

THIS PRINT COVERS CALENDAR ITEM NO. : 11

**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, Section 320 to eliminate the Medallion Holder Renewal Fee for Transferable Medallions that were purchased under the Taxi Medallion Sales Pilot Program and the Permanent Taxi Medallion Transfer Program and to correct minor, non-substantive numbering errors in Article 1100, Sections 1103, 1106 - 1109, 1113, 1114 and 1120.

SUMMARY:

- As of March 1, 2017, there are 700 Transferable Medallion Holders. 534 Transferable Medallion Holders purchased Medallions for full price (\$250,000) and 156 purchased under the half price program (\$125,000).
- Transferable Medallion Holders are subject to a full-time driving requirement (800 hours or 156 four-hour shifts per year), which limits their ability to pursue additional income, and 734 have financed the Medallion with a Qualified Lender.
- To alleviate some cost burden for Transferable Medallion Holders during the current economic downturn in the taxi industry, the SFMTA is requesting that the Board authorize the Director of Transportation to eliminate the Medallion Renewal Fee beginning July 1, 2017 (\$1,134) for all Transferable Medallions.
- To date, the SFMTA Board has authorized approximately \$8.7M in taxi industry fee reductions and waivers from FY14-FY17; if approved, that amount would increase to \$9.5M.
- Additionally, there are non-substantive numbering errors that will be corrected as part of this legislation.

ENCLOSURES:

1. SFMTAB Resolution
2. Transportation Code Amendments

APPROVALS:

DATE

DIRECTOR _____

3/27/17

SECRETARY R. Boomer _____

3/27/17

ASSIGNED SFMTAB CALENDAR DATE: April 4, 2017

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PURPOSE

Requesting that the Board of Directors amend Transportation Code Division II, Article 1100, Section 320 to eliminate the Medallion Holder Renewal Fee for Transferable Medallions that were purchased under the Taxi Medallion Sales Pilot Program and the Permanent Taxi Medallion Transfer Program and to correct minor, non-substantive numbering errors in Article 1100, Sections 1103, 1106 - 1109, 1113, 1114 and 1120.

STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES

Eliminating the Medallion Renewal Fee for Transferable Medallions will support the following goals and objectives in the SFMTA's Strategic Plan:

Goal 1: Create a safer transportation experience for everyone.

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.

Goal 4: Create a workplace that delivers outstanding service.

Objective 4.4: Improve relationships and partnerships with our stakeholders.

Eliminating the Medallion Renewal Fee for Transferable Medallions 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

The SFMTA is requesting that the Board of Directors amend Transportation Code Division II, Article 1100, Section 320 to eliminate the Medallion Holder Renewal Fee for Transferable Medallions that were purchased under the Taxi Medallion Sales Pilot Program and the Permanent Taxi Medallion Transfer

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Program beginning in Fiscal Year 2017-18. These fees are used by the SFMTA for the purpose of meeting operating expenses relating to the regulation of the taxicab industry, including expenses such as employee wages and fringe benefits.

BACKGROUND

The taxi industry in San Francisco is experiencing an economic downturn, mainly associated with the increase of under-regulated competitors. In an effort to alleviate costs associated with being a Medallion holder of a Transferable Medallion (distinguished from a Pre-K, Pre-K Corporate or Post-K Medallion by both the driving requirement and the cost of the Medallion), the SFMTA is proposing to eliminate the Medallion Renewal Fee beginning in Fiscal Year 2017-18 for Transferable Medallions. Of the approximately 1850 medallions that exist, 700 are Transferable Medallions, which require the medallion holder to drive a taxicab 800 hours per year, or 156 four hour shifts per year, or risk fines, penalties or revocation of the medallion. 534 transferable medallion holders purchased medallions for full price (\$250,000) and 156 purchased under the half price program (\$125,000).

Taxicab drivers, including the working transferable medallion holders, are experiencing diminished incomes attributed to an increased level of competition from the numerous Transportation Network Companies (TNCs) that are currently on San Francisco streets. Based on a report in the November 7, 2016 San Francisco Examiner, there are potentially 45,000 possible Uber and Lyft drivers operating commercially in San Francisco providing for hire transportation services, as compared to approximately 2,000 authorized taxicab medallions.

In Fiscal Year 2014-15, the SFMTA reduced the Medallion Renewal Fee from \$1,410 to \$1,000 to help alleviate financial challenges facing medallion holders. In Fiscal Year 2015-16, the Medallion Renewal Fee was waived for all but corporate medallion holders. The Medallion Renewal Fee was reinstated in the current fiscal year for all medallion holders, and the SFMTA allowed payment in three installments. While these efforts alleviated the burden somewhat, the growth of for hire services has continued to impact the industry. Costs in the industry, such as automobile liability insurance, continue to rise, with many medallion holders struggling to keep up with the additional costs. Given that transferable medallion holders have invested the most financially in the industry, the SFMTA is proposing to eliminate the Medallion Renewal Fee permanently.

Over the past three years, the SFMTA has provided significant economic relief to the taxi industry in an attempt to mitigate these financial losses.

Taxi Fee Reductions/Waivers

Fee Description	Original Amount	Reduced Amount	Status & Timeframe	Forgone Revenue FY14-15	Forgone Revenue FY15-16	Projected Forgone Revenue FY16-17	Projected Forgone Revenue FY17-18
Metal Plate Fee	\$75	\$0	Eliminated in FY13-14	\$138,750	\$138,750	\$135,150	
New Driver Application Fee	\$252	\$0	Eliminated in FY13-14	\$201,600	\$113,148	\$63,000	
Color Scheme Change Fee	\$608	\$400	Reduced April 2015	\$4,576	\$38,272	\$31,200	
8000 Series Use Fee	\$2,000	\$1,000	Reduced January 2014	\$842,000	\$482,000	\$137,000	
Medallion Re-Transfer Fee	\$50,000 (20%)	\$12,500 (5%)	Reduced 12/14	\$862,500	\$1,275,000	-	
Dispatch Permit Renewal Fee	\$6,284	\$0	Waived for FY14-15	\$56,556	-	-	
Color Scheme Renewal Fee	Varies based on fleet size: \$1,485-\$9,069	\$0	Waived for FY14-15	\$110,753	-	-	
Medallion Renewal Fee (Reduced)	\$1,410	\$1,000	Reduced for all FY14-15	\$671,170	\$38,950	\$738,820	
Medallion Renewal Fee (Waived)	\$1,000	\$0	Waived for all but corporate medallions FY15-16	-	\$1,755,000	-	
Driver A-Card Renewal	\$100	\$0	Waived for FY15-16	-	\$906,900	-	
Annual Forgone Revenue				\$2,887,905	\$4,748,020	\$1,105,170	
Total Forgone Revenue FY14-FY17						\$8,741,095	
Proposed Medallion Fee Elimination for Transferable Medallions	\$1,134	\$0	Proposed Elimination FY17-18				\$793,800
Total Estimated Forgone Revenue FY14-FY18							\$9,534,895

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While staff does not anticipate this economic cycle to continue in perpetuity, it does believe further relief is warranted at this time. For this reason staff requests authorization to eliminate the Medallion Renewal Fee for transferable medallion holders starting July 1, 2017 in order to reduce the economic pressure on transferable medallion holders that actively participate in the taxicab industry.

In addition, this amendment will also correct minor, non-substantive numbering errors in Article 1100, Sections 1103, 1106 - 1109, 1113, 1114 and 1120.

STAKEHOLDER ENGAGEMENT

In a continuing effort to remain open and transparent to the industry, staff received feedback related to the elimination of these fees at the Taxi Task Force.

ALTERNATIVES CONSIDERED

Staff considered waiving fees for all medallion holders that have a driving requirement, but determined that the cost recovery imbalance would be too large, and that waiving fees solely for transferable medallions is warranted because the full-time driving requirement limits the ability of those medallion holders to pursue other work opportunities and they have invested the most in the industry by purchasing the medallion. Medallion holders that do not have a driving requirement were not considered for a fee waiver because the holder simply collects passive income from the medallion and can pursue other work opportunities.

