

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. 12-080

WHEREAS, In 1997, the San Francisco Board of Supervisors adopted an ordinance prohibiting taxi companies from passing on the cost of credit card interchange fees to taxi drivers who cash credit card payments with company cashiers; and

WHEREAS, Recent installation of Paratransit Debit Card equipment capable of processing credit and debit card payments in the San Francisco taxi fleet, in addition to overall trends toward cashless forms of payment, resulted in a significant increase in the number of transactions subject to interchange fees in taxis over the past two years; and

WHEREAS, As a result of the increasing volume of non-cash payments, taxi companies reported that the rising overhead costs of interchange fees were unsustainable, and requested the SFMTA to reconsider the allocation of interchange fees to taxi companies; and

WHEREAS, On July 26, 2010, the Board SFPD amended Division II of the Transportation Code to require that all taxi drivers accept credit cards, and that all taxi companies cash drivers' credit card payments, and to continue to do so at no cost to drivers, except that staff was authorized to waive the prohibition against taxi companies charging the interchange fees to drivers under certain conditions including the requirement that participating color schemes install back-seat passenger information monitors in their taxi vehicles; and

WHEREAS, For reasons that included taxi driver resistance to the passenger information monitors that were required as part of the staff waiver program, staff commissioned a study of the issue by Nelson-Nygaard & Assoc., and the results of that study were reported to the Board at its meeting of December 6, 2011.

WHEREAS, The proposed legislation would address the consultant's recommendations with respect to credit and debit card interchange fees; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors amends Transportation Code Section 1113, to require that all taxi color scheme permit holders provide taxi customers with a credit and debit card payment system that is accessible to the visually impaired and that allows all taxi customers to swipe their own payment cards and choose their own tip amounts from the back seat of all taxicab vehicles by December 31, 2012.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of June 5, 2012.

R. Bzomer

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency