

**THIS PRINT COVERS CALENDAR ITEM NO. : 12**

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Taxis and Accessible Services

**BRIEF DESCRIPTION:**

Requesting that the Board of Directors amend Transportation Code Division II, Article 1100, Sections 1101 – 1109, 1113, 1114, 1116 – 1118, 1124 to reform the taxi industry regulations by eliminating driver shift change on property, eliminating the requirement for taxi companies to have a business address in San Francisco, eliminating certain restrictions on spare vehicles, requiring in-taxi equipment to be integrated with the taximeter, requiring that new Color Scheme applicants affiliate with at least 50 Medallions to be eligible for a permit and to operate, removing outdated language regarding paper waybills, medical examination requirements for drivers, dispatch service standards and Passenger Information Monitors, modernizing the code to streamline color scheme reporting requirements, updating the medallion application waiting list to be based on chronological order of application date instead of A-Card seniority, eliminating the requirement for color schemes to list its phone number in the Yellow Pages and amend Transportation Code Division II, Article 300 Sections 310 and 320 to eliminate the fines for non-compliance with requirements that are proposed to be eliminated, such as the medical examination requirement, to renumber based on proposed amendments and to lower the fee from \$1,900 to \$750 for color schemes for continued operation of a medallion upon the death of a medallion holder medallion or of a medallion suspension.

**SUMMARY:**

- This legislation is part of an ongoing effort to reform and modernize taxicab rules and regulations to ensure a high standard of public safety, and customer service while modernizing requirements to better allow innovation and competition.
- The proposed action approving new fines and fees is the Approval Action as defined by the S.F. Administrative Code Chapter 31.

**ENCLOSURES:**

1. SFMTAB Resolution
2. Transportation Code Amendments

**APPROVALS:**

**DATE**

DIRECTOR \_\_\_\_\_

12/16/16

SECRETARY \_\_\_\_\_

12/16/16

**ASSIGNED SFMTAB CALENDAR DATE:** January 3, 2017

**PURPOSE**

Requesting that the Board of Directors amend Transportation Code Division II, Article 1100, Sections 1101 – 1109, 1113, 1114, 1116 – 1118, 1124 to reform the taxi industry regulations by eliminating driver shift change on property, eliminating the requirement for taxi companies to have a business address in San Francisco, eliminating certain restrictions on spare vehicles, requiring in-taxi equipment to be integrated with the taximeter, requiring that new Color Scheme applicants affiliate with at least 50 Medallions to be eligible for a permit and to operate, removing outdated language regarding paper waybills, medical examination requirements for drivers, dispatch service standards and Passenger Information Monitors, modernizing the code to streamline color scheme reporting requirements, updating the medallion application waiting list to be based on chronological order of application date instead of A-Card seniority, eliminating the requirement for color schemes to list its phone number in the Yellow Pages and amend Transportation Code Division II, Article 300 Sections 310 and 320 to eliminate the fines for non-compliance with requirements that are proposed to be eliminated, such as the medical examination requirement, to renumber based on proposed amendments and to lower the fee from \$1,900 to \$750 for color schemes for continued operation of a medallion upon the death of a medallion holder medallion or of a medallion suspension.

**STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES**

Medallion program reform and modernizing the Transportation Code will support the following goals and objectives in the SFMTA’s Strategic Plan:

Goal 1: Create a safer transportation experience for everyone.

Objective 1.3: Improve the safety of the transportation system.

Goal 2: Make transit, walking, bicycling, taxi, ridesharing, and carsharing the preferred means of travel.

Objective 2.1: Improve customer service and communications.

Objective 2.3: Increase use of all non-private auto modes.

Goal 3: Improve the environment and quality of life in San Francisco.

Objective 3.2: Increase the transportation system’s positive impact to the economy.

Objective 3.4: Deliver services efficiently.

Medallion program reform and modernizing the Transportation Code will support the following Transit First Policy Principles:

1. To ensure quality of life and economic health in San Francisco, the primary objective of the transportation system must be the safe and efficient movement of people and goods.
2. Public transit, including taxis and vanpools, is an economically and environmentally sound alternative to transportation by individual automobiles. Within San Francisco, travel by public transit, by bicycle and on foot must be an attractive alternative to travel by private automobile.

## **DESCRIPTION**

SFMTA's Taxis and Accessible Services Division is responsible for the regulation of the private businesses that make up the San Francisco taxi industry, including qualifying and licensing permit holders, monitoring regulatory compliance, and administering discipline for regulatory violations. As part of that mandate, SFMTA's Taxis and Accessible Services strives to ensure that San Francisco taxicab industry remains a safe public transportation choice. This includes creating, amending or deleting sections of the Transportation Code to help promote the integrity of San Francisco's motor vehicle for hire industry.

This legislation is part of an ongoing effort to streamline and modernize regulations to ensure a high standard of public safety, and customer service while updating requirements to better allow innovation and competition. Below is a summary of the significant Transportation Code reform amendments:

- Elimination of taxi driver shift change on property
- Elimination of the requirement for taxi companies to have a business address in San Francisco
- Elimination of some restrictions on spare vehicles
- Addition of a requirement that new taxi companies have or are affiliated with at least 50 medallions to be qualified for a permit and continued operation (grandfather in existing companies)
- Addition of a requirement that in-taxi equipment be integrated with the taximeter

Proposed changes to the Transportation Code Section are summarized below by code section.

### **Section 1101. SCOPE AND PURPOSE OF REGULATIONS.**

Staff is proposing to clarify that motor vehicles for hire that fall under the jurisdiction of Article 1100 yet operate without a permit are in violation of Section 1105 and although certain types of motor vehicles are excluded from regulations under Article 1100, they are not able to operate in the City unless such transportation has been pre-arranged.

### **Section 1102. DEFINITIONS.**

Staff is proposing to clarify certain definitions, spell out acronyms currently in use, delete definitions and add new definitions. New definitions include the terms, 8000 Series Medallion, Affiliate Medallion Operator, Post-K Medallion, Pre-K Corporate Medallion, Pre-K Medallion, and Non-Transferable Medallion. Clarification includes amending the term Passenger Information Monitor to the more accurate Passenger Payment Device. Acronyms that are in use but are proposed to be spelled out are Original Equipment Manufacturer and Payment Card Industry Data Security Standards. This section was also clarified to define which types of medallions are able to be surrendered or transferred.

**Section 1103. PERMIT APPLICATIONS AND RENEWAL.**

Staff is proposing the following amendments in Section 1103:

- Substitute the word ‘transfer’ for the word ‘purchase’ for better consistency with Section 1116
- Add a requirement that medallion applicants that fail to complete the medallion transfer transaction or the medallion application process within the applicable deadlines will be moved to the end of the waiting list.
- Eliminate the requirement that driver permit applicants take and pass a physical examination. The SFMTA does not currently require drivers to pass a physical exam and does not intend to do so.
- Eliminate the requirement that driver applicants submit a statement of affiliation signed by a color scheme documenting that the color scheme will hire the applicant.
- Update requirements for taxi driver permit renewals for lapsed A-Cards to allow flexibility and remove language pertaining to A-Card seniority for drivers with lapsed permits.
- Eliminate the requirement that drivers surrender their A-Cards to the SFMTA when not driving. This is an outdated requirement. The SFMTA is working toward making it easier for taxi drivers to come back to the taxi industry should they choose take a break from driving a taxi.
- Update waiting list to be determined based on chronological order by the date that a complete application is received by SFMTA from a qualified applicant.
- Eliminate outdated reference to the Single Operator Permit application requirements. This pilot program is being phased out, and no new applications are being accepted.
- Eliminate the requirement that color scheme applicants provide an inventory of any City owned in-taxi equipment. This requirement was necessary when the SFMTA had initially purchased the in-taxi equipment through grant funding at the inception of the paratransit debit card program in 2009. At this point, there is currently no City-owned in-taxi equipment in use. All in-taxi equipment in use has now been purchased by the color schemes, so this requirement is no longer needed
- Add a requirement that all new color scheme permit applicants shall have a minimum of 50 medallions committed to affiliating with the color scheme as a permit condition.

**Section 1104. ELIGIBILITY.**

Staff is proposing to eliminate the following eligibility requirements:

- Eliminate submission of paper waybills as proof of driving experience for medallion applicants. This is not necessary given that the all color schemes are required to have electronic waybills.
- Eliminate requirement for a written or oral exam.
- Eliminate the eligibility section for Single Operator Permit applicants because the pilot program is being phased out, and no new applications are being accepted.

**Section 1105. GENERAL PERMIT CONDITIONS.**

In this section, staff is proposing to eliminate the requirement for gas and gates medallions to conduct driver shift change at the color scheme property. This requirement is considered outdated. Requiring shift change on property reduces the supply of taxis at a critical time during the day – typically around 4:00pm, which is a peak time for service.

**Section 1106. CONDITIONS APPLICABLE TO COLOR SCHEME PERMITS.**

As part of modernizing the Transportation Code, staff is proposing the following amendments:

- Eliminate the requirement for color scheme permit holders to maintain a principal place of business within the City that is staffed by at least one person Monday through Friday, except federal holidays. The commercial real estate prices in San Francisco are cost prohibitive. Requiring color schemes to locate in San Francisco places an unfair financial burden on color scheme businesses. As part of the code reform, the SFMTA is emphasizing performance standards instead of prescriptive requirements. In this section, the performance standards for staff functions of a color scheme are delineated and therefore staff is proposing to eliminate the prescriptive requirement that one person must staff the color scheme at certain hours.
- Eliminate the requirement for color schemes to publish its name and phone number in the Yellow Page section of the San Francisco telephone directory. This is an outdated requirement and staff is proposing to maintain the requirement for the color scheme to maintain a current telephone listing with San Francisco directory assistance (411), the City's 311 system and to add a requirement to maintain a current listing on SFMTA's website.
- Eliminate redundant language regarding the right for the SFMTA to inspect vehicles that have been temporarily replaced by spare vehicles.
- Eliminate the requirement that spare vehicles be kept at the color scheme's place of business. As the for hire industry trends toward decentralization, staff can see no public safety reason to maintain this requirement.
- Eliminate the prohibition on spare vehicles being reintroduced to the fleet.
- Eliminate the requirement that spare vehicles be owned by the color scheme.
- Expand the ability for color schemes to provide required information to drivers electronically as well as by hard copy.
- Eliminate the requirement that color schemes inform the SFMTA upon the death of a driver.
- Clarify that upon death of a non-transferable medallion holder, the color scheme must return the medallion with 14 calendar days' notice to SFMTA.
- Reduce the monthly use fee that color schemes pay to SFMTA to operate a medallion of a deceased or suspended medallion holder in lieu of returning it to the SFMTA from \$1,900 to \$750.
- Clarify that upon the death of a transferable medallion holder, the color scheme must return the medallion to the SFMTA in accordance with Section 1116(n).
- Eliminate the requirement for color schemes to ensure that all drivers start and end their shift at the color scheme's principal place of business.
- Eliminate the prohibition for color schemes to charge a fee to taxi driver applicants for the statement of affiliation; because staff has proposed to eliminate the requirement for driver applicants to provide SFMTA with the statement of affiliation, this prohibition is no longer necessary.
- Eliminate the requirement that color schemes ensure that all affiliated drivers undergo any medical examination required by the SFMTA. There is currently no medical examination requirement and, as noted earlier, SFMTA is not planning to add such a requirement.

- Add a requirement that color schemes that intend to terminate their business operations participate in an exit interview with the City's Paratransit Broker at least 30 days prior to the date the color scheme anticipates it will cease operating.
- Add a requirement for all new color scheme permit holders to affiliate with a minimum of 50 medallions in order to be in good standing with the SFMTA.

#### **Section. 1107. CONDITIONS APPLICABLE TO DISPATCH SERVICE PERMITS.**

The proposed amendments in this section clean up outdated deadlines and are not substantive changes:

- Eliminate requirement for a dispatch service to affiliate with at least 50 medallions and complete an average of at least 250 verifiable dispatch requests per day with an average of at least three completed requests per medallion, per day from November 1, 2013 through December 31, 2013.
- Eliminate requirement for dispatch service to affiliate with at least 75 medallions and successfully complete an average of at least 375 verifiable dispatch requests per day with an average of at least 3.75 completed requests per medallion, per day, from January 1, 2014 through December 31, 2015.
- Eliminate dates to clarify the current dispatch standard which requires that a dispatch service must affiliate with at least 100 medallions and successfully complete an average of at least 500 verifiable requests per day with an average of at least five completed dispatch requests per medallion, per day.

#### **Section 1108. CONDITIONS APPLICABLE TO DRIVER PERMITS.**

There is an important need to update driver requirements to remove burdensome requirements that do not have a direct impact on public safety or customer service. Staff proposals that will simplify driver requirements include:

- Eliminate the requirement that drivers notify the SFMTA at least three business days prior to changing color scheme affiliation.
- Eliminate the requirement that drivers carry a copy of the SFMTA regulations.
- Eliminate the requirement that drivers carry a working pen and notebook.
- Eliminate redundant language requiring ramp taxi drivers to log on to the in-taxi equipment. This same section requires all drivers to log on to the in-taxi equipment, so a subset of drivers (ramp taxi drivers) do not need to be specifically called out.
- Eliminate outdated requirements that drivers must turn in completed paper waybills to the color scheme at the end of each shift.
- Eliminate reference to subsection (g) Controlled Substance Testing Program. The drug and alcohol testing program is referenced in Section 1103.

#### **Section 1109. CONDITIONS APPLICABLE TO MEDALLIONS.**

As part of the reform package, staff is proposing the following amendments:

- Clarify that transferable medallion holders must affiliate with a single color scheme that participates in the transferable medallion program per section 1116(n).
- Clarify that affiliated medallion operators are responsible for compliance with all requirements imposed on color schemes regarding duties toward drivers.

**Section 1113. TAXI AND RAMP TAXI EQUIPMENT REQUIREMENTS.**

Staff is proposing to streamline the following equipment requirements:

- Eliminate the requirement for the vehicle number to be affixed to the hood of the vehicle and eliminate the requirement for numbers on the roof to be mounted directly behind the top light.
- Update the term “passenger information monitor” (PIM) to “passenger payment device,” which is considered a broader and more accurate term.
- Eliminate display requirements for the passenger payment device and other specific accessibility requirements because the functional requirements and standards have been established by the Director of Transportation in a memo dated January 15, 2016.
- Add a requirement for the in-taxi Equipment to be integrated to the taximeter. This is considered a safety and enforcement matter.

**Section 1114. RECORDS AND REPORTING REQUIREMENTS APPLICABLE TO PERMIT HOLDERS.**

As part of the regulatory modernization effort, staff is proposing the following amendments:

- Eliminate the requirement that drivers retain the original documentation related to any physical examination required by the SFMTA and file a copy of such documentation with the SFMTA. As noted earlier, the SFMTA does not require drivers to undergo physical examinations.
- Eliminate requirements for color schemes to retain original paper waybills and reduce the requirement to retain electronic waybills from six years to two years.
- Update requirement for color schemes to provide electronic waybills to a driver within ten days of request.
- Add a requirement for color schemes to provide a copy of medallion lease documents to a qualified lender within 10 days of the qualified lender’s request for such documents.
- Delete the section reserved for medical examination certificates.
- Update reporting requirements to eliminate the submission of weekly reports to SFMTA but the requirement that such reports be maintained and made available to the SFMTA or law enforcement agencies upon request.
- Eliminate the requirement for color schemes to provide the Paratransit Broker with a monthly inventory of SFMTA-owned in-taxi equipment. As noted above, this requirement is no longer necessary because there is no more SFMTA-owned in-taxi equipment in operation.

**Section 1116. TAXI MEDALLION TRANSFER PROGRAM.**

To clarify certain aspects of this section, staff is proposing the following amendments:

- Clarify that only Pre-K and Post-K medallion holders that have attained the age of 60 are eligible to surrender their medallion for monetary consideration.
- Clarify that the surrender payment is only made upon identification of a new medallion transferee and a properly executed transfer agreement has been received from the new transferee.
- Update the requirement that the SFMTA make offers of initial medallion transfer to transferees in chronological order by the date each complete medallion application was received by the SFMTA.

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- Clarify that medallions newly issued by the SFMTA after the inception of the medallion sale pilot program are transferable.
- Eliminate the reference to the program that allowed SFMTA to transfer 200 medallions at a reduced transfer price of \$125,000. This was a program to ease the transition from the Post-K earned medallion program to the transferable medallion program at the inception of the permanent sale program.
- Eliminate the restriction on qualified lenders ability to assign, sell or otherwise transfer the lender's rights under the loan agreement without the written consent of the Director of Transportation.
- Eliminate restrictions on qualified lenders ability to impose penalties or otherwise constrain the payment of the loan balance.
- Update provisions related to continued operation of a foreclosed medallion. This change would allow, but not require, a qualified lender to contract with a participating color scheme for the continued operation of a foreclosed medallion.

**Section 1117. PERMIT ISSUANCE; NOTICE OF INACTIVE STATUS.**

As part of the code modernization, staff is proposing the following amendments:

- Eliminate provision to request a hearing before a hearing officer to determine if an application is inactive. The status of an application is an administrative issue and not cause for a hearing. This provision had been used in the past regarding medallion applications and the need to prove compliance with the full-time driving requirement.
- Eliminate investigations and hearings related to medallion applicants. These provisions are considered outdated.

**Section 1118. REVOCATION, SUSPENSION, AND ADMINISTRATIVE FINES.**

As part of the code modernization, staff is proposing the following amendments:

- Clarify that good cause to revoke a permit includes failing to comply with A-Card permit conditions.
- Add that good cause to revoke a color scheme permit includes the failure to affiliate with a minimum of 50 medallions.
- Reduce the monthly use fee that color schemes pay to continue operating a medallion in the event of a suspension from \$1,900 per month to \$750 per month.

**Section 1124. TAXI FARES AND FEES; GATE FEES.**

Staff is proposing to update the code to eliminate an outdated reference regarding setting the rates of fare and gate fees beginning in fiscal year 2011.

**Section 310. SCHEDULE OF FINES.**

Staff is proposing to eliminate fines for failure to comply with the medical examination requirement, as it is proposed to be removed from Article 1100.



## **Page 9.**

There are some additional changes related to renumbering and updating terms, such as substituting the term, “Passenger Payment Device” in place of the term “Passenger Information Monitor” to remain consistent with Article 1100.

### **Section 320. TAXI PERMIT FEES.**

Staff proposed to lower the monthly use fee for color schemes to operate a medallion in the event of the death of a medallion holder or suspension of the permit from \$1900 to \$750 in Article 1100 and therefore the fee needs to be codified in Section 320 as well.

### **STAKEHOLDER ENGAGEMENT**

Taxi Services has engaged in a thorough stakeholder engagement process regarding the proposed Transportation Code changes. Given the scale of the proposed amendments, staff worked hard to ensure that there has been significant time for the taxi industry stakeholders to provide in-put. Staff has been vetting proposed Transportation Code changes since April 2016. Transportation Code reform was discussed at Taxi Color Scheme Management meetings on May 3, May 24, June 2 and October 11, 2016; Taxi Town Hall meetings on May 25, July 22, and October 14, 2016; and Taxi Task Force meetings on April 13, May 11, June 8, July 13, August 10, September 14, October 12, and November 9, 2016. The Transportation Code amendments were also discussed at the August 10, 2016 Paratransit Coordinating Council, the July 21, 2016 Multimodal Accessibility Advisory Committee, and at the July 15 and October 21, 2016 Policy and Governance Subcommittee of the SFMTA Board meetings.

Given the level of engagement of the taxi industry and the variety of perspectives from different stakeholder groups, SFMTA received significant feedback. All comments provided were carefully considered.

### **ALTERNATIVES CONSIDERED**

This legislation is part of an ongoing effort to reform and modernize taxicab rules and regulations. This package was thoroughly vetted.

### **FUNDING IMPACT**

The financial impact on the SFMTA of the proposed regulatory reform is expected to be minimal. The reduction in the color scheme monthly use fee to operate a medallion in the event of death, revocation, or suspension from \$1,900 to \$750 is not expected to have a significant impact because this situation happens rarely and the cost differential is minimal. Elimination of the fine associated with failure to comply with the medical examination requirement will have no impact because that requirement was never instituted nor were citations issued or collected.

Pursuant to Section 10 of the SFMTA Board of Directors Rules of Order, before adopting or revising any schedule of rates, charges, fares fees or fines, an ad shall be published in the official newspaper of the City and County for five days giving notice of the Board's intention to do so. The meeting may not be not less than fifteen days after the last publication of said notice. An ad was placed in the San Francisco Examiner that ran on December 15-20, 2016.

## **ENVIRONMENTAL REVIEW**

The proposed Transportation Code amendments are subject to the California Environmental Quality Act (CEQA). Title 14 of the California Code of Regulations Section 15273 provides a statutory exemption from environmental review for the establishment modification, structuring, restructuring, or approval of rates, tolls, fares, and other charges by public agencies which are for the purpose of meeting operating expenses, purchasing or leasing supplies, equipment, or materials, meeting financial reserve needs and requirements, obtaining funds for capital projects, or obtaining funds necessary to maintain intra-city charters authorized by city charter.

On November 10, 2016, the SFMTA, under authority delegated by the Planning Department, determined that the proposed Transportation Code Amendments are statutorily exempt from CEQA pursuant to Title 14 of the California Code of Regulations Section 15273. The proposed action approving new fines and fees is the Approval Action as defined by the S.F. Administrative Code Chapter 31.

A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors, may be found in the records of the Planning Department at 1650 Mission Street in San Francisco, and is incorporated herein by reference.

## **OTHER APPROVALS RECEIVED OR STILL REQUIRED**

The City Attorney has reviewed this report.

## **RECOMMENDATION**

Requesting that the Board of Directors amend Transportation Code Division II, Article 1100, Sections 1101 – 1109, 1113, 1114, 1116 – 1118, 1124 to reform the taxi industry regulations by eliminating driver shift change on property, eliminating the requirement for taxi companies to have a business address in San Francisco, eliminating certain restrictions on spare vehicles, requiring in-taxi equipment to be integrated with the taximeter, requiring that new Color Scheme applicants affiliate with at least 50 Medallions to be eligible for a permit and to operate, removing outdated language regarding paper waybills, medical examination requirements for drivers, dispatch service standards and Passenger Information Monitors, modernizing the code to streamline color scheme reporting requirements, updating the medallion application waiting list to be based on chronological order of application date instead of A-Card seniority, eliminating the requirement for color schemes to list its phone number in the Yellow Pages and amend Transportation Code Division II, Article 300 Sections 310 and 320 to eliminate the fines for non-compliance with requirements that are proposed to be eliminated, such as the medical examination requirement, to renumber based on proposed amendments and to lower the fee from \$1,900 to \$750 for color schemes for continued operation of a medallion upon the death of a medallion holder medallion or of a medallion suspension.

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

RESOLUTION No. \_\_\_\_\_

WHEREAS, The SFMTA would like to modernize and clarify the text of the regulations for Division II of the Transportation Code, Article 300 and Article 1100, in order to reform outdated requirements, remove duplicative and inconsistent language in the Code sections; and,

WHEREAS, The SFMTA proposes to eliminate fine related to the medical certification requirement; and to reduce the fee paid by color schemes for continued operation of a medallion in the event of a medallion holder's death or medallion suspension; and,

WHEREAS, The SFMTA, in an effort to eliminate outdated regulations that may be burdensome and serve no direct public safety function, proposes to eliminate certain requirements related to color schemes, dispatch services and taxi drivers; and

WHEREAS, The proposed Transportation Code amendments are subject to the California Environmental Quality Act (CEQA); Title 14 of the California Code of Regulations Section 15273 provides a statutory exemption from environmental review for the establishment modification, structuring, restructuring, or approval of rates, tolls, fares, and other charges by public agencies which are for the purpose of meeting operating expenses, purchasing or leasing supplies, equipment, or materials, meeting financial reserve needs and requirements, obtaining funds for capital projects, or obtaining funds necessary to maintain intra-city charters authorized by city charter; and,

WHEREAS, On November 10, 2016, the SFMTA, under authority delegated by the Planning Department, has determined that the proposed Transportation Code Amendments are statutorily exempt from CEQA pursuant to Title 14 of the California Code of Regulations Section 15273; The proposed action approving new fines and fees is the Approval Action as defined by the S.F. Administrative Code Chapter 31; and,

WHEREAS, A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors, may be found in the records of the Planning Department at 1650 Mission Street in San Francisco, and is incorporated herein by reference; now therefore be it,

RESOLVED, That the SFMTA Board of Directors amends Transportation Code Division II, Article 1100, Sections 1101 – 1109, 1113, 1114, 1116 – 1118, 1124 to eliminate requirements that drivers shift change on property, eliminate the requirement for taxi companies to have a business address in San Francisco, eliminate certain restrictions on spare vehicles, require in-taxi equipment to be integrated with the taximeter, require that new Color Scheme applicants have at least 50 Medallions to be eligible for a permit and to operate, remove outdated language regarding paper waybills, medical examination requirements for drivers, dispatch service standards and Passenger Information Monitors, modernize the code to streamline color scheme reporting requirements, eliminate the requirement for color schemes to list its phone number in the Yellow Pages and amend Transportation Code Division II, Article 300 Sections 310 and 320 to eliminate the fines for non-compliance with requirements that are proposed to be eliminated, such as the medical examination requirement, to renumber based on proposed

amendments and to reduce the fee from \$1,900 to \$750 for color schemes for continued operation of a medallion upon the death of a medallion holder or a medallion suspension.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of January 3, 2017.

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Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency

RESOLUTION NO.

[Transportation Code – Taxi Medallion Reform]

**Resolution amending the Transportation Code to update the taxi permitting system, including among other things, to eliminate fines for violation of taxi regulations; decrease the fee charged a color scheme (taxi company) for operation of a medallion upon death, suspension, or revocation of the medallion holder; modify the requirements for permit applications; eliminate the requirement for color schemes to have a San Francisco business address; require taxi companies to affiliate with at least 50 medallions; and eliminate requirements regarding paper waybills, medical examinations for drivers and dispatch service standards.**

NOTE: Additions are single-underline Times New Roman; deletions are ~~strike-through Times New Roman~~.

The Municipal Transportation Agency Board of Directors of the City and County of San Francisco enacts the following regulations:

Section 1. Article 300 of Division II of the Transportation Code is hereby amended by revising Section 310 to read as follows:

**SEC. 310. SCHEDULE OF FINES.**

Violation of any of the following subsections of the Transportation Code governing the operation of a motor vehicle for hire shall be punishable by the administrative fines set forth below.

TRANSPORTATION CODE SECTION	DESCRIPTION	FINE AMOUNT Effective July 1 2016	FINE AMOUNT Effective July 1, 2017
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CONDITIONS APPLICABLE TO ALL PERMITS			
Div II § 1105(a)(13)	Current address	\$30.00	\$31.00
Div II § 1105(a)(9)	Continuous operation	\$59.00 per day	\$61.00 per day
Div II § 1114(a)	Records	\$88.00	\$91.00
Div II § 1105(a)(16)	Response time goals	\$176.00	\$182.00
Div II § 1105(a)(7)	Compliance with lawful orders	\$233.00	\$241.00
Div II § 1105(a)(6)	Compliance with laws and regulations	\$524.00	\$542.00
Div II § 1105(a)(12)	<del>Improper shift change;</del> Unattended vehicle	\$524.00	\$542.00
Div II § 1105(a)(18)	Retaliation against permit holder	\$524.00	\$542.00
Div II § 1105(a)(8)	Cooperation w/ regulatory entities; False statements	\$583.00	\$603.00
Div II § 1105(a)(11)	Compliance with Paratransit Program	\$583.00	\$603.00
Div II § 1105(a)(10)	Accepting/soliciting gifts from Drivers	\$698.00	\$722.00
Div II § 1105(a)(1)	Operating without a permit	\$5,000.00	\$5,000.00
Div II § 1105(a)(17)	Operation without Driver Permit, CDL or insurance	\$1,000.00	\$1,000.00
CONDITIONS APPLICABLE TO COLOR SCHEME PERMITS			
Div II § 1106(s)	Dissolution plan	\$59.00 per day	\$61.00 per day
Div II § 1106(m)	Emissions reduction	\$59.00 per day	\$61.00 per day
Div II § 1106(n)	Required postings	\$88.00	\$91.00
Div II § 1106(o)	Required notifications	\$88.00	\$91.00
Div II § 1113(d)(3)	Required <u>Passenger Payment Device PIM</u>	\$88.00	\$91.00
Div II § 1114(e)(3)	Receipts	\$88.00	\$91.00
Div II § 1114(e)( <del>4</del> 5)	Vehicle inventory changes	\$88.00	\$91.00
Div II § 1114(e)( <del>6</del> 7)	Weekly reporting requirements	\$88.00	\$91.00
Div II § 1106(e)	Transfer of business; New	\$291.00 per day	\$301.00 per day

	location		
Div II § 1106(k)(1)	Facility to clean vehicles	\$291.00	\$301.00
Div II § 1106(i)	Workers' Compensation	\$350.00 per day	\$362.00 per day
Div II § 1106(p)	Obligations related to Drivers	\$465.00	\$481.00
Div II § 1106(r)	Found property	\$465.00	\$481.00
Div II § 1114(e)(1)	<u>Electronic Trip Data</u> <u>Waybills</u>	\$465.00	\$481.00
Div II § 1114(e)(2)	Medallion Holder files	\$465.00	\$481.00
Div II § 1114(e)( <del>5</del> 6)	Current business information	\$465.00	\$481.00
Div II § 1124( <del>db</del> )( <del>15</del> )	Retaliation re credit card processing	\$465.00	\$481.00
Div II § 1124(c)	Overcharging <del>gate</del> fees	\$544.00	\$561.00
Div II § 1106(c)	Use of Dispatch Service	\$524.00 per day	\$542.00 per day
Div II § 1106(d)	Business premises	\$524.00	\$542.00
Div II § 1106(h)	Staffing requirements	\$524.00	\$542.00
Div II § 1106(l)(1)- ( <del>4</del> 5), (7)	Use of spare vehicles	\$524.00	\$542.00
Div II § 1106(f)	Telephone <u>Access</u> <u>directory</u>	\$583.00	\$603.00
Div II § 1106(j)	Paratransit Broker contract	\$583.00	\$603.00
Div II § 1114(e)(8)	Required information	\$583.00	\$603.00
Div II § 1114(e)(9)	Required information	\$583.00	\$603.00
Div II § 1106(k)(2)- (4)	Nonworking equipment	\$1,000.00	\$1,000.00
Div II § 1106(q)(4)	Driver operating under the influence	\$1,000.00	\$1,000.00
Div II § 1106(a)	Color Scheme Permit required	\$5,000.00	\$5,000.00
Div II § 1106(1)(8)	Leasing spare vehicles	\$5,000.00	\$5,000.00
<b>CONDITIONS APPLICABLE TO DISPATCH PERMITS</b>			
Div II § 1107(c)(1)-(4)	Dispatch service operational requirements	\$59.00 per day	\$61.00 per day

Div II § 1107(e)	Dispatch equipment requirements	\$59.00 per day	\$61.00 per day
Div II § 1114(f)(1)-(2)	Electronic trip data; Integration with ETAS	\$59.00 per day	\$61.00 per day
Div II § 1114(f)(3)	Dispatch service reports	\$88.00	\$91.00
Div II § 1107(b)-(c)	Dispatch service standards and operational requirements	\$1,000.00	\$1,000.00
Div II § 1107(d) Div II § 1114(f)(4)	Found property	\$88.00	\$91.00
Div II § 1107(c)	Workers' Compensation	\$350.00 per day	\$362.00 per day
Div II § 1107(c)(5)	Improper dispatching	\$583.00	\$603.00
Div II § 1107(c)(7)	Affiliate with e-hail application	\$583.00 per day	\$603.00 per day
<b>CONDITIONS APPLICABLE TO DRIVER PERMITS</b>			
Div II § 1108(c)	Color Scheme affiliation	\$6.00 per day	\$6.00 per day
Div II § 1108(a)	Driver identification	\$88.00	\$91.00
Div II § 1108(d)(2)	Duties at beginning of shift	\$88.00	\$91.00
Div II § 1108(d)(3)	Designated items in vehicle	\$88.00	\$91.00
Div II § 1108(e)(2)	Transporting passenger property	\$88.00	\$91.00
Div II § 1108(e)(5)	Loading and unloading assistance	\$88.00	\$91.00
Div II § 1108(e)(8)	Additional passengers	\$88.00	\$91.00
Div II § 1108(e)(10)-(12)	Mobile telephones; Other audible devices	\$88.00	\$91.00
Div II § 1108(e)(18)-(20), (22)	Driver duties re fares	\$88.00	\$91.00
Div II § 1108(e)(26)	Loose items	\$88.00	\$91.00
Div II § 1108(e)(27)	Trunk and/or baggage area	\$88.00	\$91.00



Div II § 1108(e)(31)	Clean in dress and person	\$88.00	\$91.00
Div II § 1108(e)(32)	Taximeter violation	\$88.00	\$91.00
Div II § 1108(e)(33)	Drinking or eating in vehicle	\$88.00	\$91.00
Div II § 1108(e)(33)	Smoking in vehicle	\$268.00	\$277.00
Div II § 1108(f)(1)-(23)	Duties at end of shift	\$88.00	\$91.00
Div II § 1114(b)(2)	Driver A-Card	\$88.00	\$91.00
<del>Div II § 1114(b)(3)</del>	<del>Medical certificate</del>	<del>\$88.00</del>	<del>\$91.00</del>
Div II § 1108(e)(4)	Service animals or contained animals	\$176.00	\$182.00
Div II § 1108(d)(1)	Safety check	\$176.00	\$182.00
Div II § 1108(e)(1)	Refusal to convey	\$176.00	\$182.00
Div II § 1108(e)(7)	Servicing dispatch calls	\$176.00	\$182.00
Div II § 1108(e)(9)	Splitting fares	\$176.00	\$182.00
Div II § 1108(e)(16)	Requesting gratuities	\$176.00	\$182.00
Div II § 1108(e)(17)	Audio/visual communication device	\$176.00	\$182.00
Div II § 1108(e)(24)	Found property	\$176.00	\$182.00
Div II § 1124(d)	Accept credit card; Passenger payment choice	\$176.00	\$182.00
Div II § 1108(e)(3)	Transporting person with a disability in front seat	\$176.00	\$182.00
Div II § 1108(e)(6)	Assisting and securing person with a disability	\$176.00	\$182.00
Div II § 1108(e)(13)	Use of Dispatch Service; log in/out	\$176.00	\$182.00
Div II § 1108(e)(39)	Failure to activate meter	\$176.00	\$182.00
Div II § 1108(e)(14)	Reckless or dangerous driving	\$176.00	\$182.00
Div II § 1108(e)(15)	Ramp Taxi rules	\$176.00	\$182.00
Div II § 1108(e)(29)	Threats and abuse	\$176.00	\$182.00
Div II § 1108(e)(35)-(37)	Paratransit Debit Card	\$176.00	\$182.00

Div II § 1124(c)(5)	Luggage charges	\$176.00	\$182.00
Div II § 1108(e)(25)	Unsafe taxi	\$233.00	\$241.00
Div II § 1108(e)(30)	Excessive force	\$233.00	\$241.00
Div II § 1103(c)(3)(A)	Criminal convictions	\$583.00	\$603.00
Div II § 1108(b)	Controlled substances	\$583.00	\$603.00
Div II § 1108(e)(38)	Tampering with equipment	\$583.00	\$603.00
<b>CONDITIONS APPLICABLE TO TAXI AND RAMP TAXI EQUIPMENT</b>			
Div II § 1113(b)-(e), (g)-(j)	Equipment and display requirements	\$176.00	\$182.00
Div II § 1113(d)(3)	Install <u>Passenger Payment Device</u> <del>PIM</del> in Taxi vehicle	\$176.00 per vehicle	\$182.00 per vehicle
Div II § 1113(l)	Vehicle windows	\$88.00	\$91.00
Div II § 1113(o)	Sanitary condition	\$88.00	\$91.00
Div II § 1113(a)	Safe operating condition	\$88.00 per day	\$91.00 per day
Div II § 1113(k)	Standard vehicle equipment	\$88.00	\$91.00
Div II § 1113(k)(13)-(15)	Vehicle tires and wheels	\$88.00	\$91.00
Div II § 1113(m)	Security cameras	\$88.00 per day	\$91.00 per day
Div II § 1113(n)	Condition of vehicle	\$88.00 per day	\$91.00 per day
Div II § 1113(u)	Working Taxi ramp	\$88.00	\$91.00
Div II § 1113(p)	Vehicle title requirements	\$291.00	\$301.00
Div II § 1113(q)-(r)	Excessive vehicle mileage or age	\$291.00 per day	\$301.00 per day
Div II § 1113(s)	Vehicle inspections	\$291.00 per day	\$301.00 per day
Div II § 1113(s)(7)	Fraud related to inspection	\$291.00 per day	\$301.00 per day
Div II § 1113(t)	Replacement vehicle	\$291.00	\$301.00
Div II § 1113(v)	Retired vehicles	\$291.00	\$301.00
Div II § 1113(f)	Taximeters	\$350.00	\$362.00
<b>CONDITIONS APPLICABLE TO TAXI AND RAMP TAXI MEDALLIONS</b>			
Div II § 1109(b)	Use of Dispatch Service	\$88.00	\$91.00
Div II § 1110(a)(1)	Wheelchair priority	\$176.00	\$182.00
Div II § 1110(a)(2)	Ramp Taxi Driver training	\$176.00	\$182.00

Div II § 1110(a)(3)	Wheelchair pickups	\$465.00	\$482.00
Div II § 1110(b)	Ramp Taxi Medallion in spare taxi	\$176.00	\$182.00
Div II § 1110(c)	Time Limits Ramp Taxi Medallion in spare	\$176.00/per unauthorized day	\$182.00/per unauthorized day
Div II § 1110(d)	Ramp Taxi qualifications	\$176.00	\$182.00
Div II § 1109(c)	Full-time driving requirement	\$24,000.00 multiplied by percentage of hours short of the full time driving requirement	\$24,000.00 multiplied by percentage of hours short of the full time driving requirement

Section 2. Article 300 of Division II of the Transportation Code is hereby amended by revising Section 320, to read as follows:

**SEC. 320. TAXI PERMIT FEES.**

The following is the schedule for taxi-related permit and permit renewal fees:

Permit Type*	FY 2017 Effective July 1, 2016	FY 2018 Effective July 1, 2017
Driver Permit Application	N/A	N/A
Monthly Ramp Taxi Medallion Use Fee	N/A	N/A
Monthly Taxi Medallion Use Fee (8000 series)	\$750.00	\$1,000.00
Dispatch Application	\$6,330.00	\$6,773.00
Color Scheme Change	\$424.00	\$454.00
Lost Medallion	\$111.00	\$119.00
New Color Scheme - 1 to 5 Medallions	\$2,009.00	\$2,149.00
New Color Scheme - 6 to 15 Medallions	\$2,946.00	\$3,152.00
New Color Scheme - 16 to 49 Medallions	\$5,898.00	\$6,311.00
New Color Scheme - 50 or more Medallions	\$7,369.00	\$7,885.00
Driver Renewal	\$109.00	\$117.00
Medallion Holder Renewal	\$1,060.00	\$1,134.00
Color Scheme Renewal - 1 to 5 Medallions	\$1,653.00	\$1,768.00
Color Scheme Renewal - 6 to 15 Medallions	\$2,428.00	\$2,598.00
Color Scheme Renewal - 16 to 49 Medallions	\$5,047.00	\$5,400.00

Color Scheme Renewal - 50 to 149 Medallions	\$7,571.00	\$8,100.00
Color Scheme Renewal - 150 or More Medallions	\$10,093.00	\$10,800.00
Dispatch Renewal	\$6,994.00	\$7,483.00
<u>Monthly Taxi Medallion Use Fee Upon Death, Suspension, or Revocation of Medallion Holder</u>	<u>\$750</u>	<u>\$750</u>

~~Notwithstanding the fee listed above for "Monthly Taxi Medallion Use Fee (8000 Series)," said fee shall be \$1,000 until June 30, 2016.~~

\* In order to recover the cost of appeals, a \$3.50 surcharge will be added to the above amounts.

Section 3. Article 1100 of Division II of the Transportation Code is hereby amended by revising Sections 1101-1109, 1113, 1114, 1116-1118 and 1124, to read as follows:

**SEC. 1101. SCOPE AND PURPOSE OF REGULATIONS.**

(a) Scope of Regulations.

(1) Classes of Permits. This Article 1100 shall apply to the following classes of permits issued by the SFMTA:

\* \* \* \*

(2) Exclusion for Certain Vehicles. This Article 1100 shall not apply to the operation of a motor vehicle:

(A) Engaged in the business of, or used for, transporting passengers for hire when such motor vehicle is operated under and by authority of public convenience and necessity issued by the Public Utilities Commission of the State of California (CPUC) to the extent that the commercial operation of such a Motor Vehicle for Hire is entirely within the scope of such certificate; however, this Article shall apply to such motor vehicles for hire operating without a permit in violation of Section 1105, and no such vehicle may solicit any passenger or accept

any passenger, while in the City, unless such transportation is on a pre-arranged basis, consistent with California Public Utilities Code Section 5360.5;

(B) Licensed by any city, city and county, county or other public entity as a motor vehicle for hire which may enter the City and County of San Francisco for the purpose of delivering passengers who have hired the vehicle in a jurisdiction in which it is licensed to operate, provided, however, that no such motor vehicle for hire may solicit or accept any passenger while in the City;

(C) That is regularly operated by a business to transport employees whether within the City or otherwise, provided, however that no such motor vehicle for hire may solicit or accept any passenger while in the City except on a pre-arranged basis, and in conformance with applicable SFMTA rules and regulations;

\* \* \* \*

(c) Notice of Regulations. The SFMTA shall offer a copy of this Article 1100 or directions for accessing the online version to each person who is applying for or renewing a permit at the time of application or renewal.

\* \* \* \*

**SEC. 1102. DEFINITIONS.**

For purposes of this Article 1100 the following words and phrases shall have the meanings set forth below:

"8000 Series Medallion" shall mean a permit issued by SFMTA to a Color Scheme that qualifies to operate a particular hybrid, Compressed Natural Gas (CNG) or electric taxi vehicle, or other vehicle as authorized by the SFMTA, in accordance with permit conditions set by the SFMTA and may not be transferred or surrendered for consideration under Section 1116.

\* \* \* \*

"Affiliate Medallion Operator" shall mean a Medallion Holder who owns and maintains the vehicle(s), purchases insurance for the vehicle(s), hires and schedules the Drivers of the vehicle(s), collects the Gate Fees, and issues receipts to the Drivers.

\* \* \* \*

**"Gas and Gates Medallion Operator"** shall mean a Medallion Holder that contracts for the operation of the Medallion ~~is operated by a Color Scheme that owns maintains~~ the Taxi or Ramp Taxi vehicle, purchases insurance for the vehicle, hires and schedules the Drivers of the vehicle, collects the gate fees ~~daily~~, issues receipts to the Drivers, and makes regular payments to the Medallion Holder ~~or to the SFMTA for the use of the Medallion, or a Medallion that is operated by the Medallion Holder who owns and maintains the vehicle, purchases insurance for the vehicle, hires and schedules the Drivers of the vehicle, collects the gate fees daily, and issues receipts to the Drivers.~~

\* \* \* \*

**"Initial Transfer"** shall mean the transfer of a Surrendered or newly issued Medallion by the SFMTA to a Transferee under the Medallion Transfer Program, or the transfer of a Medallion to a Transferee under the former Taxi Medallion Sales Pilot Program.

\* \* \* \*

**"Medallion Transfer Program"** shall mean the program allowing the SFMTA to transfer Surrendered Medallions, or newly issued Medallions, at the Medallion Transfer Price and allowing certain Medallion Holders to Retransfer their Transferable Medallions at the Medallion Transfer Price in accordance with the terms of Section 1116 of this Article.

\* \* \* \*

"Non-Transferable Medallion" shall mean a Medallion that is not eligible for the Medallion Transfer Program.

\* \* \* \*

**"Original Equipment Manufacturer (O.E.M.)"** shall mean any equipment installed on a vehicle when the vehicle was initially manufactured.

\* \* \* \*

**"Participating Color Scheme"** shall mean a Color Scheme that has entered into an agreement with the SFMTA for the operation of Medallions that are part of the Medallion Transfer Program, sold and purchased in accordance with Section 1116(n) of this Article.

**"Passenger Payment Device"** shall mean a Payment Card Industry-compliant device that allows customers to swipe their own credit card and choose their own tip amount. Formerly known as a Passenger Information Monitor (PIM).

**"Payment Card Industry Data Security Standard (PCI DSS)"** shall mean the ~~Payment Card Industry Data Security Standard, which is a~~ worldwide information security standard assembled by the Payment Card Industry Security Standards Council to help organizations that process card payments prevent credit card fraud.

\* \* \* \*

**"Post-K Medallion"** shall mean a Medallion issued to a natural person after June 6, 1978 and prior to the implementation of the Taxi Medallion Sales Pilot Program on March 28, 2010. Post-K Medallions are exclusive to natural persons and are eligible for surrender for consideration in accordance with Section 1116.

**"Pre-K Corporate Medallion"** shall mean a Medallion issued to a corporate entity prior to June 6, 1978 that is not eligible for surrender for consideration in accordance with Section 1116 of this Article.

**"Pre-K Medallion"** shall mean a Medallion issued to one or more natural persons prior to June 6, 1978 that is eligible for surrender for consideration in accordance with Section 1116.

\* \* \* \*

**"Ramp Taxi Medallion"** shall mean a permit issued by the SFMTA to operate a particular Taxi vehicle that is specially adapted with access for wheelchair users and is not eligible for surrender for consideration or transfer under Section 1116.

\* \* \* \*

~~**"Reduced Medallion Transfer Price"** shall mean the price paid by 200 Driver Permit Holders at the top of the Waiting List for the transfer of a Medallion in accordance with Section 1116(g) of this Article.~~

**"Single Operator Part-time Taxi Medallion"** shall mean a permit issued by the SFMTA to a Driver who qualifies on the basis of A-Card Seniority to operate a particular hybrid, Compressed Natural Gas (CNG) or electric taxi vehicle, or other vehicle as authorized by the SFMTA, for a fixed period of years on a part-time basis, and in accordance with permit conditions set by the SFMTA and is not eligible for surrender for consideration or transfer under Section 1116.

**"Surrendered Medallion"** shall mean a Medallion surrendered to the SFMTA in exchange for receipt of the Medallion Surrender Payment in accordance with Section 1116 of this Article.

**"Taxi"** shall mean a vehicle operated pursuant to a Taxi or Ramp Taxi Medallion that is legally authorized to pick up passengers within the City with or without prearrangement, of a distinctive color or colors and which is operated at rates per mile or upon a waiting-time basis, or both, as measured by a Taximeter and which is used for the transportation of passengers for hire over and along the public streets, not over a defined route but, as to the route and destination, in accordance with and under the direction of the passenger or person hiring such vehicle.

\* \* \* \*



**"Transferable Medallion"** shall mean a Medallion that is transferable because it has been transferred at least once in accordance with Section 1116 of this Article or it has been newly issued by the SFMTA on or after March 28, 2010. Medallions that have never been transferred but are held by Medallion Holders who are eligible to surrender their Medallions under the provisions of Section 1116(a)(1) or (a)(2) are not Transferable Medallions.

\* \* \* \*

**"Waiting List"** shall mean a list of ~~individual~~ applicants for Taxi Medallions for whom such Medallions are not yet available, maintained in the order of receipt of complete applications from qualified applicants ~~received prior to December 16, 2009~~.

### **SEC. 1103. PERMIT APPLICATIONS AND RENEWAL.**

\* \* \* \*

(b) **Applications Deemed Active.** Every application for a permit shall be deemed to remain active and shall be considered until the earliest of the following events:

- (1) The applicant withdraws the application in writing;
- (2) The applicant is determined to be ineligible for the permit by the SFMTA;
- (3) The applicant receives a permit;
- (4) The SFMTA determines that the applicant has engaged in fraud,

misrepresentation or other serious misconduct in connection with the permit application process; or

(5) The SFMTA attempts to contact the applicant at the mailing address listed on the application on at least two separate occasions and the applicant fails to respond within 30 calendar days of the second notice;

(6) The SFMTA has offered a Medallion for transfer purchase to the applicant, in accordance with Section 1116, and the applicant fails to complete the transfer purchase of the Medallion within the deadlines established by the Director of Transportation pursuant to

Section 1116(gf)(3). Failure to complete the purchase of the Medallion within the applicable deadlines will have no effect upon the applicant's A-Card seniority, ~~or the applicant's position on the Waiting List of Medallion applications.~~ Applicants that fail to complete the transfer of the Medallion within the applicable deadlines will be moved to the end of the Waiting List; or

(7) The applicant has not completed the application process within 60 calendar days of initiating an application, or within such other time limit specified in this Article. Applicants that fail to complete the Medallion application process within the applicable deadlines will be moved to the end of the Waiting List.

(c) ~~Additional~~ **Requirements Applicable to Driver Permit Applications.**

(1) **Application Requirements.** In addition to complying with all applicable requirements of this Section, each applicant for a Driver Permit shall:

(A) Provide his or her fingerprints; and

(B) Take and pass a written examination; and

~~(C) Take and pass a physical examination if required by the SFMTA; and~~

~~(C)~~ (D) Demonstrate that he or she has successfully completed a Driver Training Course for new Drivers; and

~~(D)~~ (E) Provide photographs of the applicant, taken no more than 12 months prior to the time of application; and

~~(E) Enclose a statement of affiliation signed by the applicant and the Color Scheme documenting the Color Scheme's commitment to offer the applicant a position as a Driver if the Driver Permit is issued; and~~

~~(G)~~ (G) Submit to a drug test as required by the Taxi Driver Drug and Alcohol Testing Policy.

(FH) As required by the Taxi Driver Drug and Alcohol Testing Policy, sign a written consent to allow the SFMTA to obtain information regarding the applicant's drug and alcohol testing history for the previous two years; and.

(GI) As required by the Taxi Driver Drug and Alcohol Testing Policy, disclose whether applicant has, within the prior two years, ever failed a pre-employment drug or alcohol test that resulted in the applicant not getting hired.

(2) **Driver Qualifications.** Each applicant for a Driver's Permit must:

\* \* \* \*

(3) **Renewal of Driver's Permits.**

\* \* \* \*

(C) **Lapse of Active Permit Status; New Application; A-Card Seniority.** A Driver Permit Holder who fails to renew his or her Driver Permit within the deadline for renewal set by the SFMTA may renew his or her Driver Permit upon submission of a new Driver Permit application and completion of all requirements established by SFMTA for such late renewals.~~a new Driver Permit. If the Driver Permit Holder submits the new Driver Permit application and completes the requirements within two years of the renewal deadline, or prior to January 1, 1995, he or she shall retain A-Card Seniority based on the original issuance date of the Driver Permit. If, on or after January 1, 1995, the Driver Permit Holder submits a new Driver Permit application and completes the requirements more than two calendar years after the renewal deadline, he or she shall have an A-Card Seniority date as of the date of the most recent Driver Permit.~~

(D) Every Driver must submit to a drug test as a condition of renewal of his or her A-Card as provided by the Taxi Driver Drug and Alcohol Testing Policy, and must receive a negative test result as a condition for renewal of the A-Card.

~~(4) **Surrender of A-Card When Not Driving.** A Driver must return his or her Color Scheme Identification Card to the Color Scheme within 30 calendar days of terminating his or~~

~~her affiliation with a Color Scheme and must return his or her A Card to the SFMTA within 30 calendar days if the Driver does not affiliate with another Color Scheme. If the Driver will discontinue driving for a period of time in excess of 30 consecutive days but intends to resume driving a Motor Vehicle for Hire in the future, the SFMTA shall hold the A Card on file until the Driver informs the SFMTA of his or her intention to resume driving. Upon receiving such notice, the SFMTA shall return the A Card to the Driver so long as all Application and Renewal Fees and other Permit Fees are paid and the Driver remains qualified for the permit.~~

(d) ~~Additional Requirements Applicable to Medallion Applications.~~

(1) ~~Waiting List.~~ In the absence of any other preference specified in this Article, ~~individual~~ applicants for a Medallion, other than a Ramp Taxi Medallion ~~or Single Operator Part time Taxi Medallion~~, shall be processed and considered by the SFMTA in the order of receipt of the ~~Waiting List~~ application, and then in order of A Card Seniority. ~~The SFMTA shall maintain a Waiting List of Medallion applications arranged in chronological order by the date that each complete Medallion application, including the Application Fee, was received from a qualified applicant. Each individual applicant for a Medallion shall have held a valid Driver Permit for a minimum of two consecutive years prior to applying for a Medallion.~~

\* \* \* \*

~~(C) — As of December 16, 2009, the SFMTA shall no longer accept applications for the Waiting List. When there are no more qualified applicants on the Waiting List, the SFMTA shall offer Medallions, other than Ramp Taxi Medallions, to Driver Permit Holders who meet all other requirements of this Article in order of A Card Seniority.~~

\* \* \* \*

~~(e) — Single Operator Part time Taxi Medallion Application Requirements.~~ The SFMTA shall offer Single Operator Part time Taxi Medallions to Driver Permit Holders who have not yet held a Taxi or Ramp Taxi Medallion, and who meet all other requirements of this Article in order of A Card

~~Seniority, subject to the applicant meeting criteria established by the SFMTA that are designed to ensure that holders of Single Operator Part-time Taxi Medallions have sufficient knowledge of San Francisco's streets, neighborhoods, traffic conditions and taxi industry to provide a high level of service to San Francisco's taxi patrons.~~

~~(ef)~~ **Additional Requirements Applicable to Non-Standard Vehicle Permit**

**Applications.**

- (1) An applicant may request a Non-Standard Vehicle class of permit for any vehicle(s) not otherwise included within another class of Motor Vehicle for Hire permits.
- (2) If a Non-Standard Vehicle permit applicant proposes to operate along fixed routes within the City, such fixed routes shall be specified in the permit application. Fixed routes proposed for a permit must be approved by the SFMTA and shall be included in the Non-Standard Vehicle permit as a permit condition. Consideration of such routes by the SFMTA shall include evaluation of their impact on public transit.

~~(fg)~~ **Additional Requirements Applicable To Dispatch Service Permit**

**Applications.**

- ~~(1)~~—Dispatch Service Permit Transfers. Any transfer of a Dispatch Service permit must be approved in advance by the SFMTA. The Permit Holder shall give notice to the SFMTA of the intended transfer at least 30 calendar days prior to such transfer. Prior to approving a transfer of a Dispatch Service permit, the SFMTA shall conduct an investigation to ensure that the proposed transferee meets all requirements of this Article. For the purpose of this subsection, the transfer of a business means the transfer of 50% percent or more of an ownership interest in the business to a person or entity that did not already hold an ownership interest in the business as of September 17, 2013. In addition to any other documents establishing compliance with laws and regulations that the SFMTA may require as a condition of approval of the transfer, the parties to the transfer must provide:

(~~1A~~) Proof of compliance with the requirements of this Article applicable to Dispatch Service Permit Holders, including all required insurance;

(~~2B~~) A business license;

(~~3C~~) A signed partnership agreement among multiple purchasers or documentation of current valid corporate status; and

(~~4D~~) A signed lease establishing the buyer's right of occupancy at a business premises.

(gh) ~~Additional~~ **Requirements Applicable To Color Scheme Permit Applications.**

(1) **Color Scheme Permit Transfers.** Any transfer of a Color Scheme permit must be approved in advance by the SFMTA. Prior to approving a transfer of a Color Scheme Permit, the SFMTA shall conduct an investigation to ensure that the proposed transferee meets all requirements of this Article. For the purpose of this subsection, the transfer of a business means the transfer of 50% or more of an ownership interest in the business to a person or entity that did not already hold an ownership interest in the business as of June 19, 2009. In addition to any other documents establishing compliance with laws and regulations that the SFMTA may require as a condition of approval of the transfer, the parties to the transfer must provide:

(~~A~~) ~~An inventory of any City owned In-Taxi Equipment,~~

(~~AB~~) Proof of all required insurance,

(~~BC~~) A business license,

(~~CD~~) Any signed partnership agreement among multiple purchasers or documentation of current valid corporate status,

(~~DE~~) A signed lease establishing the buyer's right of occupancy at a business premises,

(~~EF~~) A signed agreement with a permitted dispatch service, and

(~~FG~~) A schedule of gate fees.

(2) **Permit Renewal Requirements.** No Color Scheme Permit shall be renewed unless the Permit Holder files the following documents by May 1 of each year:

(A) Current San Francisco business license;

(B) Completed designated manager form(s);

(C) Current list of all affiliated Drivers, Medallion Holders and type of Lease for each;

(D) Insurance certificates demonstrating compliance with the insurance requirements of this Article for every vehicle and Medallion affiliated with the Color Scheme;

(E) Copy of company drug-free workplace policy;

(F) Sworn statement attesting to compliance with this Article and applicable state and federal laws.

(3) **Minimum Number of Medallions.** As of the effective date of these amendments, all Color Scheme Permit applications shall include a minimum of 50 Medallions committed to affiliating with the Color Scheme.

(i) **Moratorium on Issuance of Permits.** The Director of Transportation may impose a moratorium on the issuance of new Color Scheme Permits or Dispatch Service Permits upon his or her determination that the issuance of such permits will not serve the public interest. The Director of Transportation shall notify the Board of Directors immediately upon making such a determination. The notification, which shall be posted in accordance with Section 1123(a), shall include the reasons for the Director's determination that issuance of new permits will not serve the public interest, and the expected duration of the moratorium. In no event shall such a moratorium last for more than a year without the approval of the Board of Directors.

## **SEC. 1104. ELIGIBILITY.**

\* \* \* \*

### **(c) Eligibility for a Medallion.**

(1) Applicants for a Taxi or Ramp Taxi Medallion must meet the eligibility requirements listed in Section 1103(c)(2)(A) through 1103(c)(2)(H) and complete the Medallion Application form provided by SFMTA.