If fees were waived for all Post K medallion holders with a driving requirement, the total annual lost revenue would be approximately \$1.5M.

A fee reduction for Post K medallion holders was also considered, but was not considered feasible because of cost recovery concerns. If the Medallion Renewal Fee was reduced to \$500 for Post K Medallion holders the total annual lost revenue would be approximately \$1.2M.

FUNDING IMPACT

The SFMTA will forego approximately \$793,800 annually if the Board approves the elimination of the Medallion Renewal Fee for Transferable Medallions, which is in addition to the estimated \$8.7M in fee reductions and waivers that have already been approved by the Board.

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ENVIRONMENTAL REVIEW

On February 27, 2017, the Municipal Transportation Agency determined that the proposed Medallion Holder Renewal Fee elimination is not a “project” for purposes of environmental review under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b).

The Agency’s determination is on file with the Secretary to the SFMTA Board of Directors.

OTHER APPROVALS RECEIVED OR STILL REQUIRED

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 March 13-17, 2017.

The City Attorney has reviewed this calendar item.

RECOMMENDATION

Requesting that the Board of Directors amend Transportation Code Division II, Article 1100, Section 320 to eliminate the Medallion Holder Renewal Fee for transferable medallions that were purchased under the Taxi Medallion Sales Pilot Program and the Permanent Taxi Medallion Transfer Program and to correct minor, non-substantive numbering errors in Article 1100, Sections 1103, 1106 - 1109, 1113, 1114 and 1120.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, There are 700 Transferable Medallions, and those medallion holders must meet the full-time driving requirement; and,

WHEREAS, Transferable medallion holders have purchased medallions from the SFMTA at either the full price (\$250,000) or half price (\$125,000); and,

WHEREAS, The SFMTA Board has approved taxi industry-related fee reductions and waivers from FY14-FY17 estimated at \$8.7M; and,

WHEREAS, Transferable medallion holders are experiencing economic hardship resulting from loss of drivers and diminished profits, due in part to the influx of competition from Transportation Network Companies; and,

WHEREAS, The SFMTA seeks to alleviate the cost burden and financial hardship currently faced by individuals who hold transferable medallions by eliminating the annual renewal fee for transferable medallions; and,

WHEREAS, Staff wishes to correct minor, non-substantive numbering errors in Article 1100, Sections 1103, 1106 - 1109, 1113, 1114 and 1120; and,

WHEREAS, On February 27, 2017, the Municipal Transportation Agency determined that the proposed Medallion Holder Renewal Fee elimination is not a “project” for purposes of environmental review under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b); and,

WHEREAS, The Agency’s determination is on file with the Secretary to the SFMTA Board of Directors; and,

WHEREAS, On February, 27, 2017, the Municipal Transportation Agency, under authority delegated by the Planning Department, and with the concurrence of the Planning Department, determined that the proposed changes to fees and fines are statutorily exempt from environmental review under California Public Resources Code Section 21080(8) and the CEQA implementing guidelines because the anticipated revenues will be used to meet City and County of San Francisco operating expenses, including employee wage rates and fringe benefits, or to purchase or lease supplies, equipment, or materials, or to obtain funds for capital projects necessary to maintain service within existing service areas; and,

WHEREAS, A copy of the determination is on file with the Secretary for the SFMTA Board of Directors and the proposed action is the Approval Action as defined by the S.F. Administrative Code 31; now, therefore be it

RESOLVED, That the SFMTA Board of Directors amends Transportation Code Division II, Article 1100, Section 320 to eliminate the Medallion Holder Renewal Fee for transferable medallions that were purchased under the Taxi Medallion Sales Pilot Program and the Permanent Taxi Medallion Transfer Program and to correct minor, non-substantive numbering errors in Article 1100, Sections 1103, 1106 - 1109, 1113, 1114 and 1120.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of April 4, 2017.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

RESOLUTION NO.

[Transportation Code – Schedule of Fines, Taxi Permit Fees]

Resolution amending Section 320 of Division II to eliminate the taxi Medallion Holder Renewal Fee for transferable medallion holders and amending the Articles 300 and 1100 of Division II to correct errata in Sections 310, 1102, 1103, 1106, 1107, 1108, 1109, 1113, 1114, 1116, and 1118.

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 amending Sections 310 and 320 to read as follows:

Sec. 310. SCHEDULE OF FINES.

Violation of any of the following subsections of the San Francisco 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
CONDITIONS APPLICABLE TO ALL PERMITS			
Div II § 1105(a)(13)	Current address	\$30-	\$31-
Div II § 1105(a)(9)	Continuous operation	\$59- per day	\$61- per day
Div II § 1114(a)	Records	\$88-	\$91-
Div II § 1105(a)(16)	Response time goals	\$176	\$182
Div II § 1105(a)(7)	Compliance with lawful orders	\$233	\$241

Div II § 1105(a)(6)	Compliance with laws and regulations	\$524	\$542
Div II § 1105(a)(12)	Unattended vehicle	\$524	\$542
Div II § 1105(a)(18)	Retaliation against permit holder	\$524	\$542
Div II § 1105(a)(8)	Cooperation w/ regulatory entities; False statements	\$583	\$603
Div II § 1105(a)(11)	Compliance with Paratransit Program	\$583	\$603
Div II § 1105(a)(10)	Accepting/soliciting gifts from Drivers	\$698	\$722
Div II § 1105(a)(1)	Operating without a permit	\$5,000	\$5,000
Div II § 1105(a)(17)	Operation without Driver Permit, CDL or insurance	\$1,000	\$1,000
CONDITIONS APPLICABLE TO COLOR SCHEME PERMITS			
Div II § 1106(s)	Dissolution plan	\$59 per day	\$61 per day
Div II § 1106(m)	Emissions reduction	\$59 per day	\$61 per day
Div II § 1106(n)	Required postings	\$88	\$91
Div II § 1106(o)	Required notifications	\$88	\$91
Div II § 1113(d)(3)	Required Passenger Payment Device	\$88	\$91
Div II § 1114(e)(3)	Receipts	\$88	\$91
Div II § 1114(e)(4)	Vehicle inventory changes	\$88	\$91
Div II § 1114(e)(6)	Weekly reporting requirements	\$88	\$91
Div II § 1106(e)	Transfer of business; New location	\$291 per day	\$301 per day
Div II § 1106(k)(1)	Facility to clean vehicles	\$291	\$301
Div II § 1106(i)	Workers' Compensation	\$350 per day	\$362 per day

Div II § 1106(p)	Obligations related to Drivers	\$465	\$481
Div II § 1106(r)	Found property	\$465	\$481
Div II § 1114(e)(1)	Electronic Trip Data	\$465	\$481
Div II § 1114(e)(2)	Medallion Holder files	\$465	\$481
Div II § 1114(e)(5)	Current business information	\$465	\$481
Div II § 1124(d)(1)	Retaliation re credit card processing	\$465	\$481
Div II § 1124(c)	Overcharging fees	\$583	\$603
Div II § 1106(c)	Use of Dispatch Service	\$524 per day	\$542 per day
Div II § 1106(d)	Business premises	\$524	\$542
Div II § 1106(h)	Staffing requirements	\$524	\$542
Div II § 1106(l)(1)-(4), ⊕	Use of spare vehicles	\$524	\$542
Div II § 1106(f)	Telephone Access	\$583	\$603
Div II § 1106(j)	Paratransit Broker contract	\$583	\$603
Div II § 1114(e)(8)	Required information	\$583	\$603
Div II § 1114(e)(9)	Required information	\$583	\$603
Div II § 1106(k)(2)-(4)	Nonworking equipment	\$1,000	\$1,000
Div II § 1106(q)(4)	Driver operating under the influence	\$1,000	\$1,000
Div II § 1106(a)	Color Scheme Permit required	\$5,000	\$5,000
Div II § 1106(1)(8)	Leasing spare vehicles	\$5,000	\$5,000
CONDITIONS APPLICABLE TO DISPATCH PERMITS			
Div II § 1107(c)(1)-(4)	Dispatch service operational requirements	\$59 per day	\$61.00 per day
Div II § 1107(e)	Dispatch equipment requirements	\$59 per day	\$61 per day
Div II § 1114(f)(1)-(2)	Electronic trip data; Integration	\$59 per day	\$61 per day

	with ETAS		
Div II § 1114(f)(3)	Dispatch service reports	\$88	\$91
Div II § 1107(b)-(c)	Dispatch service standards and operational requirements	\$1,000	\$1,000
Div II § 1107(d) Div II § 1114(f)(4)	Found Property	\$88	\$91
Div II § 1107(c)	Workers' Compensation	\$350 per day	\$362 per day
Div II § 1107(c)(5)	Improper dispatching	\$583	\$603
Div II § 1107(c)(7)	Affiliate with e-hail application	\$583 per day	\$603 per day
CONDITIONS APPLICABLE TO DRIVER PERMITS			
Div II § 1108(c)	Color Scheme affiliation	\$6 per day	\$6 per day
Div II § 1108(a)	Driver identification	\$88	\$91
Div II § 1108(d)(2)	Duties at beginning of shift	\$88	\$91
Div II § 1108(d)(3)	Designated items in vehicle	\$88	\$91
Div II § 1108(e)(2)	Transporting passenger property	\$88	\$91
Div II § 1108(e)(5)	Loading and unloading assistance	\$88	\$91
Div II § 1108(e)(8)	Additional passengers	\$88	\$91
Div II § 1108(e)(10)- (12)	Mobile telephones; Other audible devices	\$88	\$91
Div II § 1108(e)(18)- (20), (22)	Driver duties re fares	\$88	\$91
Div II § 1108(e)(26)	Loose items	\$88	\$91
Div II § 1108(e)(27)	Trunk and/or baggage area	\$88	\$91
Div II § 1108(e)(31)	Clean in dress and person	\$88	\$91
Div II § 1108(e)(32)	Taximeter violation	\$88	\$91

Div II § 1108(e)(33)	Drinking or eating in vehicle	\$88	\$91
Div II § 1108(e)(33)	Smoking in vehicle	\$268	\$277
Div II § 1108(f)(1)-(2)	Duties at end of shift	\$88	\$91
Div II § 1114(b)(2)	Driver A-Card	\$88	\$91
Div II § 1108(e)(4)	Service animals or contained animals	\$176	\$182
Div II § 1108(d)(1)	Safety check	\$176	\$182
Div II § 1108(e)(1)	Refusal to convey	\$176	\$182
Div II § 1108(e)(7)	Servicing dispatch calls	\$176	\$182
Div II § 1108(e)(9)	Splitting fares	\$176	\$182
Div II § 1108(e)(16)	Requesting gratuities	\$176	\$182
Div II § 1108(e)(17)	Audio/visual communication device	\$176	\$182
Div II § 1108(e)(24)	Found property	\$176	\$182
Div II § 1124(d)	Accept credit card; Passenger payment choice	\$176	\$182
Div II § 1108(e)(3)	Transporting person with a disability in front seat	\$176	\$182
Div II § 1108(e)(6)	Assisting and securing person with a disability	\$176	\$182
Div II § 1108(e)(13)	Use of Dispatch Service; log in/out	\$176	\$182
Div II § 1108(e)(39)	Failure to activate meter	\$176	\$182
Div II § 1108(e)(14)	Reckless or dangerous driving	\$176	\$182
Div II § 1108(e)(15)	Ramp Taxi rules	\$176	\$182
Div II § 1108(e)(29)	Threats and abuse	\$176	\$182
Div II § 1108(e)(35)- (37)	Paratransit Debit Card	\$176	\$182
Div II § 1124(c)(5)	Luggage charges	\$176	\$182
Div II § 1108(e)(25)	Unsafe taxi	\$233	\$241
Div II § 1108(e)(30)	Excessive force	\$233	\$241

Div II § 1103(c)(3)(A)	Criminal convictions	\$583	\$603
Div II § 1108(b)	Controlled substances	\$583	\$603
Div II § 1108(e)(38)	Tampering with equipment	\$583	\$603
CONDITIONS APPLICABLE TO TAXI AND RAMP TAXI EQUIPMENT			
Div II § 1113(b)-(e), (g)-(j)	Equipment and display requirements	\$176	\$182
Div II § 1113(d)(3)	Install Passenger Payment Device in Taxi vehicle	\$176 per vehicle	\$182 per vehicle
Div II § 1113(l)	Vehicle windows	\$88	\$91
Div II § 1113(o)	Sanitary condition	\$88	\$91
Div II § 1113(a)	Safe operating condition	\$88 per day	\$91 per day
Div II § 1113(k)	Standard vehicle equipment	\$88	\$91
Div II § 1113(k)(13)- (15)	Vehicle tires and wheels	\$88	\$91
Div II § 1113(m)	Security cameras	\$88 per day	\$91 per day
Div II § 1113(n)	Condition of vehicle	\$88 per day	\$91 per day
Div II § 1113(u)	Working Taxi ramp	\$88	\$91
Div II § 1113(p)	Vehicle title requirements	\$291	\$301
Div II § 1113(q)-(r)	Excessive vehicle mileage or age	\$291 per day	\$301 per day
Div II § 1113(s)	Vehicle inspections	\$291 per day	\$301 per day
Div II § 1113(s)(7)	Fraud related to inspection	\$291 per day	\$301 per day
Div II § 1113(t)	Replacement vehicle	\$291	\$301
Div II § 1113(v)	Retired vehicles	\$291	\$301
Div II § 1113(f)	Taximeters	\$88 per day	\$362
CONDITIONS APPLICABLE TO TAXI AND RAMP TAXI MEDALLIONS			
Div II § 1109(b)	Use of Dispatch Service	\$88	\$91
Div II § 1110(a)(1)	Wheelchair priority	\$176	\$182
Div II § 1110(a)(2)	Ramp Taxi Driver training	\$176	\$182
Div II § 1110(a)(3)	Wheelchair pickups	\$465	\$482

Div II § 1110(b)	Ramp Taxi Medallion in spare taxi	\$176	\$182
Div II § 1110(c)	Time Limits Ramp Taxi Medallion in spare	\$176/per unauthorized day	\$182/per unauthorized day
Div II § 1110(d)	Ramp Taxi qualifications	\$176	\$182
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

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	\$1,000
Dispatch Application	\$6,330	\$6,773
Color Scheme Change	\$424	\$454
Lost Medallion	\$111	\$119
New Color Scheme - 1 to 5 Medallions	\$2,009	\$2,149
New Color Scheme - 6 to 15 Medallions	\$2,946	\$3,152
New Color Scheme - 16 to 49 Medallions	\$5,898	\$6,311
New Color Scheme - 50 or more Medallions	\$7,369	\$7,885
Driver Renewal	\$109	\$117
Medallion Holder Renewal for Pre-K Medallions, Pre-K Corporate Medallions and Post-K Medallions	\$1,060	\$1,134
Color Scheme Renewal - 1 to 5 Medallions	\$1,653	\$1,768
Color Scheme Renewal - 6 to 15 Medallions	\$2,428	\$2,598
Color Scheme Renewal - 16 to 49 Medallions	\$5,047	\$5,400
Color Scheme Renewal - 50 to 149 Medallions	\$7,571	\$8,100
Color Scheme Renewal - 150 or More Medallions	\$10,093	\$10,800
Dispatch Renewal	\$6,994	\$7,483
Monthly Taxi Medallion Use Fee Upon Death,	\$750	\$750

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

Section 2. Article 1100 of Division II of the Transportation Code is hereby amended by amending Sections 1102, 1103, 1106, 1107, 1108, 1109, 1113, 1114, 1116, and 1118, to read as follows:

SEC. 1102. DEFINITIONS.

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

* * * *

"**Application Fee**" ~~shall mean~~ shall mean a fee in an amount established by the SFMTA Board, due upon application for a permit, and including any late payment penalties or interest for failure to pay in accordance with the requirements of this Article of any other regulation adopted by the SFMTA Board.

* * * *

SEC. 1103. PERMIT APPLICATIONS AND RENEWAL.

* * * *

(c) **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)~~
- (C) Demonstrate that he or she has successfully completed a Driver

Training Course for new Drivers; and

* * * *

~~(4)~~

(d) **Requirements Applicable to Medallion Applications.**

(1) **Waiting List.** In the absence of any other preference specified in this Article, applicants for a Medallion, other than a Ramp Taxi Medallion, shall be processed and considered by the SFMTA in chronological order by the date that each complete Medallion application was received from a qualified applicant.

* * * *

(f) **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% 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:

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

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

(~~3~~C) 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) 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)~~

(A) Proof of all required insurance,

* * * *

(hi) 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. 1106. CONDITIONS APPLICABLE TO COLOR SCHEME PERMITS.

* * * *

(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)~~

(2)¹ Each Color Scheme shall be issued a unique series of “spare numbers” for spare vehicles operating at that Color Scheme.

~~(4)~~

~~(5)~~

(3) 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.

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

* * * *

(o) Required Notifications.

* * * *

(5) **Death of Medallion Holder.** Upon receiving notice of the death of a 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 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 \$750 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 the SFMTA in accordance with Section 1116(n).

(p) Color Scheme Obligations Related To Drivers.

~~(1)~~

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

(2) 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.

(3) 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%, 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 cashing services in addition to the 3.5% fee on Drivers who choose to use the Color Scheme's third-party merchant account holder to cash credit and debit card payments.

* * * *

SEC. 1107. CONDITIONS APPLICABLE TO DISPATCH SERVICE PERMITS.

* * * *

(b) Minimum Dispatch Service Standards.

~~(1)~~

~~(2)~~

(1) 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 a least five completed Dispatch requests per medallion, per day.

(2) Any Dispatch Service that does not meet the minimum required levels for completion of Dispatch requests per medallion set forth in Section 1107(b)(1), 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.

* * * *

SEC. 1108. CONDITIONS APPLICABLE TO DRIVER PERMITS.

* * * *

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

~~(1)~~

~~(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)~~

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

* * * *

(f) Duties at End of Shift.

~~(1)~~

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

(2) 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.

SEC. 1109. CONDITIONS APPLICABLE TO MEDALLIONS.

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

(1) A Medallion Holder shall be deemed affiliated with a particular Color Scheme when the SFMTA approves its 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 shall be deemed null and void and revoked if any of the following circumstances has occurred since the issuance of the Medallion:

* * * *

(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 as an Affiliated Medallion Operator. A Medallion Holder who elects to operate the Medallion pursuant to this Section 1109(e)(1)(B) must comply with the following:

(i)

(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.

(ii) 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), (q)(2), and (q)(3).

(iii) At least 50% of the hours relied upon by a Medallion Holder for the purpose of establishing compliance with the Full-Time Driving requirements must be driven in the vehicle in which the Medallion is being operated, except to the extent that the operation in a different vehicle has been authorized in advance, in writing, by the SFMTA.

* * * *

SEC. 1113. TAXI AND RAMP TAXI EQUIPMENT REQUIREMENTS.

* * * *

(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) Every Taxi shall be equipped with an operational Passenger Payment Device that is connected to the Taximeter. The Passenger Payment Device must meet any functional requirements and standards established, in writing, by the Director of Transportation.

(i)

(ii)

(iii)

* * * *

(f) **Taximeters.**

* * * *

(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.

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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)~~

* * * *

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

(1) **Waybills.**

(A) A Color Scheme shall retain the data generated by electronic waybills for at least two years to document driving performed by Drivers affiliated with the Color Scheme.

~~(B)~~

(B) If requested, Color Schemes must make available Driver Electronic Trip Data to that Driver in an electronic format within 10 business days of receipt of request for such data, 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.

* * * *

(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)~~

(4) **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.

* * * *

(7) **Filings Required for Paratransit Compliance.**

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

~~(B)~~

* * * *

SEC. 1116. TAXI MEDALLION TRANSFER PROGRAM.

(a) **Surrender for Consideration.**

* * * *

(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.

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:

* * * *

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

Section 3. 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 4. 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 April 4, 2017.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency