

## RECOMMENDATIONS – 04-11-2011

### Change seller qualifications

Amend Regulations to clarify that transferable medallions are transferable at any time not limited to age or disability.

- a. Allow any medallion holder who reaches the age of 70 years old or whose disability permanently prevents him or her from fulfilling the full-time driving requirement to sell their medallions without restriction.
  - i. Limit medallion sales under paragraph 1(a) above to post-K medallions only. Lower qualifying age (70) to age 65 or 60
  - ii. Make sale at age 70 be mandatory
  - iii. At age 70 require individual to either sell or keep the medallion. If they elect to keep it conditions can be added such as G&G operation or a fee to SFMTA it reverts to SFMTA upon their death.
- b. Allow any existing medallion holders to purchase a right from the SFMTA to transfer their medallion
  2. Limit number or type of medallions that may be purchased or sold
- a. Allow anyone to sell a medallion that they paid for ([i] pre-K and [ii] pilot program transferable medallions).
- b. Limit pilot program/medallion sales to 300 medallions/one third of total medallions.
- c. End all medallion sales after pilot program.
- d. End direct sales of medallions by the SFMTA.

### 3. Change Medallion Price/Transfer Fees

- a. Raise the medallion sale price.
- b. Reduce medallion purchase price based on age of buyers: if 60 years old, \$50,000, if 50 years old, \$100,000, etc.
- c. Reduce transfer fees for medallion owners who purchased medallions through the pilot program (as compared to the transfer fees the first time a medallion is sold)

### 4. Limit Operations of Purchased Medallions

- a. Restrict medallions from going to certain companies: establish standards for companies
- b. Change pilot program so that it supports gates and gas system.
- c. Limit Post-K sales to gas and gates operations.

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### 5. Medallion applicant qualifications:

- a. Require a knowledge test to (1) qualify for a medallion and to (2) get onto/ stay on the list.

### 6. Waiting List/Driver Seniority System

- a. Maintain a seniority system for medallions.
- b. Speed up distribution of medallions through the seniority system:
  - i. Change ratio of medallion distribution under the pilot program so that instead of giving one to the list for everyone sold by the SFMTA, make the ratio two medallions to the list for every SFMTA medallion sold.
  - ii. For every medallion sold by a medallion owner, the SFMTA should issue one new medallion to the list.
- c. Recognize driver seniority other than waiting list seniority:
  - i. Have a medallion lottery for people with high A-Card seniority and who are not on the waiting list – with at least 20 years seniority
  - ii. Merge A-card seniority with waiting list
- d. Discount the medallion purchase price based on seniority:
  - i. For the top 300 on the waiting list for new medallions: the top X number of people would get them for free, the next X group of people could buy them for \$50,000, the next group of people could buy them for \$100,000, the next group could buy for \$150,000, etc.

### 7. Other Regulatory Recommendations

- a. Incentivize radio response
  - i. Adopt radio response fees recommended in 2007 Goldman Study
- b. Improve Driver Training
- c. Create Retirement/Health Care Fund
  - i. Make all medallion holders pay into a fund for retirement and health care for drivers.
- d. Create Lease Regulations
  - i. Create uniform lease/lease regulations for better monitoring of operation (from SF Federal Credit Union).
  - ii. Limit number of long term leases.
  - iii. Drivers should be required to drive a certain number of years as gas and gates before being able to be a lease driver.
- e. Change Driving Requirement
  - i. At age 63, eliminate driving requirement.

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- ii. Offer gradually reduced driving requirement from age 55 to eliminated at 65 in exchange for 5 - 15% of medallion income to be split between Drivers Fund and SFMTA; medallions with reduced or eliminated driving requirements must be gate and gas
  - iii. No driving requirement after receiving a medallion. All medallions should be required to be operated gas & gate on a regulated schedule, ex. 4 am to 4 pm & 4 pm to 4 am.
- f. New Medallion Issuance
  - i. Develop a five-year plan for the issuance of new medallions
  - ii. Issue more medallions
  - iii. Issue new medallions only after objective study and consideration of alternatives
  - iv. Issue fleet medallions to stabilize companies.
- g. Preserve Gas And Gates System for company stability, accountability and more driver working shifts
  - i. Require medallion holders who purchase their medallions to operate as gas and gates for three years.