(2) Each applicant for a Taxi or Ramp Taxi Medallion shall submit all completed application materials, including ~~paper~~ electronic waybills and/or electronic trip data, and take any written, oral or practical examination required by the SFMTA within 45 calendar days of the date of the notice informing the applicant of the availability of a Medallion.

(3) Before issuing a Taxi or Ramp Medallion, in addition to all other eligibility requirements, the SFMTA must determine that the applicant has been a Full-Time Driver during the twelve-month period immediately preceding his or her submission of a Medallion Application to the SFMTA. This requirement of Full-time Driving for twelve months may only be satisfied by driving a Taxi or Ramp Taxi for which a permit has been issued by the SFMTA. ~~Paper~~ Electronic waybills completed in compliance with Section 1109(c)(5), electronic trip data, or other corroborating documentary evidence, may be used to establish eligibility for a Medallion for the purposes of this Section.

\* \* \* \*

~~(d) **Eligibility for a Single Operator Part-time Taxi Medallion.** The applicant must receive a passing score on a test administered by the SFMTA in accordance with Section 1103(e).~~

## **SEC. 1105. GENERAL PERMIT CONDITIONS.**

### **(a) Conditions Applicable to All Permits.**

(1) **Permits Required.** No person, business, firm, partnership, association or corporation shall drive, or operate or cause to be operated any Motor Vehicle For Hire within



the City, nor shall any person, business, firm, partnership, association or corporation operate any Dispatch Service or Color Scheme, without a permit issued by the SFMTA authorizing such driving or operation in accordance with this Article 1100.

\* \* \* \*

(12) ~~Shift Change at Color Scheme Required for Gas and Gates Vehicles;~~  
**Unattended Vehicles.** All Permit Holders shall ensure that taxi vehicles operated pursuant to a Gas and Gates Medallion that they operate begin and end all shifts at the Color Scheme's place of business, except with the prior written approval of the SFMTA. When a vehicle is not being operated for hire, the Permit Holder shall either leave the vehicle at the Color Scheme's place of business or make a written request for SFMTA approval of an alternative location that is off the public street and sidewalk. No Taxi vehicle may be left unattended on a public street for more than four hours.

(13) **Current Address Required; Emergency Contact Notification.** All Permit Holders shall keep contact information current with the SFMTA. All Medallion Holders and Drivers shall keep contact information current with their Color Schemes. Every ~~natural~~ person who holds a permit from the SFMTA pursuant to this Article Permit Holder shall give written notice to the SFMTA within ~~ten~~10 days of any change of residence address, and shall accept mail at the address provided to the SFMTA. Color Scheme and Dispatch Service changes of address are subject to the prior written approval of the SFMTA. No Permit Holder may use a post office box as a current address.

\* \* \* \*

(b) **Electronic Taxi Access System.** ~~By a date to be determined by the SFMTA,~~  
Each Dispatch Service Permit Holder shall integrate its dispatch system with and implement the Electronic Taxi Access System, and shall electronically transfer all of its Electronic Trip Data to the Electronic Taxi Access System in real-time as required by this Section 1105(b).

\* \* \* \*

**SEC. 1106. CONDITIONS APPLICABLE TO COLOR SCHEME PERMITS.**

In addition to all other conditions applicable to a Color Scheme Permit, each Color Scheme Permit Holder shall meet the following requirements and performance standards:

\* \* \* \*

(d) **Principal Place of Business.** All Color Schemes shall maintain a principal place of business ~~within the City, which must be staffed by at least one person Monday through Friday from 9:00 A.M. to 5:00 P.M., excepting federal holidays.~~ Every Color Scheme must have the capacity to receive deliveries during business hours and to send and receive documents and electronic correspondence at all times, and the street address, telephone number(s) and/or electronic address(es) for documents and correspondence must be provided to the SFMTA.

(e) **Change of Business Location.** A Color Scheme must obtain the prior written approval of the SFMTA before changing its principal place of business.

(f) **Telephone Access.** ~~Every Color Scheme shall subscribe to a telephone service and publish the name of the business, the Color Scheme Permit number and the telephone number to which requests for service and inquiries about Found Property may be addressed in the Yellow Pages section of the San Francisco telephone directory. The published telephone number shall not be used for the conduct of any business enterprise other than the business of the Color Scheme. If a change occurs in the name of the company or telephone number under which taxi service is provided the Color Scheme shall promptly request to change the listing in the Yellow Pages section of the San Francisco telephone directory. During those times when the current listing in the Yellow Pages section of the San Francisco telephone directory is incorrect or when a new listing cannot be made until the next printed copy is published, the~~Every Color Scheme shall maintain a current listing, including the name of the company and telephone number, with the San Francisco directory assistance (411), ~~and the City's 311 system,~~ and on the SFMTA website.

\* \* \* \*

(l) **Spare Vehicles.**

(1) A spare vehicle may operate with a Medallion from a Taxi or Ramp Taxi only when necessary to replace temporarily disabled Taxi vehicles. During any time a spare vehicle is operating, the vehicle it is replacing shall be available for inspection by the SFMTA.

~~(2) During any time a spare vehicle is in operation as a Motor Vehicle For Hire, the Taxi or Ramp Taxi it is replacing shall be available for inspection by the SFMTA.~~

(23) Each Color Scheme shall be issued a unique series of "spare numbers" for spare vehicles operating at that Color Scheme.

~~(4) All spare vehicles shall be kept at the Color Scheme's place of business or other location approved by SFMTA when not in actual use with a Medallion.~~

~~Once a vehicle is designated as a spare, it may not be re-introduced to the fleet except by approval of the SFMTA. All spare vehicles must be owned by the Color Scheme and shall be registered and insured as required by all applicable law.~~

(36) Color Schemes may not operate or allow another entity or individual to drive or operate a spare vehicle, unless such vehicle is using a Medallion which is not in use in any other vehicle. Any Color Scheme found to be violating this Section shall be deemed to be operating a vehicle without a permit. Each day of unauthorized operation under this Section shall be a separate offense.

(47) All spare vehicles shall be equipped with functional In-Taxi Equipment.

(m) **Reduced Emissions by Color Scheme.** ~~Beginning on June 1, 2011, e~~Each Color Scheme Permit Holder shall maintain average per vehicle greenhouse gas emissions at a level set by the Department of the Environment to achieve the goal of a 20% reduction in taxi fleet greenhouse gas emissions from 1990 levels ~~by the year 2012~~. For the purpose of this

requirement, Ramp Taxis shall not be included in calculation of the Color Scheme's average per vehicle greenhouse gas emissions.

(n) **Information Required to be Provided or Posted.** All Color Schemes shall ~~provide~~ ~~post~~ the following information to Drivers and Color Scheme employees by either delivering copies, paper or electronic, or posting the information at their place of business in a place where it is easily visible to Drivers and Color Scheme employees:

(1) **Certificate of Worker's Compensation.** A copy of a current and valid Certificate of Worker's Compensation Insurance and information about how to file a claim.

(2) **Gate Fees.** The current amounts charged for Gate Fees, including the amount charged for each available shift over the seven days of the week.

(3) **Information Provided by SFMTA.** The SFMTA may require a Color Scheme to distribute designated materials to each affiliated Driver, and may require the Color Scheme to obtain written acknowledgments of receipt from affiliated Drivers, within a time period specified by SFMTA.

(o) **Required Notifications.**

(1) By the fifth day of each month, each Color Scheme must file a report with the SFMTA listing each accident that occurred during the previous month involving any Taxi or Ramp Taxi affiliated with the Color Scheme and resulting in property damage or bodily injury.

(2) Color Schemes must notify the SFMTA in advance of any change in the name, address or telephone number under which taxi service is provided by the Color Scheme. A change of name or address require the prior approval of the SFMTA.

(3) Color Schemes have an affirmative obligation to report to the SFMTA any actual knowledge that a Driver is engaged in the sale, use, or possession of drugs or alcohol in a Taxi or Ramp Taxi vehicle.

(4) Color Schemes must notify the SFMTA when Found Property is returned to its owner.

(5) **Death of Driver or Medallion Holder.** Upon receiving notice of the death of a Driver or Medallion Holder affiliated with or employed by a Color Scheme, the Color Scheme must notify the SFMTA within 14 calendar days of receipt of the notice of the death.

(A) **Non-Transferable Medallion.** If the deceased ~~was a~~ Medallion Holder held a Non-Transferable Medallion, then the Color Scheme must return the Medallion within 14 calendar days of notice to the SFMTA. The SFMTA, may, in its discretion, extend the deadline for return of the Medallion to the SFMTA if it determines that the Medallion could not be promptly re-issued to an applicant on the Waiting List, and that such an extension would be in the public interest. During any such period of extension, in lieu of making medallion lease payments to the former Medallion Holder, the Color Scheme shall pay to the SFMTA a monthly fee of ~~\$7501,900~~ beginning as of the 15th day following the notice of death and until such date as the SFMTA requires the return of the Medallion.

(B) **Transferable Medallion.** If the deceased Medallion Holder held a Transferable Medallion, the Color Scheme must return the Medallion to SFMTA in accordance with Section 1116(n).

(p) **Color Scheme Obligations Related To Drivers.**

~~(1) Each Color Scheme shall ensure that every Driver starts and ends each shift at the Color Scheme's principal place of business, except with the prior written approval of the SFMTA.~~

~~(12) Each Color Scheme shall ensure that every affiliated Driver holds a valid A-Card.~~

~~(3) A Color Scheme shall not charge an applicant for a Driver Permit for the statement of affiliation required by Section 1103(c)(1)(F).~~

(24) A Color Scheme shall issue receipts for any payments received from any Driver. A Color Scheme shall accept payment of Gate Fees by credit or debit card, and shall impose no charge or fee on Drivers who pay their Gate Fees by credit or debit card.

~~(5) **Medical Certification of Drivers.** Every Color Scheme shall ensure that all affiliated Drivers undergo any medical examination required by the SFMTA in accordance with SFMTA requirements.~~

(36) A Color Scheme shall offer cashiering services, through a third-party merchant account holder that conforms to PCI DSS standards, to any Driver for credit and debit card transactions collected by that Driver as payment of taxi fare while that Driver was driving a vehicle affiliated with that Color Scheme. A Color Scheme may charge a Driver a fee for the cashiering service, which shall not exceed 3.5 percent of the total amount of the credit or debit card transactions presented to the Color Scheme. A Color Scheme must require its third-party merchant account holder to deposit the proceeds of the Driver's credit and debit card transactions, minus the fee of up to 3.5% percent, in an account of the Driver's choice within one business day. A Color Scheme may not require a Driver to use its merchant account holder, and may impose no charge for credit and debit cashiering services in addition to the 3.5% percent fee on Drivers who choose to use the Color Scheme's third-party merchant account holder to cash credit and debit card payments.

~~(47) Each Color Scheme shall inform every Driver operating a Gas and Gates Medallion of the applicable state and federal laws governing maximum driving hours for the operators of a commercial passenger-carrying vehicles, and must inform every Driver of his or her obligation to comply with such laws.~~

\* \* \* \*

(q) Taxi Driver Drug and Alcohol Testing Policy; Policy.

\* \* \* \*

(45) A Color Scheme must report to the SFMTA contact person identified in the Policy any referral of a Driver for reasonable suspicion or post-accident testing under the Policy, and must do so within eight hours of the referral.

\* \* \* \*

(s) **Dissolution Plan.** Any Color Scheme that will be terminating its business operations as a Color Scheme and surrendering its permit shall file a dissolution plan with the SFMTA at least 30 days prior to the date that the Color Scheme anticipates that it will cease to respond to requests for taxi service. The dissolution plan shall include but not be limited to plans for the disposition of records and preservation of Waybills and Driver Rosters, Driver and Medallion Holder files and Leases, handling Found Property, notifying the public of the termination in service and contact information for future inquiries. The Color Scheme shall also participate in an exit interview with the City's Paratransit Broker at least 30 days prior to the date the Color Scheme anticipates that it will cease to participate in the Paratransit Program.

\* \* \* \*

(u) **Minimum Number of Medallions.** Color Scheme Permit Holders whose permits were issued after the effective date of these amendments must affiliate with a minimum of 50 Medallions. If the number of Medallions affiliated with a Color Scheme falls below 50, the Color Scheme shall have a period of two months from the date the total number of affiliated Medallions falls below 50 to bring the number of affiliated Medallions up to at least 50. If a Color Scheme cannot bring the number of affiliated Medallions to at least 50 after the two-month period, SFMTA may move to revoke the permit in accordance with Section 1118. If a Color Scheme falls below the required 50 Medallions three or more times in a 12-month period, that will also be cause for revocation in accordance with Section 1118.

## **SEC. 1107. CONDITIONS APPLICABLE TO DISPATCH SERVICE PERMITS.**

(a) In addition to all other conditions applicable to a Dispatch Service Permit, each Dispatch Service Permit Holder shall comply with the following performance standards:

(b) **Minimum Dispatch Service Standards.**

~~(1) A Dispatch Service must affiliate with at least 50 medallions and must successfully complete an average of at least 250 verifiable Dispatch requests per day with an average of at least three completed Dispatch requests per medallion, per day, from November 1, 2013 through December 31, 2013.~~

~~(2) A Dispatch Service must affiliate with at least 75 medallions and must successfully complete an average of at least 375 verifiable Dispatch requests per day with an average of at least 3.75 completed Dispatch requests per medallion, per day, from January 1, 2014 through December 31, 2014.~~

~~(3) A Dispatch Service must affiliate with at least 100 medallions and must successfully complete an average of at least 500 verifiable Dispatch requests per day with an average of at least five completed Dispatch requests per medallion, per day, from January 1, 2015 through December 31, 2015.~~

(24) Any Dispatch Service that does not meet the minimum required levels for completion of Dispatch requests per medallion set forth in Sections 1107(b)(1) through (3), and all Color Scheme Permit Holders affiliated with that Dispatch Service Holder shall be placed on Administrative Probation for not more than 90 days. If after 90 days the Dispatch Service cannot meet the applicable minimum required levels for completion of Dispatch requests per medallion, the Dispatch Service permit shall be automatically revoked and all affiliated Color Scheme Permit Holders shall affiliate with a Dispatch Service that meets minimum service standards.

\* \* \* \*



(e) **Minimum Dispatch Equipment Requirements.** Each Dispatch Service permit holder must maintain at a minimum the following dispatch equipment and dispatch capacity ~~as of February 1, 2014:~~

- (1) A hard-mounted driver information monitor or mobile data terminal capable of two-way communication to display and accept orders, which must be directly connected to the taximeter or connected to the taximeter as part of a secondary system such as a payment system; ~~and~~
- (2) Integrated GPS to allow for nearest taxi distribution of available orders; ~~and~~
- (3) Ability to dispatch entered orders based on vehicle type;
- (4) Configurable polling time of vehicle data and status;
- (5) Ability to report data on all orders entered into system, including but not limited to: time and date, order status, drivers/vehicles rejected and drivers/vehicles accepted, all timing points of order (entry time, dispatch time, acceptance or rejected time, and trip completion time), abandoned and non-completed jobs, driver login and logout status while on duty; and
- (6) Functional direct voice access and two-way communication with all affiliated Taxis and Ramp Taxis.

