Class  
19 B.))~~)

21                   3. A for-hire driver in a for hire vehicle licensed by this chapter is prohibited  
22 from picking up passengers in a designated taxi zone (Class B).

24                   Section 24. Section 6.310.500 of the Seattle Municipal Code, which Section was last  
25 amended by Ordinance 122763, is amended as follows:

26 **6.310.500 Taxicabs~~((—))~~~~((M))~~maximum number~~((:))~~**



1           A. The total number of taxicab licenses in effect at any one ~~((4))~~ time shall not exceed  
2 ~~((eight hundred and fifty (850)))~~ 1,100. The number of taxicab licenses shall be set by the  
3 Director at such times and in such manner as necessary to meet the demand for efficient and  
4 economical taxicab service within the city limits and to support a competitive, safe, fair and  
5 viable business environment for the taxicab industry; however, no more than ~~((35))~~ 100 licenses  
6 can be issued within a calendar year. The Director shall adopt by rule the procedure for  
7 determining when and how many new taxicab licenses will be issued. In determining the total  
8 number of licenses issued, the Director shall consider factors ~~((such as))~~ including, but not  
9 limited to consumer demand for transportation services, average service response times, total  
10 number of taxi rides, total paid trips per taxicab, and average operating hours per taxicab, and  
11 may consider any other factors that may affect the supply and demand for taxi service within the  
12 city limits. The Director shall adopt by rule any vehicle and safety standards required for the  
13 issuance of new licenses, including but not limited to vehicle size, fuel efficiency, and emissions  
14 standards.

15           B. The number of for-hire vehicle licenses in effect at any one ~~((4))~~ time shall not  
16 exceed ~~((two hundred (200)))~~ 200. Except that if the State Legislature authorizes cities to  
17 regulate executive sedans and executive vans, as defined in RCW 46.04.274, then executive  
18 sedans and executive vans licensed by the Department of Licensing on the authorization date  
19 which meet City vehicle standards would be allowed to obtain for-hire vehicle licenses, and such  
20 for-hire vehicle licenses shall not be included in the calculation of total number of for-hire  
21 vehicle licenses pursuant to this subsection. TNC vehicle endorsements issued per Section  
22 6.310.327 shall not be included in the calculation of total number of for-hire vehicles licenses  
23 pursuant to this subsection.

24           C. The Director may, at the Director's discretion, issue wheelchair accessible taxicab  
25 licenses to special service vehicles used to provide transportation to disabled persons defined in  
26 KCC 6.64.010 or to handicapped persons as defined in ~~((SMC))~~ Section 6.310.110. These  
27





1 licenses shall be non-transferable for a period of (~~five (5)~~) three years from the date of issuance  
2 and shall not be included in calculating the maximum number of taxicab licenses allowable  
3 pursuant to subsection A. The Director may issue temporary and nontransferable wheelchair  
4 accessible taxicab licenses to individual for-hire drivers selected by King County for a  
5 demonstration project to determine the economic feasibility of the long term issuance of such  
6 licenses. This subsection shall take effect and be in force retroactively as of the effective date of  
7 this ordinance.

8 D. If the Director determines that issuance of additional taxicab licenses is warranted, not  
9 to exceed the maximum allowable taxicab licenses issued pursuant to subsection A of this  
10 section, such licenses shall be issued pursuant to:

11 1. A competitive request for proposal and award process under which licenses  
12 will be issued to applicants whose proposals demonstrate that they are most able to meet the  
13 needs of the public in providing taxicab service by meeting qualifications prepared by the  
14 Director that are not in conflict with the general provisions of this chapter; or

15 2. Pursuant to a lottery of qualified applicants; or

16 3. Pursuant to a combination of both procedures as prescribed by rule adopted by  
17 the Director. The rule shall include minimum qualifications for taxicab license applicants,  
18 including but not limited to the driving and conduct records of prospective applicants.

19 E. The Director shall issue 100 additional taxicab licenses in 2014. The Director shall  
20 issue 100 additional taxicab licenses again in 2015. Each of these issuances shall be done  
21 pursuant to the methods described in subsection 6.310.500.D. To be eligible for the issuance of  
22 these new taxicab licenses, an applicant must either: 1) have no ownership interest whatsoever in  
23 a licensed for-hire vehicle or licensed taxicab, or 2) relinquish any ownership interest in a  
24 licensed for-hire vehicle or licensed taxicab prior to and as a condition of the issuance of the new  
25 license. For purposes of this subsection, relinquish means to surrender the for-hire vehicle or  
26 taxicab license to the original licensing agency or transfer the interest to another individual who



1 does not have any ownership interest in a licensed for-hire vehicle or licensed taxicab. If the  
2 ownership interest is shared with one other individual who has no other separate and independent  
3 interest in a licensed for-hire vehicle or licensed taxicab, the license may be transferred to that  
4 individual.

5 ~~((E. At the earlier of September 1, 2010 or after a total of 50 licenses have been issued~~  
6 ~~under this section, the Director shall provide a written report to the City Council concerning the~~  
7 ~~economic impact that the 50 additional licenses have had on taxicab service and on the business~~  
8 ~~of providing taxicab transportation services in Seattle. The report shall provide updated data to~~  
9 ~~the extent reasonably available relating to the factors that serve as the basis for the issuance of~~  
10 ~~licenses as set forth in Subsection A. This report shall also describe the economic effects, if any,~~  
11 ~~of the provisions of SMC 6.310.330N on the market value of all taxicab license transfers~~  
12 ~~occurring after August 1, 2008. No additional licenses may be issued until the submission of the~~  
13 ~~report.))~~

14 Section 25. Section 6.310.530 of the Seattle Municipal Code, which Section was last  
15 amended by Ordinance 123939, is amended as follows:

16 **6.310.530 Rates((:))**

17 \*\*\*

18 F. For-hire ((V))vehicle ((R))rates((:))

19 1. Every for-hire vehicle licensee shall file all rates and charges with the Director.  
20 All rates and charges, including any adopted senior citizen discount rate, shall be conspicuously  
21 displayed in the interior of the for-hire vehicle so as to be readily discernible to the passenger.  
22 The Director will prescribe the manner of such posting.  
23  
24  
25  
26  
27



1 2. For-hire vehicles must charge for service based on: a written contract~~((;))~~; flat  
2 charge per trip, by zone~~((;))~~; or by an hourly rate with minimum increments of ~~((one-half(1/2)))~~ 1/2  
3 hour. Flat charges by zone or hourly rate may vary by time of day.

4 G. Transportation network company rates

5 1. A transportation network company may not lawfully operate until it has  
6 provided the Director with written documentation explaining its rate structure, demonstrating  
7 that it is consistent with State law per RCW Chapter 19.94. The rate structure shall also  
8 demonstrate how tolls or charges established for roads, bridges, tunnels or ferries shall be  
9 charged to passengers. TNCs shall either a) charge flat rates between preset zones, which may  
10 vary by time of day, and file these rates with the Director, or b) provide the Director with  
11 certification from the Department of Licensing, on official letterhead, that its rate structure  
12 complies with RCW Chapter 19.94.

13  
14  
15 2. Regardless of the type of rate charged by a transportation network company,  
16 the rate shall be disclosed to the passenger and acknowledged via the electronic TNC dispatch  
17 system before the trip is initiated. A trip is initiated when the passenger enters the vehicle.

18 ~~((G.))~~H. The rates specified in this section shall not apply to transportation of persons  
19 provided pursuant to a written contract which establishes a fare at a different rate for specified  
20 transportation and has been previously filed with the Director; provided, that no contract may  
21 include any provision the effect of which is to directly or indirectly require exclusive use of the  
22 transportation services of the contracting taxicab or for-hire vehicle.  
23

24 ~~((H.))~~I. It is unlawful under the Americans with Disabilities Act to charge a special  
25 service vehicle rate which is different from the taxicab rates adopted in subsection D of this  
26  
27



1 section, except in those instances where the transportation of disabled persons is pursuant to a  
2 written contract as specified in subsection ~~((G))~~H of this section (Class B).

3 ~~((I))~~J. The Director is authorized to approve a temporary fuel surcharge to be added to  
4 the taxicab meter rate, or the flat rate for trips from the downtown hotel district to Seattle-  
5 Tacoma International Airport, any time the price of fuel, as published by the American  
6 Automobile Association, exceeds a fuel surcharge trigger price established pursuant to an  
7 administrative rule adopted by the Director. The surcharge shall be an amount necessary to  
8 recoup the increased fuel costs.

9  
10 ~~((J))~~K. The Director is authorized to temporarily suspend the flat rate from the  
11 downtown hotel district to Seattle-Tacoma International Airport when conditions exist at the  
12 airport or elsewhere that result in an average increase of ten ~~((10))~~ minutes to the normal trip  
13 time and are beyond the control of the drivers. Examples of such conditions would be vehicle  
14 security checks at the airport or major construction projects on Interstate 5 or State Route 99 that  
15 delay traffic.

16  
17 ~~((K))~~L. The Director shall specify by rule how tolls or charges established for roads,  
18 bridges, tunnels or ferries shall be charged to taxicab or for-hire vehicle passengers and shall  
19 prescribe required signage for the vehicles for such purposes.

20  
21 Section 26. A new Section 6.310.540 is added to the Seattle Municipal Code as follows:

22 **6.310.540 King County-only business service contracts**

23 A. This chapter does not apply to for-hire drivers with valid King County for-hire  
24 driver's licenses operating for-hire vehicles or taxicabs with valid King County-only licenses  
25 pursuant to a business service contract, provided that:  
26  
27



1           1. The for-hire drivers have proof that they are operating the for-hire vehicle  
2 pursuant to a business service contract;

3           2. The business service contract is on file with the Director; and,

4           3. In any 180-day period no more than 30% of all trips, regardless of origin, by a  
5 County-only licensed vehicle operating under the terms of a business service contract originate  
6 in the City of Seattle.

7           B. Each and every party to a business service contract shall provide the Director such  
8 data as the Director deems necessary as prescribed by rule to ensure compliance with this  
9 section.

10           C. Any failure to meet the requirements of this subsection is a violation of 6.310.130.  
11 Section 27. Section 6.310.600 of the Seattle Municipal Code, which Section was last  
12 amended by Ordinance 121857, is amended as follows:

13 **6.310.600 Penalties((-))**

14           ~~((A.)) Violations of SMC Section 6.310.130 shall be a misdemeanor and upon conviction  
15 shall be punished by a fine not to exceed One Thousand Dollars (\$1,000.00), or by imprisonment  
16 for a term not to exceed ninety (90) days, or by both such fine and imprisonment.))~~

17           A. Each violation of subsections 6.310.130.A, 6.310.130.B or 6.310.452.A shall be a  
18 civil infraction as contemplated by RCW Chapter 7.80 and deemed to be a Class 1 civil  
19 infraction under RCW 7.80.120(a), and shall subject the violator to a maximum penalty and  
20 default amount of \$1,000, inclusive of statutory assessments.

21           1. As contemplated by RCW 7.80.160, a person who, after receiving a notice of  
22 civil infraction that includes a statement of the options provided in RCW Chapter 7.80 for  
23 responding to the notice and the procedures necessary for exercising these options, knowingly  
24 fails to exercise one of the options within 15 days of the date of the notice is guilty of a  
25 misdemeanor subject to the provisions of Chapters 12A.02 and 12A.04, except that absolute  
26 liability shall be imposed for such a violation and none of the mental states described in Section



1 12A.04.030 need be proved, regardless of the disposition of the notice of civil infraction. A  
2 person who willfully fails to pay a monetary penalty or perform community service as ordered  
3 by a court may be found in contempt of court as provided in RCW Chapter 7.21.

4 2. An action for a civil infraction shall be initiated and processed in the manner  
5 contemplated by RCW Chapter 7.80 and the Infraction Rules for Courts of Limited Jurisdiction.  
6 For purposes of RCW 7.80.040, the "enforcement officer" authorized to enforce the provisions of  
7 subsections 6.310.130.A and 6.310.130.B and 6.310.452.A are: (1) the Director of the Seattle  
8 Department of Finance and Administrative Services and authorized representatives or assistants  
9 of him or her; and (2) a commissioned officer of the Seattle Police Department and a person  
10 issued a Special Police Officer Commission by the Chief of Police with authority to enforce this  
11 title.

12 B. Each subsequent violation of subsections 6.310.130.A, 6.310.130.B or 6.310.452.A  
13 within five years of the prior violation is a misdemeanor subject to the provisions of Chapters  
14 12A.02 and 12A.04, except that absolute liability shall be imposed for such a violation and none  
15 of the mental states described in Section 12A.04.030 need be proved. The Director may request  
16 that the City Attorney prosecute such violations criminally as an alternative to the civil infraction  
17 procedure outlined in this chapter.

18 C. Each violation of subsections 6.310.130.C – 6.310.130.E shall be a civil infraction as  
19 contemplated by RCW Chapter 7.80 and deemed to be a Class 1 civil infraction under RCW  
20 7.80.120(a), and shall subject the violator to a maximum penalty and default amount of \$10,000,  
21 inclusive of statutory assessments.

22 1. As contemplated by RCW 7.80.160, a person who, after receiving a notice of  
23 civil infraction that includes a statement of the options provided in RCW Chapter 7.80 for  
24 responding to the notice and the procedures necessary for exercising these options, knowingly  
25 fails to exercise one of the options within 15 days of the date of the notice is guilty of a  
26 misdemeanor subject to the provisions of Chapters 12A.02 and 12A.04, except that absolute  
27



1 liability shall be imposed for such a violation and none of the mental states described in Section  
2 12A.04.030 need be proved, regardless of the disposition of the notice of civil infraction. A  
3 person who willfully fails to pay a monetary penalty or perform community service as ordered  
4 by a court may be found in contempt of court as provided in RCW Chapter 7.21.

5 2. An action for a civil infraction shall be initiated and processed in the manner  
6 contemplated by RCW Chapter 7.80 and the Infraction Rules for Courts of Limited Jurisdiction.  
7 For purposes of RCW 7.80.040, the "enforcement officer" authorized to enforce the provisions of  
8 subsections 6.310.130.C and 6.310.130.D and 6.310.130.E are: (1) the Director of the Seattle  
9 Department of Finance and Administrative Services and authorized representatives or assistants  
10 of him or her; and (2) a commissioned officer of the Seattle Police Department and a person  
11 issued a Special Police Officer Commission by the Chief of Police with authority to enforce this  
12 title.

13 D. Each subsequent violation of subsections 6.310.130.C, 6.310.130.D or 6.310.130.E  
14 within five years of the prior violation is a misdemeanor subject to the provisions of Chapters  
15 12A.02 and 12A.04, except that absolute liability shall be imposed for such a violation and none  
16 of the mental states described in Section 12A.04.030 need be proved. The Director may request  
17 that the City Attorney prosecute such violations criminally as an alternative to the civil infraction  
18 procedure outlined in this chapter.

19 ~~(B-)~~ E. For each violation of a provision in this chapter that has a class referenced in  
20 parenthesis after the provision, a civil penalty and penalty points shall be imposed by and paid to  
21 the Department according to the provisions of ~~(SMC)~~ Section 6.310.605.

22 ~~(C-)~~ F. Any person who alters, edits, destroys, removes, copies, transfers, transmits,  
23 erases, deletes, overwrites, obscures, damages, encodes, locks, renders unreadable, or otherwise  
24 tampers with any image made by a digital security camera, other than as may occur in the normal  
25 operation of the digital security camera system as mandated and authorized by the Director, shall  
26 be guilty of a misdemeanor, and upon conviction shall be punished by a fine not to exceed ~~(One~~  
27



~~Thousand Dollars (\$1,000.00))~~ \$1,000, or by imprisonment for a term not to exceed ~~((ninety  
 (90)))~~ 90 days, or by both such fine and imprisonment.

Section 28. Section 6.310.605 of the Seattle Municipal Code, which Section was last amended by Ordinance 121738, is amended as follows:

**6.310.605 Monetary penalties and penalty points((-))**

A. For-hire ~~((D))~~driver, transportation network company driver or ~~((F))~~taxicab/~~((F))~~for-hire ~~((V))~~vehicle ~~((V))~~violations((-))

Violation	Penalties Against a For-hire Driver, <u>TNC Driver</u> or a Taxicab Licensee or For-hire Vehicle For Each Violation	Penalty Points Attributed to Taxicab Association <u>or Transportation Network Company</u> For Each Violation
1. Violations <del>((F))</del> found <del>((D))</del> during a <del>((E))</del> calendar <del>((Y))</del> year <del>((A))</del> away from <u>The City((-s)) of Seattle's</u> <del>((F))</del> inspection <del>((F))</del> facility((-))		
First Class A in one year	\$35 <del>((-.00))</del>	2
Second Class A in one year	\$70 <del>((-.00))</del>	3
Third or more Class A violation in one year	\$120 <del>((-.00))</del>	4
First Class B violation in one year	\$70 <del>((-.00))</del>	4
Second Class B violation in one year	\$175 <del>((-.00))</del>	7
Third or more Class B violation in one year	\$300 <del>((-.00))</del>	10
All Class C violations	\$1,000 <del>((-.00))</del>	20





2. Violations ~~(F)~~ found ~~(D)~~ during ~~(I)~~ inspections at The City('s) of Seattle's ~~(F)~~ inspection ~~(F)~~ facility~~(-)~~

Failure to appear for inspection scheduled by the Director (see Section 6.310.330 I and paragraph below)	\$50	2 penalty points
Class A violation found during inspection at City's inspection facility	Vehicle reinspection fee. See fee schedule in Section 6.310.150	2 each violation
Class B violation found during inspection at City's inspection facility	Vehicle reinspection fee. See fee schedule in Section 6.310.150	4 each violation

"Failure to appear for inspection scheduled by the Director" includes a late arrival for the inspection. If notification that the vehicle ~~(can not)~~ cannot appear is made prior to the close of business on the business day before the scheduled inspection, and the taxicab plates are delivered to the inspection facility prior to the original inspection time, then no penalty will be due.

3. Penalties and penalty points are attributed to the taxicab association or transportation network company with which the taxicab and/or for-hire driver is affiliated at the time the violation occurs.

B. Taxicab ~~(A)~~ association or transportation network company ~~(V)~~ violations ~~(D)~~ during a ~~(C)~~ calendar ~~(Y)~~ year~~(-)~~

Violation	Penalty Points Against Taxicab Association <u>or Transportation</u> <u>Network Company</u>
First Class A violation in one year	5
Second Class A violation in one year	6



1	Third or more Class A violation in one year	7
2	First Class B violation in one year	10
3	Second Class B violation in one year	12
4	Third or more Class B violation in one year	15
5	Any Class C violation	Revocation

8 As soon as an association or TNC accumulates more than five (~~((5))~~) penalty points per  
 9 affiliated taxicab or for-hire vehicle, on average, it must pay a penalty to the Director of (~~((One~~  
 10 ~~Hundred Dollars (\$100))~~) \$100 per affiliated taxicab or for-hire vehicle. As soon as an  
 11 association or TNC accumulates more than seven (~~((7))~~) penalty points per affiliated taxicab or  
 12 for-hire vehicle, on average, it must pay an additional penalty to the Director of (~~((One Hundred~~  
 13 ~~Fifty Dollars (\$150))~~) \$150 per affiliated taxicab or for-hire vehicle. As soon as an association or  
 14 TNC accumulates more than ten (~~((10))~~) points per affiliated taxicab or for-hire vehicle, on  
 15 average, it must pay an additional penalty to the Director of (~~((Two Hundred Fifty Dollars~~  
 16 ~~(\$250))~~) \$250 per affiliated taxicab or for-hire vehicle. For purposes of this subsection, average  
 17 number of penalty points per affiliated taxicab or for-hire vehicle means total association penalty  
 18 points divided by number of taxicabs or for-hire vehicles within the association or TNC. (The  
 19 Director will compute the number of taxicabs or for-hire vehicles within the association or TNC  
 20 by averaging the number of taxicabs or for-hire vehicles in the association or TNC (rounded up)  
 21 at the beginning of the year and the number of cabs or for-hire vehicles at the end of each  
 22 completed quarter, i.e., March 31st, June 30th, etc.). If an association or TNC has exceeded the  
 23 average amount of penalty points as outlined above, the penalty will be due as of the end of the  
 24  
 25  
 26  
 27



1 current quarter. The association or TNC may ask for a hearing with the Director concerning the  
2 assessment of such penalty. At such hearing the association or TNC will present any evidence to  
3 refute or mitigate ~~((the))~~ its performance~~((of the association))~~. After the hearing, the Director  
4 may impose the penalty, reduce the penalty, or with just cause waive the penalty and put the  
5 association or TNC on probation with specific performance guidelines. If the association or TNC  
6 does not meet the guidelines imposed, the Director will impose the penalty. In any case, the  
7 Director's decision is final.

8  
9       Upon renewal of the taxicab association or TNC license, the association or TNC will start  
10 the new year with zero ~~((0))~~ penalty points.

11       A Class C violation by a TNC shall result in revocation of the TNC license.

12       C. Taxicab or ~~((F))~~for-hire ~~((V))~~vehicle ~~((O))~~owner's ~~((R))~~responsibility for  
13 ~~((P))~~penalties ~~((I))~~incurred by ~~((F))~~for-hire ~~((D))~~drivers. A taxicab or for-hire vehicle owner is  
14 jointly and severally liable for each monetary penalty assessed against any for-hire driver who  
15 commits a violation while operating a taxicab or for-hire vehicle belonging to that owner. The  
16 City is not required to pursue collection of the penalty from the driver as a prerequisite to  
17 pursuing collection of the penalty from the owner.

18  
19       D. Taxicab ~~((A))~~association's or transportation network company's ~~((R))~~responsibility for  
20 ~~((P))~~penalties ~~((I))~~incurred ~~((B))~~by ~~((F))~~for-hire ~~((D))~~drivers and ~~((T))~~taxicab ~~((O))~~owners. In  
21 addition to incurring penalty points, the taxicab association or TNC is jointly and severally liable  
22 for each monetary penalty assessed against any for-hire driver or taxicab affiliated with the  
23 taxicab association or TNC. The City is not required to pursue collection of the penalty from the  
24  
25  
26  
27



1 for-hire driver or the taxicab owner as a prerequisite to pursuing collection of the penalty from  
2 the taxicab association or TNC.

3 Section 29. Section 6.310.610 of the Seattle Municipal Code, which Section was last  
4 amended by Ordinance 122763, is amended as follows:

5  
6 **6.310.610 Suspension or revocation((~~o~~))**

7 \*\*\*

8 C. Revocation ((~~S~~))standards

9  
10 \*\*\*

11 3. Transportation network companies (TNC)

12  
13 a. The Director shall revoke a TNC license if during the license period:

14 i. The TNC, or any owner, officer, director, managing partner,  
15 general partner or principal of the TNC, receives a bail forfeiture, conviction or other final  
16 adverse finding for crimes of fraud, theft, larceny, extortion, embezzlement, racketeering,  
17 Uniform Controlled Substances Act, prostitution, alcohol and/or narcotics where the commission  
18 of such crimes involved or used a TNC or for-hire vehicle. If an owner, officer, director,  
19 managing partner, general partner or principal of the TNC found in violation of this subsection is  
20 (a) removed immediately from all operational or management duties or authority and (b) is  
21 divested of all ownership in the TNC as soon as possible, the license may be reinstated;

22  
23  
24 ii. The TNC, or any owner, officer, director, managing partner,  
25 general partner or principal of the TNC, receives a bail forfeiture, conviction or other final  
26



1 adverse finding involving crimes directly related to the applicant' s ability to operate a TNC,

2 including but not limited to prostitution, gambling, fraud, larceny, extortion, income tax evasion.

3 If an owner, officer, director, managing partner, general partner or principal of the TNC found in

4 violation of this subsection is (a) removed immediately from all operational or management

5 duties or authority and (b) is divested of all ownership in the TNC as soon as possible, the

6 license may be reinstated;

7  
8 iii. The TNC allows more than 150 TNC endorsed drivers to be  
9 active on the TNC dispatch system at any given time;

10  
11 iv. An affiliated vehicle is active on the TNC dispatch system that  
12 has not been inspected by an approved third party as required by 6.310.270;

13  
14 v. Has failed to meet the insurance requirements outlined in  
15 Section 6.310.260;

16  
17 vi. An affiliated driver is active on the TNC dispatch system  
18 without personal and commercial vehicle insurance;

19  
20 vii. Fails to pay all penalties imposed by the Department that are  
21 either not contested or are upheld after review; or

22  
23 viii. The TNC has committed one Class C violations in any one  
24 year period.

25 b. The Director may revoke a TNC license if during the license period the

26 TNC:



1 i. Dispatches to an unlicensed or unaffiliated driver;

2 ii. Dispatches to an unaffiliated vehicle;

3 iii. Dispatches to a vehicle that is neither a for-hire vehicle or  
4 taxicab, nor a vehicle with a TNC vehicle endorsement;

5 iv. Knowingly permits a third party to use the TNC dispatch  
6 system;

7 v. Knowingly permits a TNC endorsed driver driving a TNC  
8 endorsed vehicle to pick up hails, cruise, or otherwise solicit trips;

9 vi. Knowingly allows a TNC driver driving a TNC endorsed  
10 vehicle to take trips not dispatched by the TNC;

11 vii. Fails to review driving records of TNC drivers and maintain  
12 records thereof;

13 viii. Knowingly permits TNC drivers with any conviction listed in  
14 subsection 6.310.270 to continue affiliating with a TNC and/or operating as a TNC driver.

15 ((3))4. Taxicab and ((F))for-hire ((V))vehicle ((L))licenses((:))

16 \*\*\*

17 ((4))5. For-hire ((D))driver's ((L))licenses((:))

18 a. The Director shall revoke a for-hire driver's license if:

19 i. The for-hire driver receives a bail forfeiture, conviction, or other  
20 final adverse finding for crimes pertaining to hit-and-run, or for crimes pertaining to driving  
21



1 under the influence of alcohol or controlled substances while operating a taxicab or for-hire  
2 vehicle; or

3 ii. The for-hire driver's Washington State driver's license expires or  
4 is revoked; or

5  
6 iii. The for-hire driver has committed one ~~((4))~~ Class C violations  
7 in any one ~~((4))~~ year period.

8 b. The Director may revoke a for-hire driver's license if:

9  
10 i. The for-hire driver is found to be in possession of illegal drugs or  
11 an open container of alcohol while in control of or while operating any taxicab or for-hire  
12 vehicle; or

13  
14 ii. The for-hire driver has received a conviction, bail forfeiture, or  
15 other final adverse finding involving crimes pertaining to prostitution, gambling, physical  
16 violence, Uniform Controlled Substances Act, fraud, theft, robbery, larceny, burglary, extortion  
17 and/or crimes directly related to the driver's ability to operate a taxicab.

18  
19 6. Transportation network company (TNC) drivers

20 a. The Director shall revoke the for-hire license of a transportation  
21 network company driver, if, while active on the TNC dispatch system:

22  
23 i. The TNC driver receives a bail forfeiture, conviction, or other  
24 final adverse finding for crimes pertaining to hit-and-run, or for crimes pertaining to driving  
25 under the influence of alcohol or controlled substances while operating for-hire vehicle;  
26



1 ii. The TNC driver's Washington State driver's license expires or is

2 revoked;

3 iii. The TNC driver has committed one Class C violations in any

4 one year period;

5 iv. The TNC endorsed driver driving a TNC endorsed vehicle

6 picks up a street hail, cruises, or otherwise solicits trips whether active on the TNC dispatch

7 system or not;

8 v. The TNC driver driving a TNC endorsed vehicle provides a ride

9 that is not booked through the TNC application dispatch system;

10 vi. Drives a vehicle that is not affiliated with the TNC;

11 vii. Drives a vehicle that is neither a for-hire vehicle or taxicab

12 licensed under this chapter nor a vehicle with a TNC vehicle endorsement;

13 b. The Director may revoke the for-hire license of a transportation network

14 company driver if:

15 i. The TNC driver is found to be in possession of illegal drugs or

16 an open container of alcohol while in control of or while operating any taxicab or for-hire

17 vehicle; or

18 ii. The TNC driver has received a conviction, bail forfeiture, or

19 other final adverse finding involving crimes pertaining to prostitution, gambling, physical





1 violence, Uniform Controlled Substances Act, fraud, theft, robbery, larceny, burglary, extortion  
2 and/or crimes directly related to the driver's ability to operate a for hire vehicle.

3 D. Effect of ~~((N))~~notice of ~~((S))~~suspension or ~~((R))~~revocation~~((:))~~

4  
5 1. Summary ~~((S))~~suspension or ~~((R))~~revocation. Whenever any license or TNC  
6 vehicle endorsement is summarily suspended or revoked the suspension or revocation is effective  
7 upon issuance of the notice. Such notice may be appealed pursuant to the procedures of Section  
8 6.310.635. If a timely appeal is not filed by the licensee or TNC driver, the notice of summary  
9 suspension or revocation shall be final. Such summary suspension shall extend until any  
10 administrative or judicial appeal is finally concluded in the licensee's or TNC driver's favor, until  
11 the license or endorsement expires, or until evidence satisfactory to the Director is produced  
12 showing that the violation is cured, whichever occurs first. Summary revocations shall extend  
13 until the end of the annual license or endorsement period or until any administrative or judicial  
14 appeal is finally concluded in the licensee's or TNC driver's favor, whichever occurs first.

15  
16  
17 2. Suspension or ~~((R))~~revocation. If the licensee or TNC driver does not file a  
18 timely appeal pursuant to Section 6.310.635, the notice of suspension or revocation shall be final.  
19 Suspensions or revocations become effective upon the date any notice of suspension or  
20 revocation or order on appeal affirming such notice becomes final. Unless a time period is  
21 specified in a particular section of the ordinance codified in this chapter, suspensions shall  
22 extend until the license or endorsement expires or until evidence satisfactory to the Director is  
23 produced showing that the violation is cured, whichever occurs first. Revocations shall extend  
24 until the end of the annual license or endorsement period.  
25  
26  
27



1                   3. Except in the case of a summary suspension or revocation as provided in  
2 subsection 6.310.610.D.1 above, whenever a timely appeal is filed pursuant to Section  
3 6.310.635, a licensee or TNC driver may continue to engage in the activity for which the license  
4 or endorsement is required pending a final decision on appeal.

5  
6                   Section 30. Section 6.310.635 of the Seattle Municipal Code, which Section was last  
7 amended by Ordinance 121738, is amended as follows:

8  
9 **6.310.635 Notice and hearing for denials, violations, suspensions and revocations((-)**

10                   A. For each violation, and for each denial, suspension or revocation, the Director shall  
11 give written notice to the affected licensee. If the affected licensee is a taxicab driver, the  
12 Director shall at the same time give written notice of violations to the taxicab licensee and the  
13 taxicab association. If the affected licensee is a transportation network company driver, the  
14 Director shall at the same time give written notice to the transportation network company. If the  
15 affected licensee is a taxicab licensee, the Director shall at the same time give written notice of  
16 violations to the taxicab association. All notices directed to a taxicab driver or taxicab licensee  
17 may be served by personal delivery to, or by first-class mail addressed to, the taxicab association.

18  
19                   B. Any notice of denial, violation, suspension or revocation, other than a summary  
20 suspension or revocation pursuant to ~~((Section))~~ subsection 6.310.610.A, shall state that the  
21 driver, taxicab or for-hire vehicle licensee, transportation network company and/or taxicab  
22 association is entitled to a hearing to respond to the notice and introduce any evidence to refute  
23 or mitigate the violation. Upon written request, submitted by the person named on the violation,  
24 filed within ten ~~((10))~~ calendar days after the date of the notice of denial, violation, suspension  
25  
26  
27



1 or revocation, the Director shall set a hearing date and time to be held as soon as possible and not  
2 more than ~~((thirty (30)))~~ 30 calendar days from the date of the request or the next business day  
3 after that if the thirtieth day falls on a weekend or holiday.

4 C. Any notice of summary suspension or revocation pursuant to ~~((Section))~~ subsection  
5 6.310.610.A and 6.310.610.D.1, shall state that the driver, taxicab or for-hire vehicle licensee,  
6 transportation network company and/or taxicab association is entitled to a hearing to respond to  
7 the notice and introduce any evidence to refute or mitigate the violation. Upon written request,  
8 submitted by the person named on the violation, filed within ten ~~((10))~~ calendar days after the  
9 date of the notice of the summary suspension or revocation, the Director shall set a hearing date  
10 and time to be held as soon as possible and not more than seven ~~((7))~~ calendar days from the  
11 date of the request or the next business day after that if the seventh day falls on a weekend or  
12 holiday. The Director shall render a decision affirming or reversing the summary suspension or  
13 revocation within three ~~((3))~~ business days after the conclusion of the hearing.

14 D. The decision of the Director is final only if a monetary penalty is imposed or if a  
15 timely appeal is not filed pursuant to subsection G. A taxicab license\_ or for-hire driver license  
16 may be reinstated without a hearing if the violation was for failure to pay a monetary penalty  
17 within ~~((thirty (30)))~~ 30 days, if the licensee pays the monetary penalty in full within ten ~~((10))~~  
18 days of the date of license\_revocation and pays a license reinstatement fee. This authority to  
19 reinstate licenses\_without a hearing only applies if it is the first instance of failure to pay a  
20 monetary penalty in the calendar year.  
21  
22  
23  
24  
25  
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27



1 E. The hearing shall be held by the Director or the Director's designee, provided that the  
2 designee may not be a person who directly supervises the inspector who issued the notice of  
3 denial, violation, suspension or revocation.

4 F. The hearing shall be informal, but shall be recorded by electronic means provided by  
5 the Director. Within ~~((twenty (20)))~~ 20 days of the hearing, the Director shall issue a written  
6 ruling including factual findings and the Director's conclusion, with supporting reasons,  
7 affirming, modifying or reversing the notice. The decision shall be mailed by first class mail to  
8 each affected licensee at the address listed on the application; or in any supplemental materials.  
9 ~~((However, if the licensee is a taxicab licensee or taxicab driver, the decision))~~ Licensee  
10 decisions for taxicabs and taxicab drivers shall be mailed by first class mail to the licensee at the  
11 address of the taxicab association. Licensee and endorsement decisions for transportation  
12 network company drivers shall be mailed by first class mail to the licensee at the address listed  
13 on the licensee's for-hire driver's license application as well as the transportation network  
14 company.

15  
16  
17 G. If the Director's decision imposes or affirms a denial, suspension or revocation,  
18 including summary suspension or revocation, any affected licensee may appeal the entire  
19 decision to the Hearing Examiner by filing a notice of appeal with the Hearing Examiner within  
20 ten ~~((10))~~ days after the date of mailing of the decision. Decisions of the Director imposing a  
21 monetary penalty only, pursuant to subsection D, shall not be appealable to the Hearing  
22 Examiner.  
23

24 \*\*\*  
25  
26  
27



1 Section 31. Section 6.310.300 of the Seattle Municipal Code, last amended by Ordinance  
2 122763, is amended as follows:

3 **6.310.300 Taxicab and for-hire vehicle license application((=))**

4 \*\*\*

5 C. The taxicab or for-hire vehicle license application shall include the following information:

6 \*\*\*

7  
8 5. Insurance policy or insurance binder proving compliance with Chapter 46.72 RCW, as  
9 now or hereafter amended, for each taxicab or for-hire vehicle for which a license is sought. The  
10 insurance policy or insurance binder shall:

11 \*\*\*

12 d. Not include self-insured retention, nonstandard deductibles, aggregate limits,  
13 territorial restrictions, named driver requirements or exclusions, or any other provisions that limit  
14 insurance coverage.  
15

16 \*\*\*

17  
18 Section 32. Section 6.310.230 of the Seattle Municipal Code, last amended by Ordinance  
19 121738, is amended as follows:

20  
21 **6.310.230 Taxicab association((—)) ((Θ))operating responsibilities((=))**

22 \*\*\*

23 4. Stores all records that this chapter requires the taxicab association to  
24 maintain including, but not limited to, copies of taxicab licenses and for-hire drivers licenses,  
25 lists of all affiliated taxicabs and affiliated drivers, taxicab vehicle repair and service records,  
26



1 passenger comment cards, new driver training records, vehicle insurance policies, vehicle  
2 registrations, (~~vehicle for hire certificate,~~) passenger complaint log, taxicab sign out log or  
3 equivalent, and radio dispatch records (Class A — each requirement),

4 Section 33. Section 6.310.300 of the Seattle Municipal Code, last amended by Ordinance  
5 122763, is amended as follows:  
6

7 **6.310.300 Taxicab and for-hire vehicle license application(~~(7)~~)**

8 \*\*\*

9 C. The taxicab or for-hire vehicle license application shall include the following information:

10 \*\*\*

11 ~~((7. State of Washington For-hire Certificate.))~~

12 ~~((8))~~7. State of Washington vehicle registration.

13 ~~((9))~~8. Certificate of safety as required in SMC Section 6.310.320 E.

14 ~~((10))~~9. Certificate of taxicab association membership (if application is for a taxicab  
15 license).  
16

17 10~~((1))~~. Any other documents required by regulations promulgated under this chapter.

18 11~~((2))~~. The above application and information must also be completed and supplied  
19 during any annual license renewal.  
20

21 Section 34. Section 6.310.320 of the Seattle Municipal Code, last amended by Ordinance  
22 122802, is amended as follows:  
23

24 **6.310.320 Taxicab and for-hire vehicle(~~(—)~~) (~~(V)~~)vehicle operating requirements(~~(7)~~)**

25 \*\*\*  
26  
27



1 J. The vehicle contains the following current documentation: (~~the state for hire~~  
2 ~~certificate~~;) the county and/or city taxicab or for-hire vehicle license, the vehicle registration,  
3 and the proof of insurance card (Class A);

4 \*\*\*

5  
6 Section 35. Section 6.310.450 of the Seattle Municipal Code, last amended by Ordinance  
7 122763, is amended as follows:

8 **SMC 6.310.450 For-hire driver operating standards(~~(-)~~)**

9 \*\*\*

10  
11 D. A for-hire driver, before starting each shift, shall ensure that (~~the state for hire~~  
12 ~~certificate~~;) the county and/or City taxicab or for-hire vehicle license, vehicle registration and  
13 proof of insurance card are in the vehicle (Class A).

14 \*\*\*

15  
16 Section 36. Section 6.310.610 of the Seattle Municipal Code, last amended by Ordinance  
17 122763, is amended as follows:

18 **6.310.610 Suspension or revocation(~~(-)~~)**

19 \*\*\*

20 C. Revocation Standards.

21 \*\*\*

22  
23 3. Taxicab and For-hire Vehicle Licenses.

24 a. The Director shall revoke a taxicab or for-hire vehicle owner license if:

25 i. The licensee, or any officer, director, general partner, managing partner  
26 or principal of the licensee, has had a conviction, bail forfeiture or final adverse finding of  
27



1 criminal fraud, larceny, theft, prostitution, extortion, racketeering, robbery or violation of the  
2 Uniform Controlled Substances Act, where the crime is associated with operating a taxicab or  
3 for-hire vehicle;

4 ii. The licensee has had the license suspended twice within a one ~~((1))~~  
5 year period for lack of a current, valid insurance policy;

6 ~~((iii. The licensee's State of Washington for-hire certificate has been  
7 revoked;))~~

8  
9 ~~((iv))~~iii. The licensee is not affiliated with a taxicab association licensed  
10 under this chapter; or

11 ~~((v))~~iv. The licensee is subject to revocation because of a loan default  
12 pursuant to ~~((SMC))~~ Section 6.310.380.

13 \*\*\*

14  
15 Section 37. Section 6.310.205 of the Seattle Municipal Code, last amended by Ordinance  
16 119872, is amended as follows:

17 **6.310.205 Taxicab association owners, partners, and principals~~((—)) ((I))~~investigation~~((:))~~**

18 ~~((All taxicab association owners, partners, and principals must consent to be fingerprinted  
19 for a criminal background check.))~~

20  
21 All taxicab association owners, partners, and principals shall be referred for  
22 fingerprinting, and all applications shall be referred for a state and national Washington State  
23 Patrol and Federal Bureau of Investigation criminal background check under RCW 35.21.920 to  
24 regulate the issuance of licenses of those engaged in the taxicab and for-hire occupations and  
25





1 activities. Information relating to the applicants' criminal history shall be forwarded to the  
2 licensing agency.

3 Section 38. Section 6.310.305 of the Seattle Municipal Code, last amended by  
4 Ordinance 118341, is amended as follows:

5 **6.310.305 Taxicab and for-hire vehicle owners~~((—))~~ ((F)) investigation~~((=))~~**

6 ~~((All applicants for a taxicab or for-hire vehicle license must consent to be~~  
7 ~~fingerprinted for a criminal background check.))~~

9 All applicants for a taxicab or for-hire vehicle license shall be referred for  
10 fingerprinting, and all applications shall be referred for a state and national Washington State  
11 Patrol and Federal Bureau of Investigation criminal background check under RCW 35.21.920  
12 to regulate the issuance of licenses of those engaged in the taxicab and for-hire occupations  
13 and activities. Information relating to the applicants' criminal history shall be forwarded to the  
14 licensing agency.

16 Section 39. Section 6.310.405 of the Seattle Municipal Code, last amended by Ordinance  
17 118341, is amended as follows:

18 **6.310.405 Criminal ((B)) background ((C)) check**

19 ~~((All applicants for a for-hire driver's license must consent to be fingerprinted for a~~  
20 ~~criminal background check.))~~

21 All applicants for a for-hire driver's license shall be referred for fingerprinting, and all  
22 applications shall be referred for a state and national Washington State Patrol and Federal Bureau  
23 of Investigation criminal background check under RCW 35.21.920 to regulate the issuance of  
24



1 licenses of those engaged in the taxicab and for-hire occupations and activities. Information  
2 relating to the applicants' criminal history shall be forwarded to the licensing agency.

3 Section 40. A new Section 6.310.545 of the Seattle Municipal Code is adopted as  
4 follows:

5 **6.310.545 Transportation network company owners, partners, and principals((—))**  
6 **((~~I~~))investigation**

7 All transportation network company owners, partners, and principals shall be referred for  
8 fingerprinting, and all applications shall be referred for a state and national Washington State  
9 Patrol and Federal Bureau of Investigation criminal background check under RCW 35.21.920 to  
10 regulate the issuance of licenses of those engaged in the taxicab and for-hire occupations and  
11 activities. Information relating to the applicants' criminal history shall be forwarded to the  
12 licensing agency.

13  
14 Section 41. A new Section 6.310.750 to Seattle Municipal Code is adopted, as follows:

15 **6.310.750 Additional remedies**

16 Notwithstanding the existence or use of any other remedy, the City Attorney may seek  
17 legal or equitable relief to enjoin an act or practice that constitutes or will constitute a violation  
18 of this chapter or an applicable rule adopted under this chapter.

19  
20 Section 42. Section 6.310.455 of the Seattle Municipal Code, last amended by Ordinance  
21 122763, is amended as follows:

22 **6.310.455 For-hire driver conduct standards((-))**

23 \*\*\*

24  
25 R. A for-hire driver shall not use a ((eell)) mobile phone ((while a passenger is in the  
26 taxicab)) unless in hands-free mode, consistent with RCW 46.61.667. (Class B);



1 Section 43. Section 6.310.400 of the Seattle Municipal Code, last amended by Ordinance  
2 121738, is amended as follows:

3 **6.310.400 For-hire driver's license application((=))**

4 \*\*\*

5 B. The following additional information must be filed prior to sitting for the written  
6 examination:

7 \*\*\*

8 3. If an applicant will only drive a for-hire vehicle, then the 4-day classroom  
9 training by a taxicab association and the ride-alongs are not required. Seattle for-hire driver  
10 licenses shall be endorsed as "For-Hire Vehicles Only" or "FHV."  
11

12 \*\*\*

13 Section 44. A new Section 6.310.745 to the Seattle Municipal Code is adopted as  
14 follows:

15 **6.310.745 Other laws**

16 Nothing in this chapter relieves a for-hire driver, for-hire vehicle or taxicab licensee,  
17 taxicab association, transportation network company (TNC), TNC vehicle endorsement holder or  
18 applicant thereof from complying with any other law, nor does the City issuance of a license or  
19 endorsement under this chapter imply that the applicant has met the obligations of all such other  
20 laws.  
21

22 Section 45. The Department of Finance and Administrative Services shall issue a report  
23 to City Council regarding the transportation network company pilot program by no later than  
24 September 30, 2015. The report shall include an assessment of taxi industry trips and revenue,  
25  
26  
27



1 the percentage of taxi industry trips that are dispatched on any platform, the response times for  
2 any companies in the dispatch market, the locations of rejected rides by any companies in the  
3 dispatch market, the financial burdens of drivers across the different platforms, any available  
4 data about driver experiences and driver migrations across platforms, collisions, driver  
5 violations, rates, and customer satisfaction rates and complaints.

6  
7 Section 46. Section 6.310.300, which was last amended by Ordinance 122763, is  
8 amended as follows:

9 ~~((SMC ))~~**6.310.300 Taxicab and for-hire vehicle license application.**

10 \*\*\*

11 C. The taxicab or for-hire vehicle license application shall include the following information:

12 \*\*\*

13 5. Insurance policy or insurance binder proving compliance with Chapter 46.72 RCW, as  
14 now or hereafter amended, for each taxicab or for-hire vehicle for which a license is sought. The  
15 insurance policy or insurance binder shall:

16 a. Be issued by an admitted carrier in the State of Washington with an A.M. Best's  
17 Rating of not less than~~((A-))~~ B+ and be not less than A.M. Best's Financial Size  
18 Category VII; provided however, that the Director may temporarily suspend any or all of  
19 these requirements if no other viable insurance options are available to the industry,

20 b. Name The City of Seattle as an additional insured,

21 c. Provide that the insurer will notify the Director, in writing, of any cancellation  
22 at least thirty (30) days before that cancellation takes effect, and

23 d. Not include self-insured retention, nonstandard deductibles, aggregate limits,  
24 territorial restrictions, named driver requirements, or any other provisions that limit  
25 insurance coverage.

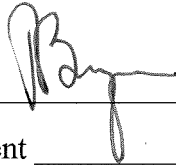
26 \*\*\*




1 Section ((46))47. Without further action taken by City Council, the transportation  
2 network company pilot program will automatically continue.

3 Section ((47))48. This ordinance shall take effect and be in force 30 days after its  
4 approval by the Mayor, but if not approved and returned by the Mayor within ten days after  
5 presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.  
6

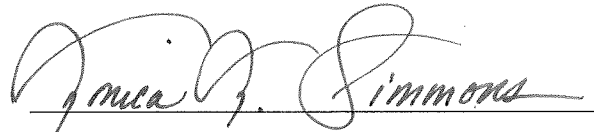
7 Passed by the City Council the 17<sup>th</sup> day of March, 2014, and signed by  
8 me in open session in authentication of its passage this 17<sup>th</sup> day of March,  
9  
10 2014.

11  
12   
13 \_\_\_\_\_  
14 President \_\_\_\_\_ of the City Council

15 Approved by me this 19<sup>th</sup> day of March, 2014.  
16

17  
18   
19 \_\_\_\_\_  
20 Edward B. Murray, Mayor

21 Filed by me this 19<sup>th</sup> day of March, 2014.  
22

23   
24 \_\_\_\_\_  
25 Monica Martinez Simmons, City Clerk

26 (Seal)  
27



**FISCAL NOTE FOR NON-CAPITAL PROJECTS**

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>CBO Analyst/Phone:</b>
LEG	Tony Kilduff / 4-3580	n/a

**Legislation Title:**

AN ORDINANCE relating to companies and drivers of a new type of for-hire vehicle in order to create a pilot program for transportation network companies and affiliated drivers and vehicles: establishing minimum operating requirements for transportation network companies and affiliated drivers; imposing vehicle inspections; imposing a zero tolerance drug use policy for affiliated drivers; imposing minimum insurance requirements for transportation network companies and affiliated vehicles; requiring rate transparency for transportation network companies; and establishing licensing fees; raising the maximum number of taxicab licenses issued by the City; revising terminology; adding new sections and amending various Sections of Chapter 6.310 of the Seattle Municipal Code.

**Summary of the Legislation:**

This legislation provides for the regulation of Transportation Network Companies (TNCs) and modification of certain regulations relating to for-hire vehicles and taxis.

**Background:**

TNCs like Uber, Lyft, and Sidecar, represent that they are facilitating peer-to-peer sharing of passenger vehicles and hence not subject to regulation by the City. However, the City Council finds that the TNCs and the drivers who operate on their systems are engaged in the transportation of persons for compensation and therefore do fall within the regulatory authority granted the City by Article 11, Section 11 of the Washington State Constitution and RCW 46.72.160.

Because the TNC business model involves dispatching traditional for-hire drivers and vehicles as well as non-professional casual drivers, regulating them raises a number of policy questions. Cities are more familiar with regulating traditional for-hire modes of transportation such as taxis and models for that, both good and bad, abound. As these companies have begun operations within the last year and a half, there are not yet good models of regulation for peer-to-peer services. It would be easier to ban them, as several cities have already done, than to find a regulatory framework that allows them to function while protecting other interests of the City. However, the Council sees value in the transportation services these companies provide and would like to encourage them. These new entrants to the market have the potential to disrupt existing for-hire services that the Council also views as important to the public. The Council would therefore like to strike a balance between the new and existing services. To that end, this



Ordinance would establish a pilot period of approximately two years during which the growth of the TNCs would be limited to allow existing for-hire services to adapt to their operation.

The specific limits under consideration are as follows:

- Require that anyone driving for a TNC be either a for-hire licensed driver driving a for-hire licensed vehicle OR a for-hire licensed driver with an endorsement to drive his or her own vehicle for a TNC;
- Require that TNCs ensure that any driver on their system has full casualty and property insurance that covers commercial activity while they are active on the system;
- Require that the unique vehicle used by the endorsed license holder meet certain safety standards; and
- Require the TNCs to report information from their systems deemed necessary or convenient to allow enforcement of regulations.

In addition to establishing regulations for TNCs, this Ordinance also makes changes to the regulations on existing for-hires to provide them more flexibility in the market. Specific changes include:

- Allow flat-rate vehicles limited access to street hails;
- Allow both flat-rate vehicle and taxis to work for TNCs while operating in their traditional capacities;
- Allow county-only for-hires to pick up fares in the city if they are operating under a standing written agreement;
- Allow WAT license owners to cease driving after five years to be consistent with other for-hires.

In response to a market demand study that found insufficient supply of for-hire services during certain peak periods, this legislation also increases the number of new taxi licenses by 150 over two years.

Please check one of the following:

**This legislation does not have any financial implications.**

(Please skip to "Other Implications" section at the end of the document and answer questions a-h. Earlier sections that are left blank should be deleted. Please delete the instructions provided in parentheses at the end of each question.)

**This legislation has financial implications.**

(If the legislation has direct fiscal impacts (e.g., appropriations, revenue, positions), fill out the relevant sections below. If the financial implications are indirect or longer-term, describe them in narrative in the "Other Implications" Section. Please delete the instructions provided in parentheses at the end of each title and question.)

**Appropriations:**

(This table should reflect appropriations that are a direct result of this legislation. In the event that the project/programs associated with this ordinance had, or will have, appropriations in other legislation please provide details in the Appropriation Notes section below. If the appropriation is not supported by revenue/reimbursements, please confirm that there is available fund balance to cover this appropriation in the note section.)



Fund Name and Number	Department	Budget Control Level*	2013 Appropriation	2014 Anticipated Appropriation
Finance and Administrative Services Fund (50300)	Finance and Administrative Services	Revenue and Consumer Protection	n/a	\$617,548
<b>TOTAL</b>				<b>\$617,548</b>

\*See budget book to obtain the appropriate Budget Control Level for your department.

Appropriations Notes:

	For Hire/Taxi Cab			TNC			Total Appropriated Budget Needed	Total Revenue Req'mt Budget
	Budget (3FTE - Licenses and Standards)	Revenue Req'mt	Notes on Difference	Budget (3.0FTEs)	Revenue Req'mt	Notes on Difference		
Positions	302,358			267,190			569,548	569,548
Vehicles One time (2, for For Hire only)		60,000	Using existing Fleets budget				-	60,000
Vehicles On going (annual)		13,400	Using existing Fleets budget				-	13,400
Space One time setup		50,000	Using existing CTRI budget		50,000	Using existing CTRI budget	-	100,000
Space on going (annual)		30,000	Using existing Facilities budget		30,000	Using existing facilities budget	-	60,000
Employee Setup (computer etc)	12,000			12,000			24,000	24,000
Misc office	12,000			12,000			24,000	24,000
Department Overhead		7,800	Using existing ABS budget		7,800	Using existing ABS budget	-	15,600
Other							-	-
<b>Total</b>	<b>326,358</b>	<b>161,200</b>	<b>-</b>	<b>291,190</b>	<b>87,800</b>	<b>-</b>	<b>617,548</b>	<b>866,548</b>

**Anticipated Revenue/Reimbursement Resulting from this Legislation:**





(This table should reflect revenues/reimbursements that are a direct result of this legislation. In the event that the issues/projects associated with this ordinance/resolution have revenues or reimbursements that were, or will be, received because of previous or future legislation or budget actions, please provide details in the Notes section below the table.)

Fund Name and Number	Department	Revenue Source	2013 Revenue	2014 Revenue
Finance and Administrative Services Fund (50300)	Finance and Administrative Services	Licenses & fees	n/a	\$866,544
<b>TOTAL</b>				<b>\$866,544</b>

Revenue/Reimbursement Notes:

TNC Additional Revenue Assumed	
75 New Taxicab Licenses (75 x \$600)	\$ 45,000
300 TNC Driver/Vehicle Permits (300 x \$50)	\$ 15,000
3 TNC Companies (3 x \$50,000)	\$ 150,000
<b>Total</b>	<b>\$ 210,000</b>

**Total Regular Positions Created, Modified, or Abrogated through this Legislation, Including FTE Impact:**

(This table should only reflect the actual number of positions affected by this legislation. In the event that positions have been, or will be, created as a result of other legislation, please provide details in the Notes section below the table.)

Position Title and Department	Position # for Existing Positions	Fund Name & #	PT/FT	2013 Positions	2013 FTE	2014 Positions*	2014 FTE*
Licenses and Standards Inspectors, Finance and Administrative Services		Finance and Administrative Services Fund (50300)	FT			3.0	3.0
<b>TOTAL</b>						<b>3.0</b>	<b>3.0</b>

\* 2014 positions and FTE are total 2014 position changes resulting from this legislation, not incremental changes. Therefore, under 2014, please be sure to include any continuing positions from 2013.

Position Notes:



**SUMMARY.** Additional staff will be required to implement the new ordinance regulating the Transportation Network Company (TNC) industry in Seattle. The estimated staff needs are as follows:

- 1.0 FTE Licenses and Standards Inspector
- 1.0 FTE Research and Evaluation Assistant
- 1.0 Administrative Specialist II

**If King County Licensing declines to issue TNC driver permits, an additional 1.0 FTE Administrative Specialist II will be required to perform this activity.** Ongoing IT and audit support will be needed to build a web-based tool to collect operating data submitted by the licensed TNCs; to analyze the data to monitor compliance with the new ordinance; and to verify that TNCs are properly reporting their annual gross revenue for purposes of paying their annual fee (\$50,000 or 0.35% of annual gross revenue, whichever is greater).

**DISCUSSION.** The assumptions about the size and composition of the TNC industry and the specific duties of the new staff positions are described below.

Seattle TNC Industry- Size and Composition. These estimates are little more than educated guesses since the TNC industry will not release *any* data about their operations.

- Companies. It is estimated that the existing unlicensed Seattle TNC industry is comprised of three large companies (Uber-x, Lyft and Sidecar) and fewer than 10 small companies.
- Drivers and Vehicles. Altogether, it is estimated that there are presently about 200 active affiliated TNC drivers and vehicles. This estimate may no longer be accurate, as it is dated.
- Projection. It is likely that demand for Permits will exceed the 300 drivers allowed for by this proposed law.
- Inspections. TNCs must provide a certificate of inspection for the vehicle – inspections will not be done by City Inspectors.

Duties of the New Staff Positions. These duties are based upon the requirements set out in the most recent DRAFT ordinance.

- Licenses and Standards Inspector. The inspector will work random shifts conducting street enforcement, investigating passenger complaints and spot checking compliance with vehicle safety standards. It is expected that many current taxicab and for-hire vehicle drivers and limousine chauffeurs will migrate to this industry and soliciting trips on the street will become a significant problem requiring undercover investigations. The inspector will check to verify evidence of insurance. The inspector will also assist administering the issuing of 300 driver permits by lottery, RFP, or other device according to law.
- Research and Evaluation Assistant. This position will gather and analyze (audit) operating data from licensed TNCs to verify compliance with ordinance requirements (e.g., TCN Permit holders are limited to working 16 hours per week, TCN must pay 0.35% of gross revenue as an annual license fee, dispatch and billing data required to investigate passenger complaints about service or fares, etc.)
- Administrative Specialist II. The license specialist will collect and review insurance policies and vehicle registrations for vehicles used by TNC drivers, as well as purchased by the TNC, to verify compliance with vehicle insurance requirements (e.g., coverage limits, carrier rating, restrictions on coverage – including business use of vehicle). Issue

summary license suspensions of TNC driver permits for cancelled or expired insurance.

**Do positions sunset in the future?**

No

**Spending/Cash Flow:**

(This table should be completed only in those cases where part or all of the funds authorized by this legislation will be spent in a different year than when they were appropriated (e.g., as in the case of certain grants and capital projects). Details surrounding spending that will occur in future years should be provided in the Notes section below the table.)

Fund Name & #	Department	Budget Control Level*	2013 Expenditures	2014 Anticipated Expenditures
Finance and Administrative Services Fund (50300)	Finance and Administrative Services	Revenue and Consumer Protection		\$617,548
<b>TOTAL</b>				\$617,548

\* See budget book to obtain the appropriate Budget Control Level for your department.

Spending/Cash Flow Notes:

**Other Implications:**

a) **Does the legislation have indirect financial implications, or long-term implications?**

Probably not.

b) **What is the financial cost of not implementing the legislation?**

None.

c) **Does this legislation affect any departments besides the originating department?**

(If so, please list the affected department(s), the nature of the impact (financial, operational, etc), and indicate which staff members in the other department(s) are aware of the proposed legislation.)

Yes, the Department of Finance and Administration.

d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?** (Include any potential alternatives to the proposed legislation, such as reducing fee-supported activities, identifying outside funding sources for fee-supported activities, etc.)

None.

e) **Is a public hearing required for this legislation?**

(If yes, what public hearing(s) have been held to date, and/or what public hearing(s) are planned for the future?)

No.

f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle***



***Times required for this legislation?***

(For example, legislation related to sale of surplus property, condemnation, or certain capital projects with private partners may require publication of notice. If you aren't sure, please check with your lawyer. If publication of notice is required, describe any steps taken to comply with that requirement.)

No.

**g) Does this legislation affect a piece of property?**

(If yes, and if a map or other visual representation of the property is not already included as an exhibit or attachment to the legislation itself, then you must include a map and/or other visual representation of the property and its location as an attachment to the fiscal note. Place a note on the map attached to the fiscal note that indicates the map is intended for illustrative or informational purposes only and is not intended to modify anything in the legislation.)

No.

**h) Other Issues:**

**List attachments to the fiscal note below:**

**CITY OF SEATTLE**  
**ORDINANCE** \_\_\_\_\_  
COUNCIL BILL 118036

AN ORDINANCE relating to companies and drivers of a new type of for-hire vehicle in order to create a pilot program for transportation network companies and affiliated drivers and vehicles; establishing minimum operating requirements for transportation network companies and affiliated drivers; imposing vehicle inspections; imposing a zero tolerance drug use policy for affiliated drivers; imposing minimum insurance requirements for transportation network companies and affiliated vehicles; requiring rate transparency for transportation network companies; and establishing licensing fees; raising the maximum number of taxicab licenses issued by the City; revising terminology; adding new sections and amending various Sections of Chapter 6.310 of the Seattle Municipal Code.

NOW, THEREFORE,

**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

Section 1. The City Council (“Council”) makes the following legislative findings of fact and declarations:

1. The Council finds that technology that allows consumers to directly dispatch drivers for trips via the internet using mobile interfaces such as smartphone applications, (“application dispatch”) did not exist in Seattle when for-hire driver and vehicle regulations were last amended by Ordinance 122763 in 2008; and

2. The Council caused a taxi, for-hire, and limousine services demand study (“demand study”) to be undertaken to evaluate passenger demand and assess the quality of service and the final study was completed by consultants on September 3, 2013; and

3. The Council finds, and the demand study supports, that the public is receptive to application dispatch technology and such technology is capturing a growing share of the traditional taxicab and for-hire vehicle market, especially during periods of peak demand<sup>1</sup>; and

<sup>1</sup> 2013 City of Seattle and King County Taxi, For Hire Vehicle and Limousine Services Demand Study, Final Report, page 22

**THIS VERSION IS NOT ADOPTED**



1           4. The Council finds, and the demand study supports, that some companies using  
2 application dispatch technology to offer transportation services in Seattle are unlicensed and  
3 affiliated with unlicensed for-hire drivers (unlicensed drivers) and vehicles<sup>2</sup>; and

4           5. The Council finds that as the use of application dispatch technology by unlicensed  
5 companies, vehicles, and drivers raises significant public safety and consumer protection  
6 concerns; and

7           6. The Council finds that the use of application dispatch technology by unlicensed  
8 companies and drivers are competing with existing licensed taxicab and for-hire drivers in the  
9 transportation market and causing negative impacts; and

10          7. The Council finds that unlicensed drivers using application dispatch technology are  
11 providing trips as for-hire drivers via a new type of for-hire vehicle because they are operating  
12 motor vehicles used for the transportation of passengers for compensation and these drivers are  
13 currently operating illegally without for-hire driver licenses or regulatory oversight; and

14          8. The Council finds that companies providing transportation services via application  
15 dispatch with unlicensed affiliated drivers are operating illegally without a license or regulatory  
16 oversight; and

17          9. The Council finds that there is no gratuitous purpose for offering and receiving  
18 transportation services, and unlicensed drivers and companies using application dispatch  
19 technology offer transportation services for compensation for the following nonexclusive  
20 reasons: the companies are registered for-profit corporations, drivers are recruited with promises  
21 to be paid, drivers intend to be paid, and passengers are paying for services rendered; and

22          10. The Council finds that the creation of a pilot program, establishing minimum  
23 operating requirements for unlicensed drivers and unlicensed companies using application  
24 dispatch technology is appropriate and necessary to protect the safety of the public; and

25 \_\_\_\_\_  
26 <sup>2</sup> *Id.*

THIS VERSION IS NOT ADOPTED



1           11. The Council finds a pilot program establishing transparency of rates prior to a  
2 passenger initiating a ride via application dispatch is appropriate and necessary for consumer  
3 protection; and

4           12. The Council finds that the creation of a pilot program regulating unlicensed  
5 companies and affiliated drivers using application dispatch technology will promote fair  
6 competition among other licensed transportation providers; and

7           13. The Council finds that the creation of a pilot program strikes a balance between  
8 safety and innovation, so that regulation provides a safety net that the public can rely on for its  
9 protection while new businesses innovate and use technology to better the lives of  
10 Washingtonians;

11           14. The Council finds that the issuance of an additional 75 taxicab licenses per year for  
12 the years 2014 and 2015 as authorized by SMC 6.310.500(D) would promote fair competition  
13 and meet current and future demand for efficient and economical for-hire transportation services;  
14 and

15           15. The Council finds it necessary to review the pilot program to ensure it is fulfilling its  
16 purpose of promoting public safety, consumer protection and fair competition, so City Council  
17 will assess the benefits and any negative unintended consequences of the pilot program by no  
18 later than December 31, 2015. The review of the pilot program shall include an assessment of  
19 taxi industry trips and revenue, the percentage of taxi industry trips that are dispatched on any  
20 platform, the response times for any companies in the dispatch market, the locations of rejected  
21 rides by any companies in the dispatch market, the financial burdens of drivers across the  
22 different platforms, any available data about driver experiences and driver migrations across  
23 platforms, collisions, driver violations, rates, and customer satisfaction rates and complaints. If  
24 no further action is taken by City Council, the program will automatically sunset on June 30,  
25 2016; and

THIS VERSION IS NOT ADOPTED



1           16. The Council finds that it has the authority to establish code to regulate for-hire  
2 vehicles as granted by Article 11, Section 11 of the Washington State Constitution and RCW  
3 46.72.160.

4 NOW, THEREFORE,

5 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

6           Section 2. Section 6.310.100 of the Seattle Municipal Code, last amended by Ordinance  
7 118341, is amended as follows:

8 **6.310.100 Purpose((r))**

9 A.     Transportation network companies (TNC) provide application dispatch services  
10 (technology that allows consumers to directly request dispatch of for-hire drivers for trips via the  
11 internet using mobile interfaces such as smartphone applications,) to connect drivers with  
12 passengers for transportation services. While active on a TNC dispatch system, TNC drivers are  
13 for-hire drivers operating for-hire vehicles. The ordinance codified in this chapter is an exercise  
14 of The City of Seattle's power to license for-hire vehicles, taxicabs, for-hire drivers ((and))  
15 taxicab associations, and transportation network companies, and issue TNC vehicle  
16 endorsements, for regulations and revenue. Some of its regulatory purposes are to increase the  
17 safety, reliability, cost-effectiveness, and the economic viability and stability of privately-  
18 operated for-hire vehicle and taxicab services within The City of Seattle. This chapter is not  
19 intended to regulate limousines and is consistent and compliant with RCW Chapter 46.72A.

20 B.     The Director shall not issue or renew any TNC vehicle endorsements or TNC licenses  
21 that would allow a TNC or TNC driver to operate beyond June 30, 2016. Any TNC licenses or  
22 TNC vehicle endorsements whose expiration date would fall beyond June 30, 2016 shall expire  
23 on July 1, 2016.

24 C.     The Director may issue a moratorium suspending the issuance of TNC vehicle  
25 endorsements or TNC licenses upon finding that the continued issuance of TNC vehicle  
26 endorsements or TNC licenses threatens public safety or raises substantial consumer protection  
27



1 concerns. In making such a finding the Director may consider, but is not limited to  
2 considering: consumer complaints, the stability of the market for taxi and for-hire  
3 transportation services, consumer demand for transportation services, and the financial  
4 viability of transportation service providers. Where the issuance of TNC vehicle endorsements  
5 or TNC licenses has been suspended pursuant to this subsection, the suspension shall last no  
6 more than 180 days.

7 Section 3. Section 6.310.110 of the Seattle Municipal Code, last amended by  
8 Ordinance 123361, is amended as follows:

9 **6.310.110 Definitions((:))**

10 For the purposes of this chapter and unless the context plainly requires otherwise, the  
11 following definitions apply:

12 “Active on the TNC dispatch system” includes but is not limited to: when the driver is  
13 logged onto the transportation network company (TNC) application dispatch system showing  
14 that the driver is available to pick up passengers; when a passenger is in the vehicle; when  
15 TNC dispatch records show the vehicle is dispatched; or when the driver has accepted a  
16 dispatch and is enroute to provide transportation services to a passenger.

17 ((A:)) "Affected licensee" means any licensee that may incur some penalty as a result of  
18 a violation. For example, if a for-hire driver of a taxicab commits a violation, the for-hire  
19 driver, the taxicab owner, and the taxicab association with which that taxicab is associated are  
20 all affected licensees.

21 ((B:)) "Affiliated taxicab" means a taxicab licensed to operate within a particular  
22 taxicab association.

23 “Application dispatch” means technology that allows consumers to directly request  
24 dispatch of for-hire drivers for trips via the internet using mobile interfaces such as smartphone  
25 applications.

1           ~~((C-))~~ "Approved mechanic" means a mechanic on a list maintained by the Director.

2           The list shall contain the name of each mechanic that has applied to the Director for inclusion  
3           and who (1) has met all requirements of the National Institute for Automotive Service  
4           Excellence, (2) has been awarded a Certificate in Evidence of Competence satisfactory to the  
5           Director, (3) does not own, lease or drive a taxicab or for-hire vehicle, and (4) has no financial  
6           interest, including any employment interest, in any taxicab association, taxicab or for-hire  
7           vehicle or in any company that owns or leases taxicabs or for-hire vehicles.

8           "Business service contract" means a written contract between a for-hire driver or a for-hire  
9           driver's representative and a business entity authorizing the for-hire driver to pick up  
10           passengers at the business entity's place of business.

11           ~~((D-))~~ "Certificate of Safety" means a document from an approved mechanic certifying  
12           that a particular vehicle meets all vehicle safety standards set forth in this chapter and in  
13           regulations adopted pursuant to this chapter.

14           ~~((E-))~~ "Committed a violation" means that a licensee has been issued a Notice of  
15           Violation and either has not contested the violation or did contest the violation but lost.

16           ~~((F-))~~ "Community Development Financial Institution" means a non-profit loan fund  
17           certified by the Community Development Financial Institution Fund of the U.S. Department of  
18           the Treasury, that serves economically distressed communities and underserved populations  
19           by providing credit, capital and financial services that are normally unavailable from  
20           traditional financial institutions.

21           "Compensation" means remuneration or anything of economic value that is provided,  
22           promised, or donated primarily in exchange for services rendered. This includes, but is not  
23           limited to voluntary donations, fee-sharing between a taxicab association or transportation  
24           network company and an affiliated driver, advertisement of a taxicab association or  
25           transportation network company services, and increased patronage for taxicab association or  
26           transportation network company services.



1           (~~(G.)~~) "Contract rate" means the rate specified in a written contract signed by both  
2 parties before the dispatch of a taxicab or for-hire vehicle for the services identified in the  
3 contract. Contracts for package delivery may be made on an oral basis.

4           (~~(H.)~~) "Department" means the Department of Finance and Administrative Services of  
5 The City of Seattle, or any department that succeeds to the Department's duties under this  
6 chapter.

7           (~~(I.)~~) "Director" means the Director of Finance and Administrative Services or the  
8 director of any successor department and the Director's authorized designee.

9           (~~(J.)~~) "For-hire driver" means any person in physical control of a taxicab or for-hire  
10 vehicle, who is required to be licensed under this chapter. The term includes a lease driver,  
11 owner/operator, or employee, who drives taxicabs or for-hire vehicles, including vehicles  
12 dispatched by transportation network companies.

13           (~~(K.)~~) "For-hire vehicle" means any motor vehicle used for the transportation of  
14 passengers for compensation, except:

- 15           1. Taxicabs as defined in this chapter;
- 16           2. School buses operating exclusively under a contract to a school district;
- 17           3. Ride-sharing vehicles under Chapter 46.74 RCW;
- 18           4. Limousine carriers licensed under Chapter (~~(81.90)~~) 46.72A RCW;
- 19           5. Vehicles used by nonprofit transportation providers solely for elderly or  
20 handicapped persons and their attendants under Chapter 81.66 RCW;
- 21           6. Vehicles used by auto transportation companies licensed under Chapter 81.68  
22 RCW;
- 23           7. Vehicles used to provide courtesy transportation at no charge to and from  
24 parking lots, hotels, and rental offices; and
- 25           8. Vehicles licensed under, and used to provide "charter party carrier" and  
26 "excursion service carrier" services as defined in, and required by, Chapter 81.70 RCW.
- 27

1           ~~((L.))~~ "Handicapped person" means any person who, by reason of illness, injury, age,  
2 congenital malfunction, or other permanent or temporary incapacity or disability, is unable  
3 without special facilities or special planning or design to use mass transportation facilities and  
4 services as efficiently as persons who are not so affected. Handicapped persons include  
5 ambulatory persons whose capacities are hindered by sensory disabilities such as blindness or  
6 deafness, such mental disabilities as mental retardation or emotional illness, and physical  
7 disabilities that still permit the person to walk comfortably, or a combination of these  
8 disabilities. It also includes a semiambulatory person who requires such special aids to travel  
9 as canes, crutches, walkers, respirators, or human assistance, and a nonambulatory person who  
10 must use wheelchairs or wheelchair-like equipment to travel.

11           ~~((M.))~~ "Knowingly permit" means (1) to know of an action or condition that violates  
12 this chapter or any regulation promulgated pursuant to this chapter, and (2) to fail to take  
13 reasonable steps to cure the violation and to prevent future violations. There is a rebuttable  
14 presumption that a person knows a fact, action or condition of which a reasonable person in the  
15 same position would have knowledge.

16           ~~((N.))~~ "Lease driver" means a for-hire driver who is an independent contractor/sole  
17 proprietor who has leased a taxicab or for-hire vehicle from a taxicab or for-hire vehicle  
18 licensee or taxicab association.

19           ~~((O.))~~ "Lender" means a bank, trust company, mutual savings bank, savings and loan  
20 association, or credit union authorized to do business and accept deposits in this state under  
21 state or federal law and includes a Community Development Financial Institution qualified and  
22 approved by the Director to provide loans to licensees under Section 6.310.380

23           ~~((P.))~~ "Lessor" means a licensee of a taxicab or for-hire vehicle who leases to a lease  
24 driver.

1           ~~((Q:))~~ "Licensee" means any person or entity licensed under this chapter, including for-  
2 hire drivers, taxicab or for-hire vehicle owners, ~~((and))~~ taxicab associations, and transportation  
3 network companies.

4           ~~((R:))~~ "Motor vehicle" means every motorized vehicle by or upon which any person  
5 may be transported or carried upon a public street, highway or alley; provided, that vehicles  
6 used exclusively upon stationary rail tracks or propelled by use of overhead electric wires are  
7 not considered motor vehicles for purposes of this chapter.

8           ~~((S:))~~ "Operating in The City of Seattle" means owning, leasing, advertising, driving,  
9 occupying and/or otherwise using a taxicab or for-hire vehicle that at any time transports any  
10 passenger or item for compensation from a point within the geographical confines of The City  
11 of Seattle. The vehicle is considered to be operating during the administering of inspections at  
12 the City's inspection facility. The term does not include being in control of a vehicle that is  
13 physically inoperable. A taxicab association is "operating in The City of Seattle" if it  
14 represents or includes any taxicab that at any time transports any passenger or item for  
15 compensation from a point within the geographical confines of The City of Seattle. A  
16 transportation network company is "operating in The City of Seattle" if it provides application  
17 dispatch services to any affiliated driver at any time for the transport of any passenger for  
18 compensation from a point within the geographical confines of The City of Seattle.

19           ~~((T:))~~ "Owner" means the person whose lawful right of possession of a taxicab or for-  
20 hire vehicle has most recently been recorded with the state Department of Motor Vehicles.

21           "Personal vehicle" means a vehicle that is not a taxicab or for-hire vehicle licensed  
22 under this chapter and that is not used for a commercial purpose.

23           ~~((U:))~~ "Senior Citizen" means any person over the age of 60 with a valid identification  
24 confirming that person's age.

25           ~~((V:))~~ "Special rate" means discounted rates for senior citizens and handicapped  
26 persons.

1           (~~W-~~) "Taxicab" means every motor vehicle:

2                   1. That is held out to the public as providing transportation to passengers or  
3 articles for hire;

4                   2. Where the route traveled or destination is controlled by the customer;

5                   3. That carries signs or indicia of a taxicab, including the words "taxi,"  
6 "taxicab," or "cab"; and

7                   4. Where the fare is based on an amount recorded and indicated on a taximeter,  
8 or by a special contract rate permitted under this chapter. Despite the foregoing, "taxicab" does  
9 not include those vehicles listed in Section 6.310.110 J2-J8 or for-hire vehicles.

10           (~~X-~~) "Taxicab association" means a person or (~~organization~~) entity licensed under  
11 this chapter that represents or owns at least 15 taxicabs licensed by the City that use the same  
12 color scheme, trade name, and dispatch services. An individual person may be a taxicab  
13 association as long as that individual owns or represents at least 15 taxicabs and otherwise  
14 meets the requirements of this chapter; provided, that for taxicab associations formed in  
15 connection with the wheelchair accessible taxicab demonstration project provided for under  
16 this chapter, the Director may waive the requirement for such taxicab associations to have 15  
17 licensed taxicabs and any taxicab association license fee for the duration of the demonstration  
18 project.

19           (~~Y-~~) "Taxicab association representative" means the person or persons that a taxicab  
20 association has authorized to:

21                   1. File applications, special contract rates and charges on behalf of the taxicab  
22 association and individual owners in the taxicab association; and

23                   2. Receive and accept all correspondence and notices from the City pertaining  
24 to the taxicab association, or to the taxicabs, taxicab owners and/or for-hire drivers operating  
25 within the taxicab association; and  
26  
27

1                   3. Forward any correspondence, notices and/or legal process received by the  
2 association and intended for a taxicab owner and/or taxicab driver operating within the taxicab  
3 association.

4                   ((Z)) "Taximeter" means any instrument or device by which the charge for hire of a  
5 passenger carrying vehicle is measured or calculated either for the distance traveled by such  
6 vehicle or for waiting time, or for both, and upon which such calculated charges shall be  
7 indicated by means of figures.

8                   "Trade dress" means the unique visual element associated with a transportation  
9 network company that is attached to a vehicle affiliated with a TNC so the public and  
10 passengers can identify the vehicle as being associated with that particular TNC. Trade dresses  
11 are not mandatory and must be approved by the Director.

12                   "Transportation network company" (TNC) means a person or entity licensed under this  
13 chapter affiliated with TNC drivers that provides application dispatch services via one unique  
14 application dispatch system to connect TNC drivers with passengers for the transport of  
15 passengers for compensation and meeting the licensing requirements of Section 6.310.130 and  
16 any other requirements under this chapter.

17                   "Transportation network company (TNC) driver" means a licensed for-hire driver  
18 affiliated with and accepting dispatched trips from a licensed transportation network company,  
19 while operating either a for-hire vehicle or taxicab licensed under this chapter ("TNC licensed  
20 driver") or a personal vehicle with a TNC vehicle endorsement ("TNC endorsed driver"). For  
21 purposes of this chapter, at any time while a driver is active on the TNC dispatch system, the  
22 driver is considered a TNC driver.

23                   "Transportation network company (TNC) licensed driver" means a licensed for-hire  
24 driver affiliated with and accepting dispatched trips from a licensed transportation network  
25 company, while operating a for-hire vehicle or taxicab licensed under this chapter.

1 “Transportation network company (TNC) endorsed driver” means a licensed for-hire  
2 driver affiliated with and accepting dispatched trips from a licensed transportation network  
3 company, while operating a personal vehicle with a TNC vehicle endorsement.

4 “Transportation network company (TNC) representative” means the person or  
5 persons that a transportation network company has authorized to:

- 6 1. File applications, rates and charges on behalf of the TNC;  
7 2. Receive and accept all correspondence and notices from the City pertaining  
8 to the TNC, or to affiliated drivers operating within the TNC; and  
9 3. Forward any correspondence, notices and/or legal process received by the  
10 TNC and intended for an affiliated driver operating within the TNC.

11 “Transportation network company (TNC) vehicle endorsement” means an endorsement  
12 on a for-hire driver’s license for a personal vehicle that allows the for-hire driver to use the  
13 endorsed vehicle to affiliate with a transportation network company in order to provide  
14 transportation to passengers via an application dispatch system. The endorsement  
15 demonstrates that the vehicle has met the minimum operating requirements as set forth in  
16 Sections 6.310.325 and 6.310.327.

17 ((AA.)) “Wheelchair accessible taxicab” or “Wheelchair accessible for-hire vehicle”  
18 means a taxicab or for-hire vehicle designed or modified to transport passengers in wheelchairs  
19 or other mobility devices and conforming to the requirements of the Americans with  
20 Disabilities Act (ADA), and inspected and approved by the Director.

21 Section 4. Section 6.310.120 of the Seattle Municipal Code, last amended by Ordinance  
22 118341, is amended as follows:

23 **6.310.120 Scope((-))**

24 This chapter applies to all taxicab associations, all taxicabs, all for-hire vehicles and all  
25 for-hire drivers operating ((with))in The City of Seattle. This chapter does not apply to for-hire  
26 drivers with valid King County for-hire driver’s licenses operating for-hire vehicles with valid  
27



1 King County only for-hire vehicles licenses that have proof that they are operating the for-hire  
2 vehicle pursuant to a business service contract on file with the Director. This chapter is not  
3 intended to be a part of the New License Code, Chapter 6.202 et seq.

4 Section 5. Section 6.310.125 of the Seattle Municipal Code, last amended by Ordinance  
5 121738, is amended as follows:

6 **6.310.125 Violation classifications((:))**

7 A. Requirements contained within this chapter shall specify violation classifications in  
8 parentheses for the purpose of assessing monetary penalties and penalty points. General  
9 provisions for penalty enforcement are set forth in ((SMC)) Sections 6.310.600, 6.310.605,  
10 6.310.610, and 6.310.635. Monetary penalties and penalty points for each violation  
11 classification are specifically set forth in ((SMC)) Section 6.310.605.

12 B. Violation classifications are as follows:

- 13 1. Class A - violations of administrative or non-safety requirements.  
14 2. Class B - violations of safety requirements.  
15 3. Class C - other serious violations.  
16 4. Suspensions, revocations, and denials of licenses or TNC vehicle  
17 endorsements are imposed when taxicab associations, transportation network companies,  
18 taxicab licensees, or for-hire drivers fail to comply with licensing or endorsement requirements  
19 pursuant to this chapter, or there is an immediate safety concern with the taxicab or for-hire  
20 vehicle.

21 Section 6. Section 6.310.130 of the Seattle Municipal Code, last amended by Ordinance  
22 119872, is amended as follows:

23 **6.310.130 Licenses required((:))**

24 A. It is unlawful to own, lease, drive or otherwise operate within The City of Seattle  
25 any taxicab or for-hire vehicle, not affiliated with and dispatched by a licensed transportation  
26 network company, within the scope of this chapter, unless:

- 1 1. The for-hire driver has a valid license issued under this chapter;
- 2 2. The for-hire vehicle or taxicab has a valid license issued under this chapter.
- 3 3. If the vehicle is a taxicab, the taxicab is affiliated with a taxicab association
- 4 licensed under this chapter;
- 5 4. The for-hire driver that operates a taxicab is affiliated with a taxicab
- 6 association licensed under this chapter.

7 B. It is unlawful to operate within The City of Seattle as a transportation network  
8 company (TNC) driver, unless:

- 9 1. The driver has a valid for-hire driver's license issued under this chapter;
- 10 2. The vehicle is either:
  - 11 a. A personal vehicle with a TNC vehicle endorsement, or
  - 12 b. A for-hire vehicle or taxicab licensed under this chapter; and
- 13 3. The driver is affiliated with a TNC licensed under this chapter.

14 ~~((B-))~~C. It is unlawful to operate a taxicab association within ~~((t))~~The City of Seattle  
15 without a valid license issued pursuant to this chapter.

16 D. It is unlawful to operate as a transportation network company within The City of  
17 Seattle without a valid license issued under this chapter.

18 E. It is unlawful to operate an application dispatch system within The City of Seattle  
19 unless:

- 20 1. The person or entity is a licensed transportation network company; or
- 21 2. The person or entity uses the application dispatch system exclusively for  
22 taxicabs and/or for-hire vehicles licensed under this chapter.

23 ~~((C-))~~E. The regulatory licenses issued to for-hire drivers, for-hire vehicles, taxicabs,  
24 ~~((and))~~ taxicab associations, and transportation network companies under this chapter shall be  
25 suspended by the Director if the for-hire driver, for-hire vehicle, taxicab, ~~((or))~~ taxicab



1 association, or transportation network company does not maintain a required current business  
2 license issued by The City of Seattle.

3 Section 7. Section 6.310.150 of the Seattle Municipal Code, last amended by Ordinance  
4 123472, is amended as follows:

5 **6.310.150 Fees((=))**

6 \*\*\*

7 C. For-hire driver license:

8 Annual fee . . . . \$50

9 Add/change affiliation\*((\*\*)) . . . . \$20

10 Late fee . . . . \$15

11 ID photo . . . . \$5

12 Fingerprinting . . . . Charge as determined by Director to cover costs

13 Replacement license . . . . \$5

14 Training class fee . . . . As determined by Director

15 \*((\*\*)) For-hire drivers may only be affiliated with a combined maximum of three  
16 taxicab associations or transportation network companies at any given time. This fee is only  
17 charged when the driver is affiliated with three taxicab associations or transportation network  
18 companies and now wants to delete one association or company and add another.

19 D. Transportation Network Company (TNC) Vehicle Endorsement for For-Hire

20 Driver's License:

21 Annual vehicle endorsement fee...\$50

22 Change affiliation...\$20

23 Change vehicle...\$20

24 Change vehicle license plate...\$10

25 Late fee . . . . \$15

26 ID photo . . . . \$5

THIS VERSION IS NOT ADOPTED



1 Fingerprinting . . . . Charge as determined by Director to cover costs

2 Replacement license . . . . \$5

3 Training class fee . . . . As determined by Director

4 E. Transportation network company:

5 Annual fee . . .\$50,000 for the first year; for the second year and thereafter, either .35%  
6 of annual gross revenue or \$50,000, whichever is greater.

7 Section 8. Section 6.310.200, which was last amended by Ordinance 118341, is  
8 amended as follows:

9 ~~((SMC))~~6.310.200 Taxicab association ~~((--))~~ License application~~((--))~~

10 A. Any business or individual desiring to operate as a taxicab association within ~~(( The))~~ the  
11 City of Seattle shall file with the Director a signed and notarized taxicab association  
12 application, on forms approved by the Director. The application shall include the following  
13 information:

14 \*\*\*

15 ~~(( 4. A brief description of the uniform the applicant taxicab association proposes to require for~~  
16 ~~drivers of affiliated taxicabs, which shall include full length pants (hemmed slack material),~~  
17 ~~collared shirt, and shoes. The uniform may include the option to wear shorts in the summer,~~  
18 ~~provided that the shorts extend no higher than two inches (2") above the kneecap and are of a~~  
19 ~~similar color and pattern to the uniform full length pants. Further, the uniform may be~~  
20 ~~modified in individual cases as necessary to (1) avoid interfering with the for hire driver's~~  
21 ~~religious beliefs, and/or (2) accommodate the for hire driver's disability or disabilities;))~~

22 ~~((5))~~4. The name, address, phone number and date of birth of the taxicab association  
23 representative;

24 ~~((6))~~5. The taxicab number (assigned by the City/County) and the name of each taxicab vehicle  
25 owner that will be affiliated with the taxicab association;



- 1 ((7))6. The special and/or contract rates that will be charged by taxicabs affiliated with the  
2 taxicab association; and  
3 ((8))7. Any other information required by regulations adopted pursuant to this chapter.  
4 ((9))8. The above application and information must be completed for each annual license  
5 renewal.

6 \*\*\*

7  
8 Section 9. A new Section 6.310.260 to Seattle Municipal Code is adopted, as follows:

9 **6.310.260 Transportation network company license eligibility and application**

10 A. Any business or individual desiring to operate as a transportation network company  
11 within The City of Seattle shall file with the Director a signed and notarized transportation  
12 network company license application on forms provided by the Director.

13 1. To be eligible for a license, the transportation network company is limited to  
14 providing application dispatch services to transportation network company drivers meeting the  
15 requirements set forth in Section 6.310.452.

16 2. The license application shall include the following information:

17 a. The applicant transportation network company's name, business street  
18 address and post office box address (if any), business facsimile number, business phone  
19 number and business email address where the transportation network company representative  
20 can generally be reached between 9 a.m. and 5 p.m. on all nonholiday weekdays;

21 b. The form of business entity under which the association will operate  
22 (e.g. corporation, partnership, cooperative association);

23 i. If the applicant transportation network company is individually  
24 owned, the name, business address (or home address if no business address), telephone number  
25 and date of birth of the owner, or  
26

1                   ii. If the applicant transportation network company is a  
2 corporation, partnership or other business entity, the names, home and business addresses,  
3 telephone numbers, and date of birth of all officers, directors, general and managing partners,  
4 registered agents, and of all other persons vested with authority to manage or direct the affairs  
5 of the legal entity or to bind the legal entity in dealings with third parties, and the entity's true  
6 legal name, state of incorporation or registration with the Secretary of State of the State of  
7 Washington (if any) and State of Washington business license number, and any other  
8 information that the Director may reasonably require;

9                   c. Verification of applicant's unique application dispatch system, as  
10 approved by the Director;

11                   d. The trade dress the applicant transportation network company  
12 proposes to use, if any, for each affiliated driver's vehicle, with a photo of the trade dress  
13 submitted with the application. The trade dress may be placed on the vehicle body, but not on  
14 the roof or covering any windows, vehicle lights, or obscuring the view of any mirrors, and  
15 cannot exceed four square feet;

16                   e. The name, address, phone number and date of birth of the  
17 transportation network company representative;

18                   f. The for-hire driver license number with TNC vehicle endorsement (if  
19 applicable), vehicle make, model, and year, and the name of each transportation network  
20 company driver affiliated with the transportation network company;

21                   g. Evidence that each vehicle affiliated with a transportation network  
22 company has insurance in an amount no less than required by RCW 46.72.050 and  
23 underinsured motorist coverage indicating a minimum coverage of \$100,000 per person, and  
24 \$300,000 per accident, at any time while active on the TNC dispatch system. This requirement  
25 may be met by either:

1           1) Providing an insurance policy or insurance binder meeting the requirements set by  
2 subsections 6.310.300(5)(a)-(d) and (6), demonstrating compliance with RCW 46.72 for each  
3 vehicle affiliated with a TNC; or

4           2) Providing an insurance policy or insurance binder demonstrating that the  
5 transportation network company has auto liability insurance that provides a minimum of  
6 \$1,000,000 per accident coverage for accidents involving a transportation network company  
7 driver and vehicle while active on the TNC dispatch system and meets state requirements per  
8 RCW 46.72.050. The Director may require a statement on Department of Licensing letterhead  
9 verifying that the policy meets state requirements. In addition, the Director shall review the  
10 insurance policy to determine that it adequately protects the public. The insurance policy or  
11 insurance binder must be submitted to the Director and shall:

12                           i. Be issued by an admitted carrier in the State of Washington  
13 with an A.M. Best Rating of not less than A- VII; provided however, that the Director may  
14 temporarily suspend any or all of these requirements if no other viable insurance options are  
15 available to the industry,

16                           ii. Name The City of Seattle as an additional insured,

17                           iii. Provide that the insurer will notify the Director, in writing, of  
18 any cancellation and/or non-renewal at least 30 days before that cancellation and/or non-  
19 renewal takes effect, and

20                           iv. Not include self-insured retention, nonstandard deductibles,  
21 aggregate limits, territorial restrictions, named driver requirements, or any other provisions that  
22 limit insurance coverage.

23                           v. In the event the TNC driver fails to maintain personal auto  
24 insurance that covers commercial activity while active on the TNC dispatch system or  
25 commercial auto insurance or the TNC driver's insurer denies coverage for the claim, the  
26 transportation network company's auto insurance shall be exclusive and primary. In the event  
27



1 the limits of liability provided by the TNC driver's personal or commercial auto insurance are  
2 exhausted due to claim payment and/or settlement, the transportation network company's auto  
3 insurance will drop down over exhausted limits.

4 vi. Provides uninsured/underinsured motorist coverage for bodily  
5 injury and property damages with limits no less than \$100,000 each person, and \$300,000 each  
6 accident or \$300,000 combined single limit of liability to any for-hire vehicle affiliated with  
7 the transportation network company.

8 h. State of Washington for-hire certificate as required by RCW  
9 46.72.070 for each transportation network company driver.

10 i. State of Washington vehicle registration for each vehicle affiliated  
11 with the transportation network company.

12 j. Certificate of 19-point inspection for each vehicle affiliated with the  
13 transportation network company as required in Section 6.310.270(X).

14 k. Dispatch records identifying the average and minimum and  
15 maximum number of drivers and number of dispatches on the TNC dispatch system per day for  
16 the six months prior to the date of application. TNCs that were not operating in Seattle prior to  
17 the effective date of this ordinance do not need to provide these records. This information may  
18 be used by the Director to assist in drafting the pilot program assessment report for review by  
19 Council.

20 l. Any other information required by regulations adopted pursuant to this  
21 chapter.

22 m. The above application and information must be completed for each  
23 annual license renewal.

24 B. All applications submitted to the Director must be accompanied by the license fee  
25 set forth in Section 6.310.150.





1 C. The transportation network company applicant or licensee must inform the Director  
2 in writing within seven days if any of the information provided pursuant to Section  
3 6.310.260.A changes, ceases to be true or is superseded in any way by new information.

4 D. A transportation network company license is valid for no more than one year. No  
5 transportation network company license may be renewed unless the renewal fee has been paid  
6 and all outstanding penalties assessed against the transportation network company and its  
7 affiliated drivers have been paid to the Director. The Director shall not renew the  
8 transportation network company license unless the Director determines that the transportation  
9 network company's continued operation is in the public interest. All denials of renewal  
10 applications must be set forth in writing, together with the reasons for denial. The written  
11 denial shall be delivered either personally or by first class mail to the address provided by the  
12 applicant on the license renewal application.

13 Section 10. A new Section 6.310.265 to Seattle Municipal Code is adopted, as follows:

14 **6.310.265 Transportation network company (TNC) standards for license application or**  
15 **renewal denial**

16 A. The operation of a TNC is a privilege, not a right. The TNC's ability to satisfy  
17 stated criteria for a TNC license does not create a right to a TNC license.

18 B. The Director shall deny any TNC license application if the Director determines that:

- 19 1. The applicant fails to submit proof of insurance as required by Section  
20 6.310.260.
- 21 2. The applicant provides application dispatch services to anyone other than  
22 TNC drivers meeting the requirements set forth in Section 6.310.452;
- 23 3. The applicant uses more than one application dispatch system;
- 24 4. The applicant leases, permits, or otherwise allows others to use its application  
25 dispatch system;

1           5. The applicant affiliates with and provides application dispatch services to  
2 drivers without a for-hire vehicle driver's license;

3           6. The applicant affiliates with and provides application dispatch services to  
4 drivers operating vehicles without a for-hire vehicle or taxicab license, or a vehicle without a  
5 TNC vehicle endorsement.

6           7. The application has a material misstatement or omission;

7           8. The application is incomplete; and/or

8           9. Within three years of the date of application, the applicant, or any owner,  
9 officer, director, managing partner, general partner or principal of the applicant, has had a bail  
10 forfeiture, conviction or other final adverse finding for crimes of fraud, theft, larceny,  
11 extortion, embezzlement, racketeering, Uniform Controlled Substances Act, prostitution,  
12 alcohol and/or narcotics where the commission of such crime(s) involved a TNC, vehicle  
13 affiliated with a TNC, or TNC driver.

14           C. The Director may deny any TNC license application if the Director determines that,  
15 within five years of the date of application, the TNC applicant, or if the TNC applicant is a  
16 business entity, any officer, director, managing partner, general partner, registered agent or  
17 principal of the TNC:

18           1. Within five years of the date of application, has had a bail forfeiture,  
19 conviction or other final adverse finding involving crimes directly related to the applicant's  
20 ability to operate a TNC, including but not limited to prostitution, gambling, fraud, larceny,  
21 extortion, income tax evasion; and/or

22           2. Has exhibited past conduct, as evidenced by a criminal conviction, bail  
23 forfeiture or other final adverse finding (including in a civil suit or administrative proceeding)  
24 in operating a TNC, business or vehicle that would lead the Director to reasonably conclude  
25 that the applicant will not fulfill the TNC responsibilities and requirements set forth in this  
26 chapter.



1                   3. Has failed to meet one or more operating responsibilities as detailed in  
2 Section 6.310.270.

3                   Section 11. A new Section 6.310.270 to Seattle Municipal Code is adopted, as follows:

4 **6.310.270 Transportation network company (TNC) operating responsibilities**

5                   In addition to meeting the license application requirements set forth in Section  
6 6.310.260, the TNC must:

7                   A. Maintain a business office in The City of Seattle that:

8                   1. Is open and personally staffed all business days between 9 a.m. and 5 p.m.

9 (Class A);

10                   2. Has a toll-free business telephone number and toll-free passenger complaint  
11 hotline that is answered during all hours that TNC drivers are operating. (Class A);

12                   3. Has a mailing address and email address where the TNC representative will  
13 accept mail. (Class A);

14                   4. Stores all records that this chapter requires the TNC to maintain including,  
15 but not limited to, copies of for-hire drivers licenses and TNC vehicle endorsements (if  
16 applicable) of TNC drivers, lists of all TNC drivers and their affiliated vehicles, vehicle repair  
17 and service records, passenger comment records, new driver training records, vehicle insurance  
18 policies, vehicle registrations, and passenger complaint records. Records may be maintained  
19 electronically. (Class A — each requirement);

20                   5. Provides secure storage for all items left in a TNC driver's vehicle by patrons  
21 and turned in by TNC drivers. (Class A);

22                   B. Ensure that each TNC driver's vehicle is insured as required in Sections 6.310.260  
23 and 6.310.452. (revocation and Class C);

24                   C. Ensure that each affiliated vehicle maintains the TNC's dress trade, if any, at all  
25 times while active on the TNC dispatch system. (Class B);



1 D. Ensure that TNC drivers do not accept payment of fare or tips. Payment shall only  
2 be made electronically via the TNC application dispatch system. (Class B);

3 E. Ensure that TNC endorsed drivers driving a TNC endorsed vehicle do not pick up  
4 hails, cruise or otherwise solicit trips. (revocation and Class C);

5 F. Ensure that TNC drivers driving a TNC endorsed vehicle do not take trips not  
6 dispatched by the TNC. (revocation and Class C);

7 G. Require that passengers be able to view a picture of the driver and vehicle license  
8 plate number on their smart phone before the trip is initiated. (Class B);

9 H. May maintain a rating platform for TNC drivers and passengers to rate each other  
10 following a trip. TNCs shall ensure that such ratings are not based on unlawful discrimination,  
11 and that drivers do not discriminate against passengers or potential passengers on the basis of  
12 geographic endpoints of the ride, race, color, national origin, sex, disability, age, or sexual  
13 orientation/identity. (Class B);

14 I. One year from the effective date of this ordinance, the TNC shall submit to the  
15 Director a report detailing all rides that were requested but not accepted by TNC drivers. The  
16 report shall include the location and zip code of each rejected ride. (Class A);

17 J. Maintain insurance as required by Section 6.310.260, (Class C and revocation) and  
18 maintain on file at the TNC's place of business proof of insurance required by Sections  
19 6.310.260 and 6.310.452. (Class A);

20 K. Send, by first class mail and email, to a TNC driver any correspondence from the  
21 Director within five business days after the TNC receives such correspondence and keeps a  
22 written record of the mailings (Class A);

23 L. All violation notices issued by the Director to a TNC driver shall be mailed and  
24 emailed to both the driver and TNC, and the TNC shall maintain a record of the violations for  
25 at least two years (Class B);



1 M. Weekly, collect, verify accuracy and completeness, and store for at least two years  
2 TNC application dispatch records, including the hours each TNC driver is active on the TNC  
3 dispatch system, as prescribed by the Director (Class A);

4 N. Collect and provide service information, vehicle collision reports, service response  
5 time reports, reports of crimes against TNC drivers, and passenger complaints, pursuant to  
6 rules adopted by the Director as follows:

7 1. Service Information Reports. Submit quarterly, in a form approved by the  
8 Director, the monthly total of paid trips and daily operating hours for each TNC driver and  
9 vehicle (Class A);

10 2. Vehicle Collision Reports. Submit monthly, on forms approved by the  
11 Director, a list of vehicle collisions required to be reported to the Washington State Patrol  
12 pursuant to RCW 46.52.030(1) and WAC 446.85-010 including the name of the TNC driver,  
13 identification of the vehicle, collision fault, injuries, and estimated damage (Class A);

14 3. Service Response Time Reports. Submit quarterly, on forms approved by the  
15 Director, average response times for service requests in the operating areas served by TNC  
16 drivers (Class A);

17 4. Crimes Against Affiliated Drivers Reports. Submit quarterly, on forms  
18 approved by the Director, a list of all crimes of assault or robbery against TNC drivers that  
19 were reported to the Seattle Police Department, including the name of the TNC driver and  
20 identification of the vehicle, incident number, description of the crime, and injuries (Class A),  
21 and

22 5. Passenger complaints. Submit quarterly, in a form approved by the Director,  
23 a report which contains information on complaints received directly from passengers and from  
24 the passenger complaint hotline as compiled from the log required pursuant to subsection  
25 6.310.270.0 regarding:

- 1 a. Driver conduct sorted by driving behavior, communication, personal  
2 dress or hygiene;  
3 b. Vehicle condition sorted by appearance, mechanical and/or safety;  
4 and  
5 c. Lack of driver knowledge of route or requested destination (Class A).

6 O. Maintain a log of, and forward to the Director upon request, each oral or written  
7 passenger complaint that the TNC receives about a vehicle, the TNC, or TNC driver. The  
8 TNC must include a notice of the action taken by the TNC to resolve the complaint and the  
9 disposition (Class A);

10 P. Notify the Director within two working days of the TNC having knowledge of the  
11 following:

- 12 1. A conviction, bail forfeiture or other adverse finding received by a TNC  
13 driver for any criminal offense or traffic violation that occurs during or arises out of the  
14 driver's operation of the vehicle while active on any TNC dispatch (Class A for traffic  
15 violation, Class B for any criminal offense),  
16 2. A conviction, bail forfeiture or other adverse finding received by a TNC  
17 driver for any other criminal offense directly bearing on the driver's fitness to operate a vehicle  
18 or the affiliated driver's fitness to be licensed, including but not limited to theft, fraud, robbery,  
19 burglary, assault, sex crimes, alcohol, drugs, or prostitution (Class B),  
20 3. A vehicle accident required to be reported to the State of Washington involving  
21 any TNC driver (Class B),  
22 4. Any restriction, suspension or revocation of a State of Washington driver's  
23 license issued to a TNC driver (Class B), and/or  
24 5. Any matter listed in subsections 6.310.265.B.9 or 6.310.265.C (Class B);

25 Q. Notify the Director within five working days of any change in the affiliation status of  
26 a TNC driver or vehicle, including any TNC driver joining the TNC, and any suspension,  
27

1 termination, nonrenewal or revocation of a TNC driver's for-hire license or TNC vehicle  
2 endorsement. (Class A);

3 R. Comply with all regulations promulgated pursuant to this chapter (see applicable rules  
4 for penalties or actions);

5 S. Permit the Director to carry out inspections without notice of all TNC driver and  
6 vehicle records required to be kept under this Chapter 6.310, (Class B);

7 T. Employ a zero tolerance drug and alcohol policy with respect to TNC drivers as  
8 follows:

9 1. The TNC shall include a notice on its website, mobile application, and  
10 passenger trip confirmations of its zero-tolerance policy and the methods to report a driver the  
11 passenger reasonably suspects was under the influence of drugs or alcohol during the trip;  
12

13 2. The website and mobile application must include a phone number, website  
14 link, and email to report a zero-tolerance complaint, as well as the phone number and email to  
15 report a zero-tolerance complaint to the Seattle Consumer Affairs department, (Class B);  
16

17 U. Allow passengers to indicate whether they require a wheelchair-accessible vehicle or  
18 a vehicle otherwise accessible to individuals with disabilities. On January 1, 2015 and biannually  
19 on June 1 and January 1 thereafter, each TNC shall submit to the Director a report detailing the  
20 number and percentage of their customers who requested accessible vehicles, and how often the  
21 TNC was able to comply with requests for accessible vehicles, and a description of any instances  
22 or complaints of unfair treatment or discrimination of persons with disabilities. This report shall  
23 be made public by the Director. This report shall be used by the Director to determine what, if  
24  
25  
26  
27

1 any, regulations need to be amended or adopted to ensure that TNCs are accessible to, and do not  
2 discriminate against persons with disabilities, (Class B),

3 V. Review criminal background checks on every TNC driver and maintain records  
4 thereof. Drivers convicted of any traffic and/or criminal offense directly bearing on the driver's  
5 fitness including but not limited to theft, fraud, robbery, burglary, assault, sex crimes, alcohol,  
6 drugs, or prostitution shall not be permitted to provide TNC services. (Class B)

7  
8 W. Review driving records of TNC drivers and maintain records thereof. Drivers with  
9 convictions for any alcohol or drug related offense, reckless driving, hit and run, or driving with  
10 a suspended or revoked license shall not be permitted to provide TNC services. (Class B)

11 X. Prior to providing TNC services and annually thereafter, require every affiliated  
12 vehicle to undergo a 19-point inspection by a third party vendor approved by the Director that  
13 certifies in writing that the following items are mechanically sound and fit for driving:  
14 (revocation and Class C)

- 15 1. Foot brakes (check stopping: at 20 mph, a vehicle must be capable of  
16 stopping within 25 feet);
- 17 2. Emergency brakes (engine stall test);
- 18 3. Steering mechanism;
- 19 4. Windshield (no chips or cracks larger than one inch);
- 20 5. Rear window and other glass (no chips or cracks larger than one inch);
- 21 6. Windshield wipers;
- 22 7. Headlights;
- 23 8. Tail lights;
- 24 9. Turn indicator lights;
- 25 10. Stop lights;
- 26
- 27

THIS VERSION IS NOT ADOPTED





- 1 11. Front seat adjustment mechanism;
- 2 12. Doors (open, close, lock);
- 3 13. Horn;
- 4 14. Speedometer;
- 5 15. Bumpers;
- 6 16. Muffler and exhaust system;
- 7 17. Condition of tires, including tread depth;
- 8 18. Interior and exterior rear view mirrors; and
- 9 19. Safety belts and air bags for driver and passenger(s).

10 Affiliated vehicles shall not be rebuilt or significantly modified from factory  
11 specifications. Transportation network companies shall maintain vehicle inspection records.

12 Y. Pay all penalties imposed by the Department that are either not contested or are  
13 upheld after review (revocation of license);

14 Z. Determine whether a TNC driver, who has been the victim of a crime of assault or  
15 robbery, has reported the crime to 911. If not, the TNC shall call 911 and report the crime  
16 immediately (Class B).

17 AA. Maintain a TNC license to operate in The City of Seattle as issued under this  
18 chapter (revocation and Class C).

19 BB. TNCs shall provide a written insurance disclosure to TNC drivers. The written  
20 insurance disclosure must include the following: the TNC driver's personal auto insurance policy  
21 may not provide any insurance coverage when one is driving for a commercial purpose;  
22 therefore, the TNC driver may need to consider buying a commercial auto policy. In the event of  
23 an accident the insurance provided by the transportation network company may not provide any,  
24 or sufficient, insurance coverage for all matters, including but not limited to the TNC driver's  
25

1 bodily injuries, TNC driver's vehicle damage, and the TNC driver's legal defense costs. The  
2 written insurance disclosure must be signed by the TNC driver.

3 Section 12. A new Section 6.310.275 to Seattle Municipal Code is adopted, as follows:  
4 **6.310.275 Transportation network company (TNC) transfers in the interest of a**  
5 **transportation network company**

6 A TNC license is not transferable. However, an interest in a business entity holding a  
7 TNC license may be transferred, but only after the new owner or principal has submitted an  
8 application, met the standards and requirements contained in Sections 6.310.260 and 6.310.265  
9 and secured written approval of the Director.

10 Section 13. A new Section 6.310.325 is added to the Seattle Municipal Code as follows:  
11 **6.310.325 Vehicles affiliated with a transportation network company (TNC) vehicle**  
12 **operating requirements**

13 No vehicle affiliated with a TNC shall operate within The City of Seattle to transport  
14 passengers for compensation unless the following minimum vehicle requirements are met:

15 A. The vehicle is a taxicab or for-hire vehicle licensed under this chapter, or the  
16 vehicle has a TNC vehicle endorsement.

17 B. Affiliated with a licensed transportation network company;

18 C. Affiliated with a driver with a for-hire driver's license;

19 D. The vehicle has insurance coverage as required by section 6.310.260;

20 E. Passed the 19-point vehicle inspection as required by subsection 6.310.270.X;

21 except for for-hire vehicles and taxicabs licensed under this chapter; and

22 F. The vehicle model year can be no more than seven years prior to the license date.

Section 14. A new Section 6.310.327 is added to the Seattle Municipal Code as follows:

**6.310.327 Transportation network company (TNC) vehicle endorsement lottery application, award, and standards for denial**

A. Within 45 days of the passage date of this ordinance, any person who wishes to affiliate and operate for a TNC using a personal vehicle shall submit an application for a TNC vehicle endorsement, which shall be issued by lottery only, and shall obtain a TNC vehicle endorsement within 90 days of submitting the application; provided that a person with a for-hire driver's license who has a 50% or more ownership interest in a for-hire vehicle or taxicab licensed under this chapter is not eligible to obtain a TNC vehicle endorsement. Failure to obtain a TNC vehicle endorsement within this timeframe, for any reason other than delay caused by the City, prohibits any person from lawfully operating as a driver for a TNC with a personal vehicle. Driving without a TNC vehicle endorsement is unlawful per Section 6.310.130, subject to penalties pursuant to Section 6.310.600.

B. Three hundred TNC vehicle endorsements shall be issued pursuant to a lottery of qualified applicants as prescribed by rule adopted by the Director. The rule shall include minimum qualifications for applicants, including but not limited to the driving and conduct records of prospective applicants, and vehicle requirements. Individuals who submit more than one lottery application shall be disqualified.

C. The TNC vehicle endorsement is not valid and effective until and unless the driver obtains a for-hire driver's license under this chapter. The for-hire driver's application process is governed by Section 6.310.400.

D. To be eligible to enter the TNC vehicle endorsement lottery the following is required:



1                   1. The registered owner is the only driver that may operate the vehicle to provide  
2 transportation to passengers via the TNC application dispatch system;

3                   2. The applicant does not have a 50% or more ownership interest in a for-hire  
4 vehicle or taxicab licensed under this chapter; (Lottery disqualification) and

5                   3. The vehicle is personal and not a for-hire vehicle or taxicab licensed under this  
6 chapter. (Lottery disqualification)

7  
8                   E. To apply for the TNC vehicle endorsement lottery, the applicant shall complete, sign,  
9 swear to and file with the Director a TNC vehicle endorsement lottery application on forms  
10 provided by the Director to include the following information:

11                   1. Name, aliases, residence and business address, residence and business  
12 telephone numbers;

13                   2. Place and date of birth which shall be at least twenty-one (21) years prior to the  
14 date of application, height, weight, color of hair and eyes;

15                   3. Washington State driver's license number. Providing the social security number  
16 is optional. The applicant must present his/her Washington State driver's license at time of  
17 application;

18                   4. Proof that the applicant is authorized to work in the United States; and

19                   5. Such other information as may be reasonably required by regulation promulgated  
20 under this chapter.

21                   F. Within 60 days following selection as a lottery winner, the following requirements  
22 must be met in order to be awarded the TNC vehicle endorsement:



1                   1. Evidence of personal and commercial vehicle insurance as required by Section  
2 6.310.452; (denial of endorsement)

3                   2. Evidence of for-hire driver's license; (denial of endorsement)

4                   3. Proof that applicant's vehicle has passed the vehicle inspection as required by  
5 subsection 6.310.270.X (denial of endorsement); and

6                   4. Proof that applicant's vehicle model year is no more than seven years prior to  
7 the license date (denial of endorsement)

8  
9                   Failure to meet any of these requirements within this timeframe, for any reason other than  
10 delay caused by the City, shall result in the denial of the issuance of the TNC vehicle  
11 endorsement. The TNC vehicle endorsement shall be returned to the lottery pool for award to  
12 the next eligible applicant on the waiting list. All denials or revocations of TNC vehicle  
13 endorsement applications must be set forth in writing, together with the reasons for denial or  
14 revocation. The written denial shall be delivered either personally or by first class mail to the  
15 address provided by the applicant on the license renewal application.  
16

17                   G. The TNC vehicle endorsement consists of a certificate that shall include the following  
18 information:

19                   1. Vehicle identification number (VIN);

20                   2. Registered owner's full legal name;

21                   3. License plate number;

22                   4. Expiration date; and

23                   5. Unique certificate number that will correspond with the TNC vehicle  
24 endorsement sticker affixed to the for-hire driver's license.  
25  
26  
27

THIS VERSION IS NOT ADOPTED



1 H. The TNC vehicle endorsement is inseparable from the for-hire driver's license and  
2 the lease, transfer or assignment of the vehicle endorsement is prohibited.

3 Section 15. A new Section 6.310.328 is added to the Seattle Municipal Code as follows:

4 6.310.329 Transportation network company (TNC) vehicle endorsement standards for denial

5 A. Following the TNC vehicle endorsement lottery, the Director shall deny any TNC  
6 vehicle endorsement application if the Director determines that:

7 1. The applicant has failed to submit a complete, satisfactory application pursuant  
8 to SMC Section 6.310.327;

9 2. The applicant has failed to affiliate with a licensed TNC;

10 3. The applicant has made any material misstatement or omission in the  
11 application for an endorsement;

12 4. The applicant fails to meet one or more of the applicant or vehicle  
13 requirements pursuant to Sections 6.310.325 and 6.310.327; and/or

14 5. Within three years of the date of application, the applicant has had a  
15 conviction, bail forfeiture or other final adverse finding of criminal fraud, larceny, theft,  
16 prostitution, extortion, racketeering, robbery, or violation of the Uniform Controlled Substances  
17 Act where such crime involved the use of the endorsed vehicle.  
18  
19

20 B. The Director may deny any TNC vehicle endorsement application if the Director  
21 determines that:

22 1. Within five years of the date of application, the applicant has had a conviction,  
23 bail forfeiture, or other final adverse finding involving crimes reasonably related to the  
24 applicant's ability to operate a for-hire business, including but not limited to prostitution,  
25  
26  
27

THIS VERSION IS NOT ADOPTED



1 gambling, fraud, larceny, extortion, income tax evasion;

2           2. Within two years of the date of application, the applicant has been found,  
3 either through a criminal conviction, bail forfeiture or other final adverse finding (including in a  
4 civil suit or administrative proceeding) to have exhibited past conduct in driving or operating a  
5 for-hire vehicle for-hire business which would lead the Director to reasonably conclude that the  
6 applicant will not comply with the provisions of the chapter related to vehicle requirements and  
7 the safe operation of the vehicle;  
8

9           3. Within two years of the date of application, the applicant has engaged in the  
10 business of operating any taxicab or for-hire vehicle within The City of Seattle without a current  
11 valid license from The City of Seattle;

12           4. Within twelve months of the date of application, the applicant has violated  
13 King County or Port of Seattle ordinance or regulation pertaining to the operation of taxicabs  
14 while in those jurisdictions, if such violation would constitute grounds for license revocation or  
15 denial if occurring within the City; and/or  
16

17           5. Within twelve months of the date of application, the applicant has had its City  
18 of Seattle for-hire vehicle license revoked.

19           Section 16. A new Section 6.310.329 is added to the Seattle Municipal Code as follows:  
20 6.310.329 TNC vehicle endorsement expiration and renewal  
21

22           A. All TNC vehicle endorsement shall be effective for no more than one year and shall  
23 expire the same day as the for-hire driver's license it endorses.

24           B. TNC driver must renew the TNC vehicle endorsement every year. No TNC vehicle  
25 endorsement may be renewed unless all outstanding penalties assessed against the for-hire driver  
26



1 of the endorsed vehicle are paid in full to the Director.

2 C. The Director shall grant all timely submitted and completed renewal applications of  
3 qualified TNC drivers; provided, however, that the Director shall deny any renewal application if  
4 grounds exist for the Director to deny an endorsement pursuant to Section 6.310.327 or Section  
5 6.310.329 A. If no such grounds exist, the Director shall examine all Department records on the  
6 endorsed vehicle and may deny the renewal if grounds exist that would justify denial under  
7 Section 6.310.329 B.  
8

9 Section 17. Subsection 6.310.330.K of the Seattle Municipal Code, last amended by  
10 Ordinance 124256, is amended as follows:

11 **6.310.330 Taxicab licensee and for-hire vehicle licensee responsibilities(;-)**

12 \*\*\*

13  
14 K. A wheelchair accessible taxicab licensee must personally drive the vehicle a minimum  
15 of thirty hours per week for at least forty weeks per year for a period of five years following the  
16 date of issuance of a new wheelchair taxicab license (wheelchair taxicab license revocation). If a  
17 licensee fails to fulfill the minimum use requirement in any one year period within the five year  
18 period following the date of issuance, the license shall be subject to revocation. Wheelchair  
19 taxicab licensees shall submit original trip sheets to the Director on a monthly basis, in a manner  
20 prescribed by Director's rule, to prove compliance with the minimum use requirement. For  
21 purposes of this paragraph, "licensee" or "licensees" refers to individual licensees, single sole-  
22 shareholders of a licensed corporation, or single members of a licensed limited liability  
23 company. (Class A, if trip sheets are submitted late; wheelchair taxicab license revocation, if trip  
24 sheets are falsified or not in compliance).  
25  
26  
27





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1  
2  
3 Section 18. Section 6.310.415 of the Seattle Municipal Code, last amended by Ordinance  
4 121738, is amended as follows:

5 **SMC 6.310.415**

6 **For-hire driver training program.**

7  
8 A. All initial for-hire driver applicants, within 120 days of submitting an application,  
9 must have successfully completed ~~((, prior to taking the written examination, no earlier than six~~  
10 ~~(((6))) months before submitting the application,))~~ a training program approved by the Director  
11 that provides information about ~~((the history and geography of the Seattle and Puget Sound~~  
12 ~~area,))~~ defensive driving, use of emergency procedures and equipment for the driver's personal  
13 safety, risk factors for crimes against for-hire drivers, enhancement of driver/passenger relations,  
14 and appearance and communication skills. The oral examination may be taken prior to the  
15 training class to expedite the licensing process (denial of license).  
16

17 B. Currently-licensed for-hire drivers must meet the requirements of subsection A of this  
18 section if:

19 1. A taxicab association or transportation network company with which the for-  
20 hire driver is affiliated requests that the for-hire driver receive a refresher course; or

21 2. The Director has reasonable grounds, based on documented complaints and/or  
22 violations, to believe that a refresher course is necessary (suspension).  
23  
24  
25  
26  
27

THIS VERSION IS NOT ADOPTED



1           ~~((C. A for-hire driver must complete a separate training session and written test on for-~~  
2 ~~hire driver personal safety within three (3) months from the date of issuance of the initial license.~~  
3 ~~The Director shall set forth the requirements of the training program by rule (suspension).))~~

4           ~~((D))~~C. A for-hire driver who operates a wheelchair accessible taxicab must successfully  
5 complete a separate training program for the special needs of passengers in wheelchairs,  
6 including but not limited to, loading and tie-down procedures and door-to-door service as  
7 prescribed in rule by the Director (Class C).  
8

9           Section 19. Section 6.310.420 of the Seattle Municipal Code, last amended by Ordinance  
10 121738, is amended as follows:

11 **6.310.420 For-hire driver written and oral examination.**

12           A. The Director shall prescribe the content of the examination, which must test the  
13 applicant's:

- 14           1. Knowledge of taxicab, for-hire vehicle, transportation network company  
15 vehicle endorsement and for-hire driver requirements contained in applicable codes and  
16 regulations;
- 17           2. Ability to speak and understand oral and written English sufficient for fulfilling  
18 the minimum acceptable standards for a taxicab, for-hire vehicle and/or for-hire driver;
- 19           3. Knowledge of vehicle safety requirements;
- 20           4. Knowledge of the geography of Seattle, King County and surrounding areas,  
21 and knowledge of local public and tourist destinations and attractions; and
- 22           5. Knowledge of risk factors for crimes against for-hire drivers, emergency  
23 procedures, and taxicab equipment for driver's personal safety.  
24  
25  
26  
27



1 B. After submitting an application for an initial for-hire license, the applicant must pass a  
2 written and oral examination administered by The City of Seattle and/or jointly with King  
3 County.

4 C. An applicant who fails the written and/or oral examination(~~(, including the initial and periodic~~  
5 ~~for-hire driver written safety test,)) is entitled to one ((1)) free opportunity to retake the  
6 examination. A second failure will result in a sixty-day wait for another opportunity to take the  
7 examination, and another license application fee. All later examination tries will require the  
8 sixty-day wait, and repayment of the ((license)) application fee.~~

9 D. The written and oral examination is not required for the renewal of a for-hire driver's license  
10 unless the applicant's license has remained expired for more than one ((1)) year. If the license  
11 has remained expired for more than one ((1)) year, and the applicant can provide  
12 documentation that he/she had previously passed the oral examination, only the written  
13 examination will be required.

14 Section 20. A new Section 6.310.452 is added to the Seattle Municipal Code as follows:

15 **6.310.452 TNC driver operating, conduct, and passenger relations standards**

16 A. Drivers operating for a transportation network company shall not transport passengers  
17 for compensation without: 1) first obtaining and maintaining a valid for hire driver's license;  
18 (first violation, civil penalty; subsequent violation, misdemeanor; both Class C) and 2) using a  
19 vehicle that is a for-hire vehicle or taxicab licensed under this chapter, or a vehicle with a TNC  
20 vehicle endorsement. (Class C)

21 B. TNC drivers shall not be in control of a for-hire vehicle for more than 12 hours spread  
22 over a total of 15 hours in any 24-hour period. Thereafter, such TNC driver shall not drive any  
23



1 for-hire vehicle until ten consecutive hours have elapsed. For the purposes of this subsection,  
2 hours driven in for-hire vehicles in other platforms (taxicabs, for-hire vehicles) are aggregated.  
3 (suspension and Class B);

4 C. TNC drivers, while active on the TNC dispatch, shall not operate a vehicle that is  
5 unaffiliated with a TNC to transport passengers. (Class C and revocation)

6 D. TNC drivers shall have evidence of personal and commercial vehicle insurance in  
7 their possession at all times when active on the TNC application dispatch system. (Class B)

8 E. TNC drivers shall maintain a personal auto insurance policy provided, that if the  
9 insurance policy lapses or is canceled, or a vehicle is deleted from the policy, proof of a new  
10 policy including the vehicle must be filed with the Director before the vehicle is canceled or  
11 deleted from the previous policy (summary suspension);

12 F. No TNC driver whose for-hire driver's license has been revoked by the Director shall  
13 apply for a new for-hire driver's license for one year from the effective date of such revocation  
14 (denial of license).

15 G. TNC drivers shall not use a mobile phone unless in hands-free mode, consistent with  
16 RCW 46.61.667.

17 H. TNC drivers shall not transport more passengers than the number of seat belts  
18 available nor more luggage than the vehicle capacity will safely and legally allow (Class B).

19 I. TNC drivers shall not accept dispatch of trips unless the interior and the exterior of the  
20 vehicle are clean and in good repair (Class A).

21 J. TNC drivers shall not smoke in the for-hire vehicle while providing  
22 transportation to passengers (Class A);

1 K. TNC drivers shall allow the Director to inspect the affiliated vehicle without notice at  
2 any reasonable time or place (Class B).

3 L. TNC drivers shall pay all penalties imposed by the Department that are either not  
4 contested or are ultimately upheld (revocation or nonrenewal).

5 M. TNC drivers shall immediately notify the transportation network company and the  
6 Seattle Police Department when the TNC driver has been the victim of a crime (Class B).

7 N. TNC drivers shall not accept payment of fare or tips. Payment shall only be made  
8 electronically via the TNC application dispatch system. (Class B).

9 O. TNC endorsed drivers driving with a TNC endorsed vehicle shall not pick up, cruise  
10 or otherwise solicit trips (Class C and revocation)

11 P. TNC drivers driving with a TNC endorsed vehicle shall be the registered owner of the  
12 affiliated vehicle used to transport passengers (Class A).

13 Q. TNC drivers shall not use a third party to solicit trips (Class C and revocation).

14 R. TNC drivers shall not drink any alcoholic beverage while on duty or less than eight  
15 hours prior to going on duty, and shall not possess an open or unsealed container of any alcoholic  
16 beverage while in the for-hire vehicle (suspension and Class B);

17 S. TNC drivers shall, at the end of each trip, check the vehicle for any article(s) that are  
18 left behind by passenger(s). Such articles are to be reported as found property, and such property  
19 is to be returned to a transportation network company representative as soon as is practicable  
20 (Class A);

21 T. TNC drivers shall have in the driver's possession a valid Washington State driver's  
22 license, a valid for-hire driver's license, and documentation that they are affiliated with a  
23

1 licensed TNC at any time the TNC driver is active on the TNC dispatch system.(suspension and  
2 Class B);

3 U. TNC drivers shall comply with any written notice of violation issued by the Director  
4 (suspension and Class B);

5 V. TNC drivers shall operate his or her vehicle with due regard for the safety, comfort  
6 and convenience of passengers (Class B for safety violations; Class A for nonsafety violations);

7 W. TNC drivers shall not solicit for prostitution nor allow his or her vehicle to be used  
8 for such unlawful purpose (revocation and Class C);

9 X. TNC drivers shall not knowingly permit his or her vehicle to be used for the illegal  
10 solicitation, transportation, or sale, or any other activity related to illegal drugs (revocation and  
11 Class C);

12 Y. TNC drivers shall, upon request by the Director or a police officer, provide the for-  
13 hire driver's license and Washington State driver's license for inspection (suspension and Class  
14 B);

15 Z. TNC drivers shall use the most direct available route on all trips unless the passenger  
16 specifically requests to change the route (Class B).

17 AA. TNC drivers shall not refuse to transport any person (Class A) except when:

- 18 1. The TNC driver has already been dispatched on another call; or  
19 2. The TNC driver arrives at the place of pick-up and upon arrival the passenger is  
20 acting in a disorderly or threatening manner, or otherwise is acting in a manner that would cause  
21 a reasonable person to believe that the TNC driver's health or safety, or that of others, may be  
22 endangered;

1 BB. TNC drivers shall not refuse to transport any passenger's wheelchair which can be  
2 folded and placed in either the passenger, driver, or trunk compartment of the vehicle; an assist  
3 dog or guide dog to assist the disabled or handicapped; or groceries, packages or luggage when  
4 accompanied by a passenger (Class B).

5 CC. A TNC driver shall not operate a wheelchair accessible for-hire vehicle unless the  
6 for-hire driver has successfully completed the special training requirements set forth in  
7 subsection 6.310.415.D (Class C and revocation).  
8

9 Section 21. Section 6.310.465 of the Seattle Municipal Code, which Section was last  
10 amended by Ordinance 122763, is amended as follows:

11 **6.310.465 For-hire driver(~~(—)~~)Passenger relations standards(~~(-)~~)**

12 ~~(( A. A taxicab driver shall wear only the uniform adopted by the association and approved by~~  
13 ~~the Director or a costume meeting all requirements of SMC 6.310.225 and SMC 6.310.480.~~  
14 ~~(Class A). ))~~

15  
16 ~~(( B. ))~~ A. When wearing a costume a driver shall display a photograph of the driver dressed in  
17 the costume along with the driver's for-hire license. (Class A).

18 ~~(( C. A for-hire driver's clothes shall be neat and clean at all times that the driver is on the~~  
19 ~~driver's shift. The term "neat and clean" as it relates to clothes shall mean that all clothing is~~  
20 ~~clean, free from soil, grease and dirt and without unrepaired rips or tears. Drivers shall not wear~~  
21 ~~as an outer garment any of the following: undershirt or underwear, tank tops, body shirts (see~~  
22 ~~through mesh, swimwear, jogging or warm-up suits or sweatshirts or similar attire, shorts or~~  
23 ~~trunks (jogging or bathing, sandals, or any similar clothing. Summer uniforms can include~~  
24

1 ~~Bermuda shorts (hemmed slack material) that extend down to within two 2 inches of the top of~~  
2 ~~the knee cap. (Class A. )~~

3 ~~(( D. A for hire driver shall be clean and well groomed at all times while on duty. "Clean" means~~  
4 ~~that state of personal hygiene, body and hair cleanliness and absence of offensive body odor~~  
5 ~~normally associated with frequent clothes laundering and bathing or showering. "Well groomed"~~  
6 ~~means beards and mustaches are groomed and neatly trimmed, and scalp and facial hair is neatly~~  
7 ~~trimmed, and combed or brushed (Class A. )~~

8  
9 ((E)) B. A for- hire driver shall provide customers with professional and courteous service at all  
10 times (Class A).

11 (( F )) C. A for-hire driver shall not refuse a request for service because of the driver's position  
12 in line at a taxicab zone; a passenger may select any taxicab in line (Class B).

13 (( G )) D. A for-hire driver shall at all times assist a passenger by placing luggage or packages  
14 (under fifty (50) pounds) in and out of the taxicab or for-hire vehicle (Class A).

15  
16 (( H )) E. A for-hire driver shall not refuse to transport in the taxicab or for-hire vehicle any  
17 passenger's wheelchair which can be folded and placed in either the passenger, driver, or trunk  
18 compartment of the taxicab or for-hire vehicle, an assist dog or guide dog to assist the disabled or  
19 handicapped, groceries, packages or luggage when accompanied by a passenger (Class B).

20  
21 (( I )) F. A for-hire driver shall provide each passenger a taximeter receipt upon payment of the  
22 fare (Class A).

23 (( J )) G. A for-hire driver shall use the most direct available route on all trips unless the  
24 passenger specifically requests to change the route (Class B).





1 (( K )) H. A for-hire driver shall not permit any person or pet to ride in the taxicab or for-hire  
2 vehicle unless that person or pet accompanies, or is in the vehicle at the request of, a fare- paying  
3 individual. This requirement shall not apply to ((uniformed)) driver trainees (Class A).

4 (( L )) I. A for-hire driver shall not refuse to transport any person except when:

- 5 1. The for-hire driver has already been dispatched on another call;
- 6 2. The for-hire driver arrives at the place of pick-up and upon arrival the passenger is acting in a  
7 disorderly or threatening manner, or otherwise is acting in a manner that would cause a  
8 reasonable person to believe that the for-hire driver's health or safety, or that of others, may be  
9 endangered;
- 10 3. The passenger cannot, upon request, show ability to pay the fare; or
- 11 4. The passenger refuses to state a specific destination upon entering the taxicab (Class B).

12 (( M )) J. A for-hire driver shall not smoke in the taxicab or for-hire vehicle (Class A).

13 (( N )) K. A for-hire driver shall be able to provide a reasonable amount of change, and if correct  
14 change is not available, no additional charge will be made to the passenger in attempting to  
15 secure the change (Class A).

16 (( O )) L. A for-hire driver shall not make any discriminatory charges to any person, or make  
17 any rebate or in any manner reduce the charge to any person unless such is in conformity with  
18 the discounts or surcharges contained in the filed rates (Class B).

19 (( P )) M. A for-hire driver shall not operate a wheelchair accessible taxicab unless the for-hire  
20 driver has successfully completed the special training requirements set forth in ((SMC))  
21 subsection 6.310.415 D((E)) (Class C and five-day suspension).



1 N. A for-hire driver must be clean and neat in dress and person and present a professional  
2 appearance to the public.

3 Section 22. Section 6.310.470 of the Seattle Municipal Code, which Section was last  
4 amended by Ordinance 122763, is amended as follows:

5 **6.310.470 For-hire driver soliciting and cruising standards((-))**

6 A. Taxicabs.

7  
8 1. A for-hire driver may solicit passengers only from the driver's seat or  
9 standing immediately adjacent to the taxicab (within ~~((twelve ()))~~12~~(( )))~~ feet), and only when the  
10 vehicle is safely and legally parked (Class A).

11  
12 2. A for-hire driver shall not use any other person to solicit passengers (Class  
13 A).

14 3. A for-hire driver shall not hold out the taxicab for designated destinations  
15 (Class A).

16  
17 4. A for-hire driver shall not park a taxicab and wait for walk up passengers  
18 in a marked passenger load zone, truck load zone, or charter bus zone. A for-hire driver may  
19 drop off passengers or pick up hailed trips in a passenger load zone except as provided by  
20 ~~((SMC))~~ subsections 6.310.475.D and 6.310.475.E (Class A).

21  
22 B. For-hire Vehicles.

23 ~~((1. A for hire driver in a for hire vehicle is prohibited from soliciting~~  
24 ~~passengers, from cruising for passengers, or from picking up passengers in a taxi zone (Class~~  
25 ~~B).))~~



1           1. A for-hire driver in a for hire vehicle licensed under this chapter may  
2 solicit passengers only from the driver's seat or standing immediately adjacent to vehicle (within  
3 12 feet), and only when the vehicle is safely and legally parked (Class A).

4           2. A for-hire driver shall not use any other person to solicit passengers (Class  
5 A).

6           ~~((3. All trips must be pre-arranged as defined by the Director by rule (Class~~  
7 ~~B)))~~

8           3. A for-hire driver in a for hire vehicle licensed by this chapter is prohibited  
9 from picking up passengers in a designated taxi zone (Class B).

10           Section 23. Section 6.310.500 of the Seattle Municipal Code, which Section was last  
11 amended by Ordinance 122763, is amended as follows:

12           **6.310.500 Taxicabs~~((—))~~Maximum number~~((:))~~**

13           A. The total number of taxicab licenses in effect at any one ~~((4))~~ time shall not exceed  
14 ~~((eight hundred and fifty (850)))~~ 1,100. The number of taxicab licenses shall be set by the  
15 Director at such times and in such manner as necessary to meet the demand for efficient and  
16 economical taxicab service within the city limits and to support a competitive, safe, fair and  
17 viable business environment for the taxicab industry; however, no more than ~~((35))~~ 75 licenses  
18 can be issued within a calendar year. The Director shall adopt by rule the procedure for  
19 determining when and how many new taxicab licenses will be issued. In determining the total  
20 number of licenses issued, the Director shall consider factors ~~((such as))~~ including, but not  
21 limited to consumer demand for transportation services, average service response times, total  
22 number of taxi rides, total paid trips per taxicab, and average operating hours per taxicab, and  
23 may consider any other factors that may affect the supply and demand for taxi service within the  
24 city limits. The Director shall adopt by rule any vehicle and safety standards required for the



1 issuance of new licenses, including but not limited to vehicle size, fuel efficiency, and emissions  
2 standards.

3 B. The number of for-hire vehicle licenses in effect at any one ~~((+))~~ time shall not  
4 exceed ~~((two hundred))~~ ~~((+))~~200~~((+))~~. Except that if the State Legislature authorizes cities to  
5 regulate executive sedans and executive vans, as defined in RCW 46.04.274, then executive  
6 sedans and executive vans licensed by the Department of Licensing on the authorization date  
7 which meet City vehicle standards would be allowed to obtain for-hire vehicle licenses, and such  
8 for-hire vehicle licenses shall not be included in the calculation of total number of for-hire  
9 vehicle licenses pursuant to this subsection. TNC vehicle endorsements issued per Section  
10 6.310.327 shall not be included in the calculation of total number of for-hire vehicles licenses  
11 pursuant to this subsection.

12 C. The Director may, at the Director's discretion, issue wheelchair accessible taxicab  
13 licenses to special service vehicles used to provide transportation to disabled persons defined in  
14 KCC 6.64.010 or to handicapped persons as defined in ~~((SMC))~~ Section 6.310.110. These  
15 licenses shall be non-transferable for a period of five ~~((5))~~ years from the date of issuance and  
16 shall not be included in calculating the maximum number of taxicab licenses allowable pursuant  
17 to subsection A. The Director may issue temporary and nontransferable wheelchair accessible  
18 taxicab licenses to individual for-hire drivers selected by King County for a demonstration  
19 project to determine the economic feasibility of the long term issuance of such licenses.

20 D. If the Director determines that issuance of additional taxicab licenses is warranted, not  
21 to exceed the maximum allowable taxicab licenses issued pursuant to subsection A of this  
22 section, such licenses shall be issued pursuant to:

23 1. A competitive request for proposal and award process under which licenses  
24 will be issued to applicants whose proposals demonstrate that they are most able to meet the  
25 needs of the public in providing taxicab service by meeting qualifications prepared by the  
26 Director that are not in conflict with the general provisions of this chapter; or



1. Every for-hire vehicle licensee shall file all rates and charges with the Director.

All rates and charges, including any adopted senior citizen discount rate, shall be conspicuously displayed in the interior of the for-hire vehicle so as to be readily discernible to the passenger.

The Director will prescribe the manner of such posting.

2. For-hire vehicles must charge for service based on: a written contract~~((;))~~; flat charge per trip, by zone~~((;))~~; or by an hourly rate with minimum increments of ~~((one-half ()))~~ ½~~((;))~~ hour. Flat charges by zone or hourly rate may vary by time of day.

G. Transportation network company rates

1. A transportation network company may not lawfully operate until it has provided the Director with written documentation explaining its rate structure, demonstrating that it is consistent with State law per RCW Chapter 19.94. The rate structure shall also demonstrate how tolls or charges established for roads, bridges, tunnels or ferries shall be charged to passengers. TNCs shall either a) charge flat rates between preset zones, which may vary by time of day, and file these rates with the Director, or b) provide the Director with certification from the Department of Licensing, on official letterhead, that its rate structure complies with RCW Chapter 19.94.

2. Regardless of the type of rate charged by a transportation network company, the rate shall be disclosed to the passenger and acknowledged via the electronic dispatch system before the trip is initiated. A trip is initiated when the passenger enters the vehicle.

~~((G.))~~H. The rates specified in this section shall not apply to transportation of persons provided pursuant to a written contract which establishes a fare at a different rate for specified transportation and has been previously filed with the Director; provided, that no contract may



1 include any provision the effect of which is to directly or indirectly require exclusive use of the  
2 transportation services of the contracting taxicab or for-hire vehicle.

3 ~~((H.))~~I. It is unlawful under the Americans with Disabilities Act to charge a special  
4 service vehicle rate which is different from the taxicab rates adopted in subsection D of this  
5 section, except in those instances where the transportation of disabled persons is pursuant to a  
6 written contract as specified in subsection ~~((G.))~~H of this section (Class B).

7  
8 ~~((I.))~~J. The Director is authorized to approve a temporary fuel surcharge to be added to  
9 the taxicab meter rate, or the flat rate for trips from the downtown hotel district to Seattle-  
10 Tacoma International Airport, any time the price of fuel, as published by the American  
11 Automobile Association, exceeds a fuel surcharge trigger price established pursuant to an  
12 administrative rule adopted by the Director. The surcharge shall be an amount necessary to  
13 recoup the increased fuel costs.

14  
15 ~~((J.))~~K. The Director is authorized to temporarily suspend the flat rate from the  
16 downtown hotel district to Seattle-Tacoma International Airport when conditions exist at the  
17 airport or elsewhere that result in an average increase of ten ~~((10))~~ minutes to the normal trip  
18 time and are beyond the control of the drivers. Examples of such conditions would be vehicle  
19 security checks at the airport or major construction projects on Interstate 5 or State Route 99 that  
20 delay traffic.

21  
22 ~~((K.))~~L. The Director shall specify by rule how tolls or charges established for roads,  
23 bridges, tunnels or ferries shall be charged to taxicab or for-hire vehicle passengers and shall  
24 prescribe required signage for the vehicles for such purposes.

1 Section 25. Section 6.310.600 of the Seattle Municipal Code, which Section was last  
2 amended by Ordinance 121857, is amended as follows:

3 **6.310.600 Penalties((-))**

4 A. The first violation of subsections 6.310.130.A, 6.310.130.B or 6.310.452.A shall  
5 be a civil infraction as contemplated by RCW Chapter 7.80 and deemed to be a Class 1 civil  
6 infraction under RCW 7.80.120(a), and shall subject the violator to a maximum penalty and  
7 default amount of \$1,000 plus statutory assessments.

8 1. As contemplated by RCW 7.80.160, a person who, after receiving a notice  
9 of civil infraction that includes a statement of the options provided in RCW Chapter 7.80 for  
10 responding to the notice and the procedures necessary for exercising these options, knowingly  
11 fails to exercise one of the options within 15 days of the date of the notice is guilty of a  
12 misdemeanor subject to the provisions of Chapters 12A.02 and 12A.04, except that absolute  
13 liability shall be imposed for such a violation and none of the mental states described in Section  
14 12A.04.030 need be proved, regardless of the disposition of the notice of civil infraction. A  
15 person who willfully fails to pay a monetary penalty or perform community service as ordered  
16 by a court may be found in contempt of court as provided in RCW Chapter 7.21.

17 2. An action for a civil infraction shall be initiated and processed in the  
18 manner contemplated by RCW Chapter 7.80 and the Infraction Rules for Courts of Limited  
19 Jurisdiction. For purposes of RCW 7.80.040, the "enforcement officer" authorized to enforce the  
20 provisions of subsections 6.310.130.A and 6.310.130.B and 6.310.452.A are: (1) the Director of  
21 the Seattle Department of Finance and Administrative Services and authorized representatives or  
22 assistants of him or her; and (2) a commissioned officer of the Seattle Police Department and a  
23 person issued a Special Police Officer Commission by the Chief of Police with authority to  
24 enforce this title.

25 B. A subsequent violation of subsections 6.310.130.A, 6.310.130.B or 6.310.452.A  
26 within five years of the prior violation is a misdemeanor subject to the provisions of Chapters  
27



12A.02 and 12A.04, except that absolute liability shall be imposed for such a violation and none of the mental states described in Section 12A.04.030 need be proved.

~~((A.))~~C. Violation of ~~((SMC Section))~~ subsections 6.310.130.C – 6.310.130.E shall be a misdemeanor and upon conviction shall be punished by a fine not to exceed ~~((One Thousand Dollars-))~~\$1,000~~((-00))~~, or by imprisonment for a term not to exceed ~~((ninety-))~~90~~((0))~~ days, or by both such fine and imprisonment.

~~((B.))~~D. For each violation of a provision in this chapter that has a class referenced in parenthesis after the provision, a civil penalty and penalty points shall be imposed by and paid to the Department according to the provisions of ~~((SMC))~~ Section 6.310.605.

~~((C.))~~E. Any person who alters, edits, destroys, removes, copies, transfers, transmits, erases, deletes, overwrites, obscures, damages, encodes, locks, renders unreadable, or otherwise tampers with any image made by a digital security camera, other than as may occur in the normal operation of the digital security camera system as mandated and authorized by the Director, shall be guilty of a misdemeanor, and upon conviction shall be punished by a fine not to exceed ~~((One Thousand Dollars-))~~\$1,000.00~~((0))~~, or by imprisonment for a term not to exceed ~~((ninety-))~~90~~((0))~~ days, or by both such fine and imprisonment.

Section 26. Section 6.310.605 of the Seattle Municipal Code, which Section was last amended by Ordinance 121738, is amended as follows:

**6.310.605 Monetary penalties and penalty points~~((0))~~**

A. For-hire ~~((D))~~driver, transportation network company driver or ~~((F))~~taxicab/~~((F))~~for-hire ~~((V))~~vehicle ~~((V))~~violations.

Violation	Penalties Against a For-hire Driver, <u>TNC Driver</u> or a Taxicab Licensee or For-hire Vehicle For Each Violation	Penalty Points Attributed to Taxicab Association or <u>Transportation Network Company</u> For Each Violation
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1 1. Violations ((F))found ((D))during a ((E))calendar ((Y))year ((A))away from The City((s))  
 2 of Seattle's ((I))inspection ((F))facility.

3 First Class A in one year	\$35((.00))	2
4 Second Class A in one year	\$70((.00))	3
5 Third or more Class A 6 violation in one year	\$120((.00))	4
7 First Class B violation in 8 one year	\$70((.00))	4
9 Second Class B violation in 10 one year	\$175((.00))	7
11 Third or more Class B 12 violation in one year	\$300((.00))	10
13 All Class C violations	\$1,000((.00))	20

15 2. Violations ((F))found ((D))during ((I))inspections at The City((s)) of Seattle's  
 16 ((F))inspection ((F))facility.

17 Failure to appear for 18 inspection scheduled by the 19 Director (see <u>Section</u> 20 <u>6.310.330 I</u> and paragraph below)	\$50	2 penalty points
21 Class A violation found 22 during inspection at City's 23 inspection facility	Vehicle reinspection fee. See fee schedule in <u>Section</u> <u>6.310.150</u>	2 each violation
24 Class B violation found 25 during inspection at City's 26 inspection facility	Vehicle reinspection fee. See fee schedule in <u>Section</u> <u>6.310.150</u>	4 each violation

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"Failure to appear for inspection scheduled by the Director" includes a late arrival for the inspection. If notification that the vehicle can not appear is made prior to the close of business on the business day before the scheduled inspection, and the taxicab plates are delivered to the inspection facility prior to the original inspection time, then no penalty will be due.

3. Penalties and penalty points are attributed to the taxicab association or transportation network company with which the taxicab and/or for-hire driver is affiliated at the time the violation occurs.

B. Taxicab ~~((A))~~association or transportation network company ~~((V))~~violations ~~((D))~~during a ~~((E))~~calendar ~~((Y))~~year.

Violation	Penalty Points Against Taxicab Association or Transportation Network Company
First Class A violation in one year	5
Second Class A violation in one year	6
Third or more Class A violation in one year	7
First Class B violation in one year	10
Second Class B violation in one year	12
Third or more Class B violation in one year	15
Any Class C violation	Revocation

As soon as an association or TNC accumulates more than five ~~((5))~~ penalty points per affiliated taxicab or for-hire vehicle, on average, it must pay a penalty to the Director of ~~((One Hundred Dollars -))~~\$100~~((0))~~ per affiliated taxicab or for-hire vehicle. As soon as an association or TNC accumulates more than seven ~~((7))~~ penalty points per affiliated taxicab or for-hire

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1 vehicle, on average, it must pay an additional penalty to the Director of ~~((One Hundred Fifty~~  
2 ~~Dollars-))\$150((+))~~ per affiliated taxicab or for-hire vehicle. As soon as an association or TNC  
3 accumulates more than ten ~~((10))~~ points per affiliated taxicab or for-hire vehicle, on average, it  
4 must pay an additional penalty to the Director of ~~((Two Hundred Fifty Dollars-))\$250((+))~~ per  
5 affiliated taxicab or for-hire vehicle. For purposes of this subsection, average number of penalty  
6 points per affiliated taxicab or for-hire vehicle means total association penalty points divided by  
7 number of taxicabs or for-hire vehicles within the association or TNC. (The Director will  
8 compute the number of taxicabs or for-hire vehicles within the association or TNC by averaging  
9 the number of taxicabs or for-hire vehicles in the association or TNC (rounded up) at the  
10 beginning of the year and the number of cabs or for-hire vehicles at the end of each completed  
11 quarter, i.e., March 31st, June 30th, etc.). If an association or TNC has exceeded the average  
12 amount of penalty points as outlined above, the penalty will be due as of the end of the current  
13 quarter. The association or TNC may ask for a hearing with the Director concerning the  
14 assessment of such penalty. At such hearing the association or TNC will present any evidence to  
15 refute or mitigate ~~((the))~~ its performance~~((of the association))~~. After the hearing, the Director  
16 may impose the penalty, reduce the penalty, or with just cause waive the penalty and put the  
17 association or TNC on probation with specific performance guidelines. If the association or TNC  
18 does not meet the guidelines imposed, the Director will impose the penalty. In any case, the  
19 Director's decision is final.

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22  
23       Upon renewal of the taxicab association or TNC license, the association or TNC will start  
24 the new year with zero ~~((0))~~ penalty points.

25  
26       A Class C violation by a TNC shall result in revocation of the TNC license.



1 C. Taxicab or ~~(F)~~for-hire ~~(V)~~vehicle ~~(O)~~owner's ~~(R)~~responsibility for  
2 ~~(P)~~penalties ~~(I)~~incurred by ~~(F)~~for-hire ~~(D)~~drivers. A taxicab or for-hire vehicle owner is  
3 jointly and severally liable for each monetary penalty assessed against any for-hire driver who  
4 commits a violation while operating a taxicab or for-hire vehicle belonging to that owner. The  
5 City is not required to pursue collection of the penalty from the driver as a prerequisite to  
6 pursuing collection of the penalty from the owner.

7  
8 D. Taxicab ~~(A)~~association's or transportation network company's  
9 ~~(R)~~responsibility for ~~(P)~~penalties ~~(I)~~incurred ~~(B)~~by ~~(F)~~for-hire ~~(D)~~drivers and  
10 ~~(F)~~taxicab ~~(O)~~owners. In addition to incurring penalty points, the taxicab association or TNC  
11 is jointly and severally liable for each monetary penalty assessed against any for-hire driver or  
12 taxicab affiliated with the taxicab association or TNC. The City is not required to pursue  
13 collection of the penalty from the for-hire driver or the taxicab owner as a prerequisite to  
14 pursuing collection of the penalty from the taxicab association or TNC.

15  
16 Section 27. Section 6.310.610 of the Seattle Municipal Code, which Section was last  
17 amended by Ordinance 122763, is amended as follows:

18  
19 **6.310.610 Suspension or revocation~~(-)~~**

20 \*\*\*

21  
22 C. Revocation ~~(S)~~standards

23 \*\*\*

24  
25 3. Transportation network companies (TNC)

26 a. The Director shall revoke a TNC license if during the license period:

1                    i. The TNC, or any owner, officer, director, managing partner,  
2 general partner or principal of the TNC, receives a bail forfeiture, conviction or other final  
3 adverse finding for crimes of fraud, theft, larceny, extortion, embezzlement, racketeering,  
4 Uniform Controlled Substances Act, prostitution, alcohol and/or narcotics where the commission  
5 of such crimes involved or used a TNC or for-hire vehicle. If an owner, officer, director,  
6 managing partner, general partner or principal of the TNC found in violation of this subsection is  
7 (a) removed immediately from all operational or management duties or authority and (b) is  
8 divested of all ownership in the TNC as soon as possible, the license may be reinstated;

10                   ii. The TNC, or any owner, officer, director, managing partner,  
11 general partner or principal of the TNC, receives a bail forfeiture, conviction or other final  
12 adverse finding involving crimes directly related to the applicant' s ability to operate a TNC,  
13 including but not limited to prostitution, gambling, fraud, larceny, extortion, income tax evasion.  
14 If an owner, officer, director, managing partner, general partner or principal of the TNC found in  
15 violation of this subsection is (a) removed immediately from all operational or management  
16 duties or authority and (b) is divested of all ownership in the TNC as soon as possible, the  
17 license may be reinstated;

20                   iii. An affiliated vehicle has not been inspected by an approved  
21 third party as required by 6.310.270;

23                   iv. Has failed to meet the insurance requirements outlined in  
24 Section 6.310.260;

THIS VERSION IS NOT ADOPTED



1 v. An affiliated driver is active on the TNC dispatch without  
2 personal and commercial vehicle insurance;

3 vi. Fails to pay all penalties imposed by the Department that are  
4 either not contested or are upheld after review; or

5 vii. The TNC has committed one Class C violations in any one  
6 year period.

7 b. The Director may revoke a TNC license if during the license period the TNC:

8 i. Dispatches to an unlicensed or unaffiliated driver;

9 ii. Dispatches to an unaffiliated vehicle;

10 iii. Dispatches to a vehicle that is neither a for-hire vehicle or taxicab, nor  
11 a vehicle with a TNC vehicle endorsement;

12 iv. Knowingly permits a third party to use the TNC dispatch system;

13 v. Knowingly permits a TNC endorsed driver driving a TNC endorsed  
14 vehicle to pick up hails, cruise, or otherwise solicit trips;

15 vi. Knowingly allows a TNC driver driving a TNC endorsed vehicle to  
16 take trips not dispatched by the TNC;

17 vii. Fails to review driving records of TNC drivers and maintain records  
18 thereof;

19 viii. Knowingly permits TNC drivers with any conviction listed in  
20 subsection 6.310.270 to continue affiliating with a TNC and/or operating as a TNC driver;







6. Transportation network company (TNC) drivers

a. The Director shall revoke the for-hire license of a transportation network company driver, if, while active on the TNC dispatch system:

i. The TNC driver receives a bail forfeiture, conviction, or other final adverse finding for crimes pertaining to hit-and-run, or for crimes pertaining to driving under the influence of alcohol or controlled substances while operating for-hire vehicle;

ii. The TNC driver's Washington State driver's license expires or is revoked;

iii. The TNC driver has committed one (1) Class C violations in any one (1) year period;

iv. The TNC endorsed driver driving a TNC endorsed vehicle picks up a street hail, cruises, or otherwise solicits trips whether active on the TNC dispatch or not;

v. The TNC driver driving a TNC endorsed vehicle provides a ride that is not booked through the TNC application dispatch system;

vi. Drives a vehicle that is not affiliated with the TNC;

vii. Drives a vehicle that is neither a for-hire vehicle or taxicab licensed under this chapter nor a vehicle with a TNC vehicle endorsement;

b. The Director may revoke the for-hire license of a transportation network company driver if:

THIS VERSION IS NOT ADOPTED



1                                    i. The TNC driver is found to be in possession of illegal drugs or  
2 an open container of alcohol while in control of or while operating any taxicab or for-hire  
3 vehicle; or

4                                    ii. The TNC driver has received a conviction, bail forfeiture, or  
5 other final adverse finding involving crimes pertaining to prostitution, gambling, physical  
6 violence, Uniform Controlled Substances Act, fraud, theft, robbery, larceny, burglary, extortion  
7 and/or crimes directly related to the driver's ability to operate a for hire vehicle.

9                                    D. Effect of ~~((N))~~notice of ~~((S))~~suspension or ~~((R))~~revocation.

10                                    1. Summary ~~((S))~~suspension or ~~((R))~~revocation. Whenever any license or TNC  
11 vehicle endorsement is summarily suspended or revoked the suspension or revocation is effective  
12 upon issuance of the notice. Such notice may be appealed pursuant to the procedures of Section  
13 6.310.635. If a timely appeal is not filed by the licensee or TNC driver, the notice of summary  
14 suspension or revocation shall be final. Such summary suspension shall extend until any  
15 administrative or judicial appeal is finally concluded in the licensee's or TNC driver's favor, until  
16 the license or endorsement expires, or until evidence satisfactory to the Director is produced  
17 showing that the violation is cured, whichever occurs first. Summary revocations shall extend  
18 until the end of the annual license or endorsement period or until any administrative or judicial  
19 appeal is finally concluded in the licensee's or TNC driver's favor, whichever occurs first.

20                                    2. Suspension or ~~((R))~~revocation. If the licensee or TNC driver does not file a  
21 timely appeal pursuant to Section 6.310.635, the notice of suspension or revocation shall be final.  
22 Suspensions or revocations become effective upon the date any notice of suspension or  
23

26 THIS VERSION IS NOT ADOPTED



1 revocation or order on appeal affirming such notice becomes final. Unless a time period is  
2 specified in a particular section of the ordinance codified in this chapter, suspensions shall  
3 extend until the license or endorsement expires or until evidence satisfactory to the Director is  
4 produced showing that the violation is cured, whichever occurs first. Revocations shall extend  
5 until the end of the annual license or endorsement period.

6  
7 3. Except in the case of a summary suspension or revocation as provided in  
8 subsection 6.310.610.D.1 above, whenever a timely appeal is filed pursuant to Section  
9 6.310.635, a licensee or TNC driver may continue to engage in the activity for which the license  
10 or endorsement is required pending a final decision on appeal.

11  
12 Section 28. Section 6.310.635 of the Seattle Municipal Code, which Section was last  
13 amended by Ordinance 121738, is amended as follows:

14  
15 **6.310.635 Notice and hearing for denials, violations, suspensions and revocations((+))**

16 A. For each violation, and for each denial, suspension or revocation, the Director shall  
17 give written notice to the affected licensee. If the affected licensee is a taxicab driver, the  
18 Director shall at the same time give written notice of violations to the taxicab licensee and the  
19 taxicab association. If the affected licensee is a transportation network company driver, the  
20 Director shall at the same time give written notice to the transportation network company. If the  
21 affected licensee is a taxicab licensee, the Director shall at the same time give written notice of  
22 violations to the taxicab association. All notices directed to a taxicab driver or taxicab licensee  
23 may be served by personal delivery to, or by first-class mail addressed to, the taxicab association.  
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THIS VERSION IS NOT ADOPTED



1 B. Any notice of denial, violation, suspension or revocation, other than a summary  
2 suspension or revocation pursuant to ~~((Section))~~ subsection 6.310.610 A, shall state that the  
3 driver, taxicab or for-hire vehicle licensee, transportation network company and/or taxicab  
4 association is entitled to a hearing to respond to the notice and introduce any evidence to refute  
5 or mitigate the violation. Upon written request, submitted by the person named on the violation,  
6 filed within ten ~~((10))~~ calendar days after the date of the notice of denial, violation, suspension  
7 or revocation, the Director shall set a hearing date and time to be held as soon as possible and not  
8 more than ~~((thirty-))30((9))~~ calendar days from the date of the request or the next business day  
9 after that if the thirtieth day falls on a weekend or holiday.

11 C. Any notice of summary suspension or revocation pursuant to ~~((Section))~~ subsection  
12 6.310.610.A and 6.310.610.D.1, shall state that the driver, taxicab or for-hire vehicle licensee,  
13 transportation network company and/or taxicab association is entitled to a hearing to respond to  
14 the notice and introduce any evidence to refute or mitigate the violation. Upon written request,  
15 submitted by the person named on the violation, filed within ten ~~((10))~~ calendar days after the  
16 date of the notice of the summary suspension or revocation, the Director shall set a hearing date  
17 and time to be held as soon as possible and not more than seven ~~((7))~~ calendar days from the  
18 date of the request or the next business day after that if the seventh day falls on a weekend or  
19 holiday. The Director shall render a decision affirming or reversing the summary suspension or  
20 revocation within three ~~((3))~~ business days after the conclusion of the hearing.

23 D. The decision of the Director is final only if a monetary penalty is imposed or if a  
24 timely appeal is not filed pursuant to subsection G. A taxicab license or for-hire driver license  
25 may be reinstated without a hearing if the violation was for failure to pay a monetary penalty  
26

THIS VERSION IS NOT ADOPTED



1 within ~~((thirty))~~ ~~((f))~~30~~((g))~~ days, if the licensee pays the monetary penalty in full within ten  
2 ~~((10))~~ days of the date of license revocation and pays a license reinstatement fee. This authority  
3 to reinstate licenses without a hearing only applies if it is the first instance of failure to pay a  
4 monetary penalty in the calendar year.

5 E. The hearing shall be held by the Director or the Director's designee, provided that the  
6 designee may not be a person who directly supervises the inspector who issued the notice of  
7 denial, violation, suspension or revocation.

8  
9 F. The hearing shall be informal, but shall be recorded by electronic means provided by  
10 the Director. Within ~~((twenty))~~ ~~((f))~~20~~((g))~~ days of the hearing, the Director shall issue a written  
11 ruling including factual findings and the Director's conclusion, with supporting reasons,  
12 affirming, modifying or reversing the notice. The decision shall be mailed by first class mail to  
13 each affected licensee at the address listed on the application; or in any supplemental materials.  
14 ~~((However, if the licensee is a taxicab licensee or taxicab driver, the decision))~~ Licensee  
15 decisions for taxicabs and taxicab drivers shall be mailed by first class mail to the licensee at the  
16 address of the taxicab association. Licensee and endorsement decisions for transportation  
17 network company drivers shall be mailed by first class mail to the licensee at the address listed  
18 on the licensee's for-hire driver's license application as well as the transportation network  
19 company.

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21  
22 G. If the Director's decision imposes or affirms a denial, suspension or revocation,  
23 including summary suspension or revocation, any affected licensee may appeal the entire  
24 decision to the Hearing Examiner by filing a notice of appeal with the Hearing Examiner within  
25 ten ~~((10))~~ days after the date of mailing of the decision. Decisions of the Director imposing a  
26

THIS VERSION IS NOT ADOPTED



1 monetary penalty only, pursuant to subsection D, shall not be appealable to the Hearing  
2 Examiner.

3 \*\*\*

4 Section 29. The Department of Finance and Administrative Services shall issue a report  
5 to City Council regarding the transportation network company pilot program by no later than  
6 September 30, 2015. The report shall include an assessment of taxi industry trips and revenue,  
7 the percentage of taxi industry trips that are dispatched on any platform, the response times for  
8 any companies in the dispatch market, the locations of rejected rides by any companies in the  
9 dispatch market, the financial burdens of drivers across the different platforms, any available  
10 data about driver experiences and driver migrations across platforms, collisions, driver  
11 violations, rates, and customer satisfaction rates and complaints.  
12

13  
14 Section 30. Without further action taken by City Council, the transportation network  
15 company pilot program will automatically sunset on June 30, 2016.

16 Section 31. This ordinance shall take effect and be in force 30 days after its approval  
17 by the Mayor, but if not approved and returned by the Mayor within ten days after  
18 presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.  
19

20  
21 Passed by the City Council the \_\_\_\_ day of \_\_\_\_\_, 2014, and signed by  
22 me in open session in authentication of its passage this \_\_\_\_ day of \_\_\_\_\_,  
23 2014.  
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26 \_\_\_\_\_  
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THIS VERSION IS NOT ADOPTED



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President \_\_\_\_\_ of the City Council

Approved by me this \_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_

Edward B. Murray, Mayor

Filed by me this \_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_

Monica Martinez Simmons, City Clerk

(Seal)

THIS VERSION IS NOT ADOPTED



**CITY OF SEATTLE**

**ORDINANCE \_\_\_\_\_**

COUNCIL BILL 118036

AN ORDINANCE relating to companies and drivers of a new type of for-hire vehicle in order to create a pilot program for transportation network companies and affiliated drivers and vehicles: establishing minimum operating requirements for transportation network companies and affiliated drivers; imposing vehicle inspections; imposing a zero tolerance drug use policy for affiliated drivers; imposing minimum insurance requirements for transportation network companies and affiliated vehicles; requiring rate transparency for transportation network companies; and establishing licensing fees; raising the maximum number of taxicab licenses issued by the City; revising terminology; adding new sections and amending various Sections of Chapter 6.310 of the Seattle Municipal Code.

NOW, THEREFORE,

**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

Section 1. The City Council (“Council”) makes the following legislative findings of fact and declarations:

1. The Council finds that technology that allows consumers to directly dispatch drivers for trips via the internet using mobile interfaces such as smartphone applications, (“application dispatch”) did not exist in Seattle when for-hire driver and vehicle regulations were last amended by Ordinance 122763 in 2008; and

2. The Council caused a taxi, for-hire, and limousine services demand study (“demand study”) to be undertaken to evaluate passenger demand and assess the quality of service and the final study was completed by consultants on September 3, 2013; and

3. The Council finds, and the demand study supports, that the public is receptive to application dispatch technology and such technology is capturing a growing share of the traditional taxicab and for-hire vehicle market, especially during periods of peak demand<sup>1</sup>; and

<sup>1</sup> 2013 City of Seattle and King County Taxi, For Hire Vehicle and Limousine Services Demand Study, Final Report, page 22

THIS VERSION IS NOT ADOPTED



1           4. The Council finds, and the demand study supports, that some companies using  
2 application dispatch technology to offer transportation services in Seattle are unlicensed and  
3 affiliated with unlicensed for-hire drivers (unlicensed drivers) and vehicles<sup>2</sup>; and

4           5. The Council finds that as the use of application dispatch technology by unlicensed  
5 companies, vehicles, and drivers raises significant public safety and consumer protection  
6 concerns; and

7           6. The Council finds that the use of application dispatch technology by unlicensed  
8 companies and drivers are competing with existing licensed taxicab and for-hire drivers in the  
9 transportation market and causing negative impacts; and

10          7. The Council finds that unlicensed drivers using application dispatch technology are  
11 providing trips as for-hire drivers via a new type of for-hire vehicle because they are operating  
12 motor vehicles used for the transportation of passengers for compensation and these drivers are  
13 currently operating illegally without for-hire driver licenses or regulatory oversight; and

14          8. The Council finds that companies providing transportation services via application  
15 dispatch with unlicensed affiliated drivers are operating illegally without a license or regulatory  
16 oversight; and

17          9. The Council finds that there is no gratuitous purpose for offering and receiving  
18 transportation services, and unlicensed drivers and companies using application dispatch  
19 technology offer transportation services for compensation for the following nonexclusive  
20 reasons: the companies are registered for-profit corporations, drivers are recruited with promises  
21 to be paid, drivers intend to be paid, and passengers are paying for services rendered; and

22          10. The Council finds that the creation of a pilot program, establishing minimum  
23 operating requirements for unlicensed drivers and unlicensed companies using application  
24 dispatch technology is appropriate and necessary to protect the safety of the public; and

25 \_\_\_\_\_  
26 <sup>2</sup> *Id.*

1           11. The Council finds a pilot program establishing transparency of rates prior to a  
2 passenger initiating a ride via application dispatch is appropriate and necessary for consumer  
3 protection; and

4           12. The Council finds that the creation of a pilot program regulating unlicensed  
5 companies and affiliated drivers using application dispatch technology will promote fair  
6 competition among other licensed transportation providers; and

7           13. The Council finds that the creation of a pilot program strikes a balance between  
8 safety and innovation, so that regulation provides a safety net that the public can rely on for its  
9 protection while new businesses innovate and use technology to better the lives of  
10 Washingtonians; and

11           14. The Council finds that the issuance of an additional 100 taxicab licenses per year for  
12 the years 2014 and 2015 as authorized by SMC 6.310.500(D) would promote fair competition  
13 and meet current and future demand for efficient and economical for-hire transportation services;  
14 and

15           15. The Council finds it necessary to review the pilot program to ensure it is fulfilling its  
16 purpose of promoting public safety, consumer protection and fair competition, so City Council  
17 will assess the benefits and any negative unintended consequences of the pilot program by no  
18 later than June 1, 2015. The review of the pilot program shall include an assessment of taxi  
19 industry trips and revenue, the percentage of taxi industry trips that are dispatched on any  
20 platform, the response times for any companies in the dispatch market, the locations of rejected  
21 rides by any companies in the dispatch market, the financial burdens of drivers across the  
22 different platforms, any available data about driver experiences and driver migrations across  
23 platforms, collisions, driver violations, rates, and customer satisfaction rates and complaints. If  
24 no further action is taken by City Council, the program will automatically continue; and  
25  
26  
27

1           16. The Council finds that it has the authority to establish code to regulate for-hire  
2 vehicles as granted by Article 11, Section 11 of the Washington State Constitution and RCW  
3 46.72.160.

4           Section 2. Section 6.310.100 of the Seattle Municipal Code, last amended by Ordinance  
5 118341, is amended as follows:

6 **6.310.100 Purpose((r))**

7           A. Transportation network companies (TNC) provide application dispatch services  
8 (technology that allows consumers to directly request dispatch of for-hire drivers for trips via the  
9 internet using mobile interfaces such as smartphone applications,) to connect drivers with  
10 passengers for transportation services. While active on a TNC dispatch system, TNC drivers are  
11 for-hire drivers operating for-hire vehicles. The ordinance codified in this chapter is an exercise  
12 of The City of Seattle's power to license for-hire vehicles, taxicabs, for-hire drivers ((and))  
13 taxicab associations, and transportation network companies, and issue TNC vehicle  
14 endorsements, for regulations and revenue. Some of its regulatory purposes are to increase the  
15 safety, reliability, cost-effectiveness, and the economic viability and stability of privately-  
16 operated for-hire vehicle and taxicab services within The City of Seattle. This chapter is not  
17 intended to regulate limousines and is consistent and compliant with RCW Chapter 46.72A.

18           B. The Director may issue a moratorium suspending the issuance of TNC vehicle  
19 endorsements or TNC licenses upon finding that the continued issuance of TNC vehicle  
20 endorsements or TNC licenses threatens public safety or raises substantial consumer protection  
21 concerns. In making such a finding the Director may consider, but is not limited to  
22 considering: consumer complaints, the stability of the market for taxi and for-hire  
23 transportation services, consumer demand for transportation services, and the financial  
24 viability of transportation service providers. Where the issuance of TNC vehicle endorsements  
25 or TNC licenses has been suspended pursuant to this subsection, the suspension shall last no  
26 more than 180 days.

1 Section 3. Section 6.310.110 of the Seattle Municipal Code, last amended by  
2 Ordinance 123361, is amended as follows:

3 **6.310.110 Definitions((v))**

4 For the purposes of this chapter and unless the context plainly requires otherwise, the  
5 following definitions apply:

6 “Active on the TNC dispatch system” includes but is not limited to: when the driver is  
7 logged onto the transportation network company (TNC) application dispatch system showing  
8 that the driver is available to pick up passengers; when a passenger is in the vehicle; when  
9 TNC dispatch records show the vehicle is dispatched; or when the driver has accepted a  
10 dispatch and is enroute to provide transportation services to a passenger.

11 ~~((A-))~~ "Affected licensee" means any licensee that may incur some penalty as a result of  
12 a violation. For example, if a for-hire driver of a taxicab commits a violation, the for-hire  
13 driver, the taxicab owner, and the taxicab association with which that taxicab is associated are  
14 all affected licensees.

15 ~~((B-))~~ "Affiliated taxicab" means a taxicab licensed to operate within a particular  
16 taxicab association.

17 “Application dispatch” means technology that allows consumers to directly request  
18 dispatch of for-hire drivers for trips via the internet using mobile interfaces such as smartphone  
19 applications.

20 ~~((C-))~~ "Approved mechanic" means a mechanic on a list maintained by the Director.  
21 The list shall contain the name of each mechanic that has applied to the Director for inclusion  
22 and who (1) has met all requirements of the National Institute for Automotive Service  
23 Excellence, (2) has been awarded a Certificate in Evidence of Competence satisfactory to the  
24 Director, (3) does not own, lease or drive a taxicab or for-hire vehicle, and (4) has no financial  
25 interest, including any employment interest, in any taxicab association, taxicab or for-hire  
26 vehicle or in any company that owns or leases taxicabs or for-hire vehicles.

1           “Business service contract” means a written contract between a for-hire driver or a for-  
2 hire driver’s representative and a business entity authorizing the for-hire driver to pick up  
3 passengers at the business entity’s place of business.

4           ~~((D.))~~ "Certificate of Safety" means a document from an approved mechanic certifying  
5 that a particular vehicle meets all vehicle safety standards set forth in this chapter and in  
6 regulations adopted pursuant to this chapter.

7           ~~((E.))~~ "Committed a violation" means that a licensee has been issued a Notice of  
8 Violation and either has not contested the violation or did contest the violation but lost.

9           ~~((F.))~~ “Community Development Financial Institution" means a non-profit loan fund  
10 certified by the Community Development Financial Institution Fund of the U.S. Department of  
11 the Treasury, that serves economically distressed communities and underserved populations by  
12 providing credit, capital and financial services that are normally unavailable from traditional  
13 financial institutions.

14           “Compensation” means remuneration or anything of economic value that is provided,  
15 promised, or donated primarily in exchange for services rendered. This includes, but is not  
16 limited to voluntary donations, fee-sharing between a taxicab association or transportation  
17 network company and an affiliated driver, advertisement of a taxicab association or  
18 transportation network company services, and increased patronage for taxicab association or  
19 transportation network company services.

20           ~~((G.))~~ "Contract rate" means the rate specified in a written contract signed by both  
21 parties before the dispatch of a taxicab or for-hire vehicle for the services identified in the  
22 contract. Contracts for package delivery may be made on an oral basis.

23           ~~((H.))~~ "Department" means the Department of Finance and Administrative Services of  
24 The City of Seattle, or any department that succeeds to the Department's duties under this  
25 chapter.

1           (~~I~~) "Director" means the Director of Finance and Administrative Services or the  
2 director of any successor department and the Director's authorized designee.

3           (~~J~~) "For-hire driver" means any person in physical control of a taxicab or for-hire  
4 vehicle, who is required to be licensed under this chapter. The term includes a lease driver,  
5 owner/operator, or employee, who drives taxicabs or for-hire vehicles, including vehicles  
6 dispatched by transportation network companies.

7           (~~K~~) "For-hire vehicle" means any motor vehicle used for the transportation of  
8 passengers for compensation, except:

- 9           1. Taxicabs as defined in this chapter;
- 10           2. School buses operating exclusively under a contract to a school district;
- 11           3. Ride-sharing vehicles under Chapter 46.74 RCW;
- 12           4. Limousine carriers licensed under Chapter (~~81-90~~) 46.72A RCW;
- 13           5. Vehicles used by nonprofit transportation providers solely for elderly or  
14 handicapped persons and their attendants under Chapter 81.66 RCW;
- 15           6. Vehicles used by auto transportation companies licensed under Chapter 81.68  
16 RCW;
- 17           7. Vehicles used to provide courtesy transportation at no charge to and from  
18 parking lots, hotels, and rental offices; and
- 19           8. Vehicles licensed under, and used to provide "charter party carrier" and  
20 "excursion service carrier" services as defined in, and required by, Chapter 81.70 RCW.

21           (~~L~~) "Handicapped person" means any person who, by reason of illness, injury, age,  
22 congenital malfunction, or other permanent or temporary incapacity or disability, is unable  
23 without special facilities or special planning or design to use mass transportation facilities and  
24 services as efficiently as persons who are not so affected. Handicapped persons include  
25 ambulatory persons whose capacities are hindered by sensory disabilities such as blindness or  
26 deafness, such mental disabilities as mental retardation or emotional illness, and physical

1 disabilities that still permit the person to walk comfortably, or a combination of these  
2 disabilities. It also includes a semiambulatory person who requires such special aids to travel  
3 as canes, crutches, walkers, respirators, or human assistance, and a nonambulatory person who  
4 must use wheelchairs or wheelchair-like equipment to travel.

5 ((M.)) "Knowingly permit" means (1) to know of an action or condition that violates  
6 this chapter or any regulation promulgated pursuant to this chapter, and (2) to fail to take  
7 reasonable steps to cure the violation and to prevent future violations. There is a rebuttable  
8 presumption that a person knows a fact, action or condition of which a reasonable person in the  
9 same position would have knowledge.

10 ((N.)) "Lease driver" means a for-hire driver who is an independent contractor/sole  
11 proprietor who has leased a taxicab or for-hire vehicle from a taxicab or for-hire vehicle  
12 licensee or taxicab association.

13 ((O.)) "Lender" means a bank, trust company, mutual savings bank, savings and loan  
14 association, or credit union authorized to do business and accept deposits in this state under  
15 state or federal law and includes a Community Development Financial Institution qualified and  
16 approved by the Director to provide loans to licensees under Section 6.310.380

17 ((P.)) "Lessor" means a licensee of a taxicab or for-hire vehicle who leases to a lease  
18 driver.

19 ((Q.)) "Licensee" means any person or entity licensed under this chapter, including for-  
20 hire drivers, taxicab or for-hire vehicle owners, ~~((and))~~ taxicab associations, and transportation  
21 network companies.

22 ((R.)) "Motor vehicle" means every motorized vehicle by or upon which any person  
23 may be transported or carried upon a public street, highway or alley; provided, that vehicles  
24 used exclusively upon stationary rail tracks or propelled by use of overhead electric wires are  
25 not considered motor vehicles for purposes of this chapter.

1           ~~(S-)~~ "Operating in The City of Seattle" means owning, leasing, advertising, driving,  
2 occupying and/or otherwise using a taxicab or for-hire vehicle that at any time transports any  
3 passenger or item for compensation from a point within the geographical confines of The City  
4 of Seattle. The vehicle is considered to be operating during the administering of inspections at  
5 the City's inspection facility. The term does not include being in control of a vehicle that is  
6 physically inoperable. A taxicab association is "operating in The City of Seattle" if it  
7 represents or includes any taxicab that at any time transports any passenger or item for  
8 compensation from a point within the geographical confines of The City of Seattle. A  
9 transportation network company is "operating in The City of Seattle" if it provides application  
10 dispatch services to any affiliated driver at any time for the transport of any passenger for  
11 compensation from a point within the geographical confines of The City of Seattle.

12           ~~(T-)~~ "Owner" means the person whose lawful right of possession of a taxicab or for-  
13 hire vehicle has most recently been recorded with the state Department of Motor Vehicles.

14           "Personal vehicle" means a vehicle that is not a taxicab or for-hire vehicle licensed  
15 under this chapter and that is not used for a commercial purpose.

16           ~~(U-)~~ "Senior Citizen" means any person over the age of 60 with a valid identification  
17 confirming that person's age.

18           ~~(V-)~~ "Special rate" means discounted rates for senior citizens and handicapped  
19 persons.

20           ~~(W-)~~ "Taxicab" means every motor vehicle:

- 21           1. That is held out to the public as providing transportation to passengers or  
22 articles for hire;
- 23           2. Where the route traveled or destination is controlled by the customer;
- 24           3. That carries signs or indicia of a taxicab, including the words "taxi,"  
25 "taxicab," or "cab"; and



1                   4. Where the fare is based on an amount recorded and indicated on a taximeter,  
2 or by a special contract rate permitted under this chapter. Despite the foregoing, "taxicab" does  
3 not include those vehicles listed in Section 6.310.110 J2-J8 or for-hire vehicles.

4                   ~~((X.))~~ "Taxicab association" means a person or ~~((organization))~~ entity licensed under  
5 this chapter that represents or owns at least 15 taxicabs licensed by the City that use the same  
6 color scheme, trade name, and dispatch services. An individual person may be a taxicab  
7 association as long as that individual owns or represents at least 15 taxicabs and otherwise  
8 meets the requirements of this chapter; provided, that for taxicab associations formed in  
9 connection with the wheelchair accessible taxicab demonstration project provided for under  
10 this chapter, the Director may waive the requirement for such taxicab associations to have 15  
11 licensed taxicabs and any taxicab association license fee for the duration of the demonstration  
12 project.

13                   ~~((Y.))~~ "Taxicab association representative" means the person or persons that a taxicab  
14 association has authorized to:

15                   1. File applications, special contract rates and charges on behalf of the taxicab  
16 association and individual owners in the taxicab association; and

17                   2. Receive and accept all correspondence and notices from the City pertaining  
18 to the taxicab association, or to the taxicabs, taxicab owners and/or for-hire drivers operating  
19 within the taxicab association; and

20                   3. Forward any correspondence, notices and/or legal process received by the  
21 association and intended for a taxicab owner and/or taxicab driver operating within the taxicab  
22 association.

23                   ~~((Z.))~~ "Taximeter" means any instrument or device by which the charge for hire of a  
24 passenger carrying vehicle is measured or calculated either for the distance traveled by such  
25 vehicle or for waiting time, or for both, and upon which such calculated charges shall be  
26 indicated by means of figures.

1           “Trade dress” means the unique visual element associated with a transportation  
2 network company that is attached to a vehicle affiliated with a TNC so the public and  
3 passengers can identify the vehicle as being associated with that particular TNC. Trade dresses  
4 are not mandatory and must be approved by the Director.

5           “Transportation network company” (TNC) means a person or entity licensed under this  
6 chapter affiliated with TNC drivers that provides application dispatch services via one unique  
7 application dispatch system to connect TNC drivers with passengers for the transport of  
8 passengers for compensation and meeting the licensing requirements of Section 6.310.130 and  
9 any other requirements under this chapter.

10           “Transportation network company (TNC) driver” means a licensed for-hire driver  
11 affiliated with and accepting dispatched trips from a licensed transportation network company,  
12 while operating either a for-hire vehicle or taxicab licensed under this chapter (“TNC licensed  
13 driver”) or a personal vehicle with a TNC vehicle endorsement (“TNC endorsed driver”). For  
14 purposes of this chapter, at any time while a driver is active on the TNC dispatch system, the  
15 driver is considered a TNC driver.

16           “Transportation network company (TNC) licensed driver” means a licensed for-hire  
17 driver affiliated with and accepting dispatched trips from a licensed transportation network  
18 company, while operating a for-hire vehicle or taxicab licensed under this chapter.

19           “Transportation network company (TNC) endorsed driver” means a licensed for-hire  
20 driver affiliated with and accepting dispatched trips from a licensed transportation network  
21 company, while operating a personal vehicle with a TNC vehicle endorsement.

22           “Transportation network company (TNC) representative” means the person or persons  
23 that a transportation network company has authorized to:

- 24                   1. File applications, rates and charges on behalf of the TNC;  
25                   2. Receive and accept all correspondence and notices from the City pertaining  
26 to the TNC, or to affiliated drivers operating within the TNC; and

1                   3. Forward any correspondence, notices and/or legal process received by the  
2 TNC and intended for an affiliated driver operating within the TNC.

3                   “Transportation network company (TNC) vehicle endorsement” means an endorsement  
4 on a for-hire driver’s license for a personal vehicle that allows the for-hire driver to use the  
5 endorsed vehicle to affiliate with a transportation network company in order to provide  
6 transportation to passengers via an application dispatch system. The endorsement  
7 demonstrates that the vehicle has met the minimum operating requirements as set forth in  
8 Sections 6.310.325 and 6.310.327.

9                   ((AA.)) “Wheelchair accessible taxicab” or “Wheelchair accessible for-hire vehicle”  
10 means a taxicab or for-hire vehicle designed or modified to transport passengers in wheelchairs  
11 or other mobility devices and conforming to the requirements of the Americans with  
12 Disabilities Act (ADA), and inspected and approved by the Director.

13                   Section 4. Section 6.310.120 of the Seattle Municipal Code, last amended by Ordinance  
14 118341, is amended as follows:

15 **6.310.120 Scope((=))**

16                   This chapter applies to all taxicab associations, all taxicabs, all for-hire vehicles and all  
17 for-hire drivers operating ((within)) in The City of Seattle. This chapter does not apply to for-hire  
18 drivers with valid King County for-hire driver’s licenses operating for-hire vehicles with valid  
19 King County only for-hire vehicles licenses that have proof that they are operating the for-hire  
20 vehicle pursuant to a business service contract on file with the Director. This chapter is not  
21 intended to be a part of the New License Code, Chapter 6.202 et seq.

22                   Section 5. Section 6.310.125 of the Seattle Municipal Code, last amended by Ordinance  
23 121738, is amended as follows:

24 **6.310.125 Violation classifications((=))**

THIS VERSION IS NOT ADOPTED

1 A. Requirements contained within this chapter shall specify violation classifications in  
2 parentheses for the purpose of assessing monetary penalties and penalty points. General  
3 provisions for penalty enforcement are set forth in ((SMC)) Sections 6.310.600, 6.310.605,  
4 6.310.610, and 6.310.635. Monetary penalties and penalty points for each violation  
5 classification are specifically set forth in ((SMC)) Section 6.310.605.

6 B. Violation classifications are as follows:

- 7 1. Class A - violations of administrative or non-safety requirements.
- 8 2. Class B - violations of safety requirements.
- 9 3. Class C - other serious violations.
- 10 4. Suspensions, revocations, and denials of licenses or TNC vehicle  
11 endorsements are imposed when taxicab associations, transportation network companies,  
12 taxicab licensees, or for-hire drivers fail to comply with licensing or endorsement requirements  
13 pursuant to this chapter, or there is an immediate safety concern with the taxicab or for-hire  
14 vehicle.

15 Section 6. Section 6.310.130 of the Seattle Municipal Code, last amended by Ordinance  
16 119872, is amended as follows:

17 **6.310.130 Licenses required((:))**

18 A. It is unlawful to own, lease, drive or otherwise operate within The City of Seattle  
19 any taxicab or for-hire vehicle, not affiliated with and dispatched by a licensed transportation  
20 network company, within the scope of this chapter, unless:

- 21 1. The for-hire driver has a valid license issued under this chapter;
- 22 2. The for-hire vehicle or taxicab has a valid license issued under this chapter.
- 23 3. If the vehicle is a taxicab, the taxicab is affiliated with a taxicab association  
24 licensed under this chapter;
- 25 4. The for-hire driver that operates a taxicab is affiliated with a taxicab  
26 association licensed under this chapter.



1 Annual fee . . . . \$50

2 Add/change affiliation\*((\*\*)) . . . . \$20

3 Late fee . . . . \$15

4 ID photo . . . . \$5

5 Fingerprinting . . . . Charge as determined by Director to cover costs

6 Replacement license . . . . \$5

7 Training class fee . . . . As determined by Director

8 \*((\*\*)) For-hire drivers may only be affiliated with a combined maximum of three  
9 taxicab associations or transportation network companies at any given time. This fee is only  
10 charged when the driver is affiliated with three taxicab associations or transportation network  
11 companies and now wants to delete one association or company and add another.

12 D. Transportation Network Company (TNC) Vehicle Endorsement for For-Hire

13 Driver's License:

14 Annual vehicle endorsement fee...\$50

15 Change affiliation...\$20

16 Change vehicle...\$20

17 Change vehicle license plate...\$10

18 Late fee . . . . \$15

19 ID photo . . . . \$5

20 Fingerprinting . . . . Charge as determined by Director to cover costs

21 Replacement license . . . . \$5

22 Training class fee . . . . As determined by Director

23 E. Transportation network company:

24 Annual fee ....\$50,000 for the first year; for the second year and thereafter, either .35%  
25 of annual gross revenue or \$50,000, whichever is greater.

1 Section 8. Section 6.310.200, which was last amended by Ordinance 118341, is  
2 amended as follows:

3 ~~((SMC))~~ **6.310.200 Taxicab association** ~~((--))~~ **License application** ~~((--))~~

4 A. Any business or individual desiring to operate as a taxicab association within The  
5 City of Seattle shall file with the Director a signed and notarized taxicab association  
6 application, on forms approved by the Director. The application shall include the following  
7 information:

8 \*\*\*

9 ~~(( 4. A brief description of the uniform the applicant taxicab association proposes to require for  
10 drivers of affiliated taxicabs, which shall include full length pants (hemmed slack material),  
11 collared shirt, and shoes. The uniform may include the option to wear shorts in the summer,  
12 provided that the shorts extend no higher than two inches (2") above the kneecap and are of a  
13 similar color and pattern to the uniform full length pants. Further, the uniform may be  
14 modified in individual cases as necessary to (1) avoid interfering with the for hire driver's  
15 religious beliefs, and/or (2) accommodate the for hire driver's disability or disabilities;))~~

16 ~~((5))~~4. The name, address, phone number and date of birth of the taxicab  
17 association representative;

18 ~~((6))~~5. The taxicab number (assigned by the City/County) and the name of each  
19 taxicab vehicle owner that will be affiliated with the taxicab association;

20 ~~((7))~~6. The special and/or contract rates that will be charged by taxicabs  
21 affiliated with the taxicab association; and

22 ~~((8))~~7. Any other information required by regulations adopted pursuant to this  
23 chapter.

24 ~~((9))~~8. The above application and information must be completed for each  
25 annual license renewal.

26 \*\*\*

1 Section 9. A new Section 6.310.260 to Seattle Municipal Code is adopted, as follows:

2 **6.310.260 Transportation network company license eligibility and application**

3 A. Any business or individual desiring to operate as a transportation network company  
4 within The City of Seattle shall file with the Director a signed and notarized transportation  
5 network company license application on forms provided by the Director.

6 1. To be eligible for a license, the transportation network company is limited to  
7 providing application dispatch services to transportation network company drivers meeting the  
8 requirements set forth in Section 6.310.452.

9 2. The license application shall include the following information:

10 a. The applicant transportation network company's name, business street  
11 address and post office box address (if any), business facsimile number, business phone  
12 number and business email address where the transportation network company representative  
13 can generally be reached between 9 a.m. and 5 p.m. on all nonholiday weekdays;

14 b. The form of business entity under which the association will operate  
15 (e.g. corporation, partnership, cooperative association);

16 i. If the applicant transportation network company is individually  
17 owned, the name, business address (or home address if no business address), telephone number  
18 and date of birth of the owner, or

19 ii. If the applicant transportation network company is a  
20 corporation, partnership or other business entity, the names, home and business addresses,  
21 telephone numbers, and date of birth of all officers, directors, general and managing partners,  
22 registered agents, and of all other persons vested with authority to manage or direct the affairs  
23 of the legal entity or to bind the legal entity in dealings with third parties, and the entity's true  
24 legal name, state of incorporation or registration with the Secretary of State of the State of  
25 Washington (if any) and State of Washington business license number, and any other  
26 information that the Director may reasonably require;



1 c. Verification of applicant's unique application dispatch system, as  
2 approved by the Director;

3 d. The trade dress the applicant transportation network company  
4 proposes to use, if any, for each affiliated driver's vehicle, with a photo of the trade dress  
5 submitted with the application. The trade dress may be placed on the vehicle body, but not on  
6 the roof or covering any windows, vehicle lights, or obscuring the view of any mirrors, and  
7 cannot exceed four square feet;

8 e. The name, address, phone number and date of birth of the  
9 transportation network company representative;

10 f. The for-hire driver license number with TNC vehicle endorsement (if  
11 applicable), vehicle make, model, and year, and the name of each transportation network  
12 company driver affiliated with the transportation network company;

13 g. Evidence that each vehicle affiliated with a transportation network  
14 company has insurance in an amount no less than required by RCW 46.72.050 and  
15 underinsured motorist coverage indicating a minimum coverage of \$100,000 per person, and  
16 \$300,000 per accident, at any time while active on the TNC dispatch system. This requirement  
17 may be met by either: 1) Providing an insurance policy or insurance binder meeting the  
18 requirements set by subsections 6.310.300(5)(a)-(d) and (6), demonstrating compliance with  
19 RCW 46.72 for each vehicle affiliated with a TNC; or 2) Providing an insurance policy or  
20 insurance binder demonstrating that the transportation network company has auto liability  
21 insurance that provides a minimum of \$1,000,000 per accident coverage for accidents  
22 involving a transportation network company driver and vehicle while active on the TNC  
23 dispatch system and meets state requirements per RCW 46.72.050. The Director may require a  
24 statement on Department of Licensing letterhead verifying that the policy meets state  
25 requirements. In addition, the Director shall review the insurance policy to determine that it  
26  
27

1 adequately protects the public. The insurance policy or insurance binder must be submitted to  
2 the Director and shall:

3 i. Be issued by an admitted carrier in the State of Washington  
4 with an A.M. Best Rating of not less than A- VII; provided however, that the Director may  
5 temporarily suspend any or all of these requirements if no other viable insurance options are  
6 available to the industry,

7 ii. Name The City of Seattle as an additional insured,

8 iii. Provide that the insurer will notify the Director, in writing, of  
9 any cancellation and/or non-renewal at least 30 days before that cancellation and/or non-  
10 renewal takes effect, and

11 iv. Not include self-insured retention, nonstandard deductibles,  
12 aggregate limits, territorial restrictions, named driver requirements, or any other provisions that  
13 limit insurance coverage.

14 v. In the event the TNC driver fails to maintain personal auto  
15 insurance that covers commercial activity while active on the TNC dispatch system or  
16 commercial auto insurance or the TNC driver's insurer denies coverage for the claim, the  
17 transportation network company's auto insurance shall be exclusive and primary. In the event  
18 the limits of liability provided by the TNC driver's personal or commercial auto insurance are  
19 exhausted due to claim payment and/or settlement, the transportation network company's auto  
20 insurance will drop down over exhausted limits.

21 vi. Provides underinsured motorist coverage for bodily injury  
22 and property damages with limits no less than \$100,000 each person, and \$300,000 each  
23 accident or \$300,000 combined single limit of liability to any for-hire vehicle affiliated with  
24 the transportation network company.

25 h. State of Washington for-hire certificate for each transportation  
26 network company driver.

1 i. State of Washington vehicle registration for each vehicle affiliated  
2 with the transportation network company.

3 j. Certificate of 19-point inspection for each vehicle affiliated with the  
4 transportation network company as required in Section 6.310.270(X).

5 k. Dispatch records identifying the average and minimum and  
6 maximum number of drivers and number of dispatches on the TNC dispatch system per day for  
7 the six months prior to the date of application. TNCs that were not operating in Seattle prior to  
8 the effective date of this ordinance do not need to provide these records. This information may  
9 be used by the Director to assist in drafting the pilot program assessment report for review by  
10 Council.

11 l. Any other information required by regulations adopted pursuant to this  
12 chapter.

13 m. The above application and information must be completed for each  
14 annual license renewal.

15 B. All applications submitted to the Director must be accompanied by the license fee  
16 set forth in Section 6.310.150.

17 C. The transportation network company applicant or licensee must inform the Director  
18 in writing within seven days if any of the information provided pursuant to Section  
19 6.310.260.A changes, ceases to be true or is superseded in any way by new information.

20 D. A transportation network company license is valid for no more than one year. No  
21 transportation network company license may be renewed unless the renewal fee has been paid  
22 and all outstanding penalties assessed against the transportation network company and its  
23 affiliated drivers have been paid to the Director. The Director shall not renew the  
24 transportation network company license unless the Director determines that the transportation  
25 network company's continued operation is in the public interest. All denials of renewal  
26 applications must be set forth in writing, together with the reasons for denial. The written  
27

THIS VERSION IS NOT ADOPTED

1 denial shall be delivered either personally or by first class mail to the address provided by the  
2 applicant on the license renewal application.

3 Section 10. A new Section 6.310.265 to Seattle Municipal Code is adopted, as follows:

4 **6.310.265 Transportation network company (TNC) standards for license application or**  
5 **renewal denial**

6 A. The operation of a TNC is a privilege, not a right. The TNC's ability to satisfy  
7 stated criteria for a TNC license does not create a right to a TNC license.

8 B. The Director shall deny any TNC license application if the Director determines that:

- 9 1. The applicant fails to submit proof of insurance as required by Section  
10 6.310.260.
- 11 2. The applicant provides application dispatch services to anyone other than  
12 TNC drivers meeting the requirements set forth in Section 6.310.452;
- 13 3. The applicant uses more than one application dispatch system;
- 14 4. The applicant leases, permits, or otherwise allows others to use its application  
15 dispatch system;
- 16 5. The applicant affiliates with and provides application dispatch services to  
17 drivers without a for-hire vehicle driver's license;
- 18 6. The applicant affiliates with and provides application dispatch services to  
19 drivers operating vehicles without a for-hire vehicle or taxicab license, or a vehicle without a  
20 TNC vehicle endorsement.

21 7. The application has a material misstatement or omission;

22 8. The application is incomplete; and/or

23 9. Within three years of the date of application, the applicant, or any owner,  
24 officer, director, managing partner, general partner or principal of the applicant, has had a bail  
25 forfeiture, conviction or other final adverse finding for crimes of fraud, theft, larceny,  
26 extortion, embezzlement, racketeering, Uniform Controlled Substances Act, prostitution,

1 alcohol and/or narcotics where the commission of such crime(s) involved a TNC, vehicle  
2 affiliated with a TNC, or TNC driver.

3 C. The Director may deny any TNC license application if the Director determines that,  
4 within five years of the date of application, the TNC applicant, or if the TNC applicant is a  
5 business entity, any officer, director, managing partner, general partner, registered agent or  
6 principal of the TNC:

7 1. Within five years of the date of application, has had a bail forfeiture,  
8 conviction or other final adverse finding involving crimes directly related to the applicant's  
9 ability to operate a TNC, including but not limited to prostitution, gambling, fraud, larceny,  
10 extortion, income tax evasion; and/or

11 2. Has exhibited past conduct, as evidenced by a criminal conviction, bail  
12 forfeiture or other final adverse finding (including in a civil suit or administrative proceeding)  
13 in operating a TNC, business or vehicle that would lead the Director to reasonably conclude  
14 that the applicant will not fulfill the TNC responsibilities and requirements set forth in this  
15 chapter.

16 3. Has failed to meet one or more operating responsibilities as detailed in  
17 Section 6.310.270.

18 Section 11. A new Section 6.310.270 to Seattle Municipal Code is adopted, as follows:

19 **6.310.270 Transportation network company (TNC) operating responsibilities**

20 In addition to meeting the license application requirements set forth in Section  
21 6.310.260, the TNC must:

22 A. Maintain a business office in The City of Seattle that:

23 1. Is open and personally staffed all business days between 9 a.m. and 5 p.m.  
24 (Class A);

25 2. Has a toll-free business telephone number and toll-free passenger complaint  
26 hotline that is answered during all hours that TNC drivers are operating. (Class A);

1           3. Has a mailing address and email address where the TNC representative will  
2 accept mail. (Class A);

3           4. Stores all records that this chapter requires the TNC to maintain including,  
4 but not limited to, copies of for-hire drivers licenses and TNC vehicle endorsements (if  
5 applicable) of TNC drivers, lists of all TNC drivers and their affiliated vehicles, vehicle repair  
6 and service records, passenger comment records, new driver training records, vehicle insurance  
7 policies, vehicle registrations, and passenger complaint records. Records may be maintained  
8 electronically. (Class A — each requirement);

9           5. Provides secure storage for all items left in a TNC driver's vehicle by patrons  
10 and turned in by TNC drivers. (Class A);

11           B. Ensure that only 150 TNC endorsed drivers may be active on the TNC dispatch  
12 system at any given time. The data and records required to ensure compliance shall be  
13 prescribed by rules adopted by the Director; (revocation and Class C)

14           Ensure that each TNC driver's vehicle is insured as required in Sections 6.310.260 and  
15 6.310.452. (revocation and Class C);

16           C. Ensure that each affiliated vehicle maintains the TNC's dress trade, if any, at all  
17 times while active on the TNC dispatch system. (Class B);

18           D. Ensure that TNC drivers do not accept payment of fare or tips. Payment shall only  
19 be made electronically via the TNC application dispatch system. (Class B);

20           E. Ensure that TNC endorsed drivers driving a TNC endorsed vehicle do not pick up  
21 hails, cruise or otherwise solicit trips. (revocation and Class C);

22           F. Ensure that TNC drivers driving a TNC endorsed vehicle do not take trips not  
23 dispatched by the TNC. (revocation and Class C);

24           G. Require that passengers be able to view a picture of the driver and vehicle license  
25 plate number on their smart phone before the trip is initiated. (Class B);

THIS VERSION IS NOT ADOPTED

1 H. May maintain a rating platform for TNC drivers and passengers to rate each other  
2 following a trip. TNCs shall ensure that such ratings are not based on unlawful discrimination,  
3 and that drivers do not discriminate against passengers or potential passengers on the basis of  
4 geographic endpoints of the ride, race, color, national origin, sex, disability, age, or sexual  
5 orientation/identity. (Class B);

6 I. One year from the effective date of this ordinance, the TNC shall submit to the  
7 Director a report detailing all rides that were requested but not accepted by TNC drivers. The  
8 report shall include the location and zip code of each rejected ride. (Class A);

9 J. Maintain insurance as required by Section 6.310.260, (Class C and revocation) and  
10 maintain on file at the TNC's place of business proof of insurance required by Sections  
11 6.310.260 and 6.310.452. (Class A);

12 K. Send, by first class mail and email, to a TNC driver any correspondence from the  
13 Director within five business days after the TNC receives such correspondence and keeps a  
14 written record of the mailings (Class A);

15 L. All violation notices issued by the Director to a TNC driver shall be mailed and  
16 emailed to both the driver and TNC, and the TNC shall maintain a record of the violations for  
17 at least two years (Class B);

18 M. Weekly, collect, verify accuracy and completeness, and store for at least two years  
19 TNC application dispatch records, including the hours each TNC driver is active on the TNC  
20 dispatch system, as prescribed by the Director (Class A);

21 N. Collect and provide service information, vehicle collision reports, service response  
22 time reports, reports of crimes against TNC drivers, and passenger complaints, pursuant to  
23 rules adopted by the Director as follows:

24 1. Service Information Reports. Submit quarterly, in a form approved by the  
25 Director, the monthly total of paid trips and daily operating hours for each TNC driver and  
26 vehicle (Class A);

1                   2. Vehicle Collision Reports. Submit monthly, on forms approved by the  
2 Director, a list of vehicle collisions required to be reported to the Washington State Patrol  
3 pursuant to RCW 46.52.030(1) and WAC 446.85-010 including the name of the TNC driver,  
4 identification of the vehicle, collision fault, injuries, and estimated damage (Class A);

5                   3. Service Response Time Reports. Submit quarterly, on forms approved by the  
6 Director, average response times for service requests in the operating areas served by TNC  
7 drivers (Class A);

8                   4. Crimes Against Affiliated Drivers Reports. Submit quarterly, on forms  
9 approved by the Director, a list of all crimes of assault or robbery against TNC drivers that  
10 were reported to the Seattle Police Department, including the name of the TNC driver and  
11 identification of the vehicle, incident number, description of the crime, and injuries (Class A),  
12 and

13                   5. Passenger complaints. Submit quarterly, in a form approved by the Director,  
14 a report which contains information on complaints received directly from passengers and from  
15 the passenger complaint hotline as compiled from the log required pursuant to subsection  
16 6.310.270.0 regarding:

17                   a. Driver conduct sorted by driving behavior, communication, personal  
18 dress or hygiene;

19                   b. Vehicle condition sorted by appearance, mechanical and/or safety;

20 and

21                   c. Lack of driver knowledge of route or requested destination (Class A).

22                   O. Maintain a log of, and forward to the Director upon request, each oral or written  
23 passenger complaint that the TNC receives about a vehicle, the TNC, or TNC driver. The  
24 TNC must include a notice of the action taken by the TNC to resolve the complaint and the  
25 disposition (Class A);



1 P. Notify the Director within two working days of the TNC having knowledge of the  
2 following:

3 1. A conviction, bail forfeiture or other adverse finding received by a TNC  
4 driver for any criminal offense or traffic violation that occurs during or arises out of the  
5 driver's operation of the vehicle while active on any TNC dispatch (Class A for traffic  
6 violation, Class B for any criminal offense),

7 2. A conviction, bail forfeiture or other adverse finding received by a TNC  
8 driver for any other criminal offense directly bearing on the driver's fitness to operate a vehicle  
9 or the affiliated driver's fitness to be licensed, including but not limited to theft, fraud, robbery,  
10 burglary, assault, sex crimes, alcohol, drugs, or prostitution (Class B),

11 3. A vehicle accident required to be reported to the State of Washington involving  
12 any TNC driver (Class B),

13 4. Any restriction, suspension or revocation of a State of Washington driver's  
14 license issued to a TNC driver (Class B), and/or

15 5. Any matter listed in subsections 6.310.265.B.9 or 6.310.265.C (Class B);

16 Q. Notify the Director within five working days of any change in the affiliation status of  
17 a TNC driver or vehicle, including any TNC driver joining the TNC, and any suspension,  
18 termination, nonrenewal or revocation of a TNC driver's for-hire license or TNC vehicle  
19 endorsement. (Class A);

20 R. Comply with all regulations promulgated pursuant to this chapter (see applicable rules  
21 for penalties or actions);

22 S. Permit the Director to carry out inspections without notice of all TNC driver and  
23 vehicle records required to be kept under this Chapter 6.310, (Class B);

24 T. Employ a zero tolerance drug and alcohol policy with respect to TNC drivers as  
25 follows:

26  
27

THIS VERSION IS NOT ADOPTED

1                   1. The TNC shall include a notice on its website, mobile application, and  
2 passenger trip confirmations of its zero-tolerance policy and the methods to report a driver the  
3 passenger reasonably suspects was under the influence of drugs or alcohol during the trip;

4                   2. The website and mobile application must include a phone number, website  
5 link, and email to report a zero-tolerance complaint, as well as the phone number and email to  
6 report a zero-tolerance complaint to the Seattle Consumer Affairs department, (Class B);

7  
8                   U. Allow passengers to indicate whether they require a wheelchair-accessible vehicle or  
9 a vehicle otherwise accessible to individuals with disabilities. On January 1, 2015 and biannually  
10 on June 1 and January 1 thereafter, each TNC shall submit to the Director a report detailing the  
11 number and percentage of their customers who requested accessible vehicles, and how often the  
12 TNC was able to comply with requests for accessible vehicles, and a description of any instances  
13 or complaints of unfair treatment or discrimination of persons with disabilities. This report shall  
14 be made public by the Director. This report shall be used by the Director to determine what, if  
15 any, regulations need to be amended or adopted to ensure that TNCs are accessible to, and do not  
16 discriminate against persons with disabilities, (Class B),

17  
18                   V. Review criminal background checks on every TNC driver and maintain records  
19 thereof. Drivers convicted of any traffic and/or criminal offense directly bearing on the driver's  
20 fitness including but not limited to theft, fraud, robbery, burglary, assault, sex crimes, alcohol,  
21 drugs, or prostitution shall not be permitted to provide TNC services. (Class B)

22  
23                   W. Review driving records of TNC drivers and maintain records thereof. Drivers with  
24 convictions for any alcohol or drug related offense, reckless driving, hit and run, or driving with  
25 a suspended or revoked license shall not be permitted to provide TNC services. (Class B)

1 X. Prior to providing TNC services and annually thereafter, require every affiliated  
2 vehicle to undergo a 19-point inspection by a third party vendor approved by the Director that  
3 certifies in writing that the following items are mechanically sound and fit for driving:

4 (revocation and Class C)

5 1. Foot brakes (check stopping: at 20 mph, a vehicle must be capable of  
6 stopping within 25 feet);

7 2. Emergency brakes (engine stall test);

8 3. Steering mechanism;

9 4. Windshield (no chips or cracks larger than one inch);

10 5. Rear window and other glass (no chips or cracks larger than one inch);

11 6. Windshield wipers;

12 7. Headlights;

13 8. Tail lights;

14 9. Turn indicator lights;

15 10. Stop lights;

16 11. Front seat adjustment mechanism;

17 12. Doors (open, close, lock);

18 13. Horn;

19 14. Speedometer;

20 15. Bumpers;

21 16. Muffler and exhaust system;

22 17. Condition of tires, including tread depth;

23 18. Interior and exterior rear view mirrors; and

THIS VERSION IS NOT ADOPTED

19. Safety belts and air bags for driver and passenger(s).

Affiliated vehicles shall not be rebuilt or significantly modified from factory specifications. Transportation network companies shall maintain vehicle inspection records.

Y. Pay all penalties imposed by the Department that are either not contested or are upheld after review (revocation of license);

Z. Determine whether a TNC driver, who has been the victim of a crime of assault or robbery, has reported the crime to 911. If not, the TNC shall call 911 and report the crime immediately (Class B).

AA. Maintain a TNC license to operate in The City of Seattle as issued under this chapter (revocation and Class C).

BB. TNCs shall provide a written insurance disclosure to TNC drivers. The written insurance disclosure must include the following: the TNC driver's personal auto insurance policy may not provide any insurance coverage when one is driving for a commercial purpose; therefore, the TNC driver may need to consider buying a commercial auto policy. In the event of an accident the insurance provided by the transportation network company may not provide any, or sufficient, insurance coverage for all matters, including but not limited to the TNC driver's bodily injuries, TNC driver's vehicle damage, and the TNC driver's legal defense costs. The written insurance disclosure must be signed by the TNC driver.

Section 12. A new Section 6.310.275 to Seattle Municipal Code is adopted, as follows:

**6.310.275 Transportation network company (TNC) transfers in the interest of a transportation network company**

THIS VERSION IS NOT ADOPTED

1 A TNC license is not transferable. However, an interest in a business entity holding a  
2 TNC license may be transferred, but only after the new owner or principal has submitted an  
3 application, met the standards and requirements contained in Sections 6.310.260 and 6.310.265  
4 and secured written approval of the Director.

5 Section 13. A new Section 6.310.325 is added to the Seattle Municipal Code as follows:

6 **6.310.325 Vehicles affiliated with a transportation network company (TNC) vehicle**  
7 **operating requirements**  
8

9 No vehicle affiliated with a TNC shall operate within The City of Seattle to transport  
10 passengers for compensation unless the following minimum vehicle requirements are met:

11 A. The vehicle is a taxicab or for-hire vehicle licensed under this chapter, or the  
12 vehicle has a TNC vehicle endorsement.

13 B. Affiliated with a licensed transportation network company;

14 C. Affiliated with a driver with a for-hire driver's license;

15 D. The vehicle has insurance coverage as required by section 6.310.260;

16 E. Passed the 19-point vehicle inspection as required by subsection 6.310.270.X;

17 except for for-hire vehicles and taxicabs licensed under this chapter; and  
18

19 F. The vehicle model year can be no more than seven years prior to the license date.  
20

21 Section 14. A new Section 6.310.327 is added to the Seattle Municipal Code as follows:

22 **6.310.327 Transportation network company (TNC) vehicle endorsement eligibility and**  
23 **application**

24 A. Within 45 days of the passage date of this ordinance, any person who wishes to  
25 affiliate and operate for a TNC using a personal vehicle shall submit an application for a TNC  
26

1 vehicle endorsement, and shall obtain a TNC vehicle endorsement within 90 days of submitting  
2 the applications; provided that a person with a for-hire driver's license who has any ownership  
3 interest in a licensed for-hire vehicle or taxicab is not eligible to obtain a TNC vehicle  
4 endorsement. Failure to obtain a TNC vehicle endorsement within this timeframe, for any reason  
5 other than delay caused by the City, prohibits any person from lawfully operating as a driver for  
6 a TNC with a personal vehicle. Driving without a TNC vehicle endorsement is unlawful per  
7 Section 6.310.130, subject to penalties pursuant to Section 6.310.600.  
8

9 B. The TNC vehicle endorsement is not valid and effective until and unless the driver  
10 obtains a for-hire driver's license under this chapter. The for-hire driver's application process is  
11 governed by Section 6.310.400.

12 C. To be eligible to apply for a TNC vehicle endorsement the following is required:

13 1. The registered owner is the only driver that may operate the vehicle to provide  
14 transportation to passengers via the TNC application dispatch system;

15 2. The applicant does not have any ownership interest in a licensed for-hire  
16 vehicle or taxicab licensed; (denial of endorsement) and  
17

18 3. The vehicle is personal and not a for-hire vehicle or taxicab licensed under this  
19 chapter. (denial of endorsement)  
20

21 D. To apply for the TNC vehicle endorsement, the applicant shall complete, sign, swear  
22 to and file with the Director a TNC vehicle endorsement application on forms provided by the  
23 Director to include the following information:

24 1. Name, aliases, residence and business address, residence and business  
25 telephone numbers;  
26  
27

1                   2. Place and date of birth which shall be at least 21 years prior to the date of  
2 application, height, weight, color of hair and eyes;

3                   3. Washington State driver's license number. Providing the social security number  
4 is optional. The applicant must present his/her Washington State driver's license at time of  
5 application;

6                   4. Proof that the applicant is authorized to work in the United States;

7                   5. Evidence of personal and commercial vehicle insurance as required by Section  
8 6.310.452; (denial of endorsement)

9                   6. Evidence of for-hire driver's license; (denial of endorsement)

10                  7. Proof that applicant's vehicle has passed the vehicle inspection as required by  
11 subsection 6.310.270.X (denial of endorsement); and  
12

13                  8. Proof that applicant's vehicle model year is no more than seven years prior to  
14 the license date. (denial of endorsement)

15                  9. Such other information as may be reasonably required by regulation  
16 promulgated under this chapter.  
17

18                  10. The above application and information must also be completed and supplied  
19 during any annual license renewal.  
20

21                  Failure to meet any of these requirements within this timeframe, for any reason other than  
22 delay caused by the City, shall result in the denial of the issuance of the TNC vehicle  
23 endorsement. All denials or revocations of TNC vehicle endorsement applications must be set  
24 forth in writing, together with the reasons for denial or revocation. The written denial shall be  
25

1 delivered either personally or by first class mail to the address provided by the applicant on the  
2 license renewal application.

3 E. The TNC vehicle endorsement consists of a certificate that shall include the following  
4 information:

- 5 1. Vehicle identification number (VIN);
- 6 2. Registered owner's full legal name;
- 7 3. License plate number;
- 8 4. Expiration date; and
- 9 5. Unique certificate number that will correspond with the TNC vehicle

10 endorsement sticker affixed to the for-hire driver's license.

11 F. The TNC vehicle endorsement is inseparable from the for-hire driver's license and the  
12 lease, transfer or assignment of the vehicle endorsement is prohibited.

13 Section 15. A new Section 6.310.328 is added to the Seattle Municipal Code as follows:

14 **6.310.328 Transportation network company (TNC) vehicle endorsement standards for**  
15 **denial**

16 A. The Director shall deny any TNC vehicle endorsement application if the Director  
17 determines that:

- 18 1. The applicant has failed to submit a complete, satisfactory application pursuant  
19 to SMC Section 6.310.327;
- 20 2. The applicant has failed to affiliate with a licensed TNC;
- 21 3. The applicant has made any material misstatement or omission in the  
22 application for an endorsement;



1           4. The applicant fails to meet one or more of the applicant or vehicle  
2 requirements pursuant to Sections 6.310.325 and 6.310.327; and/or

3           5. Within three years of the date of application, the applicant has had a  
4 conviction, bail forfeiture or other final adverse finding of criminal fraud, larceny, theft,  
5 prostitution, extortion, racketeering, robbery, or violation of the Uniform Controlled Substances  
6 Act where such crime involved the use of the endorsed vehicle.

7  
8           B. The Director may deny any TNC vehicle endorsement application if the Director  
9 determines that:

10           1. Within five years of the date of application, the applicant has had a conviction,  
11 bail forfeiture, or other final adverse finding involving crimes reasonably related to the  
12 applicant's ability to operate a for-hire business, including but not limited to prostitution,  
13 gambling, fraud, larceny, extortion, income tax evasion;

14  
15           2. Within two years of the date of application, the applicant has been found,  
16 either through a criminal conviction, bail forfeiture or other final adverse finding (including in a  
17 civil suit or administrative proceeding) to have exhibited past conduct in driving or operating a  
18 for-hire vehicle for-hire business which would lead the Director to reasonably conclude that the  
19 applicant will not comply with the provisions of the chapter related to vehicle requirements and  
20 the safe operation of the vehicle;

21  
22           3. Within two years of the date of application, the applicant has engaged in the  
23 business of operating any taxicab or for-hire vehicle within The City of Seattle without a current  
24 valid license from The City of Seattle;

25  
26           4. Within twelve months of the date of application, the applicant has violated  
27

1 King County or Port of Seattle ordinance or regulation pertaining to the operation of taxicabs  
2 while in those jurisdictions, if such violation would constitute grounds for license revocation or  
3 denial if occurring within the City; and/or

4           5. Within twelve months of the date of application, the applicant has had its City  
5 of Seattle for-hire vehicle license revoked.

6           Section 16. A new Section 6.310.329 is added to the Seattle Municipal Code as follows:

7  
8 **6.310.329 TNC vehicle endorsement expiration and renewal**

9           A. All TNC vehicle endorsement shall be effective for no more than one year and shall  
10 expire the same day as the for-hire driver's license it endorses.

11           B. TNC driver must renew the TNC vehicle endorsement every year. No TNC vehicle  
12 endorsement may be renewed unless all outstanding penalties assessed against the for-hire driver  
13 of the endorsed vehicle are paid in full to the Director.

14           C. The Director shall grant all timely submitted and completed renewal applications of  
15 qualified TNC drivers; provided, however, that the Director shall deny any renewal application if  
16 grounds exist for the Director to deny an endorsement pursuant to Section 6.310.327 or Section  
17 6.310.329 A. If no such grounds exist, the Director shall examine all Department records on the  
18 endorsed vehicle and may deny the renewal if grounds exist that would justify denial under  
19 Section 6.310.329 B.  
20  
21

22           Section 17. Section 6.310.330 of the Seattle Municipal Code, last amended by Ordinance  
23 124256, is amended as follows:

24 **6.310.330 Taxicab licensee and for-hire vehicle licensee responsibilities((-))**

25  
26 \*\*\*  
27

1 K. A wheelchair accessible taxicab licensee must personally drive the vehicle a minimum  
2 of thirty hours per week for at least forty weeks per year for a period of three years following the  
3 date of issuance of a new wheelchair taxicab license (wheelchair taxicab license revocation). If a  
4 licensee fails to fulfill the minimum use requirement in any one year period within the three year  
5 period following the date of issuance, the license shall be subject to revocation. Wheelchair  
6 taxicab licensees shall submit original trip sheets to the Director on a monthly basis, in a manner  
7 prescribed by Director's rule, to prove compliance with the minimum use requirement. For  
8 purposes of this paragraph, "licensee" or "licensees" refers to individual licensees, single sole-  
9 shareholders of a licensed corporation, or single members of a licensed limited liability  
10 company. This subsection shall take effect and be in force retroactively as of the effective date  
11 of this ordinance. (Class A, if trip sheets are submitted late; wheelchair taxicab license  
12 revocation, if trip sheets are falsified or not in compliance).

13 \*\*\*

14  
15  
16 N. After December 31, 2007, new taxicab licenses shall be issued to single individuals  
17 only, and no corporation, limited liability company, or partnership shall obtain any license held  
18 by an individual until the expiration of a period of five ~~((5))~~ years following the original date of  
19 issuance to the individual licensee currently holding the license; ~~((provided, however))~~ except  
20 that throughout subsection 6.310.330(N), wheelchair accessible taxicab licenses, provided they  
21 were not issued for 2006-2008 demonstration projects, are not transferable until the expiration of  
22 a period of three years following the original date of issuance, provided further, however, that  
23 new taxicab licenses may be issued to and be held by the following business entities:  
24  
25  
26  
27

1                   1. Corporations held by a single shareholder provided that the taxicab must be  
2 personally operated by the single shareholder for a period of five years from the date of issuance  
3 of the license and the ownership of the shares of the corporation cannot be changed within the  
4 five-year period. Any change of ownership of shares of the corporation shall result in revocation  
5 of the license.

6                   2. Limited liability companies comprised of a single member provided that the  
7 taxicab must be personally operated by the single member for a period of five years from the  
8 date of issuance of the license and no change of membership may take place within the five-year  
9 period. Any change of membership of the limited liability company shall result in revocation of  
10 the license.

11                   For a period of five (~~5~~) years following the date of issuance of a new taxicab license,  
12 all new taxicab licensees must personally drive the taxicab for a minimum use requirement of  
13 (~~thirty (30)~~) 30 hours per week for a minimum of (~~forty (40)~~) forty weeks per year (taxicab  
14 license revocation). If a licensee fails to fulfill the minimum use requirement in any one year  
15 period within the five year period following the date of issuance, the license shall be subject to  
16 revocation. Taxicab licensees shall submit original trip sheets to the Director on a monthly basis,  
17 in a manner prescribed by Director's rule, to prove compliance with the minimum use  
18 requirement. For purposes of this paragraph, "licensee" or "licensees" refers to individual  
19 licensees, single sole-shareholders of a licensed corporation, or single members of a licensed  
20 limited liability company. (Class A, if trip sheets are submitted late; taxicab license revocation, if  
21 trip sheets are falsified or not in compliance).

THIS VERSION IS NOT ADOPTED

1                   3. At the time of the transfer of any taxicab license occurring after August 1,  
2 2008, the transferor(s) and transferee(s) of the license shall report to the Director the amount of  
3 consideration, if any, paid by the transferee to the transferor in exchange for the transfer of the  
4 license. The amount of consideration shall be reported in a manner determined by rule  
5 promulgated by the Director. The failure to report, or the reporting of false information, shall be  
6 grounds for suspension or revocation of the license. In creating and maintaining records of the  
7 amount of consideration paid, the Director shall not identify the transferees and transferors, nor  
8 shall the Director require the submission of any records that identify the transferees and  
9 transferors.  
10

11                   4. The Director shall conduct a survey of taxicab licensees to determine the  
12 market value of taxicab license transfers that have occurred from January 1, 1991 through  
13 August 1, 2008. All licensees shall respond in good faith to the survey to provide accurate  
14 information to the extent reasonably possible (Class A). Responses to the survey shall be made in  
15 such manner determined by ~~((rule))~~ rule promulgated by the Director. In creating and maintaining  
16 records of the amount of consideration paid, the Director shall not identify the transferees and  
17 transferors, nor shall the Director require the submission of any records that identify the  
18 transferees and transferors.  
19

20                   5. This subsection shall take effect and be in force retroactively as of the effective  
21 date of this ordinance.  
22

23                   \*\*\*

24 Section 18. Section 6.310.340 of the Seattle Municipal Code, last amended by Ordinance  
25 122763, is amended as follows:  
26

THIS VERSION IS NOT ADOPTED

1 **6.310.340 Taxicab and for-hire vehicle—License transfer.**

2 A for-hire vehicle or taxicab license may be transferred subject to the following  
3 restrictions and/or conditions:

4 A. New taxicab licenses issued after December 31, 2007 are not transferable for a period  
5 of five ~~((5))~~ years from the original date of issuance~~((7))~~, except that wheelchair accessible  
6 taxicab licenses, provided they were not issued for 2006-2008 demonstration projects, are not  
7 transferable for a period of three years from the original date of issuance. This subsection shall  
8 take effect and be in force retroactively as of the effective date of this ordinance.

9 \*\*\*

10  
11 Section 19. Section 6.310.415 of the Seattle Municipal Code, last amended by Ordinance  
12 121738, is amended as follows:

13 **~~((SMC))~~ 6.310.415 For-hire driver training program~~((7))~~**

14  
15 A. All initial for-hire driver applicants, within 120 days of submitting an application,  
16 must have successfully completed ~~((, prior to taking the written examination, no earlier than six~~  
17 ~~((6) months before submitting the application,))~~ a training program approved by the Director that  
18 provides information about ~~((the history and geography of the Seattle and Puget Sound area,))~~  
19 defensive driving, use of emergency procedures and equipment for the driver's personal safety,  
20 risk factors for crimes against for-hire drivers, enhancement of driver/passenger relations, and  
21 ~~((appearance and))~~ professional conduct and communication skills. The oral examination may  
22 be taken prior to the training class to expedite the licensing process (denial of license).  
23

24 B. Currently-licensed for-hire drivers must meet the requirements of subsection A of this  
25 section if:  
26  
27

1 1. A taxicab association or transportation network company with which the for-  
2 hire driver is affiliated requests that the for-hire driver receive a refresher course; or

3 2. The Director has reasonable grounds, based on documented complaints and/or  
4 violations, to believe that a refresher course is necessary (suspension).

5 ~~((C. A for-hire driver must complete a separate training session and written test on for-~~  
6 ~~hire driver personal safety within three (3) months from the date of issuance of the initial license.~~  
7 ~~The Director shall set forth the requirements of the training program by rule (suspension).))~~

8 ~~((D))~~C. A for-hire driver who operates a wheelchair accessible taxicab must successfully  
9 complete a separate training program for the special needs of passengers in wheelchairs,  
10 including but not limited to, loading and tie-down procedures and door-to-door service as  
11 prescribed in rule by the Director (Class C).  
12

13 Section 20. Section 6.310.420 of the Seattle Municipal Code, last amended by Ordinance  
14 121738, is amended as follows:  
15

16 **6.310.420 For-hire driver written and oral examination((-))**

17 A. The Director shall prescribe the content of the examination, which must test the  
18 applicant's:

19 1. Knowledge of taxicab, for-hire vehicle, transportation network company  
20 vehicle endorsement and for-hire driver requirements contained in applicable codes and  
21 regulations;  
22

23 2. Ability to speak and understand oral and written English sufficient for fulfilling  
24 the minimum acceptable standards for a taxicab, for-hire vehicle and/or for-hire driver;  
25

26 3. Knowledge of vehicle safety requirements;  
27

1           4. Knowledge of the geography of Seattle, King County and surrounding areas,  
2 and knowledge of local public and tourist destinations and attractions; and

3           5. Knowledge of risk factors for crimes against for-hire drivers, emergency  
4 procedures, and taxicab equipment for driver's personal safety.

5           B. After submitting an application for an initial for-hire license, the applicant must pass a  
6 written and oral examination administered by The City of Seattle and/or jointly with King  
7 County.  
8

9           C. An applicant who fails the written and/or oral examination(~~(, including the initial and~~  
10 ~~periodic for-hire driver written safety test,)) is entitled to one ((+)) free opportunity to retake  
11 the examination. A second failure will result in a sixty-day wait for another opportunity to take  
12 the examination, and another license application fee. All later examination tries will require the  
13 sixty-day wait, and repayment of the ((license)) application fee.  
14~~

15           D. The written and oral examination is not required for the renewal of a for-hire driver's  
16 license unless the applicant's license has remained expired for more than one ((+)) year. If the  
17 license has remained expired for more than one ((+)) year, and the applicant can provide  
18 documentation that he/she had previously passed the oral examination, only the written  
19 examination will be required.  
20

21           Section 21. A new Section 6.310.452 is added to the Seattle Municipal Code as follows:  
22 **6.310.452 TNC driver operating, conduct, and passenger relations standards**

23           In addition to meeting the for-hire operating standards set forth in Section 6.310.450, the  
24 TNC drivers must meet the following operating, conduct, and passenger relations standards:  
25  
26  
27



1 A. Drivers operating for a transportation network company shall not transport passengers  
2 for compensation without: 1) first obtaining and maintaining a valid for hire driver's license;  
3 (first violation, civil penalty; subsequent violation, misdemeanor; both Class C) and 2) using a  
4 vehicle that is a for-hire vehicle or taxicab licensed under this chapter, or a vehicle with a TNC  
5 vehicle endorsement. (Class C)

6 B. TNC drivers shall not be in control of a for-hire vehicle for more than 12 hours spread  
7 over a total of 15 hours in any 24-hour period. Thereafter, such TNC driver shall not drive any  
8 for-hire vehicle until ten consecutive hours have elapsed. For the purposes of this subsection,  
9 hours driven in for-hire vehicles in other platforms (taxicabs, for-hire vehicles) are aggregated.  
10 (suspension and Class B);

11 C. TNC drivers, while active on the TNC dispatch system, shall not operate a vehicle that  
12 is unaffiliated with a TNC to transport passengers. (Class C and revocation)

13 D. TNC drivers shall have evidence of personal and commercial vehicle insurance in  
14 their possession at all times when active on the TNC dispatch system. (Class B)

15 E. TNC drivers shall maintain a personal auto insurance policy provided, that if the  
16 insurance policy lapses or is canceled, or a vehicle is deleted from the policy, proof of a new  
17 policy including the vehicle must be filed with the Director before the vehicle is canceled or  
18 deleted from the previous policy (summary suspension);

19 F. No TNC driver whose for-hire driver's license has been revoked by the Director shall  
20 apply for a new for-hire driver's license for one year from the effective date of such revocation  
21 (denial of license).

1 G. TNC drivers shall not use a mobile phone unless in hands-free mode, consistent with  
2 RCW 46.61.667.

3 H. TNC drivers shall not transport more passengers than the number of seat belts  
4 available nor more luggage than the vehicle capacity will safely and legally allow (Class B).

5 I. TNC drivers shall not accept dispatch of trips unless the interior and the exterior of the  
6 vehicle are clean and in good repair (Class A).

7 J. TNC drivers shall not smoke in the for-hire vehicle while providing  
8 transportation to passengers (Class A);

9 K. TNC drivers shall allow the Director to inspect the affiliated vehicle without notice at  
10 any reasonable time or place (Class B).

11 L. TNC drivers shall pay all penalties imposed by the Department that are either not  
12 contested or are ultimately upheld (revocation or nonrenewal).

13 M. TNC drivers shall immediately notify the transportation network company and the  
14 Seattle Police Department when the TNC driver has been the victim of a crime (Class B).

15 N. TNC drivers shall not accept payment of fare or tips. Payment shall only be made  
16 electronically via the TNC application dispatch system. (Class B).

17 O. TNC endorsed drivers driving with a TNC endorsed vehicle shall not pick up, cruise  
18 or otherwise solicit trips (Class C and revocation)

19 P. TNC drivers driving with a TNC endorsed vehicle shall be the registered owner of the  
20 affiliated vehicle used to transport passengers (Class A).

21 Q. TNC drivers shall not use a third party to solicit trips (Class C and revocation).

24 THIS VERSION IS NOT ADULTED

1 R. TNC drivers shall not drink any alcoholic beverage while on duty or less than eight  
2 hours prior to going on duty, and shall not possess an open or unsealed container of any alcoholic  
3 beverage while in the for-hire vehicle (suspension and Class B);

4 S. TNC drivers shall, at the end of each trip, check the vehicle for any article(s) that are  
5 left behind by passenger(s). Such articles are to be reported as found property, and such property  
6 is to be returned to a transportation network company representative as soon as is practicable  
7 (Class A);

8 T. TNC drivers shall have in the driver's possession a valid Washington State driver's  
9 license, a valid for-hire driver's license, and documentation that they are affiliated with a  
10 licensed TNC at any time the TNC driver is active on the TNC dispatch system.(suspension and  
11 Class B);

12 U. TNC drivers shall comply with any written notice of violation issued by the Director  
13 (suspension and Class B);

14 V. TNC drivers shall operate his or her vehicle with due regard for the safety, comfort  
15 and convenience of passengers (Class B for safety violations; Class A for nonsafety violations);

16 W. TNC drivers shall not solicit for prostitution nor allow his or her vehicle to be used  
17 for such unlawful purpose (revocation and Class C);

18 X. TNC drivers shall not knowingly permit his or her vehicle to be used for the illegal  
19 solicitation, transportation, or sale, or any other activity related to illegal drugs (revocation and  
20 Class C);

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THIS VERSION IS NOT ADOPTED

1 Y. TNC drivers shall, upon request by the Director or a police officer, provide the for-  
2 hire driver's license and Washington State driver's license for inspection (suspension and Class  
3 B);

4 Z. TNC drivers shall use the most direct available route on all trips unless the passenger  
5 specifically requests to change the route (Class B).

6 AA. TNC drivers shall not refuse to transport any person (Class A) except when:

7 1. The TNC driver has already been dispatched on another call; or

8 2. The TNC driver arrives at the place of pick-up and upon arrival the passenger is  
9 acting in a disorderly or threatening manner, or otherwise is acting in a manner that would cause  
10 a reasonable person to believe that the TNC driver's health or safety, or that of others, may be  
11 endangered;  
12

13 BB. TNC drivers shall not refuse to transport any passenger's wheelchair which can be  
14 folded and placed in either the passenger, driver, or trunk compartment of the vehicle; an assist  
15 dog or guide dog to assist the disabled or handicapped; or groceries, packages or luggage when  
16 accompanied by a passenger (Class B).  
17

18 CC. A TNC driver shall not operate a wheelchair accessible for-hire vehicle unless the  
19 for-hire driver has successfully completed the special training requirements set forth in  
20 subsection 6.310.415.D (Class C and revocation).  
21

22 Section 22. Section 6.310.465 of the Seattle Municipal Code, which Section was last  
23 amended by Ordinance 122763, is amended as follows:

24 **6.310.465 For-hire driver((—))Passenger relations standards((-))**  
25  
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1 ~~(( A. A taxicab driver shall wear only the uniform adopted by the association and approved by~~  
2 ~~the Director or a costume meeting all requirements of SMC 6.310.225 and SMC 6.310.480.~~  
3 ~~(Class A). ))~~

4 (( B )) A. When wearing a costume a driver shall display a photograph of the driver  
5 dressed in the costume along with the driver's for-hire license. (Class A).

6 ~~(( C. A for hire driver's clothes shall be neat and clean at all times that the driver is on the~~  
7 ~~driver's shift. The term "neat and clean" as it relates to clothes shall mean that all clothing is~~  
8 ~~clean, free from soil, grease and dirt and without unrepaired rips or tears. Drivers shall not wear~~  
9 ~~as an outer garment any of the following: undershirt or underwear, tank tops, body shirts (see~~  
10 ~~through mesh), swimwear, jogging or warm-up suits or sweatshirts or similar attire, shorts or~~  
11 ~~trunks (jogging or bathing), sandals, or any similar clothing. Summer uniforms can include~~  
12 ~~Bermuda shorts (hemmed slack material) that extend down to within two (2) inches of the top of~~  
13 ~~the knee cap. (Class A). ))~~

14 ~~(( D. A for hire driver shall be clean and well groomed at all times while on duty. "Clean" means~~  
15 ~~that state of personal hygiene, body and hair cleanliness and absence of offensive body odor~~  
16 ~~normally associated with frequent clothes laundering and bathing or showering. "Well-groomed"~~  
17 ~~means beards and mustaches are groomed and neatly trimmed, and scalp and facial hair is neatly~~  
18 ~~trimmed, and combed or brushed (Class A). ))~~

19 (( E )) B. A for- hire driver shall provide customers with professional and courteous  
20 service at all times (Class A).

21 (( F )) C. A for-hire driver shall not refuse a request for service because of the driver's  
22 position in line at a taxicab zone; a passenger may select any taxicab in line (Class B).

1 ((G)) D. A for-hire driver shall at all times assist a passenger by placing luggage or  
2 packages (under ~~((fifty (50)))~~ 50 pounds) in and out of the taxicab or for-hire vehicle (Class A).

3 ((H)) E. A for-hire driver shall not refuse to transport in the taxicab or for-hire vehicle  
4 any passenger's wheelchair which can be folded and placed in either the passenger, driver, or  
5 trunk compartment of the taxicab or for-hire vehicle, an assist dog or guide dog to assist the  
6 disabled or handicapped, groceries, packages or luggage when accompanied by a passenger  
7 (Class B).  
8

9 ((I)) F. A for-hire driver shall provide each passenger a taximeter receipt upon payment  
10 of the fare (Class A).

11 ((J)) G. A for-hire driver shall use the most direct available route on all trips unless the  
12 passenger specifically requests to change the route (Class B).  
13

14 ((K)) H. A for-hire driver shall not permit any person or pet to ride in the taxicab or for-  
15 hire vehicle unless that person or pet accompanies, or is in the vehicle at the request of, a fare-  
16 paying individual. This requirement shall not apply to ~~((uniformed))~~ driver trainees (Class A).  
17

18 ((L)) I. A for-hire driver shall not refuse to transport any person except when:  
19  
20 1. The for-hire driver has already been dispatched on another call;  
21 2. The for-hire driver arrives at the place of pick-up and upon arrival the  
22 passenger is acting in a disorderly or threatening manner, or otherwise is acting in a manner that  
23 would cause a reasonable person to believe that the for-hire driver's health or safety, or that of  
24 others, may be endangered;

25 3. The passenger cannot, upon request, show ability to pay the fare; or  
26  
27

1                   4. The passenger refuses to state a specific destination upon entering the taxicab  
2 (Class B).

3                   ~~((M))~~ J. A for-hire driver shall not smoke in the taxicab or for-hire vehicle (Class A).

4                   ~~((N))~~ K. A for-hire driver shall be able to provide a reasonable amount of change, and if  
5 correct change is not available, no additional charge will be made to the passenger in attempting  
6 to secure the change (Class A).

7                   ~~((O))~~ L. A for-hire driver shall not make any discriminatory charges to any person, or  
8 make any rebate or in any manner reduce the charge to any person unless such is in conformity  
9 with the discounts or surcharges contained in the filed rates (Class B).

10                   ~~((P))~~ M. A for-hire driver shall not operate a wheelchair accessible taxicab unless the  
11 for-hire driver has successfully completed the special training requirements set forth in ~~((SMC))~~  
12 subsection 6.310.415.D~~((E))~~ (Class C and five-day suspension).  
13

14                   N. A for-hire driver must be clean and neat in dress and person and present a professional  
15 appearance to the public.  
16

17                   Section 23. Section 6.310.470 of the Seattle Municipal Code, which Section was last  
18 amended by Ordinance 122763, is amended as follows:

19 **6.310.470 For-hire driver soliciting and cruising standards~~((:))~~**

20                   A. Taxicabs~~((:))~~

21                   1. A for-hire driver may solicit passengers only from the driver's seat or standing  
22 immediately adjacent to the taxicab (within ~~((twelve (12)))~~ 12 feet), and only when the vehicle is  
23 safely and legally parked (Class A).  
24

25                   2. A for-hire driver shall not use any other person to solicit passengers (Class A).  
26  
27

1                   3. A for-hire driver shall not hold out the taxicab for designated destinations  
2 (Class A).

3                   4. A for-hire driver shall not park a taxicab and wait for walk up passengers in a  
4 marked passenger load zone, truck load zone, or charter bus zone. A for-hire driver may drop off  
5 passengers or pick up hailed trips in a passenger load zone except as provided by ((SME))  
6 subsections 6.310.475.D and 6.310.475.E (Class A).

8                   B. For-hire ~~((V))~~vehicles~~((.)~~)

9                   ~~((1. — A for hire driver in a for hire vehicle is prohibited from soliciting  
10 passengers, from cruising for passengers, or from picking up passengers in a taxi zone (Class  
11 B.))~~)

12                   1. A for-hire driver in a for hire vehicle licensed under this chapter may solicit  
13 passengers only from the driver's seat or standing immediately adjacent to vehicle (within 12  
14 feet), and only when the vehicle is safely and legally parked (Class A).

15                   2. A for-hire driver shall not use any other person to solicit passengers (Class A).

