

CITY OF SEATTLE
ORDINANCE _____

COUNCIL BILL 118140

AN ORDINANCE relating to transportation network companies, taxi, and for-hire services and affiliated drivers and vehicles: establishing minimum operating requirements for transportation network companies and affiliated drivers; imposing industry-wide vehicle inspection and driver training processes; imposing insurance requirements for transportation network companies and affiliated vehicles; altering insurance requirements for taxi and for-hire vehicles; requiring rate transparency across industries; establishing and altering licensing fees; establishing an accessible service charge; raising the maximum number of taxicab licenses issued by the City; allowing hailing rights for for-hire vehicles; establishing a property right for taxi and for-hire vehicle license holders; revising terminology; adding new sections, amending various Sections of Chapter 6.310 of the Seattle Municipal Code, repealing Ordinance 124441, and amending Ordinance 124349, which adopted the 2014 Budget.

WHEREAS, 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

WHEREAS, 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

WHEREAS, 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 demand¹; and

WHEREAS, the demand study supports, that some companies using application dispatch technology to offer transportation services in Seattle are unlicensed and affiliated with unlicensed for-hire drivers (unlicensed drivers) and vehicles²; and

WHEREAS, the use of application dispatch technology by unlicensed companies, vehicles, and drivers raises significant public safety and consumer protection concerns; and

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

² Id.

1 WHEREAS, the use of application dispatch technology by unlicensed companies and drivers are
2 competing with existing licensed taxicab and for-hire drivers in the transportation market;
3 and

4 WHEREAS, establishing minimum operating requirements for unlicensed drivers and unlicensed
5 companies using application dispatch technology is appropriate and necessary to protect
6 the safety of the public; and

7 WHEREAS, to ensure fair market competition, there must be regulatory parity between taxi
8 operators, for-hire vehicle operators, and presently unlicensed transportation network
9 companies and affiliated drivers; and

10 WHEREAS, industry regulations for these services must strike a balance between safety and
11 innovation, so that regulation provides a safety net that the public can rely on for its
12 protection while new businesses innovate and use technology to better the lives of
13 Washingtonians; and

14 WHEREAS, establishing transparency of rates prior to a passenger initiating a ride via an
15 application is appropriate and necessary for consumer protection and there exists a need
16 to maintain existing dispatch and fare calculation systems to ensure transportation access
17 for people who do not have access to application dispatch technology; and

18 WHEREAS, there exists a need to create an industry-supported accessible service fund to ensure
19 the continued financial viability of operating Wheelchair Accessible Taxis (WATs); and

20 WHEREAS, the issuance of an additional 35 taxi licenses for the first year, and an additional 55
21 per year for the next three years as authorized by SMC 6.310.500(D) would promote fair
22 competition and meet current and future demand for efficient and economical for-hire
23 transportation services; and

24 WHEREAS, allowing for-hire vehicles to pick up street hails promotes increased immediate
25 access to services and eliminates confusion for the public; and

26 WHEREAS, converting existing and future taxi and for-hire vehicle licenses to a property right
27 would allow the vehicle license to be used as collateral and would promote fair
28 competition within the industry, and drivers with a direct financial stake in the medallion
will promote safe vehicles, courteous service, and safe driving; and

WHEREAS, there is authority to regulate for-hire vehicles as granted by Article 11, Section 11
of the Washington State Constitution and RCW 46.72.160.

NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 6.310.100 of the Seattle Municipal Code, last amended by Ordinance 118341, is amended as follows:

6.310.100 Purpose((-))

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

B. Within one year of the effective date of this ordinance, and every year thereafter through December 30, 2016, the Director shall issue a report to chair of the Taxi, For-hire, and Limousine Regulations Committee of the Seattle City Council. The report shall include a summary of the industry data reported pursuant Section 6.310.540, a summary of on-street and other enforcement activities performed between the effective date of this ordinance and the deadline, a discussion of the conversion from licenses to medallions, a discussion of the funding level and use of the Wheelchair Accessible Services Fund, the number and type of passenger complaints received between the effective date of this ordinance and the reporting deadline, and

1 a comparison of the City's regulatory revenue under the former and proposed regulatory
2 structure.

3 Section 2. Section 6.310.110 of the Seattle Municipal Code, last amended by
4 Ordinance 123361, is amended as follows:

5 **6.310.110 Definitions((:))**

6 For the purposes of this chapter and unless the context plainly requires otherwise, the
7 following definitions apply:
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9 "Active on the TNC dispatch system" includes but is not limited to: when the driver is
10 logged onto the transportation network company (TNC) application showing that the driver is
11 available to pick up passengers; when a passenger is in the vehicle; when TNC records show
12 the vehicle has been connected with a passenger; or when the driver has been connected with a
13 passenger and is enroute to provide transportation services to the passenger.
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15 ((A:)) "Affected licensee" means any licensee that may incur some penalty as a result of
16 a violation. For example, if a for-hire driver of a taxicab commits a violation, the for-hire
17 driver, the taxicab owner, and the taxicab association with which that taxicab is associated are
18 all affected licensees.

19 ((B:)) "Affiliated taxicab" means a taxicab licensed to operate within a particular
20 taxicab association.
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22 "Application dispatch" means technology that allows consumers to directly request
23 dispatch of for-hire drivers for trips and/or to accept payments for those trips via the internet
24 using mobile interfaces such as, but not limited to smartphone and tablet applications.
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1 ((C.)) "Approved mechanic" means a mechanic or technician on a list maintained by
2 the Director. The list shall contain the name of each mechanic or technician that has been
3 approved by ~~(applied to the)~~ Director for inclusion and who (1) has met all requirements of the
4 National Institute for Automotive Service Excellence, (2) has been awarded a Certificate in
5 Evidence of Competence satisfactory to the Director, and (3) does not own, lease or drive a
6 taxicab or for-hire vehicle or TNC endorsed vehicle ~~((and (4) has no financial interest,~~
7 ~~including any employment interest, in any taxicab association, taxicab or for hire vehicle or in~~
8 ~~any company that owns or leases taxicabs or for hire vehicles))~~.

10 ((D.)) "Certificate of Safety" means a document from an approved mechanic certifying
11 that a particular vehicle meets all vehicle safety standards set forth in this chapter, including a
12 uniform vehicle safety inspection, and in 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.

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

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

transportation network company services, and increased patronage for taxicab association or transportation network company services.

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

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

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

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

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

1. Taxicabs as defined in this chapter;
2. School buses operating exclusively under a contract to a school district;
3. Ride-sharing vehicles under Chapter 46.74 RCW;
4. Limousine carriers licensed under Chapter ((81.90)) 46.72A RCW;
5. Vehicles used by nonprofit transportation providers solely for elderly or handicapped persons and their attendants under Chapter 81.66 RCW;

6. Vehicles used by auto transportation companies licensed under Chapter 81.68

RCW;

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

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

9. Transportation network company endorsed vehicle as defined in this chapter.

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

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

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

4 (~~(O-)~~) "Lender" means a bank, trust company, mutual savings bank, savings and loan
5 association, or credit union authorized to do business and accept deposits in this state under
6 state or federal law and includes a Community Development Financial Institution qualified and
7 approved by the Director to provide loans to licensees under Section 6.310.380
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9 (~~(P-)~~) "Lessor" means a licensee of a taxicab or for-hire vehicle who leases to a lease
10 driver.

11 (~~(Q-)~~) "Licensee" means any person or entity licensed under this chapter, including for-
12 hire drivers, taxicab or for-hire vehicle owners, (~~(and)~~) taxicab associations, and transportation
13 network companies.
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15 "Medallion" means a certificate issued by the Director as evidence that a taxicab or for-
16 hire vehicle license is an intangible property.

17 "Medallion system" means the system which deems a taxicab or for-hire vehicle license
18 to be intangible property that may be used as collateral to secure a loan from a bank or any other
19 financial institution.
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21 (~~(R-)~~) "Motor vehicle" means every motorized vehicle by or upon which any person
22 may be transported or carried upon a public street, highway or alley; provided, that vehicles
23 used exclusively upon stationary rail tracks or propelled by use of overhead electric wires are
24 not considered motor vehicles for purposes of this chapter.
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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, or transportation network
3 company endorsed vehicle that at any time transports any passenger or item for compensation
4 from a point within the geographical confines of The City of Seattle. The vehicle is considered
5 to be operating during the administering of inspections at the City's inspection facility. The
6 term does not include being in control of a vehicle that is physically inoperable. A taxicab
7 association is "operating in The City of Seattle" if it represents or includes any taxicab that at
8 any time transports any passenger or item for compensation from a point within the
9 geographical confines of The City of Seattle. A transportation network company is "operating
10 in The City of Seattle" if it provides application dispatch services to any affiliated driver at any
11 time for the transport of any passenger for compensation from a point within the geographical
12 confines of The City of Seattle.

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

17 "Personal vehicle" means a vehicle that is not a taxicab or for-hire vehicle licensed
18 under this chapter. A personal vehicle that is used to provide trips via a transportation network
19 company application dispatch system is subject to regulation under this chapter.

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

23 ((V:)) "Special rate" means discounted rates for senior citizens and handicapped
24 persons.

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26 ((W:)) "Taxicab" means every motor vehicle:
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1. That is held out to the public as providing transportation to passengers or articles for hire;
2. Where the route traveled or destination is controlled by the customer;
3. That carries signs or indicia of a taxicab, including the words "taxi," "taxicab," or "cab"; and
4. Where the fare is based on an amount recorded and indicated on a taximeter or on an application dispatch system linked to a taximeter, or by a special contract rate permitted under this chapter. Despite the foregoing, "taxicab" does not include those vehicles listed in Section 6.310.110 J2-J8 or for-hire vehicles.

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

((Y.)) "Taxicab association representative" means the person or persons that a taxicab association has authorized to:

1 1. File applications and, if not using application dispatch, special contract rates
2 and charges on behalf of the taxicab association and individual owners in the taxicab
3 association; and

4 2. Receive and accept all correspondence and notices from the City pertaining
5 to the taxicab association, or to the taxicabs, taxicab owners and/or for-hire drivers operating
6 within the taxicab association; and
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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.
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16 "Trade dress" means the unique visual element associated with a transportation
17 network company that is attached to a vehicle affiliated with a TNC so the public and
18 passengers can identify the vehicle as being associated with that particular TNC.
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20 "Transportation network company" (TNC) means an organization whether a
21 corporation, partnership, sole proprietor, or other form, licensed under this chapter and
22 operating in the City of Seattle that offers prearranged transportation services for compensation
23 using an online-enabled TNC application or platform to connect passengers with drivers using
24 their personal vehicles and that meets the licensing requirements of Section 6.310.130 and any
25 other requirements under this chapter.
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1 "Transportation network company (TNC) driver" means a licensed for-hire driver
2 affiliated with and accepting dispatched trips from a licensed transportation network company.
3 For purposes of this chapter, at any time while a driver is active on the TNC dispatch system,
4 the driver is considered a TNC driver.

5 "Transportation network company (TNC) endorsed vehicle" means a personal motor
6 vehicle used for the transportation of passengers for compensation that is affiliated with a
7 licensed transportation network company and that has been endorsed to demonstrate that the
8 vehicle has met the minimum operating requirements as set forth in Sections 6.310.325 and
9 6.310.327.

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

- 12 1. On behalf of the TNC, file documentation with the Director;
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
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Sections 6.310.325 and 6.310.327. A vehicle with a TNC endorsement is a “TNC endorsed vehicle.”

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

Section 3. Section 6.310.120 of the Seattle Municipal Code, last amended by Ordinance 118341, is amended as follows:

6.310.120 Scope((r))

This chapter applies to all taxicab associations, all transportation network companies, all taxicabs, all for-hire vehicles, all TNC-endorsed vehicles, and all for-hire drivers operating ((within)) in The City of Seattle. This chapter is not intended to be a part of the New License Code, Chapter 6.202 et seq.

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

6.310.125 Violation classifications((r))

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

B. Violation classifications are as follows:

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

Section 5. Section 6.310.130 of the Seattle Municipal Code, last amended by Ordinance
119872, is amended as follows:

6.310.130 Licenses required((:))

A. It is unlawful to own, lease, drive or otherwise operate within The City of Seattle
any taxicab or for-hire vehicle within the scope of this chapter, unless:

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

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

1 1. The driver has a valid for-hire driver's license issued under this chapter;

2 2. The vehicle is either:

3 a. A personal vehicle with a TNC vehicle endorsement, or

4 b. A for-hire vehicle or taxicab licensed under this chapter; and

5 3. The driver is affiliated with a TNC licensed under this chapter.

6 ~~((B-))~~C. It is unlawful to operate a taxicab association within ~~((t))~~The City of Seattle
7
8 without a valid license issued pursuant to this chapter.

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

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

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

14 2. The person or entity uses the application dispatch system exclusively for
15 taxicabs and/or for-hire vehicles licensed under this chapter, consistent with Section 6.310.530.

16 ~~((C-))~~F. The regulatory licenses and vehicle endorsements issued to for-hire drivers,
17 for-hire vehicles, transportation network company drivers, taxicabs, ((and)) taxicab
18 associations, and transportation network companies under this chapter shall be suspended by
19 the Director if the for-hire driver, for-hire vehicle, taxicab, ((or)) taxicab association, or
20 transportation network company does not maintain a required current business license issued
21 by The City of Seattle.

22 Section 6. A new Section 6.310.135 is added to the Seattle Municipal Code as follows:

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25 **6.310.135 Transition to medallion system**
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1 A. Upon the effective date of this ordinance, City taxicab and for-hire vehicle
2 licenses shall transition to a medallion system and all references to taxicab licenses and for-hire
3 vehicle licenses in this Chapter shall refer to taxicab medallions and for-hire vehicle medallions,
4 respectively. The medallion system deems a taxicab or for-hire vehicle license to be intangible
5 property. The owner of a taxicab or for-hire vehicle medallion can use the medallion as collateral
6 to secure a loan from a bank or any other financial institution. Medallion owners shall file with
7 the Director the name of any and all lienholders, on forms furnished by the Director.
8

9 B. Existing taxicab or for-hire vehicle license holders on the effective date of this
10 ordinance shall receive one medallion for each taxicab or for-hire vehicle license upon payment
11 of a one-time administrative fee of \$100.00. Failure to pay this administrative fee shall result in
12 the denial of the renewal of a taxicab or for-hire vehicle license.
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14 C. All new taxicab or for-hire vehicle licenses issued after the effective date of this
15 ordinance shall be issued pursuant to a medallion system by lottery pursuant to subsection
16 6.310.500.D.2.
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18 D. Taxicab and for-hire vehicle medallions remain subject to all regulations in this
19 Chapter. The interest of a medallion owner may be suspended or revoked for any reason
20 enumerated in this Chapter for the suspension or revocation of a taxicab or for-hire vehicle
21 license. Upon the final order of revocation, a medallion shall be involuntarily transferred
22 pursuant to subsection 6.310.137.
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24 E. Upon the effective date of this ordinance, medallion holders waive any and all
25 liability, claims, actions, suits, loss, costs, expense judgments, attorneys' fees, or damages of
26 every kind and description resulting directly or indirectly from any act or omission of the City,
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its officials, officers, employees, and agents regarding the valuation or devaluation of the medallion.

F. The City assumes no liability for any devaluation of the medallion due to regulatory action or market forces.

G. Any taxicab or for-hire vehicle medallion may only be voluntarily transferred, sold or assigned in accordance with this section 6.310.135. For purposes of the sale of a taxicab or for-hire vehicle medallion, the following requirements must be satisfied: (i) all outstanding fines and penalties against the medallion holder and for-hire driver's license, if applicable, must be paid or satisfied and all pending administrative matters must be resolved; and (ii) when seller owns two or more taxicab or for-hire taxicab licenses, all outstanding items/proceedings as stated in (i) above shall be paid, satisfied or resolved.

H. Medallion owners may lease an interest in the medallion as prescribed by Director's rule. To assure orderly and rapid transition to the medallion system, the Director shall have such rules in place 90 days from the effective date of this ordinance.

Section 7. A new Section 6.310.137 is added to the Seattle Municipal Code as follows:

6.310.137 Involuntary transfer of taxicab or for-hire vehicle medallions

A. The interest of a medallion owner may be suspended or revoked for any reason enumerated in this Chapter for the suspension or revocation of a taxicab or for-hire vehicle license. Upon a final order of revocation where all appellate proceedings, if any, have been concluded, the Director shall coordinate the sale of the medallion at public auction by a licensed auctioneer to the highest and best bidder, who shall pay the amount bid by a cashier's check within seven business days from the time of sale.

1 The proceeds from the sale of such medallions, after deducting the expenses of the sale and all
2 costs incurred by the City including, but not limited to, attorney's fees, shall be paid, first, to the
3 lienholder or lienholders in the order of date of filing and the balance, if any, shall be paid to the
4 person whose interest in the medallion has been revoked, or to the City when the person cannot
5 be located.

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7 B. Any person holding a bona fide lien or security interest in a taxicab or for-hire vehicle
8 medallion shall have the right to enforcement of a lien against that medallion within thirty days
9 after any final order of revocation where all appellate proceedings, if any, have been concluded
10 and upon actual notice to any lienholder whose name is on file with the Director.

11 C. In order to perfect a lien or security interest in a taxicab or for-hire vehicle medallion,
12 the party which holds the pledge, lien or security interest, within thirty days of the date of
13 creation of the pledge, lien or security interest, shall record the same with the Director and the
14 Washington State Department of Licensing and must describe the collateral as "City of Seattle
15 taxicab medallion" or "City of Seattle for-hire vehicle medallion" and include the medallion
16 certificate number.

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18 D. Any foreclosure of a perfected lien in a taxicab or for-hire vehicle medallion shall be
19 in the King County Superior Court and the City Finance and Administrative Services
20 Department (FAS) shall be joined as an indispensable party. All holders of liens or security
21 interests senior to the pledge, lien or security interest being foreclosed shall be joined and
22 deemed necessary parties to the foreclosure.

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24 E. Upon a judgment of foreclosure, the Director shall coordinate the sale of the
25 medallion at public auction by a licensed auctioneer to the highest and best bidder, who shall pay
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the amount bid by a cashier's check within seven business days from the time of sale. The proceeds from the sale of such medallions, after deducting the expenses of the sale and all costs incurred by the City including, but not limited to, attorney's fees, shall be paid, first, to the lienholder or lienholders in the order of date of filing and the balance, if any, shall be paid as directed in the judgment of foreclosure.

F. The institution of foreclosure procedures or the judicial transfer of a medallion shall not prevent the Director from suspending or imposing a civil penalty or taking other administrative action against the medallion owner at the time of the alleged violation.

G. Distribution from estate to a beneficiary

1. When a taxicab or for-hire vehicle medallion or stock in a corporation owning such a medallion is distributed from an estate to a beneficiary by a court of law, the transferee shall submit to the Director the court order directing the City to transfer the medallion to the beneficiary. The court order shall condition the transfer upon the transferee complying with this Chapter.

2. An executor or administrator may continue the operation of a taxicab or for-hire vehicle only with prior written approval of the Director. The executor or administrator shall apply for such approval within 120 days of his or her appointment. In the event of any delay not caused by the executor or the administrator, the Director may grant additional time to apply for approval for good cause shown.

Section 8. Section 6.310.150 of the Seattle Municipal Code, last amended by Ordinance 123472, is amended as follows:

6.310.150 Fees(())

The following nonrefundable fees shall apply:

A. ~~((Taxicab association:))~~ Upon the effective date of this ordinance, taxicab association, taxicab and for hire vehicle license and for-hire driver fees (excluding Transportation Network Company for-hire drivers) for the 2014-2015 vehicle licensing year shall be:

1. Taxicab Association

- a. Annual fee \$1,000
- b. Late renewal fee \$100
- ~~((Fingerprinting of owners and officers Charge as determined by Director to cover costs.))~~

~~((B:))~~ 2. Taxicab or for-hire vehicle fees ((license:))

- a. Annual license fee ~~(((\$600))~~ \$500
- b. Wheelchair accessible taxicab annual license fee Waived
- c. Late fee (license renewal) \$60
- ~~((Change of vehicle \$100))~~
- d. Change of vehicle licensee:
 - i. July—December ~~(((\$600))~~ \$500
 - ii. January—June (half year) ~~(((\$300))~~ \$250
 - iii. May 16—June 30*
- e. Replace taxicab plate \$25
- f. Special inspection fee** \$100/hour (1/2 hour minimum)

g. Inspection rescheduling fee (non-City licensed vehicles only) . . .

. \$25

h. Taxicab change of association affiliation \$100

~~((Vehicle re-inspection fee (for Class A violations) \$50~~

~~Suspension reinstatement fee (when no penalty is assessed)~~

~~or reinspection fee (for Class B violations) \$100))~~

i. Change of licensee corporation, limited liability company, or
partnership members \$100

~~((Security camera system inspection (when not part of annual
inspection) \$50))~~

j. Taximeter test (when not part of annual inspection) \$50

* No change of taxicab licensee or for-hire vehicle licensee fee is due if the transfer
occurs between May 16—June 30. During this period, the change of taxicab or for-hire vehicle
licensee and the annual license renewal are accomplished together and only one ~~((1))~~ fee will
be assessed.

** For testing of taxicab meter or taxicab inspections provided to other municipalities.

~~((C.))~~ 3. For-hire driver license fees:

a. Annual fee \$50

~~((Add/change affiliation*** \$20))~~

Late fee \$15

~~((ID photo \$5))~~

((Fingerprinting....Charge as determined by Director to cover costs))

b. Replacement license \$5

((Training class fee As determined by
Director))

c. Other training and licensing fees (fingerprinting, ID photo,
background check) Charge as determined by Director to cover costs.

(***For-hire drivers may only be affiliated with a maximum of three taxicab
associations at any given time. This fee is only charged when the driver is affiliated with three
associations and now wants to delete one association and add another.)

B. Transportation Network Company (TNC) License, Vehicle Endorsement and for
For-Hire Driver's License Fees

Upon the effective date of this ordinance, TNCs shall pay \$0.10 per ride for all trips
originating in Seattle to cover the estimated enforcement and regulatory costs of TNC
licensing, vehicle endorsements and driver licensing. After six months or any time thereafter,
the Director may adjust this per ride fee based on the number of new TNC licenses, for-hire
driver's licenses and vehicle endorsements issued, and total TNC trips originating in Seattle
provided in the previous quarter, as reported pursuant to Section 6.310.540. The purpose of any
adjustment is to ensure that the per ride fee covers the estimated enforcement and regulatory
costs of TNC licensing, vehicle endorsements and driver licensing. Total TNC industry fees
shall not exceed \$525,000 in year one. Unless the Director finds that a TNC has not paid its
proportional fees covering the cost of enforcement and regulatory costs for the prior year, at
the time of renewing the TNC license, the fees for the current TNC license, vehicle

endorsements, and for-hire driver licenses shall be renewed upon approval of completed renewal applications and upon the condition that the TNC continues to submit quarterly per ride fees.

C. The Director may adjust any of the fees in subsection A after the ordinance's effective date, and any of the fees in subsection B six months after the ordinance's effective date, following consideration of the following nonexclusive factors: the projected costs and annual budget allotted for enforcement and regulatory costs across the for-hire transportation industry, the need for increased street inspection in order to reduce illegal activity, the total number of trips originating in Seattle across the for-hire transportation industry, and the administrative burden of issuing additional taxicab licenses, TNC licenses, for-hire driver's licenses and TNC vehicle endorsements. The purpose of any adjustment is to ensure that the fees cover the Director's enforcement and regulatory costs.

Section 9. A new Section 6.310.175 is added to the Seattle Municipal Code as follows:

6.310.175 Wheelchair Accessible Services Fund

A. In addition to the fees specified in subsection 6.310.150, as part of the license issuance or renewal fee, taxicab, for-hire vehicle licensees, and transportation network companies shall pay a \$0.10 per ride surcharge for all rides originating in the City of Seattle for each vehicle not meeting the criteria of a 'wheelchair accessible taxicab' as defined by subsection 6.310.110. As part of the City's taxi, for-hire, and transportation network company regulation, this surcharge shall be used to offset the higher operational costs of wheelchair accessible taxi ("WAT") services for owners and operators including, but not limited to: vehicle costs associated with purchasing and retrofitting an accessible vehicle, extra fuel and

1 maintenance costs, and time involved in providing wheelchair accessible trips. Funds shall be
2 distributed by reimbursement for documented, itemized costs. The Director shall adopt by rule
3 the procedure for determining when and how to distribute funds to WAT owners and drivers,
4 including imposing conditions of reimbursement, imposing a maximum amount of
5 reimbursement, and considering timely distribution of reimbursement to WAT drivers and
6 owners. In determining the distribution of funds, the Director shall consider factors including,
7 but not limited to actual consumer demand for WAT services, total number of WAT rides, total
8 number of WAT rides requested through a TNC application, total paid trips per WAT, and
9 average operating hours per WAT.
10

11 B. Following the first year of collecting the \$0.10 per ride surcharge, the surcharge
12 rate may be adjusted by the Director based on, but not limited to consideration of the following
13 factors: reimbursed costs for purchasing and retrofitting accessible vehicles, the actual need for
14 purchasing and retrofitting accessible vehicles in the upcoming year, total number of WAT
15 rides, and may consider any other factors that may affect the supply, demand, and financial
16 viability for WAT service within the City limits.
17

18 C. Within two years of the effective date of this ordinance, the Director, with input
19 from the Seattle Commission for People with Disabilities, will promulgate rules to determine
20 the need for additional wheelchair accessible taxicabs or for-hire vehicles and how to fund
21 potential new retrofits from the wheelchair accessible services fund.
22

23 Section 10. Section 6.310.200, which was last amended by Ordinance 118341, is
24 amended as follows:

25 **6.310.200 Taxicab association ((--)) ((L))license application((--))**
26
27

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

5 ***

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

14 ((5))4. The name, address, phone number and date of birth of the taxicab
15 association representative;

16 ((6))5. The taxicab number (assigned by the City/County) and the name of each
17 taxicab vehicle owner that will be affiliated with the taxicab association;

18 ((7))6. The special and/or contract rates that will be charged by taxicabs
19 affiliated with the taxicab association; and

20 ((8))7. Any other information required by regulations adopted pursuant to this
21 chapter.
22

Section 11. Section 6.310.205 of the Seattle Municipal Code, last amended by Ordinance 119872, is repealed:

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

Section 12. Section 6.310.230 of the Seattle Municipal Code, last amended by Ordinance 121738, is amended as follows:

In addition to meeting the license application requirements set forth in Section 6.310.200, the taxicab association must:

1. Is open and personally staffed all business days between ~~((nine a.m. (9:00 a.m.)~~
~~and five p.m. (5:00 p.m.)))~~ 9 a.m. and 5 p.m. (Class A),

2. Has a local Seattle business telephone number ((that is listed in the white and yellow pages of the telephone book)) and must be answered during all hours that affiliated taxicabs are operating (Class A),

3. Has a mailing address where the taxicab association representative will accept mail (Class A),

4. Stores all records that this chapter requires the taxicab association to maintain including, but not limited to, copies of taxicab licenses and for-hire drivers licenses, lists of all affiliated taxicabs and affiliated drivers, taxicab vehicle repair and service records, passenger comment cards, new driver training records, vehicle insurance policies, vehicle registrations, ~~((vehicle for hire certificate, passenger complaint log))~~ taxicab sign out log or equivalent, and radio/computer/application dispatch records (Class A — each requirement),

5. Provides secure storage for all items left in the taxicab by patrons and turned in by drivers of affiliated taxicabs (Class A), and

6. Provides radio or computer dispatch during all hours that affiliated taxicabs are operating, and every request for service must be satisfied as long as there are any operating taxicabs not in use; except that associations and for-hire drivers that refuse service pursuant to SMC 6.310.465 L shall not be subject to any penalties by the Director, or, in the case of for-hire drivers, by the association (Class B — both requirements);

B. Ensure that each affiliated taxicab is insured as required in SMC Sections 6.310.300 D5-6 and 6.310.320 D (Class B);

C. Ensure that each affiliated taxicab maintains the taxicab association's color scheme and identification (Class B);

D. Maintain on file at the taxicab association's place of business proof of insurance required by SMC Sections 6.310.300 C5-6 and 6.310.320 D (Class A);

E. Accept on behalf of any taxicab licensee or driver of an affiliated taxicab all correspondence from the Director to that taxicab licensee or driver (Class A);

1 F. Send, by first class mail, to the taxicab licensee and for-hire driver of an affiliated
2 taxicab any correspondence from the Director within five ~~((5))~~ business days after the taxicab
3 association receives such correspondence and keeps a written record of the mailings (Class A);

4 G. Collect, store, and quarterly provide reporting documents to the Director as outlined in
5 Section 6.310.540.

6 ~~((G. Weekly, collect, verify accuracy and completeness, and store for at least two (2)~~
7 ~~years trip sheet records for all affiliated taxicabs, daily taxicab sign-out logs,~~
8 ~~and association dispatch records as prescribed by the Director (Class A);~~

9 H. ~~Collect and provide service information, vehicle collision reports, service~~
10 ~~response time reports, reports of crimes against for hire drivers, and passenger~~
11 ~~complaints, pursuant to rules adopted by the Director as follows:~~

12 1. ~~Service Information Reports. Submit quarterly, on forms approved by the~~
13 ~~Director, the monthly total of paid trips, paid miles, and operating hours for~~
14 ~~each affiliated taxicab (Class A);~~

15 2. ~~Vehicle Collision Reports. Submit monthly, on forms approved by the Director,~~
16 ~~a list of vehicle collisions required to be reported to the Washington State~~
17 ~~Patrol pursuant to RCW 46.52.030(1) and WAC 446.85-010 including the name~~
18 ~~and number of the affiliated taxicab and for hire driver, collision fault, injuries,~~
19 ~~and estimated damage (Class A);~~

20 3. ~~Service Response Time Reports. Submit quarterly, on forms approved by the~~
21 ~~Director, average response times for service requests in the operating areas~~
22 ~~served by affiliated taxicabs (Class A);~~

1 ~~4. Crimes Against Drivers Reports. Submit quarterly, on forms approved by the~~
2 ~~Director, a list of all crimes of assault or robbery against affiliated for hire~~
3 ~~drivers that were reported to the Seattle Police Department, including the~~
4 ~~name and number of the affiliated taxicab and for hire driver, incident~~
5 ~~number, description of the crime, and injuries (Class A), and~~

6 ~~5. Passenger Complaints. Submit quarterly, on forms approved by the Director, a~~
7 ~~report which contains information on complaints received directly from~~
8 ~~passengers and from the passenger complaint hotline as compiled from the~~
9 ~~log required pursuant to subsection I of this section regarding:~~

10 ~~a. Driver conduct sorted by driving behavior, communication, personal dress~~
11 ~~or hygiene,~~

12 ~~b. Vehicle condition sorted by appearance, mechanical and/or safety,~~

13 ~~c. Service response, and~~

14 ~~d. Lack of driver knowledge of route or requested destination (Class A);~~

15 ~~I. Maintain a log of, and forward to the Director upon request, each oral or written~~
16 ~~passenger complaint that the taxicab association receives about the taxicab~~
17 ~~association, a taxicab licensee, or lessee or driver of an affiliated taxicab. The~~
18 ~~taxicab association must include a notice of the action taken by the taxicab~~
19 ~~association to resolve the complaint and the disposition (Class A);))~~

20 ~~H ((J)). Notify the Director within two (((2))) working days of the taxicab association~~
21 ~~having knowledge of the following:~~

22 ~~1. A conviction, bail forfeiture or other adverse finding received by the driver or~~

the taxicab licensee of an affiliated taxicab for any criminal offense or traffic violation that occurs during or arises out of the driver's operation of the taxicab (Class A for traffic violation, Class B for any criminal offense),

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

3. A vehicle accident required to be reported to the State of Washington involving any affiliated taxicab (Class B),

~~((K.))~~ I. Notify the Director within five ~~((5))~~ working days of any change in the affiliation status of any taxicab, including any new taxicab joining the association, any taxicab leaving the association, and any suspension, termination, nonrenewal or revocation of a taxicab by the taxicab association or by any jurisdiction other than The City of Seattle (Class A);

~~((L.))~~ J. Continue to affiliate with at least ~~((fifteen-15))~~ 15 taxicabs licensed under this chapter. If the number of taxicabs falls below ~~((fifteen-15))~~ 15, the taxicab association must increase the number to ~~((fifteen-15))~~ 15 within six ~~((6))~~ months from the date the number falls below ~~((fifteen-15))~~ 15, or combine with an already existing association, or lose its license under this chapter (revocation or nonrenewal);

~~((M.))~~ K. Comply with all regulations promulgated pursuant to this chapter (see applicable rules for penalties or actions);

1 ~~((N.))~~ L. Permit the Director to carry out inspections without notice of all taxicab records
2 required to be kept under this chapter, and all affiliated taxicabs (Class B);

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

5 ~~((P.))~~ N. Provide a supervisor at a taxicab zone whenever such zone is used by affiliated
6 taxicabs if the Director determines that it is necessary due to: (1) complaints received from
7 passengers and adjacent property owners, or (2) improper use of nearby passenger load zones,
8 truck load zones, and charter bus zones. If the taxicab association fails to provide a supervisor as
9 required by the Director, the Director may suspend all affiliated taxicabs from using the taxicab
10 zone (first offense — Class B violation and fourteen-day suspension from taxicab zone; second
11 and subsequent offenses — Class B violation and sixty-day suspension from taxicab zone); and
12

13 ~~((Q.))~~ O. Determine whether an affiliated driver, who has been the victim of a crime of
14 assault or robbery, has reported the crime to 911. If not, the taxicab association shall call 911 and
15 report the crime immediately (Class B).
16

17 P. Prior to providing taxicab services and annually thereafter, require every affiliated
18 vehicle to undergo a uniform vehicle safety inspection, approved by the Director, that utilizes
19 approved mechanics who shall certify in writing that the vehicle is mechanically sound and fit
20 for driving. The approved mechanic is responsible for checking that the plates, decals,
21 customer notices, and other markings, as required and supplied, if applicable, by the City are
22 legible and properly displayed as specified by the Director by rule. Taxicab associations shall
23 maintain vehicle inspection records. (revocation and Class C).
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Section 13. A new Section 6.310.260 to Seattle Municipal Code is adopted, as follows:

6.310.260 Transportation network company license eligibility and application

A. Any business or individual desiring to operate as a transportation network company within The City of Seattle shall file with the Director a signed, under penalty of perjury, transportation network company license application on forms provided by the Director.

1. To be eligible for a license, the transportation network company is limited to providing application dispatch services to transportation network company drivers meeting the requirements set forth in Section 6.310.452; further, no TNC licensed by the City of Seattle shall own or be owned or controlled, in whole or in part, by any other TNC licensed by the City of Seattle, or be owned or controlled in whole or in part by any party or entity owning or controlling, in whole or in part, another TNC licensed by the City of Seattle; provided that no ownership restrictions shall apply to any publicly-traded company.

2. The license application shall include the following information:

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

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

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

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

9 c. Verification that applicant uses only one application dispatch system,
10 as approved by the Director;
11

12 d. The trade dress the applicant transportation network company
13 proposes to use, if any, for each affiliated driver's vehicle, with a photo of the trade dress
14 submitted with the application. The trade dress may be placed on the vehicle body, but not on
15 the roof or covering any windows, vehicle lights, or obscuring the view of any mirrors, and
16 cannot exceed four square feet;
17

18 e. The name, address, phone number and date of birth of the
19 transportation network company representative;
20

21 f. During the provisional period described in subsection 6.310.335, file
22 evidence with the City that each vehicle affiliated with a transportation network company has
23 liability insurance in an amount no less than required by RCW 46.72.050 at any time while
24 active on a TNC dispatch system and underinsured motorist coverage indicating a minimum
25 coverage of \$100,000 per person, and \$300,000 per accident, at any time while active on the
26
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TNC dispatch system. The insurance policy, and any related driver contracts if applicable, must be submitted to the Director. The insurance policy shall:

i. At a minimum be issued by either: a) an admitted carrier in the State of Washington with an A.M. Best Rating of not less than B VII or b) a surplus line insurers with an A.M. Best Rating of not less than B+ VII;

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

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

g. By the first business day immediately following the conclusion of the provisional period, the registered owners of vehicles with a transportation network company endorsement, or the transportation network company on behalf of the registered owner must have on file with the City evidence that each vehicle has an insurance policy or binder proving compliance with State insurance requirements effective at that time. The insurance policy, and any related driver contracts if applicable, must be submitted to the Director. If there is no change to State insurance requirements by the conclusion of the provisional period, the TNC shall provide evidence that each vehicle affiliated with a transportation network company has insurance in an amount no less than required by RCW 46.72.050 and underinsured motorist coverage indicating a minimum coverage of \$100,000 per person, and \$300,000 per accident, at any time while active on the TNC dispatch system. The insurance policy shall:

i. Be issued by an admitted carrier in the State of Washington with an A.M. Best Rating of not less than B+ VII or show evidence that an exemption has been

met allowing for the use of a surplus line insurer; provided however, that the Director may temporarily suspend any or all of these requirements if no other viable insurance options are available to the industry

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

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

iv. Not include aggregate limits, or named driver requirements or exclusions. Other limitations or restrictions beyond standard insurance services office (ISO) business auto policy form are subject to approval by the Director.

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

j. Certificate of a uniform vehicle safety inspection for each vehicle affiliated with the transportation network company as required in Section 6.310.270(X).

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

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

B. The TNC license fee shall be paid as 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 all outstanding penalties
6 assessed against the transportation network company and its affiliated drivers have been paid
7 to the Director. The TNC license renewal fee shall be paid as set forth in Section 6.310.150.
8

9 Section 14. A new Section 6.310.265 to Seattle Municipal Code is adopted, as follows:
10 **6.310.265 Transportation network company (TNC) standards for license application or**
11 **renewal denial**

12 A. The operation of a TNC is a privilege, not a right. The TNC's ability to satisfy
13 stated criteria for a TNC license does not create a right to a TNC license.
14

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

16 1. The applicant fails to submit proof of insurance and driver contracts as
17 required by Section 6.310.260.

18 2. The applicant provides application dispatch services to anyone other than
19 TNC drivers meeting the requirements set forth in Section 6.310.452;
20

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

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

24 5. The applicant affiliates with and provides application dispatch services to
25 drivers without a for-hire vehicle driver's license;
26

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

7. The application has a material misstatement or omission;

8. The application is incomplete; and/or

9. Within three years of the date of application, the applicant, or any person employed by the applicant to manage Seattle operations, has had a bail forfeiture, conviction or other final adverse finding for crimes of fraud, theft, larceny, extortion, embezzlement, racketeering, Uniform Controlled Substances Act, prostitution, alcohol and/or narcotics where the commission of such crime(s) involved a TNC, vehicle affiliated with a TNC, or TNC driver.

C. The Director may deny any TNC license application if the Director determines that, within five years of the date of application, the TNC applicant, or if the TNC applicant is a business entity, any person employed by the TNC to manage Seattle operations:

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

2. Has exhibited past conduct, as evidenced by a criminal conviction, bail forfeiture in operating a TNC, business or vehicle that would lead the Director to reasonably conclude that the applicant will not fulfill the TNC responsibilities and requirements set forth in this chapter.

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

Section 15. A new Section 6.310.270 to Seattle Municipal Code is adopted, as follows:

6.310.270 Transportation network company (TNC) operating responsibilities

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

A. Maintain a business office that:

1. Is open and personally staffed all business days between 9 a.m. and 5 p.m.,
accessible by email and toll-free telephone lines (Class A);

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

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

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

5. Provides a system for passengers to retrieve lost articles. (Class A);

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

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

3 D. Requires that TNC licensed drivers driving a TNC endorsed vehicle do not pick up
4 hails, cruise or otherwise solicit trips. (revocation and Class C);

5 E. Requires that TNC drivers driving a TNC endorsed vehicle do not take trips not
6 dispatched by the TNC. (revocation and Class C);

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

10 G. May maintain a rating platform for TNC drivers and passengers to rate each other
11 following a trip. TNCs shall ensure that such ratings are not based on unlawful discrimination,
12 and that drivers do not discriminate against passengers or potential passengers on the basis of
13 geographic endpoints of the ride, race, color, national origin, religious belief or affiliation, sex,
14 disability, age, or sexual orientation/identity. (Class B);

15 H. Maintain insurance as required by Section 6.310.260, (Class C and summary
16 suspension) and maintain on file at the TNC's place of business proof of insurance required by
17 Sections 6.310.260 and 6.310.452. (Class A);

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

21 J. Collect, store, and quarterly provide reporting documents to the Director as outlined
22 in Section 6.310.540.
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1 K. 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

8 2. A conviction, bail forfeiture or other adverse finding received by a TNC
9 driver for any other criminal offense directly bearing on the driver's fitness to operate a vehicle
10 or the affiliated driver's fitness to be licensed, including but not limited to theft, fraud, robbery,
11 burglary, assault, sex crimes, alcohol, drugs, or prostitution (Class B),
12

13 3. A vehicle accident required to be reported to the State of Washington involving
14 any TNC driver (Class B),
15

16 4. Any restriction, suspension or revocation of a State of Washington driver's
17 license issued to a TNC driver (Class B), and/or
18

19 5. Any matter listed in subsections 6.310.265.B.9 or 6.310.265.C (Class B);
20

21 L. Notify the Director within five working days of any revocation of a TNC driver's
22 access to the TNC dispatch application, for-hire license or TNC vehicle endorsement. (Class A);
23

24 M. Comply with all regulations promulgated pursuant to this chapter (see applicable rules
25 for penalties or actions);
26

27 N. Employ a zero tolerance drug and alcohol policy with respect to TNC drivers as
28 follows:

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

4 2. The website and application dispatch system must include a phone number,
5 website link, and email to report a zero-tolerance complaint, as well as the phone number and
6 email to report a zero-tolerance complaint to the Department of Finance and Administrative
7 Services, Consumer Protection Unit, (Class B);

8 O. Allow passengers to indicate whether they require a wheelchair-accessible vehicle
9 and connect passengers to those services via a weblink, application, or phone number.

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

14 Q. Review driving records of TNC drivers and maintain records thereof. Drivers with
15 convictions within the last 7 years for any alcohol or drug related offense, reckless driving, hit
16 and run, or driving with a suspended or revoked license shall not be permitted to provide TNC
17 services. (Class B)

18 R. Prior to providing TNC services and annually thereafter, require every affiliated
19 vehicle to undergo a uniform vehicle safety inspection, approved by the Director, that utilizes
20 an approved mechanic who shall certify in writing that the vehicle is mechanically sound and
21 fit for driving. The approved mechanic shall certify in writing that the plates, decals, and
22 customer notices required and supplied by the City are legible and properly displayed as

specified by the Director by rule. Transportation network companies shall maintain vehicle inspection records. (revocation and Class C)

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

T. 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).

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

V. TNCs shall provide a written insurance disclosure to TNC drivers. The written insurance disclosure must include the following language: “[insert full corporate name and designation of TNC] confirms, in accordance with SMC 6.310.260.A.2., that while driver [insert driver’s full name] is active on its TNC dispatch system as defined by SMC 6.310.110, the driver’s vehicle is insured as required by RCW 46.72.050.” (Class B.)

Section 16. 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

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

Section 17. Section 6.310.300 of the Seattle Municipal Code, last amended by Ordinance 122763, is amended as follows:

6.310.300 Taxicab and for-hire vehicle license application((+))

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

5. Insurance policy.

a. During the provisional period described in subsection 6.310.335, file with the City evidence that each taxicab or for-hire vehicle for which a license is sought has liability insurance in an amount no less than required by RCW 46.72.050 at any time while active on a TNC, application, radio, computer, taxicab or for-hire dispatch system, and/or when a taxicab or for-hire vehicle is 'operating,' which includes when: 1) there is a passenger in the vehicle; 2) the taxicab is parked in a taxi zone; 3) the taximeter is engaged; 4) the office dispatch records show that the vehicle had been dispatched; 5) the taxicab top light is illuminated; 6) the trip records shows that the vehicle has started a shift and there is no entry for ending a shift; or 7) the for-hire driver has offered transportation services to a passenger. The insurance policy must be submitted to the Director. The insurance policy shall:

i. At a minimum be issued by either: a) an admitted carrier in the State of Washington with an A.M. Best Rating of not less than B VII or b) a surplus line insurer with an A.M. Best Rating of not less than B+ VII;

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

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

b. By the first business day immediately following the conclusion of the provisional period, file with the City evidence that each taxicab or for-hire vehicle for which a license is sought has an insurance policy proving compliance with State insurance requirements effective at that time. The insurance policy must be submitted to the Director. If there is no change to State insurance requirements by the conclusion of the provisional period, file with the City the ((T))insurance policy ((or insurance binder)) proving compliance with Chapter 46.72 RCW, as now or hereafter amended, for each taxicab or for-hire vehicle for which a license is sought. The insurance policy ((or insurance binder)) shall:

i. ((a)) Be issued by an admitted carrier in the State of Washington with an A.M. Best Rating of not less than ((A-)) B+ VII or show evidence that an exemption has been met allowing for the use of a surplus line insurer; provided however, that the Director may temporarily suspend any or all of these requirements if no other viable insurance options are available to the industry,

ii. ((b)). Name The City of Seattle as an additional insured,

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

iv. ((d)). Not include ((self-insured retention, nonstandard deductibles,)) aggregate limits, ((territorial restrictions,)) or named driver requirements or exclusions. ((or any

1 ~~other provisions that limit insurance coverage.))~~ Other limitations or restrictions beyond standard
2 insurance services office (ISO) business auto policy form are subject to approval by the Director.

3 6. Certificate of underinsured motorist coverage indicating a minimum coverage of ~~((One~~
4 ~~Hundred Thousand Dollars (\$100,000)))~~ \$100,000 per person, and ~~((Three Hundred Thousand~~
5 ~~Dollars (\$300,000)))~~ \$300,000 per accident.

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

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

8 ~~((9))~~ 8. Certificate of vehicle safety based on a uniform vehicle safety inspection as
9 required in ~~((SMC Section))~~ subsection 6.310.320 E.

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

12 ~~((11))~~ 11. Any other documents required by regulations promulgated under this chapter.

13 ~~((12))~~ 12. The above application and information must also be completed and supplied
14 during any annual license renewal. The City will not process a taxicab or for-hire vehicle license
15 application if any required information or documentation is missing or incomplete. Completed
16 applications and copies of required documentation shall be provided to the City by the taxicab
17 association, for-hire vehicle company or for-hire vehicle licensee.

18 ***

19 Section 18. Section 6.310.305 of the Seattle Municipal Code, last amended by
20 Ordinance 118341, is repealed:

21 ~~((6.310.305 Taxicab and for-hire vehicle owners—Investigation.~~

1 ~~All applicants for a taxicab or for hire vehicle license must consent to be fingerprinted~~
2 ~~for a criminal background check.))~~

3 Section 19. Section 6.310.320 of the Seattle Municipal Code, last amended by Ordinance
4 122802, is amended as follows:

5 **6.310.320 Taxicab and for-hire vehicle((—)) ((V))vehicle operating requirements((r))**

6 No taxicab or for-hire vehicle, unless otherwise specifically provided herein, licensed by
7 the City may lawfully operate within ((t))The ((e))City of Seattle unless the following minimum
8 vehicle requirements are met:

9 A. All applicable licenses specified in Section 6.310.130 are in force for the taxicab or
10 for-hire vehicle (Misdemeanor or Class C);

11 B. For taxicabs only, and subject to ((Section)) subsection 6.310.230.C, the vehicle
12 complies with the approved color scheme of the taxicab licensee's taxicab association
13 (suspension and Class B);

14 C. The vehicle model year can be no more than ten ((seven-(7))) years prior to the license
15 date (denial of license);

16 D. The vehicle has insurance as required by ((SMC Section)) subsections 6.310.300.C.5
17 and 6.310.300.C.6, provided, that if an insurance policy is canceled, or a vehicle is deleted from
18 the policy, proof of a new policy including the vehicle must be filed with the Director before the
19 vehicle is canceled or deleted from the previous policy (summary suspension);

20 E. An approved mechanic has issued a valid certificate of safety based on a uniform
21 vehicle safety inspection performed ((for the vehicle)) within the last license year. The safety
22 certificate remains valid, if the vehicle is sold, until the next renewal date (denial of license);

1 ~~((F. The taxicab or for hire vehicle has passed a City inspection at least once in the past~~
2 ~~license year, or more often if required by the Director because of previous violations (suspension~~
3 ~~and Class B);))~~

4 ((G))F. The taxicab or for-hire vehicle meets the vehicle and safety standards set forth in
5 regulations promulgated by the Director (Class A for vehicle standards, summary suspension and
6 Class B for safety standards);

7 ((H))G. The taxicab or for-hire vehicle displays a taxicab or for-hire vehicle license with
8 a current year decal issued by the Director (suspension and Class B);

9 ((I))H. All public rates, including discounts or special rates, and all taxicab numbers and
10 letters are displayed in the manner prescribed by rule or regulation promulgated pursuant to this
11 chapter (Class A);

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

15 ((K))J. The taxicab is equipped to accept credit cards (Class A);

16 ((L))K. The taxicab is equipped with a properly sealed, working, and accurate receipt-
17 issuing taximeter or receipt-issuing mobile data terminal or receipt-issuing application dispatch
18 system, as prescribed by the Director (suspension and Class B).

19 ((M))L. The taxicab or for-hire vehicle is equipped with a passenger information decal,
20 the size, material, and placement of which is prescribed by the Director by rule. Such decal shall
21 include the taxicab or for-hire vehicle name and number and the taxi complaint hotline telephone
22 number. A passenger information notice in Braille and raised lettering must be installed as
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prescribed by the Director by rule. Passenger survey and complaint cards must be available to passengers in the rear passenger seating area (Class A — each);

~~((N))~~M. The taxicab contains no scanner or other type of receiver that is capable of monitoring another Taxicab Association's assigned frequency, except as otherwise permitted by the Director (suspension and Class B);

~~((O. The taxicab is equipped and operated so that it can be contacted by continuous two-way radio communications using a central dispatch radio base station and a noncell frequency assigned and licensed by the FCC to an association or contracted dispatch service (summary suspension and Class B);))~~

~~((P))~~N. The taxicab or for-hire vehicle meets the vehicle requirements prescribed by Director's rule, including but not limited to vehicle size and standards for fuel efficiency and emissions (denial of license);

~~((Q. The for hire vehicle must have any color scheme and vehicle number approved with the Director))~~ O. The hood, roof, or trunk of a for-hire vehicle licensed after the effective date of this ordinance shall not have the same color scheme as one used by a taxicab association licensed and filed with the director on the effective date of this ordinance. The for-hire vehicle licensee shall submit two two-inch by two-inch sample color chips of the proposed color scheme to the Director. All proposed color schemes must be approved by the Director and must be distinct from the orange, yellow or green used by taxicabs (summary suspension and Class B);

P. The for-hire vehicle must have a vehicle number approved with the Director (summary suspension and Class B);

1 Q. The for-hire vehicle must be clearly marked as "flat rate" on its exterior (summary
2 suspension and Class B);

3 R. Signs, including notices, announcements, pictures, advertisements or other messages,
4 are allowed in or on taxicabs only as prescribed by this Chapter and by rule promulgated by the
5 Director concerning the manner in which such signs may be displayed, including, but not limited
6 to, requirements concerning the number of signs per vehicle, placement on or within vehicles,
7 size limitations, and devices or mechanisms used to display such signs (Class A);

8
9 ~~((S. The taxicab and for-hire vehicle must be equipped with an operable digital security~~
10 ~~camera system approved by the Director pursuant to specifications provided by rule and adopted~~
11 ~~by the Director (summary suspension and Class B). All for-hire vehicles must be in compliance~~
12 ~~with this provision by March 1, 2009. Access to images made by any digital security camera is~~
13 ~~restricted to law enforcement personnel solely for the investigation and prosecution of crimes~~
14 ~~(Class C). Nothing in this subsection S shall be construed to remove a law enforcement agency's~~
15 ~~obligation to comply with the Fourth Amendment of the United States Constitution and article I,~~
16 ~~section 7 of the Washington Constitution in obtaining access to digital security camera images,~~
17 ~~including the requirement to obtain a search warrant if needed;))~~

18
19 ~~((F))~~S. The taxicab or for-hire vehicle must be equipped with a monitored silent alarm
20 system approved by the Director pursuant to specifications provided by rule and adopted by the
21 Director (summary suspension and Class B);

22
23 ~~((H))~~T. The taxicab or for-hire vehicle must be equipped with a monitored Global
24 Positioning System (GPS) pursuant to specifications contained in a rule promulgated by the
25 Director (summary suspension and Class B);

1 ((V))U. The taxicab must maintain a continuous connection between the taximeter and
2 the computer dispatch system or between the taximeter and the application dispatch system, if
3 such system is installed (five-day suspension and Class B); ((and))

4 V. A top light may only be used by taxicabs;

5 W. Any other requirements set forth in regulations adopted pursuant to this chapter
6 (safety regulations—Class B; nonsafety regulations—Class A).

7 Section 20. A new Section 6.310.325 is added to the Seattle Municipal Code as follows:

8
9 **6.310.325 Vehicles affiliated with a transportation network company (TNC) vehicle**
10 **operating requirements**

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

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

15 B. Affiliated with a licensed transportation network company;

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

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

18 E. Passed the uniform vehicle safety inspection as required by subsection
19 6.310.270.X; and

20 F. The vehicle model year can be no more than ten years prior to the license date.

21 Section 21. A new Section 6.310.327 is added to the Seattle Municipal Code as follows:

22
23 **6.310.327 Transportation network company (TNC) vehicle endorsement eligibility and**
24 **application**

1 A. Within 120 days of the effective date of this ordinance, any person who wishes to
2 affiliate and operate, or continue to affiliate and operate for a TNC using a personal vehicle shall
3 submit an application for a TNC vehicle endorsement and, if not already a licensed for-hire
4 driver, a for-hire driver's license, to the City.

5 Failure to submit an application for a TNC vehicle endorsement and for-hire driver's
6 license, shall subject a driver operating for a TNC to penalties pursuant to subsection 6.310.600.
7
8 At the conclusion of 120 days following the effective date of this ordinance, all persons who
9 wish to affiliate and operate for a TNC using a personal vehicle must first obtain a TNC vehicle
10 endorsement and for-hire driver's license.

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

15 C. To apply for the TNC vehicle endorsement, the applicant shall complete, sign, swear
16 to and file with the Director a TNC vehicle endorsement application on forms provided by the
17 Director to include the following information:

18 1. Name, aliases, residence and business address, residence and business
19 telephone numbers;
20

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

23 3. Washington State driver's license number. Providing the social security number
24 is optional. The applicant must present his/her Washington State driver's license at time of
25 application;
26
27

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

5. Evidence of vehicle insurance as required by Section 6.310.260; (denial of endorsement)

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

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

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

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

10. The above application and information must also be completed and supplied during any annual license renewal. The City will not process a TNC endorsement application if any required information or documentation is missing or incomplete. Completed applications and copies of required documentation shall be provided to the City by the TNC, taxicab association, for-hire vehicle company or by the for-hire vehicle licensee.

Failure to meet any of these requirements shall result in the denial of the issuance of the TNC vehicle endorsement. All denials or revocations of TNC vehicle endorsement applications must be set forth in writing, together with the reasons for denial or revocation. The written denial shall be delivered either personally or by first class mail to the address provided by the applicant on the license renewal application.

D. The TNC vehicle endorsement consists of a certificate that shall include the following information:

1. Vehicle identification number (VIN);
2. Registered owner's full legal name;
3. License plate number;
4. Expiration date; and
5. Unique certificate number that will correspond with the number on a TNC vehicle endorsement sticker affixed to the for-hire driver's license and with the number on a decal affixed to the affiliated vehicle.

E. The TNC may submit the TNC vehicle endorsement application on behalf of the driver.

Section 22. A new Section 6.310.328 is added to the Seattle Municipal Code as follows:

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

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

1. The applicant has failed to submit a complete, satisfactory application pursuant to SMC Section 6.310.327;
2. The applicant has failed to affiliate with a licensed TNC;
3. The applicant has made any material misstatement or omission in the application for an endorsement;
4. The applicant fails to meet one or more of the applicant or vehicle requirements pursuant to Sections 6.310.325 and 6.310.327; and/or
5. Within three years of the date of application, the applicant has had a

conviction, bail forfeiture or other final adverse finding of criminal fraud, larceny, theft, prostitution, extortion, racketeering, robbery, or violation of the Uniform Controlled Substances Act where such crime involved the use of the endorsed vehicle.

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

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

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

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

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

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

Section 23. A new Section 6.310.329 is added to the Seattle Municipal Code as follows:

6.310.329 TNC vehicle endorsement expiration and renewal

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

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

C. The Director shall grant all timely submitted and completed renewal applications of qualified TNC drivers; provided, however, that the Director shall deny any renewal application if grounds exist for the Director to deny an endorsement pursuant to Section 6.310.327 or Section 6.310.328 A. If no such grounds exist, the Director shall examine all Department records on the endorsed vehicle and may deny the renewal if grounds exist that would justify denial under Section 6.310.328 B.

Section 24. Section 6.310.330 of the Seattle Municipal Code, last amended by Ordinance 124256, is amended as follows:

6.310.330 Taxicab licensee and for-hire vehicle licensee responsibilities((:))

A. The licensee of a taxicab or for-hire vehicle must personally verify that the taxicab or for-hire vehicle is being operated only by a driver who holds a valid for-hire driver's license (suspension (five (~~((5))~~) days) and Class B).

1 B. The taxicab or for-hire vehicle licensee must maintain an ~~((a business and mailing))~~
2 address where the licensee can accept mail, and a (business) telephone in working order. ~~((that~~
3 ~~must be answered at least nine a.m. (9:00 a.m.) to five p.m. (5:00 p.m.) Monday through Friday,~~
4 ~~and during all hours of operation.))~~ The taxicab association office or dispatch center may suffice
5 for this requirement (Class A).

6 C. The taxicab licensee shall comply with all requirements for taxicabs under the taxicab
7 association requirements listed in ~~((SMC))~~ Sections 6.310.200—6.310.330 (same Class violation
8 as applied to association for same violation, except that penalty for licensee will be monetary
9 penalty only).

10 D. The taxicab or for-hire vehicle licensee must notify the Director within three ~~((3))~~
11 working days of learning of the following occurrences:

12 1. Any conviction, bail forfeiture or other final adverse finding received by the
13 taxicab driver or for-hire vehicle driver, for any criminal offense that occurs during, or arises out
14 of, the driver's operation of a taxicab or for-hire vehicle (Class B);

15 2. Any conviction, bail forfeiture or other final adverse finding received by the
16 taxicab or for-hire vehicle driver for any criminal offense involving theft, robbery, burglary,
17 assault, sex crimes, drugs, prostitution, or any related offense (Class B);

18 3. Any vehicle accident required to be reported to the State of Washington
19 involving any taxicab operated by the taxicab driver or for-hire vehicle operated by the for-hire
20 driver (Class B); or

21 4. Any restriction, suspension or revocation of the taxicab or for-hire vehicle
22 driver's motor vehicle driver's license (Class B).

E. The taxicab or for-hire vehicle licensee must maintain daily trip ((sheet)) records, in accordance with Section 6.310.540 ((SMC Section 6.310.460.F, and complaint logs,)) as prescribed by the Director by rule for all licensed vehicles. A taxicab licensee must insure that all original daily trip records ((sheets)) are given to the taxicab association representative at least weekly. The for-hire vehicle licensee must keep daily trip records in accordance with SMC Section 6.310.540 ((sheets and complaint logs)) for a minimum of two ((2)) years. The for-hire vehicle licensee must provide to the Director, through their association representative, quarterly reporting information in accordance with Section 6.310.540 ((the following information compiled from the daily trip sheets:

1. ~~Number of service requests (trips) during the last quarter;~~
2. ~~Average operating hours per week per vehicle for the last quarter;~~
3. ~~Number of complaints received regarding:~~
 - a. ~~Driver conduct categorized by driving behavior, communication,~~
~~personal dress or hygiene,~~
 - b. ~~Vehicle condition categorized by appearance, mechanical and/or safety,~~
 - c. ~~Service response, and~~
 - d. ~~Lack of driver knowledge including incorrect route or no knowledge of~~
~~destination requested~~
4. ~~All complaints received regarding either the for hire driver or the taxicab or~~
~~for hire vehicle, where such complaint involves an alleged violation of this chapter, including a~~
~~note of the action taken to resolve the complaint and the disposition, if known (all violations~~
~~within subsection E are Class A).))~~

1 F. The taxicab or for-hire vehicle's licensee and driver shall permit the Department
2 to inspect the vehicle without notice, upon request (suspension and Class B).

3
4 ***

5 I. The taxicab or for-hire vehicle licensee shall ensure that all inspection times scheduled
6 by the Director, if applicable, are kept (suspension, ~~((fifty dollar (\$50)))~~ \$50 monetary penalty
7 and two (2) penalty points).

8
9 J. Prior to providing for-hire vehicle services and annually thereafter, require every
10 affiliated vehicle to undergo a uniform vehicle safety inspection, approved by the Director, that
11 utilizes approved mechanics who shall certify in writing that the vehicle is mechanically sound
12 and fit for driving. The approved mechanic is responsible for checking that the plates, decals,
13 customer notices, and other markings, as required and supplied, if applicable, by the City are
14 legible and properly displayed as specified by the Director by rule. For-hire vehicle companies
15 or for-hire vehicle licensees shall maintain vehicle inspection records (revocation and Class C).
16 The taxicab or for-hire vehicle licensee shall comply with any written notice of violation issued
17 by the Director, including notices suspending or revoking a vehicle license, and notices requiring
18 repair (suspension and Class B).

19
20
21 K. A wheelchair accessible taxicab licensee must personally drive the vehicle a minimum
22 of ~~((thirty))~~ 30 hours per week for at least forty weeks per year ~~((revocation)))~~ for a period of
23 three years following the date of issuance of a new wheelchair taxicab license (wheelchair
24 taxicab license revocation). If a licensee fails to fulfill the minimum use requirement in any one
25 year period within the three year period following the date of issuance, the license shall be
26

1 subject to revocation. This subsection shall take effect and be in force retroactively as of the
2 effective date of this ordinance.

3 ~~((L. A taxicab or for hire vehicle licensee shall not tamper with, disable, remove, or~~
4 ~~willfully damage the digital security camera equipment required under this chapter (Class C).~~

5 ~~M. A taxicab or for hire vehicle licensee shall not alter, edit, destroy, remove, copy,~~
6 ~~transfer, transmit, erase, delete, overwrite, obscure, damage, encode, lock, render unreadable, or~~
7 ~~otherwise tamper with any image made by a digital security camera, other than as may occur in~~
8 ~~the normal operation of the digital security camera system as mandated and authorized by the~~
9 ~~Director (Class C).))~~

11 ~~((N.))~~ L. After December 31, 2007, new taxicab licenses shall be issued to single
12 individuals only, and no corporation, limited liability company, or partnership shall obtain any
13 license held by an individual until the expiration of a period of three ~~((five (5)))~~ years following
14 the original date of issuance to the individual licensee currently holding the license; provided,
15 however that new taxicab licenses may be issued to and be held by the following business
16 entities:
17

18 1. Corporations held by a single shareholder provided that the taxicab must be
19 personally operated by the single shareholder for a period of three ~~((five))~~ years from the date of
20 issuance of the license and the ownership of the shares of the corporation cannot be changed
21 within the three ~~((five))~~-year period. Any change of ownership of shares of the corporation shall
22 result in revocation of the license.
23

24 2. Limited liability companies comprised of a single member provided that the
25 taxicab must be personally operated by the single member for a period of three ~~((five))~~ years
26
27

from the date of issuance of the license and no change of membership may take place within the ~~three~~ ~~((five-))~~-year period. Any change of membership of the limited liability company shall result in revocation of the license.

For a period of ~~three~~ ~~((five-5))~~ years following the date of issuance of a new taxicab license, all new taxicab licensees must personally drive the taxicab for a minimum use requirement of ~~((thirty-30))~~ 30 hours per week for a minimum of ~~((forty-40))~~ 40 weeks per year (taxicab license revocation). If a licensee fails to fulfill the minimum use requirement in any one year period within the ~~three~~ ~~(five)~~ year period following the date of issuance, the license shall be subject to revocation. Taxicab licensees shall provide to the Director, directly or through their association representative, quarterly reporting information in accordance with Section 6.310.540. ~~((submit original trip records sheets to the Director on a monthly basis, in a manner prescribed by Director's rule, to prove compliance with the minimum use requirement. For purposes of this paragraph, "licensee" or "licensees" refers to individual licensees, single sole-shareholders of a licensed corporation, or single members of a licensed limited liability company. (Class A, if trip sheets are submitted late; taxicab license revocation, if trip sheets are falsified or not in compliance))~~.

3. At the time of the transfer of any taxicab license occurring after August 1, 2008, the transferor(s) and transferee(s) of the license shall report to the Director the amount of consideration, if any, paid by the transferee to the transferor in exchange for the transfer of the license. The amount of consideration shall be reported in a manner determined by rule promulgated by the Director. The failure to report, or the reporting of false information, shall be grounds for suspension or revocation of the license. In creating and maintaining records of the

amount of consideration paid, the Director shall not identify the transferees and transferors, nor shall the Director require the submission of any records that identify the transferees and transferors.

4. ~~((The Director shall conduct a survey of taxicab licensees to determine the market value of taxicab license transfers that have occurred from January 1, 1991 through August 1, 2008. All licensees shall respond in good faith to the survey to provide accurate information to the extent reasonably possible (Class A). Responses to the survey shall be made in such manner determined by rule promulgated by the Director. In creating and maintaining records of the amount of consideration paid, the Director shall not identify the transferees and transferors, nor shall the Director require the submission of any records that identify the transferees and transferors.))~~ This section 6.310.330 shall take effect and be in force retroactively as of the effective date of this ordinance.

~~((O.))~~ M. A taxicab licensee shall not change the totalizer readings on the taximeter (Class A).

Section 25. A new Section 6.310.335 is added to the Seattle Municipal Code as follows:

6.310.335 Provisional Insurance Requirements

A. Upon the effective date of this ordinance and until the earlier of 1) the effective date of changes to State insurance requirements for for-hire transportation services or 2) two weeks after the end of the 2015 Washington State legislative session hereafter "provisional period", the registered owners of taxicabs, for-hire vehicles, and vehicles with a transportation network company endorsement, or the taxicab association representative, for-hire vehicle

licensee or company, or transportation network company on behalf of the registered owner shall:

1. File with the City evidence that each vehicle has liability insurance in an amount no less than required by RCW 46.72.050 at any time while active on a TNC, application, radio, computer, taxicab or for-hire dispatch system, and/or when a taxicab or for-hire vehicle is 'operating,' which includes when: 1) there is a passenger in the vehicle; 2) the taxicab is parked in a taxi zone; 3) the taximeter is engaged; 4) the office dispatch records show that the vehicle had been dispatched; 5) the taxicab top light is illuminated; 6) the trip records shows that the vehicle has started a shift and there is no entry for ending a shift; or 7) the for-hire driver has offered transportation services to a passenger. Personal automobile insurance shall apply at other times when the vehicle is not being used to provide for-hire transportation services. The insurance policy, and any related driver contracts if applicable, must be submitted to the Director. The insurance policy shall:

i. At a minimum be issued by either: a) an admitted carrier in the State of Washington with an A.M. Best Rating of not less than B VII or b) a surplus line insurer with an A.M. Best Rating of not less than B+ VII;

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

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

B. During the provisional period, the City will support efforts of for-hire transportation industry representatives seeking to clarify or modify the current State insurance

1 requirements of for-hire transportation services to account for recent changes in the industry
2 and business models of all industry participants, including transportation network companies,
3 taxicabs, and for-hire vehicles. The City will support insurance language changes similar to the
4 agreement recently reached in Colorado, and changes intended to expand the range of
5 insurance options available to the industry.

6 C. By the first business day immediately following the conclusion of the
7 provisional period, the registered owners of taxicabs, for-hire vehicles, and vehicles with a
8 transportation network company endorsement, or the taxicab association representative, for-
9 hire vehicle licensee or company, or transportation network company on behalf of the
10 registered owner must have on file with the City evidence that each vehicle has an insurance
11 policy proving compliance with State insurance requirements effective at that time. The
12 insurance policy and any related driver contracts if applicable, must be submitted to the
13 Director. (Summary suspension). If there is no change to State insurance requirements by the
14 conclusion of the provisional period, the registered owners of taxicabs, for-hire vehicles, and
15 vehicles with a transportation network company endorsement, or the taxicab association
16 representative, for-hire vehicle licensee or company, or transportation network company on
17 behalf of the registered owner shall provide evidence that each vehicle has an insurance policy
18 that complies with subsections 6.310.260g or 6.310.300 C.5.b and C.6.
19
20
21

22 Section 26, Section 6.310.340 of the Seattle Municipal Code, last amended by
23 Ordinance 122763, is amended as follows:

24 **6.310.340 Taxicab and for-hire vehicle—~~((L))~~license transfer~~((.))~~**
25
26
27

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

3 A. New taxicab licenses issued after December 31, 2007 are not transferable for a period
4 of ~~((five (5)))~~ three years from the original date of issuance. This subsection shall take effect and
5 be in force retroactively as of the effective date of this ordinance.

6 ***

7
8 Section 27. Section 6.310.400 of the Seattle Municipal Code, last amended by Ordinance
9 121738, is amended as follows:

10 **6.310.400 For-hire driver's license application((:))**

11 A. For an initial for-hire driver's license and annually thereafter, a for-hire driver, or a
12 taxicab association, for-hire vehicle licensee or company, or transportation network company on
13 behalf of the for-hire driver, must complete, sign, swear to and file with the Director a for-hire
14 driver's license application on forms provided by the Director. When issued to an applicant
15 affiliated with a TNC, the for-hire license shall read "for-hire permit" on the associated license,
16 but shall remain subject to all for-hire driver licensee duties and obligations in this Chapter. The
17 application shall include the following information:

18
19 1. Name, aliases, residence and business address, residence and business
20 telephone numbers;

21
22 2. Place and date of birth (which shall be at least ~~((twenty-one (21)))~~ 21 years
23 prior to the date of application, height, weight, color of hair and eyes;

3. Washington State driver's license number. Providing the social security number is optional. The applicant must present his/her Washington State driver's license or a copy thereof of at time of application;

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

5. Documentation that a full criminal background check has been completed on the applicant through Washington State Patrol and Federal Bureau of Investigation criminal databases, or through a Director-approved third party vendor;

6. Information indicating whether or not the applicant has ever had a for-hire or driver's license suspended, revoked, or denied and for what cause;

7. A copy of the applicant's driving abstract from the Washington State Department of Licensing or ((A))a signed statement authorizing the Director to obtain a current copy of the applicant's driving ((record))abstract from the Washington State Department of Licensing;

8. Statement of applicant listing all reportable accidents and all moving violations the applicant was involved in during the previous three (((3))) years; ((and))

9. Completion of a driver education course and associated tests. The driver training program shall include:

a. Completion of the National Safety Council's Defensive Driving Course;

and

b. Completion of at least one additional driving training program approved by the Director.

1 10. On forms provided by the Director, the applicant will provide a statement
2 under penalty of perjury of their physical and mental fitness to act as a for-hire driver.

3 11. All applications for for-hire driver's licenses become void if the applicant, for
4 any reason other than delay caused by the City, fails or neglects to complete the application
5 process or obtain a license within 60 days of submitting an application.

6 12.((9)) Such other information as may be reasonably required by regulation
7 promulgated under this chapter.

8
9 ~~((B. The following additional information must be filed prior to sitting for the written~~
10 ~~examination:~~

11 ~~1. If the applicant will drive a taxicab, a certification signed under penalty of perjury by a taxi~~
12 ~~association representative certifying that the applicant has ridden with a trainer designated by the~~
13 ~~association in a taxicab for at least three (3) full shifts including at least one (1) night shift and~~
14 ~~successfully completed a four-day training program provided by the taxicab association, in~~
15 ~~which the applicant has:~~

16
17 ~~a. Received classroom instruction in the region's geography, important structures and sites of~~
18 ~~interest;~~

19 ~~b. Received instruction in the proper use of the radio, taximeter, and computer (if applicable) and~~
20 ~~how to complete a trip sheet and safety checklist; and~~

21
22 ~~c. Received at least one (1) hour of instruction on risk factors for crimes against for-hire drivers,~~
23 ~~emergency procedures, and equipment installed in taxicabs for the driver's personal safety.~~

24 ~~2. Proof of successful completion of a certified training program per Section 6.310.415 approved~~
25 ~~by the Director.~~

~~C. A physician's certification signed not more than three (3) months prior to the date of initial application that complies with Section 6.310.410 and certifies the applicant's fitness as a for hire driver must be filed prior to issuance of the for hire driver's license.~~

~~D. All applications for for hire driver's licenses become void if the applicant, for any reason other than delay caused by the City, fails or neglects to complete the application process or obtain a license within sixty (60) days of submitting an application.))~~

Section 28. Section 6.310.405 of the Seattle Municipal Code, last amended by Ordinance 118341, is amended as follows:

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

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

A. All applicants for a for-hire driver's license must consent to a criminal background check. An applicant shall either:

1. Be fingerprinted for a state and national Washington State Patrol and Federal Bureau of Investigation criminal background check; or

2. Submit proof that a criminal background check has been conducted by a Director-approved third party vendor. The director will annually issue the list of approved third party background check vendors. Approved vendors, at a minimum must:

a. Include local, state, and national databases;

b. Access at least five years of database history; and

c. Demonstrate competency in providing accurate information.

Section 29. Section 6.310.410 of the Seattle Municipal Code, last amended by Ordinance 118341 is amended as follows:

6.310.410 For-hire driver ~~((physieian's))~~ certification of fitness to drive~~((:))~~

A. ~~((A medical examination and certification shall be required upon))~~ The for-hire driver must certify upon initial application, and every ~~((three (3) years))~~ year thereafter, on the anniversary date of the license; on forms provided ~~((, however,))~~ by the Director that they are physically and mentally fit to be a for-hire driver.

B. The Director may at any time require any for-hire licensee or applicant to be ~~((reexamined))~~ medically examined if it appears that the licensee is or has become physically or mentally unfit to be a for-hire driver.

~~((B. The))~~ 1. If so required, the medical certification and examination shall be performed by a physician licensed to practice in Washington State under Chapter 18.71 RCW and completed following that physician's physical examination of the applicant.

~~((C))~~ 2. The scope of the certificate form and the examination shall be prescribed by the Director by rule.

~~((D))~~ 3. A ~~((Washington State))~~ United States Department of Transportation medical certification meets the requirements of this section 6.310.410 ~~((, as long as it was signed no more than three (3) months prior to the date of initial application, or in the case of the three (3) year renewal certification no more than three (3) months prior to the date of renewal)).~~

Section 30. Section 6.310.415 of the Seattle Municipal Code, last amended by Ordinance 121738, is amended as follows:

6.310.415 For-hire driver training program~~((:))~~

1 A. ~~((All initial))~~ Prior to submitting an application, all for-hire driver applicants must
2 ~~((have successfully completed, prior to taking the written examination, no earlier than six (6)~~
3 ~~months before submitting the application, a))~~ complete a driver training program approved by
4 the Director ((that provides information about the history and geography of the Seattle and Puget
5 Sound area,))

6 B. Driver training programs may be completed through the City of Seattle and/or jointly
7 with King County or through Director-approved Transportation Network Company, Taxi
8 Association, or other Third Party vendors.

9 C. Content and testing processes for all training programs must be submitted for approval
10 by the Director on an annual basis. Driver training programs at a minimum must include:

11 1. Information about defensive driving, use of emergency procedures and
12 equipment for the driver's personal safety, risk factors for crimes against for-hire drivers,
13 enhancement of driver/passenger relations, and ((appearance and)) professional conduct and
14 communication skills. ((The oral examination may be taken prior to the training class to
15 expedite the licensing process (denial of license); and))

16 2. Completion of the National Safety Council Defensive Driving Course.

17 ((B))D. Currently-licensed for-hire drivers must meet the requirements of subsection A of
18 this section 6.310.415 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

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))~~E. 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).

9 Section 31. 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))~~ For-hire driver
13 examinations may be administered by the City of Seattle and/or jointly with King County or by
14 an approved taxi association, transportation network company, or third party vendor.

15 B. Examination procedures and content must be approved by the Director and must test
16 the applicant's:

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

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

22 3. Knowledge of vehicle safety requirements;

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

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

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

C. An applicant who fails the ~~((written and/or oral examination, including the initial and
periodic for-hire driver written safety test,))~~ City/County examination is entitled to one ~~((1))~~
free opportunity to retake the examination. A second failure will result in a ~~((sixty-day))~~ 60-day
wait for another opportunity to take the examination, and another license application fee. All
later examination tries will require the ~~((sixty-day))~~ 60-day wait, and repayment of the ~~((license))~~
application fee.

D. ~~((The written and oral))~~ An examination is not required for the renewal of a for-hire
driver's license unless the applicant's license has remained expired for more than one ~~((1))~~ year.
~~((If the license has remained expired for more than one (1) year, and the applicant can provide
documentation that he/she had previously passed the oral examination, only the written
examination will be required.))~~

Section 32. Section 6.310.425, which was last amended by Ordinance 121738, is
amended as follows:

6.310.425 For-hire driver temporary permit((.))

1 A. Pending final action on a for-hire driver's license application, the Director shall
2 ~~((may))~~ issue a temporary for-hire driver's license within two business days, to an applicant who
3 has filed a complete license application, meets the requirements of Section 6.310.400 (except for
4 subsection 6.310.400.A.9.a) ((Aand-B)) and has passed the ~~((written and oral))~~ examination per
5 Section 6.310.420. ~~((except for the driver safety session required by Section 6.310.415 C.))~~ The
6 National Safety Council Defensive Driving course specified in Section 6.310.400 A 9 a may be
7 taken during the sixty day temporary permit period. If after submitting all requirements of
8 Sections 6.310.400 and having passed the examination per Section 6.310.420, if a temporary
9 license is not issued in 72 hours, the matter will be referred to the Director. The temporary
10 license is valid for a period not to exceed ((one hundred twenty (120))) 60 days from the date of
11 the application and shall not be extended or renewed.((Only one (1) temporary license may be
12 issued to the same person within any two-year time period.))
13

14 B. The temporary license shall not be transferable or assignable.~~((and shall be valid~~
15 ~~only for operating the taxicab(s) or for hire vehicle(s) specified by the Director~~
16 ~~on the license.))~~
17

18 C. The temporary license shall become void immediately upon (1) suspension,
19 revocation or expiration of the applicant's Washington State driver's license, (2)
20 issuance of the for-hire driver's license, or (3) the Director's denial of the for-hire
21 driver's license application, regardless whether the applicant appeals that denial.
22

23
24 Section 33. Section 6.310.450 of the Seattle Municipal Code, last amended by Ordinance
25 122763, is amended as follows:
26
27

SMC 6.310.450 For-hire driver operating standards((:))

C. A for-hire driver, before starting each shift, shall check the ~~((security camera,))~~ lights, brakes, tires, steering, seat belts, taximeter seal, and other vehicle equipment listed on the vehicle safety checklist as prescribed by rule to see that they are working properly (Class B).

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

~~((K. A for hire driver shall not operate a taxicab unless the digital camera is operating at all times while picking up, transporting, or dropping off passengers (Class B).))~~

~~((L.))~~ K. A for-hire driver shall accept credit cards for payment of fare when requested by passengers (Class A).

~~((M.))~~ L. A for-hire driver shall not change the totalizer readings on the taximeter (Class A).

Section 34. A new Section 6.310.452 is added to the Seattle Municipal Code as follows:

6.310.452 TNC driver operating, conduct, and passenger relations standards

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

A. Drivers operating for a transportation network company shall not transport passengers for compensation without: 1) first obtaining and maintaining a valid for hire driver's license; (first violation, civil penalty; subsequent violation, misdemeanor; both Class C) and 2) using a

1 vehicle that is a for-hire vehicle or taxicab licensed under this chapter, or a vehicle with a TNC
2 vehicle endorsement. (Class C)

3 B. TNC drivers shall not be in control of a for-hire vehicle for more than 12 hours spread
4 over a total of 15 hours in any 24-hour period. Thereafter, such TNC driver shall not drive any
5 for-hire vehicle until ten consecutive hours have elapsed. For the purposes of this subsection,
6 hours driven in for-hire vehicles in other platforms (taxicabs, for-hire vehicles) are aggregated.
7 (suspension and Class B);
8

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

11 D. TNC drivers shall have evidence of vehicle insurance as required by Section
12 6.310.260 in their possession at all times when active on the TNC dispatch system. (Class B)

13 E. TNC drivers shall maintain a personal auto insurance policy provided, that if the
14 insurance policy lapses or is canceled, or a vehicle is deleted from the policy, proof of a new
15 policy including the vehicle must be filed with the Director before the vehicle is canceled or
16 deleted from the previous policy (summary suspension);
17

18 F. TNC drivers shall immediately notify the transportation network company and the
19 Seattle Police Department when the TNC driver has been the victim of a crime (Class B).
20

21 G. TNC drivers shall not accept payment of cash fare. Payment shall only be made
22 electronically via the TNC application dispatch system. (Class B).

23 H. TNC endorsed drivers driving with a TNC endorsed vehicle shall not pick up, cruise
24 or otherwise solicit trips (Class C and revocation)
25
26
27

I. TNC drivers shall, at the end of each trip, check the vehicle for any article(s) that are left behind by passenger(s). Such articles are to be reported to the TNC as found property (Class A);

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

Section 35. Section 6.310.455 of the Seattle Municipal Code, last amended by Ordinance 122763, is amended as follows:

6.310.455 For-hire driver conduct standards((r))

Q. A for-hire driver shall not operate a taxicab unless the ((radio, required in SMC Section 6.310.320 O)), radio/computer/phone/application dispatch system is on and operating, and drivers must notify the taxicab association dispatch that they are available after completing each trip (Class B—both);

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

~~((U. A for hire driver shall not tamper with, disable, remove, or willfully damage the digital security camera equipment required under this chapter to be in taxicab (Class C);~~

~~V. A for hire driver shall not alter, edit, destroy, remove, copy, transfer, transmit, erase, delete, overwrite, obscure, damage, encode, lock, render unreadable, or otherwise tamper 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 (Class C); and

W. A for-hire driver must notify the Director within three (3) working days of receiving, while operating a taxicab, a traffic infraction for a violation of SMC Section 11.50.140 based on evidence detected through the use of an automated traffic safety camera (Class B);))

Section 36. Section 6.310.460, which was last amended by Ordinance 122763, is amended as follows:

6.310.460 For-hire driver taxicab meter/rates standards.

F. A for-hire driver shall ensure daily trip records are accurate and complete ((complete daily tripsheets)), as prescribed by ((the Director)) Section 6.310.540 (Class B)((and shall show all trips in an accurate and legible manner as each trip occurs.

The driver's name, vehicle name and number, beginning odometer, and beginning time of the shift worked must be written on the trip sheet at the start of each shift before carrying passengers (Class A). Daily tripsheets shall also include the following information:

1. Taxicab licensee's name and vehicle name and number;
2. Vehicle for hire license number;
3. Ending odometer reading;
4. Ending time of each shift worked;
5. Date, time, place or origin, and dismissal of each trip;
6. Fare collected;

7. Number of passengers;

8. No shows; and)

9. Contract rates or special rates (all Class A).

G. A for-hire driver shall allow the Director to inspect the daily trip sheet at any time, without notice (Class B).

H. A taxicab driver shall turn in completed trip sheets to the taxicab association at least weekly (Class A).))

Section 37. Section 6.310.465 of the Seattle Municipal Code, which Section was last amended by Ordinance 122763, is amended as follows:

6.310.465 For-hire driver((—))((P))passenger relations standards((;))

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

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

((C. A for-hire driver's clothes shall be neat and clean at all times that the driver is on the driver's shift. The term "neat and clean" as it relates to clothes shall mean that all clothing is clean, free from soil, grease and dirt and without unrepaired rips or tears. Drivers shall not wear as an outer garment any of the following: undershirt or underwear, tank tops, body shirts (see-through mesh), swimwear, jogging or warm-up suits or sweatshirts or similar attire, shorts or trunks (jogging or bathing), sandals, or any similar clothing. Summer uniforms can include

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"~~
4 ~~means that state of personal hygiene, body and hair cleanliness and absence of offensive body~~
5 ~~odor normally associated with frequent clothes laundering and bathing or showering. "Well~~
6 ~~groomed" means beards and mustaches are groomed and neatly trimmed, and scalp and facial~~
7 ~~hair is neatly trimmed, and combed or brushed (Class A).)~~

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

11 ~~((F))~~ C. A for-hire driver shall not refuse a request for service because of the driver's
12 position 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
14 packages (under ~~((fifty (50)))~~ 50 pounds) in and out of the taxicab or for-hire vehicle (Class A).

15 ~~((H))~~ E. A for-hire driver shall not refuse to transport in the taxicab or for-hire vehicle
16 any passenger's wheelchair which can be folded and placed in either the passenger, driver, or
17 trunk compartment of the taxicab or for-hire vehicle, an assist dog or guide dog to assist the
18 disabled or handicapped; groceries, packages or luggage when accompanied by a passenger
19 (Class B).

20 ~~((I))~~ F. A for-hire driver shall provide each passenger ~~((a))~~ an electronic or paper
21 ~~((taximeter))~~ receipt upon payment of the fare (Class A).

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

1 ~~((K. 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 ~~((E))~~ H 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
7 passenger is acting in a disorderly or threatening manner, or otherwise is acting in a manner that
8 would cause a reasonable person to believe that the for-hire driver's health or safety, or that of
9 others, may be 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
12 taxicab (Class B).
13

14 ~~((M))~~ I. A for-hire driver shall not smoke in the taxicab or for-hire vehicle (Class A).

15 ~~((N))~~ J. A for-hire driver shall be able to provide a reasonable amount of change, and if
16 correct change is not available, no additional charge will be made to the passenger in attempting
17 to secure the change (Class A).
18

19 ~~((O))~~ K. A for-hire driver shall not make any discriminatory charges to any person, or
20 make any rebate or in any manner reduce the charge to any person unless such is in conformity
21 with the discounts or surcharges contained in the filed rates (Class B).
22

23 ~~((P))~~ L. A for-hire driver shall not operate a wheelchair accessible taxicab unless the for-
24 hire driver has successfully completed the special training requirements set forth in ~~((SMC))~~
25 subsection 6.310.415,E (Class C and five-day suspension).
26

1 M. A for-hire driver must be clean and neat in dress and person and present a
2 professional appearance to the public.

3 Section 38. 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 1. A for-hire driver may solicit passengers only from the driver's seat or standing
8 immediately adjacent to the taxicab (within ~~((twelve (12)))~~ 12 feet), and only when the vehicle is
9 safely and legally parked (Class A).

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

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

13 4. A for-hire driver shall not park a taxicab and wait for walk up passengers in a
14 marked passenger load zone, truck load zone, or charter bus zone. A for-hire driver may drop off
15 passengers or pick up hailed trips in a passenger load zone except as provided by ~~((SMC~~
16 ~~6.310.475 D and E))~~ subsections 6.310.475.D and 6.310.475.E (Class A).

17 B. For-hire ~~((V))~~vehicles((;))

18 ~~((1. — A for hire driver in a for hire vehicle is prohibited from soliciting~~
19 ~~passengers, from cruising for passengers, or from picking up passengers in a taxi zone (Class~~
20 ~~B).))~~

1 1. A for-hire driver in a for hire vehicle licensed under this chapter may solicit
2 passengers only from the driver's seat or standing immediately adjacent to vehicle (within 12
3 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 A).

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

7
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, including any taxi zone located in front of
10 a hotel (Class B).

11 C. Transportation network company (TNC) endorsed vehicles

12 1. TNC endorsed vehicles are prohibited from soliciting passengers, from cruising
13 for passengers, or from picking up passengers in a taxi zone (Class C).

14
15 D. Unlicensed vehicles

16 1. Vehicles providing for-hire transportation services in the City of Seattle
17 without a City for-hire vehicle license, taxicab license, or TNC endorsement are prohibited from
18 soliciting passengers, cruising for passengers, or from picking up passengers in a taxi zone. (First
19 violation, civil infraction, second violation, misdemeanor)

20
21 Section 39. Section 6.310.475 of the Seattle Municipal Code, which Section was last
22 amended by Ordinance 121738, is amended as follows:

23 **6.310.475 For-hire driver taxi zone standards and number of taxi zones((.))**

24 A. A for-hire driver shall not leave the taxicab unattended in a taxicab zone for more than
25 ~~((fifteen (15)))~~ 15 minutes. Such vehicles will be impounded by order of the Director (Class A).

1 B. A for-hire driver shall occupy a taxicab zone only when available for hire (Class A).

2 C. A for-hire driver shall not perform engine maintenance or repairs on the taxicab while
3 in a taxicab zone (Class A).

4 D. A for-hire driver cannot use a passenger load zone located within ~~((one hundred fifty~~
5 ~~(+150)))~~ 150 feet from a taxicab zone designated by the Director, except for wheelchair accessible
6 taxicabs. Notification of such zone designation will be sent to all taxicab associations ten ~~((+40)))~~
7 days prior to the effective date of the designation (Class B and suspended from using the taxicab
8 zone for ~~((fourteen-(14)))~~ 14 days).

10 E. For hire-drivers cannot use a taxicab zone while under suspension from that taxicab
11 zone (Class B and suspended from using the taxicab zone for ~~((sixty-(60)))~~ 60 days).

12 F. Within one year of the effective date of this ordinance, the City shall work with
13 industry stakeholders to determine appropriate locations of 10 additional taxi zones and shall
14 establish 10 additional taxi zones.

16 Section 40. Section 6.310.500 of the Seattle Municipal Code, which Section was last
17 amended by Ordinance 122763, is amended as follows:

18 **6.310.500 Taxicabs~~((—))~~~~((M))~~maximum number~~((:))~~**

19 A. The total number of taxicab licenses in effect at any one ~~((+1)))~~ time shall not exceed
20 ~~((eight hundred and fifty-(850)))~~ 1050. The number of taxicab licenses shall be set by the
21 Director at such times and in such manner as necessary to meet the demand for efficient and
22 economical taxicab service within the city limits and to support a competitive, safe, fair and
23 viable business environment for the taxicab industry; however, no more than ~~((35))~~ 100 licenses
24 can be issued within a calendar year. The Director shall adopt by rule the procedure for
25
26
27

determining when and how many new taxicab licenses will be issued. In determining the total number of licenses issued, the Director shall consider factors ~~((such as))~~ including, but not limited to consumer demand for transportation services, average service response times, total number of taxi rides, total paid trips per taxicab, and average operating hours per taxicab, and may consider any other factors that may affect the supply and demand for taxi service within the city limits. The Director shall adopt by rule any vehicle and safety standards required for the issuance of new licenses, including but not limited to vehicle size, fuel efficiency, and emissions standards.

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

C. The Director may, at the Director's discretion, issue wheelchair accessible taxicab licenses to special service vehicles used to provide transportation to disabled persons defined in KCC 6.64.010 or to handicapped persons as defined in ~~((SMC))~~ Section 6.310.110. These licenses shall be non-transferable for a period of ~~((five (5)))~~ three years from the date of issuance and shall not be included in calculating the maximum number of taxicab licenses allowable

1 pursuant to subsection A. The Director may issue temporary and nontransferable wheelchair
2 accessible taxicab licenses to individual for-hire drivers selected by King County for a
3 demonstration project to determine the economic feasibility of the long term issuance of such
4 licenses. This subsection shall take effect and be in force retroactively as of the effective date of
5 this ordinance.

6 D. If the Director determines that issuance of additional taxicab licenses is warranted, not
7 to exceed the maximum allowable taxicab licenses issued pursuant to subsection A of this ((s))
8 Section 6.310.500, such licenses shall be issued pursuant to:

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

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

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

17 E. The Director shall issue 35 additional taxicab licenses in 2015. The Director shall issue
18 55 additional taxicab licenses each year in 2016, 2017, and 2018. Each of these issuances shall
19 be done by lottery pursuant to the methods described in subsection 6.310.500.D.2 To be eligible
20 for the issuance of these new taxicab licenses, an applicant must either: 1) have no more than a
21 50% ownership interest in a licensed for-hire vehicle or licensed taxicab, or 2) relinquish any
22 ownership interest beyond 50% in a licensed for-hire vehicle or licensed taxicab prior to and as a

condition of the issuance of the new license. For purposes of this subsection, relinquish means to
surrender the for-hire vehicle or taxicab license to the original licensing agency or transfer the
interest to another licensed for-hire driver whose ownership interest in a licensed for-hire vehicle
or licensed taxicab may not exceed 50%. ~~((E. At the earlier of September 1, 2010 or after a total~~
~~of 50 licenses have been issued under this section, the Director shall provide a written report to~~
~~the City Council concerning the economic impact that the 50 additional licenses have had on~~
~~taxicab service and on the business of providing taxicab transportation services in Seattle. The~~
~~report shall provide updated data to the extent reasonably available relating to the factors that~~
~~serve as the basis for the issuance of licenses as set forth in Subsection A. This report shall also~~
~~describe the economic effects, if any, of the provisions of SMC 6.310.330N on the market value~~
~~of all taxicab license transfers occurring after August 1, 2008. No additional licenses may be~~
~~issued until the submission of the report.))~~

Section 41. Section 6.310.520, which was last amended by Ordinance 118341, is
amended as follows:

6.310.520 Director's reports((?))

When requested by the Seattle City Council, the Director shall file a report with the
Seattle City Council based upon data collected on ~~((tripsheet)))~~ daily trip records or through
taximeter readings. The report may include but not be limited to the following:

A. Number of taxicabs, for-hire, and TNC endorsed vehicles licensed or endorsed in
Seattle/King County during the reporting period and during the preceding year;

B. Number of drivers licensed in Seattle/King County during the reporting period
and during the preceding year;

C. Numbers and nature of complaints;

D. Results of any survey of taxicab response times and any changes in response times from previous reporting periods;

E. Results of meter readings;

F. Any other information deemed appropriate by the Director.

Section 42. Section 6.310.530 of the Seattle Municipal Code, which Section was last amended by Ordinance 123939, is amended as follows:

6.310.530 Rates((:))

A. Taxicab rates

1. The rates for taxicabs licensed to operate in Seattle shall be established by the ~~((Seattle City Council))~~ Director by rule for times while not operating on an application dispatch system.

~~((B))~~ a. In reviewing rates the ~~((Council))~~ Director may take into account, among other things, and with the objective of prescribing a just and reasonable rate, the following factors:

~~((1-))~~ i. The information in a report prepared by the Director pursuant to SMC Section 6.310.520;

~~((2-))~~ ii. The public's need for adequate taxi service at the lowest level of charges consistent with the provision, maintenance and continuation of such service;

~~((3-))~~ iii. The rates of other licensees operating in similar areas;

1 ((4.)) iv The effect of such rates upon transportation of passengers
2 by other modes of transportation;

3 ((5.)) v. The owners' need for revenue of a level that, under honest,
4 efficient and economical management, is sufficient to cover all costs (including all operating
5 expenses and license fees of providing adequate taxi service, plus a reasonable profit to the
6 owner;

7 ((6.)) vi. Consistency of rates with those charged by King County;
8 and
9

10 ((7.)) vii. The lease drivers' need for revenue, based on a
11 reasonable number of driving hours per shift, sufficient to provide a living income after payment
12 of taxicab lease rent (including drivers' contributions to both retail sales tax on the lease amount
13 and to Workers' Compensation industrial insurance premiums), fuel costs and any cashier's fees.
14

15 ((C.)) b. No taxicab shall have more than one rate on its meter, except that
16 a taxicab licensed by both Seattle and King County shall not have more than two rates on its
17 meter, one fixed rate for Seattle and one rate as filed with King County.

18 2. Pending a Director's rule establishing new taximeter rates, and while not
19 operating on an application dispatch system, the following taximeter rates govern. Except for
20 special or contract rates as provided for in this chapter, or any per trip fee established by the Port
21 of Seattle and set forth in any operating agreement or tariff, or an airport flat rate defined in this
22 section 6.310.520, or a temporary fuel surcharge authorized by the Director pursuant to
23 subsection I of this section 6.310.520, or any toll or charge established for roads, bridges, tunnels
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or ferries, it shall be unlawful for anyone operating a taxicab licensed by The City of Seattle to advertise, charge, demand or receive any greater or lesser rate than the following:

Meter rate:

~~((1-))~~ a Drop charge: for passengers for first 1/9 mile: \$2.50

~~((2-))~~ b Per mile: For each 1/9 mile or fraction thereof after the first 1/9 mile:

\$0.30

~~((3-))~~ c. For every one minute of waiting time: \$0.50*

(charged at \$0.30 per 36 seconds)

~~((4-))~~ d. Additional per passenger charge for more than two persons, excluding children under twelve years of age: 0\$.50

* Waiting time rates are charged when taxicab speed is less than 11 miles per hour or when a taxicab driver is asked to wait for the customer.

~~((E-))~~ 3. Application Dispatch, Special Rates, Contract Rates, "Downtown to Airport" Flat Rate, and Coupons.

~~((+))~~ a. If using an application dispatch system, written documentation explaining or demonstrating that the rate structure is transparent to the rider prior to accepting the ride shall be provided to the Director. Rates do not need to be filed with the Director.

b. Special rates as defined in this chapter shall be calculated as a fraction or percentage of the meter rate or a fixed dollar amount per trip.

~~((2-The))~~ c. Unless using application dispatch, the special rates must be filed with the Director on forms furnished by the Director.

1 ((3-)) d. All special rates and/or contract rates shall be filed once a year at
2 the time of application by the taxicab association representative, or by the owner of a for-hire
3 vehicle which is not a taxicab.

4 ((4)) e. Licensees may change the special rates filed no more than once a
5 year.

6 ((5)) f. Unless using application dispatch, ((€))contract rates set during the
7 license year shall be filed within two weeks of securing such contract and before implementing
8 the contract rate. Contracts must be between taxicab associations and businesses or non-profit
9 organizations. Passengers transported under contracts must pay the fares to drivers using
10 vouchers issued by the contracting business or non-profit organizations (Class B - each incident).

11 ((6)) g. All taxicabs shall charge a flat rate ((of \$40)) from the downtown
12 hotel district to Seattle-Tacoma International Airport except when contract rates are in effect for
13 the trip((, or when the Director has temporarily suspended the flat rate in accordance with
14 subsection J of this section)). The downtown hotel district is the area defined by Broad Street to
15 Mercer Street to I-5 on the north, Elliot Bay on the west, South Dearborn Street on the south, and
16 Boren Ave, to the I-5 Freeway and then the Freeway on the east Unless using application
17 dispatch, the flat rate shall be filed with the Director at the time of application on forms furnished
18 by the Director. The flat rate shall be conspicuously displayed in the vehicle for the passenger to
19 see. Changes made to the flat rates may be adjusted to remain competitive with fee structures
20 used by for-hire vehicles and transportation network companies and shall be filed with the
21 Director.

1 ((7)) h. Unless using application dispatch , the use of coupons or discounts to
2 establish a lower rate, or a rate not provided within this section 6.310.530, is prohibited (Class A
3 - each incident).

4 ((F-)) B. For-hire ((V))vehicle ((R))rates((-))

5 1. If using an application dispatch system, written document explaining or
6 demonstrating that the rate structure is transparent to the rider prior to accepting the ride shall be
7 provided to the Director. Rates do not need to be filed with the Director.

9 ((4))2. Every for-hire vehicle licensee shall also file all non-application dispatch
10 system rates and charges, including rate structures that vary by time of day with the Director. All
11 rates and charges, including any adopted senior citizen discount rate, shall be conspicuously
12 displayed in the interior of the for-hire vehicle so as to be readily discernible to the passenger.
13 The Director will prescribe the manner of such posting.

15 ((2))3. For-hire vehicles must charge for service based on; a written contract((-));
16 flat ((eharge))rate per trip, by zone((-)); or by an hourly rate with minimum increments of ((one
17 half (-1/2))) 1/2 hour. Flat charges by zone or hourly rate may vary by time of day. Zone boundaries
18 shall be set by Director by rule and shall be consistent across all for-hire vehicle operators.

19 4. Unless using application dispatch , the use of coupons or discounts to establish
20 a lower rate, or a rate not provided within this section 6.310.530, is prohibited (Class A - each
21 incident).

23 C. Transportation network company rates

1 1. Written documentation explaining or demonstrating that the application
2 dispatch rate structure is transparent to the rider prior to accepting the ride shall be provided to
3 the Director.

4 ~~((G-))~~D. The rates specified in this section 6.310.530 shall not apply to transportation of
5 persons provided pursuant to a written contract which establishes a fare at a different rate for
6 specified transportation and has been previously filed with the Director; provided, that no
7 contract may include any provision the effect of which is to directly or indirectly require
8 exclusive use of the transportation services of the contracting taxicab or for-hire vehicle.
9

10 ~~((H-))~~E. It is unlawful under the Americans with Disabilities Act to charge a special
11 service vehicle rate ~~((which is different from the taxicab rates adopted in subsection D of this~~
12 ~~section))~~, except in those instances where the transportation of disabled persons is pursuant to a
13 written contract as specified in subsection 6.310.530.D~~((G of this section))~~ (Class B).
14

15 ~~((I-))~~F. The Director is authorized to approve a temporary fuel surcharge to be added to
16 the taxicab meter rate~~((, or the flat rate for trips from the downtown hotel district to Seattle-~~
17 ~~Tacoma International Airport))~~, any time the price of fuel, as published by the American
18 Automobile Association, exceeds a fuel surcharge trigger price established pursuant to an
19 administrative rule adopted by the Director. The surcharge shall be an amount necessary to
20 recoup the increased fuel costs.
21

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

3 ((K)) G. The Director shall specify by rule how tolls or charges established for roads,
4 bridges, tunnels or ferries shall be charged to taxicab or for-hire vehicle passengers and shall
5 prescribe required signage for the vehicles for such purposes.

6 Section 43. A new Section 6.310.540 to Seattle Municipal Code is adopted, as follows:
7

8 **6.310.540 Reporting responsibilities**

9 A. Transportation Network Companies, Taxi Associations, and For-Hire Vehicle license
10 holders shall maintain accurate and complete operational records for two years, including, but
11 not limited to:

- 12 1. Total number of rides provided by each taxi or for-hire vehicle license holder
13 or individual Transportation Network Company;
- 14 2. Type of dispatch for each ride (hail, phone, app, etc.)
- 15 3. Percentage or number of rides picked up in each zip code;
- 16 4. Pick up and drop off zip codes of each ride;
- 17 5. Percentage by zip code of rides that are requested but unfulfilled;(phone or app
18 only)
19
- 20 6. Number of collisions; including the name and number of the affiliated TNC,
21 taxicab, and for-hire driver, collision fault, injuries, and estimated damage;
- 22 7. Number of requested rides for an accessible vehicle;
- 23 8. Crimes against driver reports;
- 24 9. Passenger complaints; and
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10. Any other data identified by the Director to ensure compliance. (Class A -
each requirement)

B. Records may be maintained electronically.

C. On a quarterly basis, Transportation Network Companies, Taxi Associations, and For-Hire Vehicle licensee or Companies must submit complete data to the Director via electronic reporting forms made available by the Director. (Class C)

D. If a public records request is made of the City for documents that have been designated by the providing party as confidential or proprietary, the City shall provide third party notice to the providing party prior to disclosure.

Section 44. Section 6.310.600 of the Seattle Municipal Code, which Section was last amended by Ordinance 121857, is amended as follows:

6.310.600 Penalties((:))

~~((A. Violations of SMC Section 6.310.130 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) days, or by both such fine and imprisonment.))~~

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

B. The first violation of subsection 6.310.470.D shall be a civil infraction as contemplated by RCW Chapter 7.80 and deemed to be a Class 1 civil infraction under RCW

1 7.80.120(a), and shall subject the violator to a maximum penalty and default amount of \$500,
2 inclusive of statutory assessments.

3 1. As contemplated by RCW 7.80.160, a person who, after receiving a notice of
4 civil infraction that includes a statement of the options provided in RCW Chapter 7.80 for
5 responding to the notice and the procedures necessary for exercising these options, knowingly
6 fails to exercise one of the options within 15 days of the date of the notice is guilty of a
7 misdemeanor subject to the provisions of Chapters 12A.02 and 12A.04, except that absolute
8 liability shall be imposed for such a violation and none of the mental states described in Section
9 12A.04.030 need be proved, regardless of the disposition of the notice of civil infraction. A
10 person who willfully fails to pay a monetary penalty or perform community service as ordered
11 by a court may be found in contempt of court as provided in RCW Chapter 7.21.

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

20 C. Each subsequent violation of subsections 6.310.130.A, 6.310.130.B, 6.310.452.A, or
21 6.310.470.D within five years of the prior violation is a misdemeanor subject to the provisions of
22 Chapters 12A.02 and 12A.04, except that absolute liability shall be imposed for such a violation
23

and none of the mental states described in Section 12A.04.030 need be proved. The Director may request that the City Attorney prosecute such violations criminally as an alternative to the civil infraction procedure outlined in this chapter.

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

1. As contemplated by RCW 7.80.160, a person who, after receiving a notice of civil infraction that includes a statement of the options provided in RCW Chapter 7.80 for responding to the notice and the procedures necessary for exercising these options, knowingly fails to exercise one of the options within 15 days of the date of the notice is guilty of a misdemeanor subject to the provisions of Chapters 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, regardless of the disposition of the notice of civil infraction. A person who willfully fails to pay a monetary penalty or perform community service as ordered by a court may be found in contempt of court as provided in RCW Chapter 7.21.

2. An action for a civil infraction shall be initiated and processed in the manner contemplated by RCW Chapter 7.80 and the Infraction Rules for Courts of Limited Jurisdiction. For purposes of RCW 7.80.040, the "enforcement officer" authorized to enforce the provisions of subsections 6.310.130.C and 6.310.130.D and 6.310.130.E are: (1) the Director of the Seattle Department of Finance and Administrative Services and authorized representatives or assistants of him or her; and (2) a commissioned officer of the Seattle Police Department and a person

issued a Special Police Officer Commission by the Chief of Police with authority to enforce this title.

E. Each subsequent violation of subsections 6.310.130.C, 6.310.130.D or 6.310.130.E within five years of the prior violation is a misdemeanor subject to the provisions of Chapters 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. The Director may request that the City Attorney prosecute such violations criminally as an alternative to the civil infraction procedure outlined in this chapter.

~~((B.))~~ F. 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. 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), or by imprisonment for a term not to exceed ninety (90) days, or by both such fine and imprisonment.))~~

Section 45. 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
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1. Violations ((F))found ((D))during a ((C))calendar ((Y))year ((A))away from 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

2. Violations ((F))found ((D))during ((F))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	\$50	2 penalty points
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below)		
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 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, for-hire vehicle, or TNC endorsed vehicle on average, it must pay a penalty to the Director of ~~((One Hundred Dollars (\$100)))~~ \$100 per affiliated taxicab, for-hire vehicle, or TNC endorsed vehicle. As soon as an association or TNC accumulates more than seven ~~((7))~~ penalty points per affiliated taxicab, for-hire vehicle, or TNC endorsed vehicle on average, it must pay an additional penalty to the Director of ~~((One Hundred Fifty Dollars (\$150)))~~ \$150 per affiliated taxicab, for-hire vehicle, or TNC endorsed vehicle. As soon as an association or TNC accumulates more than ten ~~((10))~~ points per affiliated taxicab, for-hire vehicle, or TNC endorsed vehicle on average, it must pay an additional penalty to the Director of ~~((Two Hundred Fifty Dollars (\$250)))~~ \$250 per affiliated taxicab, for-hire vehicle, or TNC endorsed vehicle. For purposes of this subsection, average number of penalty points per affiliated taxicab, for-hire vehicle or TNC endorsed vehicle means total association penalty points divided by number of taxicabs, for-hire vehicles or TNC endorsed vehicle within the association or TNC. (The Director will compute the number of taxicabs, for-hire vehicles of TNC endorsed 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, for-hire vehicles or TNC endorsed 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

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

6
7 Upon renewal of the taxicab association or TNC license, the association or TNC will start
8 the new year with zero ~~((0))~~ penalty points.

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

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

16
17 D. Taxicab ~~((A))~~association's or transportation network company's ~~((R))~~responsibility for
18 ~~((P))~~penalties ~~((I))~~incurred ~~((B))~~by ~~((F))~~for-hire ~~((D))~~drivers and ~~((F))~~taxicab ~~((O))~~owners. In
19 addition to incurring penalty points, the taxicab association or TNC is jointly and severally liable
20 for each monetary penalty assessed against any for-hire driver, TNC endorsed vehicle or taxicab
21 affiliated with the taxicab association. The City is not required to pursue collection of the penalty
22 from the for-hire driver or the taxicab owner as a prerequisite to pursuing collection of the
23 penalty from the taxicab association or TNC.

Section 46. Section 6.310.610 of the Seattle Municipal Code, which Section was last amended by Ordinance 122763, is amended as follows:

6.310.610 Suspension or revocation((-))

C. Revocation ((S)) standards

1. Any License. The Director shall revoke a license issued under this chapter if the Director determines that:

a. The licensee has violated any of the provisions of this chapter that indicate a revocation as a penalty in parentheses after the provision;

b. The license application contained a material misstatement or omission;

c. The licensee fails to pay a monetary penalty imposed under this chapter within 90 ((thirty (30))) days after an unappealed notice of violation or final decision or order imposing such monetary penalty is issued.

3. Transportation network companies (TNC)

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

i. The TNC, or any person employed to manage Seattle operations, receives a bail forfeiture, conviction or other final adverse finding for crimes of fraud, theft, larceny, extortion, embezzlement, racketeering, Uniform Controlled Substances Act, prostitution, alcohol and/or narcotics where the commission of such crimes involved or used a TNC or for-hire vehicle. If the employee is (a) removed immediately from all operational or management

duties or authority and (b) is divested of all ownership in the TNC as soon as possible, the
license may be reinstated;

ii. The TNC, or any person employed to manage Seattle
operations, receives a bail forfeiture, conviction or other final adverse finding involving crimes
directly related to the applicant's ability to operate a TNC, including but not limited to
prostitution, gambling, fraud, larceny, extortion, income tax evasion. If the employee of the TNC
found in violation of this subsection is (a) removed immediately from all operational or
management duties or authority and (b) is divested of all ownership in the TNC as soon as
possible, the license may be reinstated;

iii. Knowingly permits an affiliated vehicle to be active on the
TNC dispatch system that has not undergone a uniform vehicle safety inspection as required by
6.310.270;

iv. Has failed to meet the insurance requirements outlined in
Section 6.310.260;

v. An affiliated driver is active on the TNC dispatch system
without effective and proper vehicle insurance as required in this chapter;

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

vii. The TNC has committed one Class C violations in any one
year period.

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

i. Dispatches to an unlicensed or unaffiliated driver;

ii. Dispatches to an unaffiliated vehicle;

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

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

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

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

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

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

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

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

i. The licensee, or any officer, director, general partner, managing partner or principal of the licensee, has had a conviction, bail forfeiture or final adverse finding of criminal fraud, larceny, theft, prostitution, extortion, racketeering, robbery or violation of the Uniform Controlled Substances Act, where the crime is associated with operating a taxicab or for-hire vehicle;

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

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

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

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

b. The Director may revoke a taxicab or for-hire vehicle license if:

i. The licensee, or any officer, director, general partner, managing
partner or principal of the licensee, receives a bail forfeiture or conviction involving crimes
reasonably related to the applicant's ability to operate a taxicab or for-hire business, including but
not limited to prostitution, gambling, fraud, larceny, extortion, income tax evasion; or

~~((ii. The licensee commits three (3) or more Class B violations
within one (1) year.))~~

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

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

i. The for-hire 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 a taxicab or for-hire
vehicle; or

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

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

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

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

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

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 a TNC endorsed vehicle;

ii. The TNC driver's Washington State driver's license expires or is revoked provided that if the TNC driver's Washington State driver's license expires, the driver may obtain reinstatement upon proof of renewal within 30 days;

1 iii. The TNC driver has committed one Class C violations in any
2 one year period;

3 iv. The TNC endorsed driver driving a TNC endorsed vehicle
4 picks up a street hail, cruises, or otherwise solicits trips whether active on the TNC dispatch
5 system or not;

6 v. The TNC driver driving a TNC endorsed vehicle provides a ride
7 that is not booked through the TNC application dispatch system;

8 vi. Drives a vehicle while on the TNC application that is not
9 affiliated with the TNC;

10 vii. Drives a vehicle while on the TNC application that is neither a
11 for-hire vehicle nor taxicab licensed under this chapter nor a vehicle with a TNC vehicle
12 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
20 violence, Uniform Controlled Substances Act, fraud, theft, robbery, larceny, burglary, extortion
21 and/or crimes directly related to the driver's ability to operate a for hire vehicle.

22 D. Effect of ((N))notice of ((S))suspension or ((R))revocation((-))

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

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

22 3. Except in the case of a summary suspension or revocation as provided in
23 subsection ((D+)) 6.310.610.D.1 above, whenever a timely appeal is filed pursuant to Section
24 6.310.635, a licensee or TNC driver may continue to engage in the activity for which the license
25 or endorsement is required pending a final decision on appeal.

Section 47. Section 6.310.635 of the Seattle Municipal Code, which Section was last amended by Ordinance 121738, is amended as follows:

6.310.635 Notice and hearing for denials, violations, suspensions and revocations((+))

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

B. Any notice of denial, violation, suspension or revocation, other than a summary suspension or revocation pursuant to ~~((Section))~~ subsection 6.310.610.A, shall state that the driver, taxicab or for-hire vehicle licensee, TNC endorsement holder, transportation network company and/or taxicab association is entitled to a hearing to respond to the notice and introduce any evidence to refute or mitigate the violation. Upon written request, submitted by the person named on the violation, filed within ten ~~((40))~~ calendar days after the date of the notice of denial, violation, suspension or revocation, the Director shall set a hearing date and time to be held as soon as possible and not more than ~~((thirty (30)))~~ 30 calendar days from the date of the request or the next business day after that if the thirtieth day falls on a weekend or holiday.

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

13
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, TNC endorsement, or for-
16 hire driver license may be reinstated without a hearing if the violation was for failure to pay a
17 monetary penalty within ~~((thirty (30)))~~ 30 days, if the licensee or TNC endorsement holder pays
18 the monetary penalty in full within ten ~~((40))~~ days of the date of license revocation and pays a
19 license reinstatement fee. This authority to reinstate licenses without a hearing only applies if it
20 is the first instance of failure to pay a monetary penalty in the calendar year.
21

22 E. The hearing shall be held by the Director or the Director's designee, provided that the
23 designee may not be a person who directly supervises the inspector who issued the notice of
24 denial, violation, suspension or revocation.
25
26
27

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

13
14 G. If the Director's decision imposes or affirms a denial, suspension or revocation,
15 including summary suspension or revocation, any affected licensee or TNC endorsement holder
16 may appeal the entire decision to the Hearing Examiner by filing a notice of appeal with the
17 Hearing Examiner within ten ~~((40))~~ days after the date of mailing of the decision. Decisions of
18 the Director imposing a monetary penalty only, pursuant to subsection D, shall not be appealable
19 to the Hearing Examiner.
20

21 ***

22 Section 48. A new Section 6.310.745 to Seattle Municipal Code is adopted, as follows:

23 **6.310.745 Other laws**

24 Nothing in this chapter relieves a for-hire driver, for-hire vehicle or taxicab licensee,
25 taxicab association, transportation network company (TNC), TNC vehicle endorsement holder or
26
27

applicant thereof from complying with any other law, nor does the City issuance of a license or endorsement under this chapter imply that the applicant has met the obligations of all such other laws.

The Department of Finance and Administrative Services shall issue a report to City Council regarding the operational outcomes of this ordinance per section 6.310.100 B.

Section 49. A new Section 6.310.750 to Seattle Municipal Code is adopted, as follows:

6.310.750 Additional remedies

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

Section 50. Ordinance 124441 is repealed.

Section 51. To pay for necessary costs and expenses incurred or to be incurred in 2014, but for which insufficient appropriations were made due to causes that could not reasonably have been foreseen at the time the 2014 Budget was adopted, appropriations for the following items in the 2014 Budget are increased from the funds shown as follows:

Fund	Department	Budget Control Level	Amount
Finance and Administrative Services Fund (50300)	Department of Finance and Administrative Services	Revenue and Consumer Protection (A4530)	\$150,000
General Subfund (00100)	Finance General	Appropriation to General Fund Subfunds and Special Funds (2QA00)	\$150,000

Total			\$300,000
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Section 52. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

1 Passed by the City Council the ____ day of _____, 2014, and
2 signed by me in open session in authentication of its passage this ____ day of
3 _____, 2014.

4
5
6 _____
7 President _____ of the City Council

8 Approved by me this ____ day of _____, 2014.
9

10
11 _____
12 Edward B. Murray, Mayor
13

14 Filed by me this ____ day of _____, 2014.
15

16
17 _____
18 Monica Martinez Simmons, City Clerk

19 (Seal)
20
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27
28

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
OPI	Andrew Glass Hastings/4-4384	Jennifer Devore/5-1328

Legislation Title:

AN ORDINANCE relating to transportation network companies, taxi, and for-hire services and affiliated drivers and vehicles; establishing minimum operating requirements for transportation network companies and affiliated drivers; imposing industry-wide vehicle inspection and driver training processes; imposing insurance requirements for transportation network companies and affiliated vehicles; altering insurance requirements for taxi and for-hire vehicles; requiring rate transparency across industries; establishing and altering licensing fees; establishing an accessible service charge; raising the maximum number of taxicab licenses issued by the City; allowing hailing rights for for-hire vehicles; establishing a property right for taxi and for-hire vehicle license holders; revising terminology; adding new sections, amending various Sections of Chapter 6.310 of the Seattle Municipal Code, repealing Ordinance 124441, and amending Ordinance 124349, which adopted the 2014 Budget.

Summary of the Legislation:

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

Background:

Transportation Network Companies like Uber, Lyft, and Sidecar, represent a new type of for-hire transportation service that until recently had not been subject to regulation by the City. In March 2013, Council passed and the Mayor signed legislation bringing the TNCs into the City's regularity framework as granted by Article 11, Section 11 of the Washington State Constitution and RCW 46.72.160. Ordinance 124441 established, vehicle and driver safety standards, insurance requirements, and capped the number of TNC drivers permitted to operate at one time. The TNC industry responded by submitting signatures to place a referendum on the ballot, therefore rendering the regulatory framework established in Ordinance 124441 inactive pending a November vote. The legislation associated with this ordinance includes terms agreed upon during a facilitated mediation between the Taxi, For-Hire, and TNC industries. This ordinance repeals Ordinance 124441 and proposes a substantially different regulatory framework for the TNCs, as well as the incumbent industry based on these mediation terms.

Because the TNC business model involves dispatching traditional for-hire drivers and vehicles as well as non-professional casual drivers operating their personal vehicles entirely by a mobile application, regulating this industry raises a number of policy questions. However, there is value in the transportation services these companies provide and so addressing the regulatory challenges will ultimately benefit Seattle. The TNCs also have the potential of disrupting the existing for-hire industry, which have been operating legally under the City's existing regulatory framework for many years. To both bring the TNCs into the City's regulatory framework and to address the need to establish parity between the new entrants and the incumbent industry, this legislation includes the following terms:

- Requires that anyone driving for a TNC be a licensed for-hire driver, driving a TNC endorsed vehicle;
- Establishes comparable driver training and vehicle inspection processes across the TNC, taxi, and for-hire vehicle industries;
- Establishes comparable requirements for liability insurance across the TNC, taxi, and for-hire vehicle industries;
- Requires that TNCs, taxi, and for-hire vehicle industries provide operational information necessary to allow enforcement of regulations;
- Allows flat-rate (for-hire) vehicles access to street hails;
- Establishes an accessible service fund to ensure the continuation of wheelchair accessible taxi (WAT) service in Seattle;
- Establishes comparable regulations for TNCs, taxi, and for-hire vehicles when utilizing an app for dispatch or payment; and
- Increases the number of new taxi licenses by 200 over four 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*	2014 Appropriation	2015 Anticipated Appropriation
Finance and Administrative Services Fund (50300)	Finance and Administrative Services	Revenue and Consumer Protection	\$150,000	FAS has included a related request as part of its proposed 2015-2016 budget.
TOTAL			\$150,000	

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

Appropriations Notes:

Through its proposed 2015-2016 budget, FAS will request resources for permanent positions to implement the new regulations associated with this legislation. In the short term, FAS is seeking \$150,000 in one-time General Fund dollars for immediate help on the following primary tasks, among others:

- Establish the accessibility fund for WATs;
- Establish a methodology for the City to calculate and collect from TNCs the fees for their share of City enforcement costs;
- Transition current and develop new technology systems and databases for new data reporting requirements;

- Transition current City taxicab and for-hire vehicle licenses into property rights; and
- Develop new and modify existing Director's Rules concerning vehicle inspections, driver training curriculum, fees and fares, etc.

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	2014 Revenue	2015 Revenue
Finance and Administrative Services Fund (50300)	Finance and Administrative Services	TNC fees (company license, for-hire driver's licenses, and vehicle endorsements)		\$525,000 (estimated)
Finance and Administrative Services Fund (50300)	Finance and Administrative Services	New taxicab licenses		\$17,500 (estimated)
Finance and Administrative Services Fund (50300)	Finance and Administrative Services	Reduced taxicab and for-hire vehicle licensing fees		-\$88,600 (estimated)
Finance and Administrative Services Fund (50300)	Finance and Administrative Services	Conversion of existing and new licenses to property rights		\$92,100 (estimated)
Wheelchair Accessible Services Fund (# TBD)	Finance and Administrative Services	Surcharge of \$0.10 per ride		\$850,000 (estimated)
TOTAL				\$1,396,000

Revenue/Reimbursement Notes:

All revenue estimates assume that 2015 is the first full year of implementation.

1. TNC fees: a quarterly fee assessed by the City; fee covers company licenses, for-hire driver's licenses, and vehicle endorsements, and will not exceed \$525,000 (total) in the first year
2. New taxicab licenses: 35 new taxicab licenses at \$500 per license
3. Reduced taxicab and for-hire vehicle licensing fees: 886 licensed vehicles at -\$100 per license; annual vehicle licensing fee reduced from \$600 to \$500
4. Conversion of existing licenses to property rights: 921 (886 existing + 35 new) licensed vehicles at \$100 per license; license (medallion) price will not exceed the City's costs to administer the conversion
5. Wheelchair Accessible Services Fund: based on current estimate of annual revenue trips for City licensed taxicabs (5,150,000) and estimates provided by flat-rate (for-hire) vehicle and TNC industries during mediation (3,335,000)

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	2014 Positions	2014 FTE	2015 Positions*	2015 FTE*
Licenses & Standards Inspector (FAS)	New	FAS Fund (50300)	FT			1	1.0
Licenses & Standards Inspector (FAS)	New	FAS Fund (50300)	FT			1	1.0
Licenses & Standards Inspector (FAS)	New	FAS Fund (50300)	FT			1	1.0
Licenses & Standards Inspector (FAS)	New	FAS Fund (50300)	FT			1	1.0
Management Systems Analyst, Sr.	New	FAS Fund (50300)	FT			1	1.0
TOTAL						5	5.0

* 2015 positions and FTE are total 2015 position changes resulting from this legislation, not incremental changes. Therefore, under 2015, please be sure to include any continuing positions from 2014.

Position Notes:

The positions shown in the table above are part of the request that FAS has included as part of its proposed 2015-2016 budget and are only shown for planning purposes. These positions will not be created as a result of adopting this legislation.

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*	2014 Expenditures	2015 Anticipated Expenditures
Finance and Administrative Services Fund (50300)	Finance and Administrative Services	Revenue and Consumer Protection	\$50,000	\$100,000
TOTAL			\$50,000	\$100,000

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

Spending/Cash Flow Notes:

Given uncertainty around a passage date for this legislation, FAS expects to spend a third of the General Fund appropriation this year and encumber the balance to spend in 2015.

Other Implications:

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

This legislation fundamentally alters how the City regulates taxicabs, flat-rate (for-hire vehicles), and vehicles affiliated with TNCs by shifting responsibility for activities like vehicle inspections and training to taxicab associations, flat-rate (for-hire) companies and licensees, and TNCs. A new accessibility fund and the transition of taxicab and for-hire vehicle licenses to a property interest that can be collateralized provide new financial benefits to licensees.

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

Not implementing this legislation will continue the City's current system of regulations and fees, which do not affect vehicles affiliated with TNCs. In addition, WATs will not benefit from the accessibility fund proposed and taxicab and for-hire licensees will not have the financial benefit of a property interest in their licenses.

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

No.

d) What are the possible alternatives to the legislation that could achieve the same or similar objectives?

None. Legislative action is needed to implement the changes desired.

e) Is a public hearing required for this legislation?

No. However, the Director's Rules needed to implement certain parts of this legislation will require public hearings.

f) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No.

g) Does this legislation affect a piece of property?

No.

h) Other Issues:

None.

List attachments to the fiscal note below:



City of Seattle
Edward B. Murray
Mayor

June 26, 2014

Honorable Tim Burgess
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Burgess:

I am pleased to transmit the attached proposed Council Bill. Transportation Network Companies like Uber, Lyft, and Sidecar, represent a new type of for-hire transportation service that until recently had not been subject to regulation by the City. In March 2013, Council passed and the Mayor signed legislation bringing the TNCs into the City's regularity framework as granted by Article 11, Section 11 of the Washington State Constitution and RCW 46.72.160. Ordinance 124441 established, vehicle and driver safety standards, insurance requirements, and capped the number of TNC drivers permitted to operate at one time. The TNC industry responded by submitting signatures to place a referendum on the ballot, therefore rendering the regulatory framework established in Ordinance 124441 inactive pending a November vote. The legislation associated with this ordinance includes terms agreed upon during a facilitated mediation between the Taxi, For-Hire, and TNC industries. This ordinance repeals Ordinance 124441 and proposes a substantially different regulatory framework for the TNCs, as well as the incumbent industry based on these mediation terms.

The TNC business model involves dispatching traditional for-hire drivers and vehicles as well as non-professional casual drivers operating their personal vehicles entirely by a mobile application and regulating this industry raises a number of policy questions. However, there is value in the transportation services these companies provide and so addressing the regulatory challenges will ultimately benefit Seattle. The TNCs also have the potential of disrupting the incumbent industry, which have been operating legally under the City's existing regulatory framework for many years. To both bring the TNCs into the City's regulatory framework and to address the need to establish parity between the new entrants and the incumbent industry, this legislation includes the following terms:

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- Allows flat-rate (for-hire) vehicles access to street hails;
- Establishes an accessible service fund to ensure the continuation of wheelchair accessible taxi (WAT) service in Seattle;
- Establishes comparable regulations for TNCs, taxi, and for-hire vehicles when utilizing an app for dispatch or payment; and
- Increases the number of new taxi licenses by 200 over four years.

Office of the Mayor
Seattle City Hall, 7th Floor
600 Fourth Avenue
PO Box 94749
Seattle, Washington 98124-4749

Tel (206) 684-4000
Fax: (206) 684-5360
Hearing Impaired use the Washington Relay Service (7-1-1)
www.seattle.gov/mayor

This legislation reflects an agreement of the industry stakeholders that provides a framework to enable all parties in the for-hire industry to compete fairly to serve the needs of the public. Thank you for your consideration of this legislation. Should you have questions, please contact Andrew Glass Hastings at 206-684-4384.

Sincerely,

A handwritten signature in dark ink, appearing to read "Ed B. Murray", written over a horizontal line.

Edward B. Murray
Mayor of Seattle

cc: Honorable Members of the Seattle City Council