**SEC. 1108. CONDITIONS APPLICABLE TO DRIVER PERMITS.**

\* \* \* \*

(c) **Notification to SFMTA of Change of Affiliation with Color Scheme.**

~~(1) All Drivers must notify the SFMTA at least three business days prior to the effective date of any change of affiliation with a Color Scheme. No Driver may affiliate with a Color Scheme that is on Administrative Probation pursuant to Section 1122.~~

~~(2)~~—In accordance with California Government Code Section 53075.5(b)(1)(B), a Driver's Permit shall be suspended for any period during which the Driver is not affiliated with a Color Scheme.

**(d) Driver Duties at Beginning of Shift.**

\* \* \* \*

(3) A Driver is responsible for ensuring that their vehicle is supplied with the following items:

(A) 311 card;

~~(B) Current copy of book of regulations issued by SFMTA;~~

~~(B)~~ (C) A supply of receipts, preprinted with the name of the affiliated Color Scheme; and

~~(C)~~ (D) Current maps of San Francisco and San Mateo counties or a functional GPS device;

~~(D)~~ (E) Working flashlight, if driving at night;

~~(E)~~ ~~(F) Working ballpoint pen and notebook;~~

~~(G)~~ (G) SF Paratransit manual trip ticket forms; and

~~(H)~~ (H) Back-up credit card payment processing device and any supplies required for its operation.

(4) A Driver shall ensure that the vehicle is clean inside and out and free of offensive odors, wash the exterior of the vehicle and/or sweep the interior passenger compartment and trunk as needed, and remove any loose items from the vehicle's dashboard and/or rear shelf.

**(e) Driver Duties During Shift.**

\* \* \* \*

(5) A Driver shall, if requested, take reasonable measures to assist a passenger as necessary to get into and out of the vehicle, or to load or unload luggage, ~~only~~ to the extent that such assistance is within the physical capacity of the Driver. The Driver shall record the request for assistance and results. If the Driver feels that his or her personal health or safety is at risk or is otherwise unable to assist the passenger, the Driver shall request appropriate assistance capable of handling the request from the Dispatch Service. If the passenger(s) has such a large amount of baggage, luggage, packages and/or equipment to be loaded or unloaded that the Driver's departure is delayed, or when it is necessary to wait for dispatched assistance to arrive, the Driver shall inform the passenger(s) of his or her intention to activate the Taximeter.

\* \* \* \*

(13) During a shift a Driver may not monitor or listen to any Dispatch Service other than the Dispatch Service that provides service to the Color Scheme with which the vehicle is affiliated. A Driver must be logged into all In-Taxi Equipment ~~in taxi equipment~~ at all times while operating a taxi vehicle, using a means of identification approved by the SFMTA, and a Driver must be logged into the e-hail application with which the Dispatch Service is affiliated.

(14) A Driver shall not operate a Motor Vehicle for Hire in a reckless or dangerous manner.

(15) **Ramp Taxi Service.**

~~(A) — Every Ramp Taxi Driver must log on the In-Taxi Equipment at the beginning of the shift.~~

(AB) Every Ramp Taxi Driver shall meet an average response time to any request for service by a customer using a wheelchair of 20 minutes from the time that the Driver accepts the call.

(~~B~~C) A Ramp Taxi Driver shall grant priority to requests for service from passengers who use wheelchairs, and once dispatched to a call from a customer using a wheelchair may not accept any other fare while ~~en~~ on route to that dispatched call, except as otherwise instructed by the dispatcher. In the absence of a request for service to a passenger who uses a wheelchair, a Ramp Taxi Driver may transport any person.

\* \* \* \*

(f) **Duties at End of Shift.**

(1) ~~Until April 30, 2013, or earlier pursuant to notice from the SFMTA that the Color Scheme for which he or she drives is affiliated with a Dispatch Service that has implemented a system for generating Electronic Trip Data, Drivers shall turn in all completed paper waybills to the Color Scheme at the conclusion of each shift.~~

(~~1~~2) The Driver shall remove any litter, personal items, and any other loose items that do not belong with the vehicle.

(~~2~~3) Drivers shall turn any unreturned or unclaimed Found Property in the Driver's possession at the end of a shift to the Color Scheme's or Dispatch Services' place of business, and shall obtain a receipt for the item regardless of value.

(~~g~~) ~~Controlled Substance Testing Program. Reserved.~~

**SEC. 1109. CONDITIONS APPLICABLE TO MEDALLIONS.**

(a) **Affiliation With Color Scheme Required; Color Scheme Change.**

(1) ~~A Medallion Holder must affiliate with a single Color Scheme Permit Holder. A~~ Medallion Holder shall be deemed affiliated with a particular Color Scheme when the SFMTA approves its ~~his or her~~ application pursuant to this Article 1100, and shall entitle the Medallion Holder to the right to the use of that Color Scheme's trade dress and place of business.

(A) **Transferable Medallion.** A Transferable Medallion Holder must affiliate with a single Color Scheme Permit holder that complies with Section 1116(n).

(B) Non-Transferable Medallion. A Non-Transferable Medallion Holder shall affiliate with a single Color Scheme Permit Holder.

\* \* \* \*

(d) **Pre-K Corporate Medallion Holders.**

(1) **Permits Void in Event of Transfer or Sale of Permit Holder.** Any Pre-K Corporate Medallion held by a ~~Permit Holder that is not a natural person~~ shall be deemed null and void and revoked if any of the following circumstances has occurred since the issuance of the Medallion:

(A) If the Medallion is or was sold or transferred at any time after June 6, 1978. For the purposes of this Section, a sale or transfer occurs upon a cumulative sale or transfer of either ~~10% percent~~ or more of the stock or other ownership of the Medallion Holder, or ~~10% percent~~ of the Permit Holder's assets since June 6, 1978, unless such sale or transfer has the prior written approval of the SFMTA.

(B) If the management or control of the Permit Holder is or has been transferred for consideration since the issuance of the permit;

(C) If the Medallion Holder's rights to receive income derived from a Lease or an agreement authorized by Section 1109(e)(2) is assigned, transferred or sold.

(e) **Medallion Operation.**

(1) A Medallion Holder may arrange for the continuous operation of the Medallion in compliance with Section 1105(a)(9) only as follows:

(A) By entering into a Lease with a Color Scheme under which the Color Scheme will operate the Medallion as a Gas and Gates Medallion.

(B) By operating the Medallion ~~himself or herself~~ as an Affiliated Medallion Operator ~~a Gas and Gates Medallion~~. A Medallion Holder who elects to operate the Medallion pursuant to this Section 1109(e)(1)(B) must comply with the following:

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~~(i) The Medallion Holder must file an operation plan with the SFMTA in a form to be determined by the SFMTA. The SFMTA shall make a form of operation plan available to Medallion Holders no later than November 15, 2013.~~

(ii) The Medallion Holder is prohibited from charging any Gate Fee other than the Gate Fee posted for that shift by the Color Scheme with which the Medallion is affiliated, and is prohibited from charging Drivers any amounts other than a Gate Fee.

(iii) The Medallion Holder is responsible for compliance with all requirements imposed upon Color Scheme permit holders by Section 1106, subsections (i), (j), (k), (n), (o)(1), (o)(3), (p)(1), (p)(2), (p)(4), ~~(p)(5), (p)(7)~~, (q)(2), and (q)(3) and ~~(t)~~.

\* \* \* \*

~~(2) Notwithstanding Section 1109(e)(1), a Medallion may be operated under a written agreement between a Medallion Holder and a Driver if the agreement was executed prior to October 1, 2013 and the vehicle operated under the Medallion was purchased before October 1, 2013; provided, however, that the Medallion Holder must file an operation plan subject to the review and approval of the SFMTA no later than February 1, 2014 in a form to be determined by the SFMTA, the operation plan must demonstrate that the Medallion Holder will meet the Full Time Driving requirement, if applicable, during the lease term, and the Medallion may be operated pursuant to the agreement only until the vehicle assigned to the Medallion is replaced with another vehicle.~~

\* \* \* \*

#### **SEC. 1113. TAXI AND RAMP TAXI EQUIPMENT REQUIREMENTS.**

\* \* \* \*

(c) **Exterior Display of Identifying Information.** Every Taxi or Ramp Taxi shall have the following information displayed on the exterior of the vehicle:

(1) **Vehicle Number.**

(A) The Vehicle Number in numerals of a color that contrasts with the color of the rest of the vehicle, at least four inches high and positioned directly under the windows on or within six inches of the forward-most portion of both front doors, and on the rear facing portion of the trunk lid of the vehicle.

(B) The Vehicle Number ~~on the hood of the vehicle, and~~ on the trunk of the vehicle if space is available, in numbers at least 18 inches in length of a color that contrasts with the color of the rest of the vehicle. ~~If the numbers are displayed on the roof, they shall be mounted and centered directly behind the top light.~~

\* \* \* \*

(d) **Interior Display of Information.** Every Taxi or Ramp Taxi shall have the following items in the interior of the vehicle in a place clearly visible to passengers and in a format approved by the SFMTA:

\* \* \* \*

(3) ~~By a date to be determined by the SFMTA, every~~ Every Taxi shall be equipped with an operational ~~rear seat passenger information monitor (PIM)~~ Passenger Payment Device that is connected to the Taximeter. The Passenger Payment Device ~~PIM~~ must meet any functional requirements and standards established, in writing, by the Director of Transportation. ~~Not less than six months before the date by which the equipment must be installed, the Director of Transportation shall provide all Color Scheme Permit Holders with notice of the installation deadline, and notice of any functional requirements and standards.~~

~~(A) Any back seat PIM that is connected to the Taximeter shall:~~

~~(i) Display, at a minimum, the information required in this subsection (d), in addition to any further display specifications established, in writing, by the Director of Transportation;~~

~~(ii) — Be accessible to individuals with visual impairments and compliant with standards that shall be developed by the SFMTA to ensure that the Color Schemes' interface to the visually impaired is uniform; and~~

~~(iii) — Provide the Driver and the passenger the ability to completely mute the sound and dim or turn off the display by means of clearly perceptible instructions.~~

~~(B) — Any PIM that is not connected to the Taximeter shall allow a passenger with visual impairments to hear the total to be charged to a payment card, and to swipe his or her own card and select his or her own tip amount from the back seat of the taxicab by means of audio cues.~~

(e) **Communication Equipment.** Every Taxi and Ramp Taxi shall be equipped with direct voice access and two-way communication with a Dispatch Service affiliated with the Taxi or Ramp Taxi.

(f) **Taximeters.**

(1) **Seal Required.** The Taximeter installed in any Taxi and Ramp Taxi must have a current and valid seal from the Department of Public Health Weights and Measures. Any Taximeter removed from a Taxi or Ramp Taxi with or without its seals intact and placed in the same or another Taxi or Ramp Taxi must be certified and resealed by the Weights and Measures. Any Taxi or Ramp Taxi found to have Taximeter seals that are broken, removed, destroyed, marred or otherwise tampered with will be taken out of service until correctly repaired.

(2) **Installation.** All Taximeter makes and models must meet the approval of the SFMTA prior to their installation and must meet all requirements of the Paratransit Program. The Taximeter shall be mounted in an area that is clearly visible at all times by any passenger in the vehicle.

(3) In-Taxi Equipment. All In-Taxi Equipment must be integrated to the taximeter; the taximeter must not be able to function if it is not integrated with the In-Taxi Equipment.



(g) **Safety Partition.** Safety partitions of a design that is approved by the SFMTA may be installed in Taxi and/or Ramp Taxi vehicles at the option of the Color Scheme.

(h) **Emergency Equipment.** All Taxis and Ramp Taxis shall have at all times a functional spare tire, a working jack and wrench to replace a flat tire, and two  $\geq$  flares or  $\geq$  two freestanding reflectors.

\* \* \* \*

#### **SEC. 1114. RECORDS AND REPORTING REQUIREMENTS APPLICABLE TO PERMIT HOLDERS.**

\* \* \* \*

(b) **Additional Requirements Applicable to Drivers.**

(1) **Receipts for Fare to be Delivered to Passenger.** All Drivers shall provide a receipt for fare paid upon the demand of any passenger.

(2) **A-Card Identification Number.** Each Driver shall provide his or her A-Card identification number to any passenger upon request.

~~(3) **Medical Examination Certificates.** The Driver shall retain the original report or certification completed by the examining physician or laboratory following any physical examination required by this Article, and shall file a copy of the report or certification with the SFMTA.~~

(c) **Additional Requirements Applicable to Medallion Holders.**

~~(1) **Annual Filings Required for Renewal.** No Taxi or Ramp Taxi Medallion shall be renewed unless the Permit Holder files a sworn statement by May 1 of every year under penalty of perjury attesting to compliance with this Article and associated state and federal laws on a form designated by the SFMTA.~~

(d) **Additional Requirements Applicable to Pre-K Corporate Medallion Holders.**

(1) **Annual Filings Required for Renewal.** Any ~~Pre-K~~ corporation holding a Medallion issued pursuant to this Article shall maintain a stock register at its principal place of business in San Francisco. No Medallion held by a corporation may be renewed unless the Permit Holder files the following documents with the SFMTA by May 1 of each year: The SFMTA may require other corporate records to be provided to the SFMTA together with other required annual filings:

- (A) Copy of current stock register;
- (B) Copy of current filed copy of Statement of Domestic Stock

Corporation issued by the California Secretary of State.

(2) All corporate Permit Holders shall report to the SFMTA in writing any of the following within 30 days of occurrence:

- (A) Issuance or transfer of any shares of stock.
- (B) Change in any of the corporate officers listed pursuant to Section 312 of the California Corporations Code or successor statute.
- (C) Change of any member of its Board of Directors.
- (D) Any notice of suspension or certificate of revivorship issued to the

corporation by the California Secretary of State.

(e) **Additional Requirements Applicable to Color Schemes.**

(1) **Waybills.**

(A) A Color Scheme shall retain ~~original paper waybills for all Drivers and Medallion Holders for at least one year at its principal place of business; and shall maintain originals and/or legible copies of paper waybills and the data generated by electronic waybills for at least two six years to document driving performed by Drivers affiliated with the Color Scheme. Color Schemes may store copies of original paper waybills more than 12 months old in a secure electronic format.~~

~~(B) — Until such date as they may be discarded pursuant to Section 1114(e)(1)(A), above, Color Schemes shall store paper waybills either alphabetically, numerically or chronologically. If a Color Scheme's waybills are not so organized, the SFMTA may require the Color Scheme to reorganize the waybills either alphabetically, numerically or chronologically, and the Color Scheme shall order waybills in accordance with SFMTA direction within 90 days of SFMTA request. A Color Scheme may request a waiver of such requirement if the Permit Holder demonstrates to SFMTA's satisfaction that its waybills are already organized in a different manner that allows efficient inspection and auditing by SFMTA. Any waybills presented to SFMTA for inspection in any manner other than as required or approved by SFMTA may not be counted for compliance with the Full-Time Driving requirement.~~

~~(B)(C) If requested, Color Schemes shall provide each Driver duplicate copies of that Driver's waybills for a prior year in an electronic or paper format. If the waybills are provided in paper format, the Color Scheme may charge no more than \$0.10 per page, or a flat fee not to exceed \$50 for duplication of all waybills of a Driver for the period of one year. After April 30, 2013, Color Schemes must make available Driver Electronic Trip Data to that Driver in an electronic format within 10 business days of receipt of a request for such data upon Driver request for any date in the year 2013 and forward, including, but not limited to, any other portable storage medium or device or via electronic mail at the Color Scheme's option, and may charge no more than \$10 per year for electronic duplication of Driver records.~~

(2) **Medallion Holder Files.** Color Schemes must maintain files for each Medallion Holder affiliated with the Color Scheme. Such files shall at least contain written copies of all Leases or permits associated with the Motor Vehicle for Hire at the Color Scheme's principal place of business, and employment or other applications initiating affiliation with the Color Scheme. Color Schemes shall provide within 10 business days of receipt of such request, a complete copy ~~copies~~ of a Lease (including any schedules or addenda) free of

charge to any party to the Lease upon request or to any Qualified Lender under the Medallion Transfer Program that presents a written statement to the Color Scheme indicating that it holds a valid lien against a Transferable Medallion or that it is contemplating such a lien in connection with underwriting a request for credit secured by a Transferable Medallion.

(3) **Receipts to Drivers.** Color Scheme Holders shall provide receipts for payments for fuel, Gate Fees, Lease fees or any other payment made by Drivers to Color Schemes.

~~(4) **Medical Examination Certificates.** Reserved.~~

~~(45) **Vehicle Inventory Changes.** Prior to placing a Taxi or Ramp Taxi into service for the first time, when changing one vehicle for another, or when assigning a new Vehicle Number, the Color Scheme shall submit the information required by this Section to the SFMTA on a form provided by the SFMTA.~~

(56) **Current Information Required to be Maintained.** All Color Schemes shall maintain at the principal place of business the following information in a place where it is easily accessible to dispatchers and for immediate inspection upon request by SFMTA:

\* \* \* \*

~~(67) **Weekly Reporting Requirements.** Color Schemes shall make available upon request of fax or email to the SFMTA, or law enforcement agencies, the following reports within 24-hours. Except as otherwise provided, weekly reports shall be submitted by close of business on the first business day of each week:~~

(A) **Driver Roster.**

(i) Every Color Scheme Permit Holder shall maintain a Driver Roster, updated after each shift to reflect actual shift assignments, that must at a minimum include: the date of the shift assignment, Driver's name, and the hours worked for that shift, vehicle number and Medallion number, if different. This schedule shall include the schedules

of all Medallion Holders affiliated with a Color Scheme. ~~The Driver Roster shall be provided to the SFMTA as part of the weekly report, and shall be made available for inspection by the SFMTA or law enforcement agencies during business hours.~~

(ii) All original Driver Rosters shall be retained at the Color Scheme's principal place of business for a period of not less than six years. Color Schemes shall maintain at the principal place of business the most recent 12 months of Driver Rosters in a paper format. Color Schemes may store Driver Rosters more than 12 months old in a secure electronic format. The SFMTA may excuse a Color Scheme from retaining schedules for a particular year by certifying that a Color Scheme has submitted all 12 schedules for that year. ~~The SFMTA may grant exceptions for submission for companies with exceptionally large schedules or which have an electronic timecard system for schedules.~~

(B) **List of Terminated Drivers.** Color Schemes shall list the name and A-Card number of any Driver terminated during the prior week, and the date of termination.

(C) **Mechanical Breakdown Tracking System Log.** A record of all Taxis and/or Ramp Taxis which have been out of service for more than 72 hours as of the preceding week on a form approved by the SFMTA, including but not limited to the and the spare vehicle, if any, that was assigned to replace the out-of-service Taxi and/or Ramp Taxi, the reason for the breakdown and the estimated date of return to service.

~~(78)~~ **Filings Required for Paratransit Compliance.**

~~(A)~~—Color Schemes must notify the Paratransit Broker within three working days of making any alteration to their In-Taxi Equipment.

~~—(B)—Color Schemes must provide a monthly inventory of all SFMTA owned In-Taxi Equipment to the Paratransit Broker.~~

(89) **Security Camera Data.** Color Schemes are required to provide the SFPD or SFMTA, upon demand, with any data captured by the security camera in a vehicle.

(f) **Additional Requirements Applicable to Dispatch Services.**

(1) **Electronic Trip Data.** Each Dispatch Service Permit Holder shall implement a system or enhance an existing system to generate Electronic Trip Data in a format approved by the SFMTA for all affiliated vehicles ~~no later than April 30, 2013~~. Such system must, at a minimum, archive all taxi trip data for at least six years, produce data that can generate reports using commonly available database and spreadsheet software, and record the following information:

\* \* \* \*

(2) **Integration with Electronic Taxi Access System.**

\* \* \* \*

(C) The systems used by Dispatch Service Permit Holders shall transmit Electronic Trip Data to the Electronic Taxi Access System at a periodic rate. The transmission rate must be configurable with a default setting of every six seconds.

\* \* \* \*

(4) **Reports of Found Property.**

(A) **Receipt to Drivers.** Every Dispatch Service Permit Holder shall issue a receipt to the Driver for any Found Property located in an affiliated Taxi or Ramp Taxi and provided to the Dispatch Service.

(B) **Return to Owner.** Every Dispatch Service Permit Holder shall endeavor to return Found Property to its rightful owner. If after two business days the owner cannot be located, the Dispatch Service Permit Holder shall give the property to SFMTA with a receipt that includes an inventory of the property, the date it was turned in, the name or A-

Card identification number of the Driver who turned it in and the Vehicle Number of the vehicle in which it was found.

(C) **Property Tracking System Log Book.** Every Dispatch Service Permit Holder shall maintain at the principal place of business a tracking system log book in a form approved by the SFMTA which records the date, time, vehicle number, Driver by name or A-Card identification number, Incident Report Number (if applicable), description and disposition of the property. The log book shall be retained for a minimum period of one year.

(D) **~~Weekly~~ Property Report to SFMTA.** ~~On the first business day of each week, each~~ Upon the request of SFMTA, Dispatch Service Permit Holder shall ~~fax or~~ email to the SFMTA a copy of all entries made in the property tracking system log for the previous week within 24 hours. Those Dispatch Services having no entries for that week will fax or email a notice advising the SFMTA that no property was turned in. Dispatch Service Permit Holders shall account for all affiliated Color Schemes.

\* \* \* \*

**SEC. 1116. TAXI MEDALLION TRANSFER PROGRAM.**

(a) **Surrender for Consideration.**

(1) The following natural persons are eligible to surrender their Medallions to the SFMTA for consideration in accordance with this Section:

(A) Any Medallion Holder, except a Ramp Taxi Medallion Holder or a Single Operator Part-time Taxi Medallion Holder, who has demonstrated to the satisfaction of the SFMTA that he or she has a bona fide disability that permanently prevents him or her from satisfying the Full-Time Driving requirement, whether or not he or she is subject to the Full-Time Driving Requirement, or

(B) Any Pre-K Medallion Holder or Post-K Medallion Holder, ~~except a Ramp Taxi Medallion Holder or a Single Operator Part-time Taxi Medallion Holder~~, who has attained the age of 60.

(2) A Medallion Holder who is subject to the Full Time Driving Requirement must demonstrate that, as of the date that the Medallion is surrendered, he or she has been a Full Time Driver for four of five consecutive calendar years within the meaning of Section 1104(c)(3).

(3) No otherwise eligible Medallion Holder against whom the SFMTA has filed a Notice of Violation, Notice of Summary Suspension, or Notice of Nonrenewal prior to completion of the surrender is eligible to surrender his or her Medallion for consideration until any resultant administrative hearing, administrative appeal, or court proceeding is concluded and the Medallion Holder has served any term of suspension imposed and paid any administrative fine imposed. In the event that the Notice of Violation seeks revocation of the Medallion, the Medallion Holder is not eligible to surrender the Medallion for consideration unless and until the administrative hearing and any resultant administrative appeal or court proceeding is concluded upon a determination that the Medallion will not be revoked.

(4) This Section does not confer on a Medallion Holder a vested right, or other legal entitlement, to surrender a Medallion for consideration. ~~The SFMTA Board of Directors may decide at any time that the Medallion Transfer Program is terminated, suspended or otherwise not operational, and that no further surrenders by Medallion Holders eligible under this Section 1116 are permitted.~~

(5) The SFMTA Board of Directors may decide at any time that the Medallion Transfer Program is terminated, suspended or otherwise not operational.

(6) The SFMTA Board of Directors may decide at any time that no further surrenders by Medallion Holders eligible under this Section 1116 are permitted.



(b) **Medallion Surrender Payment.** As consideration for surrender of a Medallion in accordance with this Section, the SFMTA shall make a Medallion Surrender Payment in the amount of \$200,000 to the Medallion Holder, when a Transferee has been identified to which the surrendered Medallion will be initially transferred and a properly executed Transfer Agreement has been received from the identified Transferee.

(c) **Qualified Medallion Transferees.** Upon surrender, the SFMTA may transfer the Surrendered Medallion under the Taxi Medallion Transfer Program to a Transferee who acknowledges and agrees that the Transferable Medallion is subject to the provisions of this Section. The SFMTA shall make offers of Initial Transfer to such Transferees in ~~the~~ chronological order by the date that each complete Medallion Application was received from a qualified applicant of seniority on the Waiting List, and then in the order of A-Card Seniority.

(d) **Retransfer.**

(1) A Medallion that was newly issued by the SFMTA on or after March 28, 2010 ~~or was~~ subject to an Initial Transfer under the Taxi Medallion Sales Pilot Program or the Medallion Transfer Program is a Transferable Medallion, and the Transferee is eligible to Retransfer the Transferable Medallion at any time in accordance with this Section, regardless of age or disability status. The Transferee may not convey the Transferable Medallion by gift, bequest or in any manner other than by a bona fide Retransfer in accordance with this Section.

(2) In all instances in which Retransfer of a Medallion is allowed under this Section, the SFMTA may elect to purchase the Medallion from the Medallion Holder instead of allowing the Medallion Holder to Retransfer the Medallion.

(3) If the SFMTA chooses at any time to prohibit the future Retransfer of Transferable Medallions, it shall, at the request of a Medallion Holder who holds a Transferable Medallion, and upon ~~ten~~ 10 days' notice to a Qualified Lender who has a security

interest in the Transferable Medallion, purchase the Medallion at the Medallion Transfer Price paid by the Medallion Holder. At the request of a Qualified Lender who has complied with the requirements of Section 1116(l) of this Article, the SFMTA will deduct from the payment made to any Medallion Holder under this Section 1116(d)(3) an amount sufficient to satisfy any outstanding balance on a loan made by the Qualified Lender and secured by an interest in the Medallion, and shall immediately remit that amount to the Qualified Lender. Upon receipt of this amount, the Qualified Lender shall comply with Section 1116(k)(3) and release its security interest in the Medallion. Upon purchase of the Medallion under this Section 1116(d)(3), the SFMTA shall reissue the Medallion to the Medallion Holder. The reissued Medallion shall not be a Transferable Medallion, and the Medallion Holder will be subject to all the provisions of this Article, including Section 1105(a)(4), which provides that permits issued under this Article are not transferable or assignable.

(e) Fixed Medallion Transfer Price. A Surrendered Medallion may be transferred by the SFMTA, and a Transferable Medallion may be Retransferred under the supervision of SFMTA, at a price established by the SFMTA. The initial Medallion Transfer Price shall be \$250,000. The Director of Transportation may reset the Medallion Transfer Price based upon his or her determination that commercially relevant factors, including but not limited to the commercial loan terms available to Medallion applicants, the affordability of the monthly payments under such loans, and the anticipated business revenue to be generated from a Medallion, warrant resetting the Price. The Director of Transportation shall present his or her recommendation for a new Medallion Transfer Price to the SFMTA Board for approval. The Director of Transportation may adjust the Medallion Transfer Price without SFMTA Board approval no more frequently than annually in accordance with the percentage by which the Consumer Price Index for Urban Wage Earners for the San Francisco Bay Area has increased since the Medallion Transfer Price was last set or adjusted. Any changes to the

Medallion Transfer Price shall be subject to the restrictions set forth in any agreement between the SFMTA and a Qualified Lender described in Section 1116(jk)(3)

(f) **Medallion Transfer Allocation and Driver Fund Retransfer Contribution.**

(1) The Transferor shall distribute to the SFMTA the Medallion Transfer Allocation at the time of Retransfer. The Medallion Transfer Allocation shall be ~~5% five percent~~ of the Medallion Transfer Price.

(2) Notwithstanding Subsection (f)(1) above, and Subsection (ij), below, in the event that a Transferee is required to Retransfer a Transferable Medallion within ~~10 ten~~ years of the Initial Transfer, or most recent Retransfer, due to any of the following involuntary surrender events: (1) disability that prevents compliance with the Full-time Driving Requirement, or (2) ~~the~~ death of the Medallion Holder, the Driver Fund Retransfer Contribution shall be waived and the Transferor shall distribute to the SFMTA the following reduced Medallion Transfer Allocation at the time of Retransfer:

Year of Involuntary Event	Percent of Medallion Transfer Allocation Due Upon Involuntary Surrender
1	0%
2	5%
3	10%
4	15%
5	20%
6	35%

7	50%
8	75%
9	90%
10	100%

~~(g) — **Medallion Sales by City.** As part of the Medallion Transfer Program, and notwithstanding the provisions of Section 1116(e) of this Article, the SFMTA shall transfer 200 medallions that are returned to the SFMTA for any reason, with the exception of Surrendered Medallions, Ramp Taxi Medallions, and Transferable Medallions, to Transferees at the Reduced Medallion Transfer Price of \$125,000. Transfers made at the Reduced Medallion Transfer Price shall be made in the order of seniority on the Waiting List, and shall be made in accordance with and subject to the requirements of this Code. After completing the transfer of 200 Medallions at the reduced Medallion Transfer Price, the SFMTA shall transfer Medallions that are returned to the SFMTA for any reason to Transferees at the Medallion Transfer Price. Upon authorization of the SFMTA Board, the SFMTA may transfer newly issued Medallions to Transferees at the Medallion Transfer Price, or may transfer newly issued Medallions to Transferees at the Reduced Transfer Price in order to complete the transfer of 200 medallions at that price.~~

**(gh) Taxi Medallion Retransfer Procedures.**

(1) Retransfer of a Medallion may only be accomplished by a transaction that complies with all requirements of this Article. Retransfer of a Medallion to a Transferee is not effective until the Retransfer is approved by the Director of Transportation.

