SAN FRANCISCO MUNICIPAL TRANSPORTATION AGENCY

SFMTA HEARING SECTION

SAN FRANCISCO MUNICIPAL TRANSPORTATION AGENCY,

VS.

STATEMENT OF DECISION

MAURICE HAROLD, Respondent

I. INTRODUCTION

This case came on for administrative hearing pursuant to a Complaint by the San Francisco Municipal Transportation Agency ("SFMTA") after the Complaint was sent to respondent Maurice Harold on or about October 26, 2020. The SFMTA Complaint alleges that Mr. Harold had not taken the necessary measures to renew his status as a qualified taxi medallion holder, and on that basis the SFMTA's Taxi Services had notified Mr. Harold on or about September 28, 2020, that his right to remain a medallion holder was being contested by Taxi Services.

Following that notice and the subsequent Complaint, a video-conference hearing was scheduled for Mr. Harold by this Hearing Section for June 22, 2021, under the provisions of Article 1100 of the SFMTA's Transportation Code. That Article governs the rights granted to taxi medallion holders in San Francisco, as well as how hearings related to those rights are administered.

On June 22, 2021, Mr. Harold appeared via telephone at the time of this hearing, and the Taxi Services manager, Philip Cranna, and its witness, analyst Danny Yeung, appeared by video, along with the undersigned administrative hearing officer, and at that time testimony from each of the parties was received into evidence.

II. THE COMPLAINT

In its Complaint the SFMTA's Taxi Services alleges that based upon "Post-K" provisions adopted by the Transportation Code ("TC"), taxi medallion holders are subject to a full-time driving requirement and must hold an active A-Card in order to retain their legal status as medallion holders. Additionally, the Transportation Code also requires that for an A-Card permit to be granted, a full-time driver must also have a valid California driver's license.

In terms of Mr. Harold, the Complaint stated that because his A-Card had expired in 2017, and had not been renewed, the medallion # 955 held by Mr. Harold was not eligible to be renewed on the basis relevant provisions of the Transportation Code, Article 1100.

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The Taxi Services Complaint also noted that under the provisions of Article 1109(c)(3) of the Transportation Code, a person applying for a permit must declare under penalty of perjury their intention actively and personally to engage as a permittee driver. (SFMTA Complaint, at 2.) In Mr. Harold's case, that declaration, often referred to as a driver's 'sworn statement,' had not been currently executed.

III. APPLICABLE LAW

Under the provisions of Article 1100 of the Transportation Code, the following statutory authority forms the relevant basis for this decision, including the Transportation Code's definitions of "A-Card," "Medallion Holder," "Notice of Nonrenewal," and "Permit Holder."

Also relevant to this case are these Article 1100 provisions:

- TC §1103(c)(2)(C), regarding driver qualifications
- TC §1103(c)(3), regarding the lapse of active permit status
- TC §1105(a)(1), regarding permits required
- TC §1105(a)(3), regarding permits as privilege, not property of the driver
- TC §1105(a)(5)(A), regarding the duration of permits
- TC §1105(a)(6), involving compliance with laws and regulations
- TC §1109(a)(1), re required affiliation with Color Scheme
- TC §1109(c)(1), regarding the full-time driving requirement
- TC §1109(e)(1)(A), involving various aspects of medallion operation
- TC §1116, covering surrender of medallions for consideration.

IV. TESTIMONY

A. SFMTA Testimony and Evidence Presented: Danny Yeung:

Danny Yeung, an administrative analyst in the SFMTA's Taxi Services, testified to the preservation and reliability of the exhibits offered by Taxi Services at the hearing. The exhibits included a driver profile of Mr. Harold (Exh. A), the Division's Notice of Nonrenewal (Exh. B), and the written statement of Maurice Harold, dated October 21, 2020, requesting an administrative hearing (Exh. C). Mr. Yeung stated that the evidence of record established that Mr. Harold's A-Card had expired in approximately May of 2017, and had not been renewed since that time.

B. Maurice Harold:

Mr. Harold testified that he continues to be a resident, living in Sonoma, California, and that he has been disabled due to conditions in his back and legs, and that currently he is not physically capable of driving a taxi cab on a full-time basis.

Mr. Harold testified that he that his medallion (# 955) had been used by Yellow Cab Company, as a basis for other taxi drivers to drive legally within the city, pursuant to the provisions of the

Transportation Code that allow this sort of operational transfer to a Color Scheme from the original medallion holder. He testified that he wants to retain his medallion as source of retirement income, noting that before the onset of the 2020 pandemic, he had received some modest monthly lease payments from the Color Scheme for the use of his medallion by other drivers.

Mr. Harold confirmed that he currently has a California driver's license which has recently been renewed, and which allows him to drive legally in California until April 30, 2026.

Mr. Harold further testified that in approximately 2017, he was advised by Paige Stanfield, the Taxi Services manager at that time, that because he was disabled at that time, he did not need to renew his A-Card on an annual basis.¹ Up until that time, he testified that he had kept all of his taxi-related permits current. Since 2017, according to his testimony, Mr. Harold has continued to believe that the renewal of his A-Card was not required as long as his physical disabilities persisted.

In an email sent to Taxi Services and to the undersigned on July 6, Mr. Harold specifically requested "a reasonable period of time to comply with the rules to acquire an A-Card." He indicated that that process may involve fingerprinting, and it seems apparent that he wants "... to comply with the current policies in order to retain my permit." (M. Harold: email of July 6, 2021)

C. Dan Hines

In support of Mr. Harold, Mr. Hines testified that as the current president of National Cab Co., he understands that the agreement between the SFMTA and drivers after the *Sloane* case led to the creation of the medallion surrender program in approximately 2010, which provided an opportunity for a financial exit for taxi drivers which would help prevent older and disabled drivers from continuing to drive out of financial necessity.

D. Carl Macmurdo

Mr. Macmurdo testified that he has been a taxi driver for over 30 years, that he is a Prop-K medallion holder, and is the president of the Medallion Holders Association. He referred to the origins of Prop-K, the *Sloane* case's surrender program, and specifically indicated that the applicant for a taxi medallion had to swear only to *intend* to be a full-time driver. He argued that the taxi medallion holder's sworn intent to drive on a full-time basis was the only requirement in terms of one's entitlement to retain one's medallion.

¹ I note that the email from Paige Stanfield to Charles Rathbone, dated March 27, 2017, does mention that his medical disability exempts him from the requirement to renew his A-Card. That email is part of this record and is accepted into evidence.

Mr. Macmurdo also referenced the import of the resolution of the MTA Board in August of 2009, which allowed a dispensation for the full-time driving requirement for taxi drivers where medical disabilities of a temporary nature were established and communicated to Taxi Services.

The following documents offered by Maurice Harold were reviewed and admitted in the record:

- Memorandum, Thomas Owen to Mariann Costello, 4/25/2000
- *SF Taxi Permitholders, et al. v. City and County of San Francisco*, CA Court of Appeals, 1st District, Unpublished Decision, 7/11/2002
- Proposed Resolution, Taxi Commission, 10/08/2002
- SF Chronicle, Article regarding 11th & Market St Accident, 3/26/2003
- SFMTA Board Resolution No. 09-138 (Re Sloane v. Taxi Commission), 9/9/2009
- Sloane v. Taxi Commission, U.S.C.A, 9th Cir., Motion to Dismiss Appeal, Case No. 08-16726, 8/10/2010
- Email from Paige Stanfield to Chas. Rathbone, 3/27/2017
- Written statement to SFMTA Director Tumlin re elimination of TC § 1109(c), 5/7/2020
- Medallion Holders Assn. (MHA), Template of Arguments for Prop. K Medallion Holders, 6/7/2021 (9 pp.)
- 1978 Voter Pamphlet Summary of Proposition K (no date)
- Text of Proposition K Provisions (no date)
- Prop-A of 2007: Taxi Commission Authority Transfer to SFMTA (no date)
- SF Taxi Commission, Medallion Holders by Date of Birth (no date)

V. FINDINGS

1. Respondent Harold Allowed to Cure Deficiencies

Based upon the testimony adduced at the hearing and relying upon the evidence of record, I find that the respondent Maurice Harold currently intends to reacquire a taxi driver's A-Card, and is allowed to have additional time to cure the apparently minimal deficiencies in the record, in the interest of maintaining his use of medallion # 955.

The Taxi Services Complaint clearly states that Mr, Harold "may cure this deficiency by renewing his A-Card." (Complaint at 3.) That authorization to "cure" the current deficiency has not been foreclosed in this case. Under the circumstances, and given the current suspension of the full-time driving requirement, it appears that Mr. Harold is fully able and willing to meet the requirements to cure existing deficiencies in order to obtain a current A-Card. He may only need to complete a sworn statement under the provisions of TC § 1109(c)(3) in order to meet the current qualifications for an A-Card.

VIII. ORDER

By reason of the Findings stated above, the Taxi Services Notice of Nonrenewal is denied. Mr. Harold is entitled to retain his possession of medallion # 955 for at least the next two months, until September 22, 2021, during which time he will need to do what is necessary to obtain a current A-Card. If by September 22, 2021, Mr. Harold has not taken the necessary steps to restore his A-Card status, the undersigned will revisit this decision, and the undersigned is retaining jurisdiction in this case for that purpose.

Within the next 10-day period, Taxi Services is required to advise Mr. Harold (with a copy to the undersigned) about each of the steps that he must take to satisfy the A-Card requirements, including where and when he must be available to complete his sworn statement, as well as any testing that might be required along with any fees that may be due.

Dated this 22d day of July, 2021

J. Doyle

James Doyle Neutral Hearing Officer Manager (Acting) SFMTA Hearing Section

RIGHT OF REVIEW

Under the provisions of the San Francisco Transportation Code, a decision of a hearing officer is a final administrative decision. Any party or entity adversely affected by this decision may seek review of the decision by filing an Appeal in accordance with the provisions and the 15-day timeline set forth in the rules provided by the San Francisco Board of Appeals.