16                   ~~((3. — All trips must be pre-arranged as defined by the Director by rule (Class  
17 B.))~~)

18                   3. A for-hire driver in a for hire vehicle licensed by this chapter is prohibited  
19 from picking up passengers in a designated taxi zone (Class B).

20                   Section 24. Section 6.310.500 of the Seattle Municipal Code, which Section was last  
21 amended by Ordinance 122763, is amended as follows:

22                   **6.310.500 Taxicabs~~((—))~~~~((M))~~maximum number~~((:))~~**



1           A. The total number of taxicab licenses in effect at any one ~~((1))~~ time shall not exceed  
2 ~~((eight hundred and fifty (850)))~~ 1,100. The number of taxicab licenses shall be set by the  
3 Director at such times and in such manner as necessary to meet the demand for efficient and  
4 economical taxicab service within the city limits and to support a competitive, safe, fair and  
5 viable business environment for the taxicab industry; however, no more than ~~((35))~~ 100 licenses  
6 can be issued within a calendar year. The Director shall adopt by rule the procedure for  
7 determining when and how many new taxicab licenses will be issued. In determining the total  
8 number of licenses issued, the Director shall consider factors ~~((such as))~~ including, but not  
9 limited to consumer demand for transportation services, average service response times, total  
10 number of taxi rides, total paid trips per taxicab, and average operating hours per taxicab, and  
11 may consider any other factors that may affect the supply and demand for taxi service within the  
12 city limits. The Director shall adopt by rule any vehicle and safety standards required for the  
13 issuance of new licenses, including but not limited to vehicle size, fuel efficiency, and emissions  
14 standards.

15           B. The number of for-hire vehicle licenses in effect at any one ~~((1))~~ time shall not  
16 exceed ~~((two hundred))~~ ~~((200))~~. Except that if the State Legislature authorizes cities to  
17 regulate executive sedans and executive vans, as defined in RCW 46.04.274, then executive  
18 sedans and executive vans licensed by the Department of Licensing on the authorization date  
19 which meet City vehicle standards would be allowed to obtain for-hire vehicle licenses, and such  
20 for-hire vehicle licenses shall not be included in the calculation of total number of for-hire  
21 vehicle licenses pursuant to this subsection. TNC vehicle endorsements issued per Section  
22 6.310.327 shall not be included in the calculation of total number of for-hire vehicles licenses  
23 pursuant to this subsection.

24           C. The Director may, at the Director's discretion, issue wheelchair accessible taxicab  
25 licenses to special service vehicles used to provide transportation to disabled persons defined in  
26 KCC 6.64.010 or to handicapped persons as defined in ~~((SMC))~~ Section 6.310.110. These  
27

1 licenses shall be non-transferable for a period of ~~((five(5)))~~ three years from the date of issuance  
2 and shall not be included in calculating the maximum number of taxicab licenses allowable  
3 pursuant to subsection A. The Director may issue temporary and nontransferable wheelchair  
4 accessible taxicab licenses to individual for-hire drivers selected by King County for a  
5 demonstration project to determine the economic feasibility of the long term issuance of such  
6 licenses. This subsection shall take effect and be in force retroactively as of the effective date of  
7 this ordinance.

8 D. If the Director determines that issuance of additional taxicab licenses is warranted, not  
9 to exceed the maximum allowable taxicab licenses issued pursuant to subsection A of this  
10 section, such licenses shall be issued pursuant to:

11 1. A competitive request for proposal and award process under which licenses  
12 will be issued to applicants whose proposals demonstrate that they are most able to meet the  
13 needs of the public in providing taxicab service by meeting qualifications prepared by the  
14 Director that are not in conflict with the general provisions of this chapter; or

15 2. Pursuant to a lottery of qualified applicants; or

16 3. Pursuant to a combination of both procedures as prescribed by rule adopted by  
17 the Director. The rule shall include minimum qualifications for taxicab license applicants,  
18 including but not limited to the driving and conduct records of prospective applicants.

19 E. The Director shall issue 100 additional taxicab licenses in 2014. The Director shall  
20 issue 100 additional taxicab licenses again in 2015. Each of these issuances shall be done  
21 pursuant to the methods described in subsection 6.310.500.D. To be eligible for the issuance of  
22 these new taxicab licenses, an applicant must either: 1) have no ownership interest whatsoever in  
23 a licensed for-hire vehicle or licensed taxicab, or 2) relinquish any ownership interest in a  
24 licensed for-hire vehicle or licensed taxicab prior to and as a condition of the issuance of the new  
25 license.



1                   1. A transportation network company may not lawfully operate until it has  
2 provided the Director with written documentation explaining its rate structure, demonstrating  
3 that it is consistent with State law per RCW Chapter 19.94. The rate structure shall also  
4 demonstrate how tolls or charges established for roads, bridges, tunnels or ferries shall be  
5 charged to passengers. TNCs shall either a) charge flat rates between preset zones, which may  
6 vary by time of day, and file these rates with the Director, or b) provide the Director with  
7 certification from the Department of Licensing, on official letterhead, that its rate structure  
8 complies with RCW Chapter 19.94.

9  
10                   2. Regardless of the type of rate charged by a transportation network company,  
11 the rate shall be disclosed to the passenger and acknowledged via the electronic TNC dispatch  
12 system before the trip is initiated. A trip is initiated when the passenger enters the vehicle.

13  
14                   ~~((G.))~~H. The rates specified in this section shall not apply to transportation of persons  
15 provided pursuant to a written contract which establishes a fare at a different rate for specified  
16 transportation and has been previously filed with the Director; provided, that no contract may  
17 include any provision the effect of which is to directly or indirectly require exclusive use of the  
18 transportation services of the contracting taxicab or for-hire vehicle.

19  
20                   ~~((H.))~~I. It is unlawful under the Americans with Disabilities Act to charge a special  
21 service vehicle rate which is different from the taxicab rates adopted in subsection D of this  
22 section, except in those instances where the transportation of disabled persons is pursuant to a  
23 written contract as specified in subsection ~~((G.))~~H of this section (Class B).

24                   ~~((I.))~~J. The Director is authorized to approve a temporary fuel surcharge to be added to  
25 the taxicab meter rate, or the flat rate for trips from the downtown hotel district to Seattle-  
26

1 Tacoma International Airport, any time the price of fuel, as published by the American  
2 Automobile Association, exceeds a fuel surcharge trigger price established pursuant to an  
3 administrative rule adopted by the Director. The surcharge shall be an amount necessary to  
4 recoup the increased fuel costs.

5 ~~((J))~~K. The Director is authorized to temporarily suspend the flat rate from the  
6 downtown hotel district to Seattle-Tacoma International Airport when conditions exist at the  
7 airport or elsewhere that result in an average increase of ten (~~((10))~~) minutes to the normal trip  
8 time and are beyond the control of the drivers. Examples of such conditions would be vehicle  
9 security checks at the airport or major construction projects on Interstate 5 or State Route 99 that  
10 delay traffic.  
11

12 ~~((K))~~L. The Director shall specify by rule how tolls or charges established for roads,  
13 bridges, tunnels or ferries shall be charged to taxicab or for-hire vehicle passengers and shall  
14 prescribe required signage for the vehicles for such purposes.  
15

16 Section 26. A new Section 6.310.540 is added to the Seattle Municipal Code as follows:

17 **6.310.540 King County-only business service contracts**

18 A. This chapter does not apply to for-hire drivers with valid King County for-hire  
19 driver's licenses operating for-hire vehicles or taxicabs with valid King County-only licenses  
20 pursuant to a business service contract, provided that:

- 21 1. The for-hire drivers have proof that they are operating the for-hire vehicle  
22 pursuant to a business service contract;
- 23 2. The business service contract is on file with the Director; and,  
24

1           3. In any 180-day period no more than 30% of all trips, regardless of origin, by a  
2 County-only licensed vehicle operating under the terms of a business service contract originate  
3 in the City of Seattle.

4           B. Each and every party to a business service contract shall provide the Director such  
5 data as the Director deems necessary as prescribed by rule to ensure compliance with this  
6 section.

7           C. Any failure to meet the requirements of this subsection is a violation of 6.310.130.  
8 Section 27. Section 6.310.600 of the Seattle Municipal Code, which Section was last  
9 amended by Ordinance 121857, is amended as follows:

10 **6.310.600 Penalties((-))**

11           A. The first violation of subsections 6.310.130.A, 6.310.130.B or 6.310.452.A shall be a  
12 civil infraction as contemplated by RCW Chapter 7.80 and deemed to be a Class 1 civil  
13 infraction under RCW 7.80.120(a), and shall subject the violator to a maximum penalty and  
14 default amount of \$1,000 plus statutory assessments.

15           1. As contemplated by RCW 7.80.160, a person who, after receiving a notice of  
16 civil infraction that includes a statement of the options provided in RCW Chapter 7.80 for  
17 responding to the notice and the procedures necessary for exercising these options, knowingly  
18 fails to exercise one of the options within 15 days of the date of the notice is guilty of a  
19 misdemeanor subject to the provisions of Chapters 12A.02 and 12A.04, except that absolute  
20 liability shall be imposed for such a violation and none of the mental states described in Section  
21 12A.04.030 need be proved, regardless of the disposition of the notice of civil infraction. A  
22 person who willfully fails to pay a monetary penalty or perform community service as ordered  
23 by a court may be found in contempt of court as provided in RCW Chapter 7.21.

24           2. An action for a civil infraction shall be initiated and processed in the manner  
25 contemplated by RCW Chapter 7.80 and the Infraction Rules for Courts of Limited Jurisdiction.  
26 For purposes of RCW 7.80.040, the "enforcement officer" authorized to enforce the provisions of  
27

1 subsections 6.310.130.A and 6.310.130.B and 6.310.452.A are: (1) the Director of the Seattle  
2 Department of Finance and Administrative Services and authorized representatives or assistants  
3 of him or her; and (2) a commissioned officer of the Seattle Police Department and a person  
4 issued a Special Police Officer Commission by the Chief of Police with authority to enforce this  
5 title.

6 B. A subsequent violation of subsections 6.310.130.A, 6.310.130.B or 6.310.452.A  
7 within five years of the prior violation is a misdemeanor subject to the provisions of Chapters  
8 12A.02 and 12A.04, except that absolute liability shall be imposed for such a violation and none  
9 of the mental states described in Section 12A.04.030 need be proved.

10 ~~((A-))~~C. Violation of ~~((SMC Section))~~ subsections 6.310.130.C – 6.310.130.E shall be a  
11 misdemeanor and upon-conviction shall be punished by a fine not to exceed ~~((One Thousand~~  
12 ~~Dollars (\$1,000.00)))~~ \$1,000, or by imprisonment for a term not to exceed ~~((ninety (90)))~~ 90  
13 days, or by both such fine and imprisonment.

14 ~~((B-))~~D. For each violation of a provision in this chapter that has a class referenced in  
15 parenthesis after the provision, a civil penalty and penalty points shall be imposed by and paid to  
16 the Department according to the provisions of ~~((SMC))~~ Section 6.310.605.

17 ~~((C-))~~E. Any person who alters, edits, destroys, removes, copies, transfers, transmits,  
18 erases, deletes, overwrites, obscures, damages, encodes, locks, renders unreadable, or otherwise  
19 tampers with any image made by a digital security camera, other than as may occur in the normal  
20 operation of the digital security camera system as mandated and authorized by the Director, shall  
21 be guilty of a misdemeanor, and upon conviction shall be punished by a fine not to exceed ~~((One~~  
22 ~~Thousand Dollars (\$1,000.00)))~~ \$1,000, or by imprisonment for a term not to exceed ~~((ninety~~  
23 ~~(90)))~~ 90 days, or by both such fine and imprisonment.

24 Section 28. Section 6.310.605 of the Seattle Municipal Code, which Section was last  
25 amended by Ordinance 121738, is amended as follows:

26 **6.310.605 Monetary penalties and penalty points~~((:))~~**

THIS VERSION IS NOT ADOPTED

1 A. For-hire ((D))driver, transportation network company driver or ((F))taxicab/((F))for-  
 2 hire ((V))vehicle ((V))violations((-))

Violation	Penalties Against a For-hire Driver, <u>TNC Driver</u> or a Taxicab Licensee or For-hire Vehicle For Each Violation	Penalty Points Attributed to Taxicab Association or <u>Transportation Network Company</u> For Each Violation
-----------	---	--

7 1. Violations ((F))found ((D))during a ((E))calendar ((Y))year ((A))away from  
 8 The City((-s)) of Seattle's ((F))inspection ((F))facility((-))

First Class A in one year	\$35((-00))	2
Second Class A in one year	\$70((-00))	3
Third or more Class A violation in one year	\$120((-00))	4
First Class B violation in one year	\$70((-00))	4
Second Class B violation in one year	\$175((-00))	7
Third or more Class B violation in one year	\$300((-00))	10
All Class C violations	\$1,000((-00))	20

22 2. Violations ((F))found ((D))during ((F))inspections at The City((-s)) of  
 23 Seattle's ((F))inspection ((F))facility((-))

Failure to appear for inspection scheduled by the Director (see Section 6.310.330 I and paragraph	\$50	2 penalty points
---	------	------------------

THIS VERSION IS NOT ADOPTED



1	below)		
2	Class A violation found	Vehicle reinspection fee.	2 each violation
3	during inspection at City's	See fee schedule in Section	
4	inspection facility	6.310.150	
5	Class B violation found	Vehicle reinspection fee.	4 each violation
6	during inspection at City's	See fee schedule in Section	
7	inspection facility	6.310.150	

"Failure to appear for inspection scheduled by the Director" includes a late arrival for the inspection. If notification that the vehicle (~~can not~~) cannot appear is made prior to the close of business on the business day before the scheduled inspection, and the taxicab plates are delivered to the inspection facility prior to the original inspection time, then no penalty will be due.

3. Penalties and penalty points are attributed to the taxicab association or transportation network company with which the taxicab and/or for-hire driver is affiliated at the time the violation occurs.

B. Taxicab ~~((A))~~association or transportation network company ~~((V))~~violations  
~~((D))~~during a ~~((C))~~calendar ~~((Y))~~year~~((:))~~

Violation	Penalty Points Against Taxicab Association <u>or</u> Transportation Network Company
First Class A violation in one year	5
Second Class A violation in one year	6
Third or more Class A violation in one year	7
First Class B violation in one year	10
Second Class B violation in one year	12
Third or more Class B violation in one year	15

Any Class C violation

Revocation

As soon as an association or TNC accumulates more than five ~~((5))~~ penalty points per affiliated taxicab or for-hire vehicle, on average, it must pay a penalty to the Director of ~~((One Hundred Dollars (\$100)))~~ \$100 per affiliated taxicab or for-hire vehicle. As soon as an association or TNC accumulates more than seven ~~((7))~~ penalty points per affiliated taxicab or for-hire vehicle, on average, it must pay an additional penalty to the Director of ~~((One Hundred Fifty Dollars (\$150)))~~ \$150 per affiliated taxicab or for-hire vehicle. As soon as an association or TNC accumulates more than ten ~~((10))~~ points per affiliated taxicab or for-hire vehicle, on average, it must pay an additional penalty to the Director of ~~((Two Hundred Fifty Dollars (\$250)))~~ \$250 per affiliated taxicab or for-hire vehicle. For purposes of this subsection, average number of penalty points per affiliated taxicab or for-hire vehicle means total association penalty points divided by number of taxicabs or for-hire vehicles within the association or TNC. (The Director will compute the number of taxicabs or for-hire vehicles within the association or TNC by averaging the number of taxicabs or for-hire vehicles in the association or TNC (rounded up) at the beginning of the year and the number of cabs or for-hire vehicles at the end of each completed quarter, i.e., March 31st, June 30th, etc.). If an association or TNC has exceeded the average amount of penalty points as outlined above, the penalty will be due as of the end of the current quarter. The association or TNC may ask for a hearing with the Director concerning the assessment of such penalty. At such hearing the association or TNC will present any evidence to refute or mitigate ~~((the))~~ its performance~~((of the association))~~. After the hearing, the Director may impose the penalty, reduce the penalty, or with just cause waive the penalty and put the

THIS VERSION IS NOT ADOPTED

1 association or TNC on probation with specific performance guidelines. If the association or TNC  
2 does not meet the guidelines imposed, the Director will impose the penalty. In any case, the  
3 Director's decision is final.

4 Upon renewal of the taxicab association or TNC license, the association or TNC will start  
5 the new year with zero ~~((\theta))~~ penalty points.

6 A Class C violation by a TNC shall result in revocation of the TNC license.

7  
8 C. Taxicab or ~~((F))~~for-hire ~~((V))~~vehicle ~~((\Theta))~~owner's ~~((R))~~responsibility for  
9 ~~((P))~~penalties ~~((F))~~incurred by ~~((F))~~for-hire ~~((D))~~drivers. A taxicab or for-hire vehicle owner is  
10 jointly and severally liable for each monetary penalty assessed against any for-hire driver who  
11 commits a violation while operating a taxicab or for-hire vehicle belonging to that owner. The  
12 City is not required to pursue collection of the penalty from the driver as a prerequisite to  
13 pursuing collection of the penalty from the owner.

14  
15 D. Taxicab ~~((A))~~association's or transportation network company's ~~((R))~~responsibility for  
16 ~~((P))~~penalties ~~((F))~~incurred ~~((B))~~by ~~((F))~~for-hire ~~((D))~~drivers and ~~((F))~~taxicab ~~((\Theta))~~owners. In  
17 addition to incurring penalty points, the taxicab association or TNC is jointly and severally liable  
18 for each monetary penalty assessed against any for-hire driver or taxicab affiliated with the  
19 taxicab association or TNC. The City is not required to pursue collection of the penalty from the  
20 for-hire driver or the taxicab owner as a prerequisite to pursuing collection of the penalty from  
21 the taxicab association or TNC.

22  
23 Section 29. Section 6.310.610 of the Seattle Municipal Code, which Section was last  
24 amended by Ordinance 122763, is amended as follows:  
25  
26  
27

1 **6.310.610 Suspension or revocation((=))**

2 \*\*\*

3 C. Revocation ((S))standards

4 \*\*\*

5  
6 3. Transportation network companies (TNC)

7 a. The Director shall revoke a TNC license if during the license period:

8 i. The TNC, or any owner, officer, director, managing partner,  
9 general partner or principal of the TNC, receives a bail forfeiture, conviction or other final  
10 adverse finding for crimes of fraud, theft, larceny, extortion, embezzlement, racketeering,  
11 Uniform Controlled Substances Act, prostitution, alcohol and/or narcotics where the commission  
12 of such crimes involved or used a TNC or for-hire vehicle. If an owner, officer, director,  
13 managing partner, general partner or principal of the TNC found in violation of this subsection is  
14 (a) removed immediately from all operational or management duties or authority and (b) is  
15 divested of all ownership in the TNC as soon as possible, the license may be reinstated;

16 ii. The TNC, or any owner, officer, director, managing partner,  
17 general partner or principal of the TNC, receives a bail forfeiture, conviction or other final  
18 adverse finding involving crimes directly related to the applicant' s ability to operate a TNC,  
19 including but not limited to prostitution, gambling, fraud, larceny, extortion, income tax evasion.  
20 If an owner, officer, director, managing partner, general partner or principal of the TNC found in  
21 violation of this subsection is (a) removed immediately from all operational or management  
22  
23  
24  
25  
26  
27

1 duties or authority and (b) is divested of all ownership in the TNC as soon as possible, the  
2 license may be reinstated;

3 iii. The TNC allows more than 150 TNC endorsed drivers to be  
4 active on the TNC dispatch system at any given time;

5 iv. An affiliated vehicle is active on the TNC dispatch system that  
6 has not been inspected by an approved third party as required by 6.310.270;

7 v. Has failed to meet the insurance requirements outlined in  
8 Section 6.310.260;

9 vi. An affiliated driver is active on the TNC dispatch system  
10 without personal and commercial vehicle insurance;

11 vii. Fails to pay all penalties imposed by the Department that are  
12 either not contested or are upheld after review; or

13 viii. The TNC has committed one Class C violations in any one  
14 year period.

15 b. The Director may revoke a TNC license if during the license period the

16 TNC:

17 i. Dispatches to an unlicensed or unaffiliated driver;

18 ii. Dispatches to an unaffiliated vehicle;

19 iii. Dispatches to a vehicle that is neither a for-hire vehicle or  
20 taxicab, nor a vehicle with a TNC vehicle endorsement;

1 iv. Knowingly permits a third party to use the TNC dispatch

2 system;

3 v. Knowingly permits a TNC endorsed driver driving a TNC

4 endorsed vehicle to pick up hails, cruise, or otherwise solicit trips;

5 vi. Knowingly allows a TNC driver driving a TNC endorsed

6 vehicle to take trips not dispatched by the TNC;

7 vii. Fails to review driving records of TNC drivers and maintain

8 records thereof;

9 viii. Knowingly permits TNC drivers with any conviction listed in

10 subsection 6.310.270 to continue affiliating with a TNC and/or operating as a TNC driver.

11 ~~(3)~~4. Taxicab and ~~(F)~~for-hire ~~(V)~~vehicle ~~(L)~~licenses~~(-)~~

12 \*\*\*

13 ~~(4)~~5. For-hire ~~(D)~~driver's ~~(L)~~licenses~~(-)~~

14 a. The Director shall revoke a for-hire driver's license if:

15 i. The for-hire driver receives a bail forfeiture, conviction, or other  
16 final adverse finding for crimes pertaining to hit-and-run, or for crimes pertaining to driving  
17 under the influence of alcohol or controlled substances while operating a taxicab or for-hire  
18 vehicle; or

19 ii. The for-hire driver's Washington State driver's license expires or  
20 is revoked; or



1 iv. The TNC endorsed driver driving a TNC endorsed vehicle  
2 picks up a street hail, cruises, or otherwise solicits trips whether active on the TNC dispatch  
3 system or not;

4 v. The TNC driver driving a TNC endorsed vehicle provides a ride  
5 that is not booked through the TNC application dispatch system;

6 vi. Drives a vehicle that is not affiliated with the TNC;

7 vii. Drives a vehicle that is neither a for-hire vehicle or taxicab  
8 licensed under this chapter nor a vehicle with a TNC vehicle endorsement;

9 b. The Director may revoke the for-hire license of a transportation network  
10 company driver if:

11 i. The TNC driver is found to be in possession of illegal drugs or  
12 an open container of alcohol while in control of or while operating any taxicab or for-hire  
13 vehicle; or

14 ii. The TNC driver has received a conviction, bail forfeiture, or  
15 other final adverse finding involving crimes pertaining to prostitution, gambling, physical  
16 violence, Uniform Controlled Substances Act, fraud, theft, robbery, larceny, burglary, extortion  
17 and/or crimes directly related to the driver's ability to operate a for hire vehicle.

18 D. Effect of ((N))notice of ((S))suspension or ((R))revocation((:))

19 1. Summary ((S))suspension or ((R))revocation. Whenever any license or TNC  
20 vehicle endorsement is summarily suspended or revoked the suspension or revocation is effective  
21

THIS VERSION IS NOT RECOMMENDED



1 upon issuance of the notice. Such notice may be appealed pursuant to the procedures of Section  
2 6.310.635. If a timely appeal is not filed by the licensee or TNC driver, the notice of summary  
3 suspension or revocation shall be final. Such summary suspension shall extend until any  
4 administrative or judicial appeal is finally concluded in the licensee's or TNC driver's favor, until  
5 the license or endorsement expires, or until evidence satisfactory to the Director is produced  
6 showing that the violation is cured, whichever occurs first. Summary revocations shall extend  
7 until the end of the annual license or endorsement period or until any administrative or judicial  
8 appeal is finally concluded in the licensee's or TNC driver's favor, whichever occurs first.

9  
10 2. Suspension or ((R))revocation. If the licensee or TNC driver does not file a  
11 timely appeal pursuant to Section 6.310.635, the notice of suspension or revocation shall be final.  
12 Suspensions or revocations become effective upon the date any notice of suspension or  
13 revocation or order on appeal affirming such notice becomes final. Unless a time period is  
14 specified in a particular section of the ordinance codified in this chapter, suspensions shall  
15 extend until the license or endorsement expires or until evidence satisfactory to the Director is  
16 produced showing that the violation is cured, whichever occurs first. Revocations shall extend  
17 until the end of the annual license or endorsement period.

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20 3. Except in the case of a summary suspension or revocation as provided in  
21 subsection 6.310.610.D.1 above, whenever a timely appeal is filed pursuant to Section  
22 6.310.635, a licensee or TNC driver may continue to engage in the activity for which the license  
23 or endorsement is required pending a final decision on appeal.  
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1 Section 30. Section 6.310.635 of the Seattle Municipal Code, which Section was last  
2 amended by Ordinance 121738, is amended as follows:

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4 **6.310.635 Notice and hearing for denials, violations, suspensions and revocations((~~7~~))**

5 A. For each violation, and for each denial, suspension or revocation, the Director shall  
6 give written notice to the affected licensee. If the affected licensee is a taxicab driver, the  
7 Director shall at the same time give written notice of violations to the taxicab licensee and the  
8 taxicab association. If the affected licensee is a transportation network company driver, the  
9 Director shall at the same time give written notice to the transportation network company. If the  
10 affected licensee is a taxicab licensee, the Director shall at the same time give written notice of  
11 violations to the taxicab association. All notices directed to a taxicab driver or taxicab licensee  
12 may be served by personal delivery to, or by first-class mail addressed to, the taxicab association.  
13

14  
15 B. Any notice of denial, violation, suspension or revocation, other than a summary  
16 suspension or revocation pursuant to ~~((Section))~~ subsection 6.310.610.A, shall state that the  
17 driver, taxicab or for-hire vehicle licensee, transportation network company and/or taxicab  
18 association is entitled to a hearing to respond to the notice and introduce any evidence to refute  
19 or mitigate the violation. Upon written request, submitted by the person named on the violation,  
20 filed within ten ~~((10))~~ calendar days after the date of the notice of denial, violation, suspension  
21 or revocation, the Director shall set a hearing date and time to be held as soon as possible and not  
22 more than ~~((thirty-30))~~ 30 calendar days from the date of the request or the next business day  
23 after that if the thirtieth day falls on a weekend or holiday.  
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1 C. Any notice of summary suspension or revocation pursuant to ~~((Section))~~ subsection  
2 6.310.610.A and 6.310.610.D.1, shall state that the driver, taxicab or for-hire vehicle licensee,  
3 transportation network company and/or taxicab association is entitled to a hearing to respond to  
4 the notice and introduce any evidence to refute or mitigate the violation. Upon written request,  
5 submitted by the person named on the violation, filed within ten ~~((10))~~ calendar days after the  
6 date of the notice of the summary suspension or revocation, the Director shall set a hearing date  
7 and time to be held as soon as possible and not more than seven ~~((7))~~ calendar days from the  
8 date of the request or the next business day after that if the seventh day falls on a weekend or  
9 holiday. The Director shall render a decision affirming or reversing the summary suspension or  
10 revocation within three ~~((3))~~ business days after the conclusion of the hearing.

11 D. The decision of the Director is final only if a monetary penalty is imposed or if a  
12 timely appeal is not filed pursuant to subsection G. A taxicab license or for-hire driver license  
13 may be reinstated without a hearing if the violation was for failure to pay a monetary penalty  
14 within ~~((thirty (30)))~~ 30 days, if the licensee pays the monetary penalty in full within ten ~~((10))~~  
15 days of the date of license\_revocation and pays a license reinstatement fee. This authority to  
16 reinstate licenses\_without a hearing only applies if it is the first instance of failure to pay a  
17 monetary penalty in the calendar year.

18 E. The hearing shall be held by the Director or the Director's designee, provided that the  
19 designee may not be a person who directly supervises the inspector who issued the notice of  
20 denial, violation, suspension or revocation.

21 F. The hearing shall be informal, but shall be recorded by electronic means provided by  
22 the Director. Within ~~((twenty (20)))~~ 20 days of the hearing, the Director shall issue a written  
23

1 ruling including factual findings and the Director's conclusion, with supporting reasons,  
2 affirming, modifying or reversing the notice. The decision shall be mailed by first class mail to  
3 each affected licensee at the address listed on the application; or in any supplemental materials.  
4 ~~((However, if the licensee is a taxicab licensee or taxicab driver, the decision))~~ Licensee  
5 decisions for taxicabs and taxicab drivers shall be mailed by first class mail to the licensee at the  
6 address of the taxicab association. Licensee and endorsement decisions for transportation  
7 network company drivers shall be mailed by first class mail to the licensee at the address listed  
8 on the licensee's for-hire driver's license application as well as the transportation network  
9 company.

11 G. If the Director's decision imposes or affirms a denial, suspension or revocation,  
12 including summary suspension or revocation, any affected licensee may appeal the entire  
13 decision to the Hearing Examiner by filing a notice of appeal with the Hearing Examiner within  
14 ten ~~((10))~~ days after the date of mailing of the decision. Decisions of the Director imposing a  
15 monetary penalty only, pursuant to subsection D, shall not be appealable to the Hearing  
16 Examiner.  
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20 Section 31. The Department of Finance and Administrative Services shall issue a report  
21 to City Council regarding the transportation network company pilot program by no later than  
22 September 30, 2015. The report shall include an assessment of taxi industry trips and revenue,  
23 the percentage of taxi industry trips that are dispatched on any platform, the response times for  
24 any companies in the dispatch market, the locations of rejected rides by any companies in the  
25 dispatch market, the financial burdens of drivers across the different platforms, any available  
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1 data about driver experiences and driver migrations across platforms, collisions, driver  
2 violations, rates, and customer satisfaction rates and complaints.

3           Section 32. Without further action taken by City Council, the transportation network  
4 company pilot program will automatically continue.

5           Section 33. This ordinance shall take effect and be in force 30 days after its approval  
6 by the Mayor, but if not approved and returned by the Mayor within ten days after  
7 presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.  
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THIS VERSION IS NOT ADOPTED

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Passed by the City Council the \_\_\_\_ day of \_\_\_\_\_, 2014, and signed by  
me in open session in authentication of its passage this \_\_\_\_ day of \_\_\_\_\_,  
2014.

\_\_\_\_\_  
President \_\_\_\_\_ of the City Council

Approved by me this \_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Edward B. Murray, Mayor

Filed by me this \_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Monica Martinez Simmons, City Clerk

(Seal)

THIS VERSION IS NOT ADOPTED

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STATE OF WASHINGTON -- KING COUNTY

--SS.

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309604

No.

CITY OF SEATTLE, CLERKS OFFICE

**Affidavit of Publication**

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12<sup>th</sup> day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

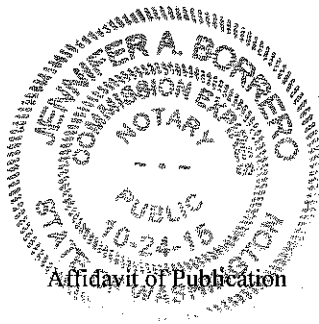
The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:124441-124446 TITLE

was published on

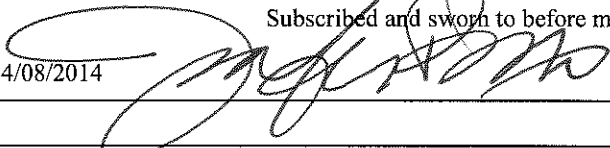
04/08/14

The amount of the fee charged for the foregoing publication is the sum of \$112.13 which amount has been paid in full.



  
Subscribed and sworn to before me on

04/08/2014

  
Notary public for the State of Washington,  
residing in Seattle

# State of Washington, King County

## City of Seattle

The full text of the following legislation, passed by the City Council on March 17, 2014, and published below by title only, will be mailed upon request, or can be accessed at <http://clerk.seattle.gov>. For information on upcoming meetings of the Seattle City Council, please visit <http://www.seattle.gov/council/calendar>. Contact: Office of the City Clerk at (206) 684-8344.

### ORDINANCE NO. 124441

AN ORDINANCE relating to companies and drivers of a new type of for-hire vehicle in order to create a pilot program for transportation network companies and affiliated drivers and vehicles; establishing minimum operating requirements for transportation network companies and affiliated drivers; imposing vehicle inspections; imposing a zero tolerance drug use policy for affiliated drivers; imposing minimum insurance requirements for transportation network companies and affiliated vehicles; requiring rate transparency for transportation network companies; and establishing licensing fees; raising the maximum number of taxicab licenses issued by the City; revising terminology; adding new sections and amending various Sections of Chapter 6.310 of the Seattle Municipal Code.

### ORDINANCE NO. 124442

AN ORDINANCE relating to the City Light Department, authorizing the extension

of the franchise from the City of Lake Forest Park to construct, operate, maintain, replace and repair an electrical light and power system in, across, over, along, under, through and below certain designated public right-of-way, to September 30, 2014 or the effective date of a replacement franchise agreement, whichever occurs first.

### ORDINANCE NO. 124443

AN ORDINANCE relating to drainage services of Seattle Public Utilities; clarifying definitions and criteria for the wetlands exemption from drainage services charges and updating administrative procedures for bill adjustments and right of entry for inspections related to exemptions; and amending Section 21.33 of the Seattle Municipal Code in connection therewith.

### ORDINANCE NO. 124444

AN ORDINANCE relating to City employment; authorizing the execution of a collective bargaining agreement between the City of Seattle and the International Association of Machinists and Aerospace Workers, District Lodge 160, Local 79 to be effective January 1, 2012 through December 31, 2013; providing payment therefor; and ratifying and confirming prior acts.

### ORDINANCE NO. 124445

AN ORDINANCE authorizing the Director of Seattle Public Utilities to execute an amendment to the contract with PacificClean Environmental of Washington for organic waste processing services, and ratifying and confirming certain prior acts.

### ORDINANCE NO. 124446

AN ORDINANCE appropriating money to pay certain audited claims and ordering the payment thereof.

Date of publication in the Seattle Daily Journal of Commerce, April 8, 2014.

4/8(309604)