(2) The Director of Transportation may require a Transferee to provide documentation in a form satisfactory to the SFMTA of the source of the funds used to fund the transfer of the Medallion.

(3) The Director of Transportation may establish such procedures as he or she deems appropriate to carry out the Medallion Transfer Program.

(~~h~~i) **Transferable Medallions Subject to all Regulations.** A Medallion transferred or Retransferred pursuant to this Section remains subject to all applicable laws and regulations and may be suspended or revoked for cause.

(~~i~~j) **Driver Fund and Driver Fund Retransfer Contribution.** The SFMTA shall establish a Driver Fund. The SFMTA shall make a Driver Fund Retransfer Contribution to the Driver Fund upon Retransfer of a Transferable Medallion and may, in its sole and absolute discretion, elect to deposit other monies into the Fund. The Driver Fund Retransfer Contribution shall be 5%~~five percent~~ of the Medallion Transfer Price, and is subject to change upon the recommendation by the Director of Transportation and the approval of the SFMTA Board. Monies in the Driver Fund may be expended by the SFMTA.

(~~j~~k) **Medallion Lender Qualification.**

(1) A Transferee of a Medallion may enter into a loan agreement to finance the Initial Transfer or Retransfer of a Medallion, or to refinance such transactions, only with a Qualified Lender. ~~A Qualified Lender shall not assign, sell or otherwise transfer the Qualified Lender's rights under the loan agreement and ancillary documents with respect to more than 90% of the original loan balance without the express, written consent of the Director of Transportation.~~

(2) A Qualified Lender must be a financial institution chartered by a state government or the federal government, ~~and may not impose any penalties or otherwise constrain the payment of the balance owed on the loan prior to the expiration of the loan term.~~ The Director of Transportation may adopt rules setting forth additional requirements for designation by the SFMTA as a Qualified Lender. If the SFMTA determines that a lender has failed to meet or maintain the requirements to be a Qualified Lender, the SFMTA shall deny the application to

become a Qualified Lender or suspend or revoke the lender's current status as a Qualified Lender.

(3) All Qualified Lenders must enter into a written agreement with the SFMTA, in a form approved by the SFMTA. The agreement shall include, at a minimum, the Qualified Lender's acknowledgement of the provisions of this Section, the Qualified Lender's agreement to be bound by these provisions, and the SFMTA's promise not to set the Medallion Transfer Price below the highest Medallion Transfer Price paid by a Medallion Holder to whom a Qualified Lender made a loan that is still outstanding to finance the Transfer or Retransfer of the Medallion.

~~(k)~~ **Security Interests.**

\* \* \* \*

~~(l)~~ **Foreclosure and Retransfer of Transferable Medallions.**

\* \* \* \*

(3) **Continued Operation After Foreclosure.** Upon foreclosure and until Retransfer of the Transferable Medallion, the Qualified Lender may enter into an agreement with ~~shall require~~ the Participating Color Scheme with which the Medallion is affiliated to continue to operate the Medallion.

~~(m)~~ **Expiration and Retransfer of a Transferable Medallion upon Revocation of the Medallion, or Death of the Medallion Holder.**

\* \* \* \*

(2) Retransfer. Upon revocation or death of the Medallion Holder, the SFMTA may proceed to Retransfer the Medallion to the next qualified applicant in accordance with the procedures set forth in this Section, and any such Retransfer shall be subject to the lien of the Qualified Lender who has complied with Section 1116(~~k~~). The proceeds of any Retransfer of a Transferable Medallion that has expired due to revocation of the Medallion or death of the

Medallion Holder shall be distributed first to the Qualified Lender, if any, to satisfy, to the extent possible, the Medallion Holder's debt to the Qualified Lender as determined by reference to the unpaid balance under the loan agreement between the Medallion Holder and the Qualified Lender. The remaining proceeds shall be distributed to the SFMTA to pay the applicable Medallion Transfer Allocation and the applicable Driver Fund Retransfer Contribution. Any proceeds remaining after the required distributions to the Qualified Lender and the SFMTA shall be disbursed to the former Medallion Holder or his or her designees.

(3) Other Disposition of the Medallion. If the SFMTA elects not to Retransfer the Transferable Medallion, the SFMTA must nevertheless satisfy any outstanding balance on a loan secured by a Qualified Lender, and must pay to the designees of a deceased Medallion Holder the equity accrued in the Transferable Medallion. Such equity shall consist of the current Medallion Transfer Price, minus the outstanding balance on any loan made by a Qualified Lender who has complied with Section 1116(k) to finance or refinance the Transfer or Retransfer of the Medallion, and minus the applicable Medallion Transfer Allocation and applicable Driver Fund Retransfer Contribution.

(n) **Participating Color Schemes.** Any Color Scheme Permit Holder who wishes to act as a Participating Color Scheme through affiliation with Transferable Medallions must enter into a written agreement with the SFMTA. The agreement shall include, but need not be limited to, the agreement of the Color Scheme Permit Holder to allow any Transferable Medallion transferred under this Section to affiliate with the Color Scheme in accordance with all applicable rules and regulations, and to operate any such affiliated, Transferable Medallion during the period commencing on the death of the Medallion Holder, revocation of the Medallion, or foreclosure upon the Medallion, and ending on the Retransfer or other disposition of the Medallion by the SFMTA. During such periods of operation, the Color Scheme shall make periodic payments to the Qualified Lender or to the SFMTA for the right to

operate the Medallion in accordance with the agreement between the SFMTA and the Participating Color Scheme.

**SEC. 1117. PERMIT ISSUANCE; NOTICE OF INACTIVE STATUS.**

(a) **Permit Issuance.** The SFMTA may issue any class of Motor Vehicle for Hire Permit only upon its determination that the permit applicant meets all requirements and qualifications for the permit.

(b) **Investigation of Applicants for ~~Non-Medallion~~ Permits.** Upon receipt of an application for a permit ~~other than a Medallion permit~~, the SFMTA shall investigate the permit applicant. The applicant must furnish any additional material requested by the SFMTA, and if such additional material is not provided within 30 days<sup>1</sup> of request, the application shall be deemed inactive.

(c) **Hearing Challenging Decision to Deny Application for ~~Non-Medallion~~ Permit.** At the conclusion of the investigation of an applicant for a permit ~~other than a Medallion~~, the SFMTA shall inform the applicant, in writing, of the SFMTA's decision to grant or deny the permit. If the SFMTA has decided to deny the permit, the SFMTA shall deliver the Notice of Denial, which shall include a statement of the grounds for denial, by personal service or by first-class U.S. Mail. The applicant may request a hearing before a Hearing Officer on SFMTA's decision by submitting to SFMTA a written request for hearing within 20 business days of the date that the Notice of Denial is personally delivered or mailed to the applicant.

~~(d) **Hearings on Determinations that Application is Inactive.** If the SFMTA determines that an application for a permit is inactive under Section 1103(b)(5) of this Article, the applicant may request, in writing, a hearing before a Hearing Officer on the Notice of Inactive Status by submitting to the SFMTA a request for hearing within 20 business days of the date that the Notice of Inactive Status is personally delivered or mailed to the applicant.~~

SFMTA BOARD OF DIRECTORS



~~(e) — **Investigation of Applications for Medallion Permits.** In addition to delivering notice to the applicant of the availability of a Medallion in accordance with Section 1104, the SFMTA shall concurrently post a notice, in accordance with Section 1123(a) of this Article, inviting members of the public to assist the SFMTA in its investigation of the applicant by supplying information relevant to whether the applicant meets the requirements for becoming a Medallion Holder. After review of the material supplied by the applicant, any information provided by members of the public, and the results of its own investigation, the SFMTA shall make a decision whether to grant or deny the application for a Medallion no sooner than 30 calendar days from the date that the notice was posted.~~

~~(f) — **Hearings on Applications for Medallion Permits.** The SFMTA shall notify the applicant of its decision on the application for a Medallion, in writing, and shall provide notice to the public of the decision in the manner specified in Section 1123(a) of this Article. If the SFMTA decides to deny the permit, the SFMTA shall deliver the Notice of Denial to the applicant, which shall include a statement of the grounds for denial, by personal service or by first class U.S. Mail. The applicant may request a hearing on the SFMTA's decision by submitting to the SFMTA a request for hearing, in writing, within 20 business days of the date that the Notice of Denial is personally delivered or sent to the applicant. If the SFMTA makes a decision to grant the application, a member of the public may request a hearing on the decision within ten calendar days of the posting of the Notice of Grant on the SFMTA's website. The SFMTA shall schedule the hearing within 30 calendar days from the date that the applicant or member of the public submitted a request for hearing. The SFMTA shall notify the member of the public who requested the hearing and/or the applicant of the hearing date and the name and contact information for the Hearing Officer at least 21 days before the hearing.~~

~~(dg) **Procedures for Hearing Challenging Decision to Grant or Deny a Permit Application or Determination that Application is Inactive.**~~

~~\* \* \* \*~~

(~~e~~h) **Burden of Proof.** If the applicant challenges an SFMTA decision to deny a permit, the burden of proof shall be on the applicant to establish that the applicant meets all eligibility requirements. If a member of the public challenges an SFMTA decision to grant a Medallion, the burden of proof shall be on the member of the public to establish that the applicant does not meet the requirements to be a Medallion Holder.

(~~f~~i) **Notice of Decision.** At the conclusion of the hearing, the Hearing Officer shall issue a written decision upholding or overturning the SFMTA's decision on the application for the permit, which shall be based upon the criteria set forth in this Article. This Notice of Decision shall include findings, shall set forth evidence in support of each finding, and shall be issued within 60 calendar days of the hearing. The Hearing Officer shall deliver the Notice of Decision to the applicant, the SFMTA, and the member of the public who requested the hearing by personal delivery or by first-class U.S. Mail.

(~~g~~j) **Results of Hearing.** If the Hearing Officer determines that a permit applicant is qualified for the permit, the SFMTA shall issue the permit within 15 business days of the Notice of Decision.

#### **SEC. 1118. REVOCATION, SUSPENSION, AND ADMINISTRATIVE FINES.**

(a) **Revocation, Suspension or Administrative Fine for Cause.** The SFMTA may suspend or revoke any permit issued under this Article 1100, and may impose an administrative fine against a Permit Holder, for good cause. "Good cause" hereunder shall include, but shall not be limited to, the following:

(1) A Permit Holder failed to pay a fine imposed by the SFMTA under Section 310 of this Code within 30 days of imposition or within such other time period as determined by the agreement of the Permit Holder and the SFMTA.

(2) A Permit Holder failed to pay a permit fee within 90 days following notice of nonpayment.

(3) A Permit Holder has been convicted of any crime that would disqualify him or her from holding a permit pursuant to Section 1103(c)(2)(E), or is otherwise ineligible for a permit under Section 1104(c) ~~or (d)~~ of this Article.

(4) The Permit Holder has violated any statute or ordinance, including any provision of Division I or II of this ~~San Francisco~~ Transportation Code, governing the operation or licensing of the vehicles and services regulated by this Code.

(5) A Taxi Driver fails to comply with the requirements for return to duty under the Taxi Driver Drug and Alcohol Testing Policy within 12~~twelve~~ months of a positive drug or alcohol test.

(6) A Taxi Driver complies with the requirements for return to duty within the 12~~twelve~~-month period, but fails to comply with a follow-up requirement imposed by the substance abuse professional under the terms of the Taxi Driver Drug and Alcohol Testing Policy.

(7) A Taxi Driver receives a positive test result within the meaning of the Taxi Driver Drug and Alcohol Policy for any drug or alcohol test required by the Policy twice within any two-year period.

(8) A Medallion Holder who is subject to the Full-Time Driving Requirement does not have a valid A-Card because the Driver has failed to timely renew his or her A-Card or the SFMTA has revoked the A-Card.

(9) A Taxi Driver fails to comply with the A-Card permit conditions.

(10) A Color Scheme whose permit was issued on or after the effective date of these amendments fails to affiliate with a minimum of 50 Medallions in accordance with Section 1106(u).

(b) **Suspension or Revocation of More Than One Permit.** Where a person violating this Article holds more than one permit to operate a Motor Vehicle for Hire in the City, the SFMTA may revoke, suspend, or decline to renew all such permits.

(c) **Operation During Suspension.** In the event that a Taxi or Ramp Taxi Medallion is suspended for disciplinary reasons, the Color Scheme with which it is affiliated may continue to operate the Medallion during any such period of suspension by paying a monthly fee of ~~\$7501,900~~ to the Driver Fund or to a Qualified Lender that has a loan that is still outstanding to finance the suspended Medallion. The total of the monthly fees for the entire suspension period is due as of the 15th day following the commencement of the suspension period. If the suspended Medallion is affiliated with a Color Scheme that is on Administrative Probation upon the date that the suspension commences, the Medallion may be operated by a Color Scheme designated by the Medallion Holder from among those Color Schemes that are not on Administrative Probation and have notified the SFMTA of their willingness to operate the Medallion during the suspension period.

\* \* \* \*

**SEC. 1124. TAXI FARES AND FEES; GATE FEES.**

(a) **Setting Rates of Fare and Gate Fees.** ~~Beginning in fiscal year 2010-2011 and at~~ At least every other fiscal year ~~thereafter~~, the SFMTA Board shall hold a hearing to determine, in its sole discretion, whether the rates of fare and cap on gate fees then in effect should be increased, decreased or remain unchanged.

\* \* \* \*

Section 4. Effective Date. This ordinance shall become effective 31 days after enactment. Enactment occurs when the San Francisco Municipal Transportation Agency Board of Directors approves this ordinance.

Section 5. Scope of Ordinance. In enacting this ordinance, the San Francisco Municipal Transportation Agency Board of Directors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, letters, punctuation marks, charts, diagrams, or any other constituent parts of the Transportation Code that are explicitly

shown in this ordinance as additions or deletions in accordance with the "Note" that appears under the official title of the ordinance.

APPROVED AS TO FORM:  
DENNIS J. HERRERA, City Attorney

By: \_\_\_\_\_  
STEPHANIE J. STUART  
Deputy City Attorney

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of January 3, 2017.

\_\_\_\_\_  
Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency