

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

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Taxis and Accessible Services

**BRIEF DESCRIPTION:** Requesting the San Francisco Municipal Transportation Agency Board of Directors to amend Sections 1102, 1103, 1105, 1106, 1108, 1113, 1114 and 1117-1123 of Article 1100 of Division II of the San Francisco Transportation Code to: (1) add definitions of necessary terms and amend the definitions of A-Card Seniority and Single Operator Part-time Permit; (2) add requirements for renewal of Color Scheme permits; (3) render a permit application inactive if it is not completed within 60 days; (4) require all Gas and Gates Medallion vehicles to change shifts on Color Scheme property; (5) authorize the Director of Transportation to impose a moratorium on the issuance of Color Scheme Permits or Dispatch Service Permits; (6) prohibit retaliation for exercise of rights provided by Article 1100; (7) delete requirement that taxis taken out of service be returned to service in 30 days or be permanently replaced; (8) to make each day of the unauthorized use of a spare vehicle by a Color Scheme a separate offense; (9) require Color Schemes to report vehicle-related insurance claims received or filed to the SFMTA and to ensure that Gas and Gates Medallions are not violating laws limiting the length of a commercial driver's shift; (10) require Color Schemes to provide certain notices to the Paratransit Broker regarding In-Taxi Equipment; (11) prohibit certain practices by Drivers in connection with accepting payment by Paratransit Debit Card; (12) prohibit Drivers from tampering with required taxi equipment; (13) require that taxi security cameras be manufactured after 2006; (14) require Color Schemes to provide security camera data to the SFMTA and the SFPD; (11) make minor changes to the procedures for hearings on decisions to grant or deny permits; (15) renumber and amend Sections 1118 – 1123; (16) clarify procedures for hearings on Citations issued to Permit Holders and members of the public; (17) clarify SFMTA's procedures for providing public notice to the taxi industry; and (18) make Color Scheme Permit Holders responsible for ensuring that all Gate Fees charged for use of vehicles affiliated with the Color Scheme are within the Gate Fee cap.

**SUMMARY:**

- This legislation is part of the continuing reform of San Francisco’s motor vehicle for hire regulations that are contained in Article 1100 of Division II of the Transportation Code.
- As a general matter, the goals of this legislation are to update definitions, eliminate duplication and contradiction between provisions, to add needed clarifications to existing language in order to address problems experienced in day-to-day Taxi Services operations, to further refine and improve notice and hearing provisions that were first developed in 2009 and to incorporate the Paratransit Broker’s request for regulatory requirements related to the Paratransit Program.
- This legislation came before the Board on June 5, 2012. During public comment, many in the industry felt they did not have enough time to review the changes. Taxi Services staff revisited some issues through the Taxi Advisory Council and Town Hall Meetings and updated some portions of the legislation based on those meetings.

**ENCLOSURES:**

1. SFMTAB Resolution
2. Amendments to Transportation Code Division II, Article 1100

**APPROVALS:**

	<b>DATE</b>
DIRECTOR _____	_____

SECRETARY _____	_____
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**ASSIGNED SFMTAB CALENDAR DATE:** \_\_\_\_\_

**PURPOSE**

Requesting the San Francisco Municipal Transportation Agency Board of Directors to amend Sections 1102, 1103, 1105, 1106, 1108, 1113, 1114 and 1117-1123 of Article 1100 of Division II of the San Francisco Transportation Code to: (1) add definitions of necessary terms and amend the definitions of A-Card Seniority and Single Operator Part-time Permit; (2) add requirements for renewal of Color Scheme permits; (3) render a permit application inactive if it is not completed within 60 days; (4) require all Gas and Gates Medallion vehicles to change shifts on Color Scheme property; (5) authorize the Director of Transportation to impose a moratorium on the issuance of Color Scheme Permits or Dispatch Service Permits; (6) prohibit retaliation for exercise of rights provided by Article 1100; (7) delete requirement that taxis taken out of service be returned to service in 30 days or be permanently replaced; (8) to make each day of the unauthorized use of a spare vehicle by a Color Scheme a separate offense; (9) require Color Schemes to report vehicle-related insurance claims received or filed to the SFMTA and to ensure that Gas and Gates Medallions are not violating laws limiting the length of a commercial driver's shift; (10) require Color Schemes to provide certain notices to the Paratransit Broker regarding In-Taxi Equipment; (11) prohibit certain practices by Drivers in connection with accepting payment by Paratransit Debit Card; (12) prohibit Drivers from tampering with required taxi equipment; (13) require that taxi security cameras be manufactured after 2006; (14) require Color Schemes to provide security camera data to the SFMTA and the SFPD; (11) make minor changes to the procedures for hearings on decisions to grant or deny permits; (15) renumber and amend Sections 1118 – 1123; (16) clarify procedures for hearings on Citations issued to Permit Holders and members of the public; (17) clarify SFMTA's procedures for providing public notice to the taxi industry; and (18) make Color Scheme Permit Holders responsible for ensuring that all Gate Fees charged for use of vehicles affiliated with the Color Scheme are within the Gate Fee cap.

**GOAL**

**Goal 1: Customer Focus**

To provide safe, accessible, clean, environmentally sustainable service and encourage the use of auto-alternative modes through the Transit First Policy.

**Objectives**

1.1: Improve safety and security across all modes of transportation.

**Goal 3: External Affairs/Community Relations**

To improve the customer experience, community value, and enhance the image of the SFMTA, as well as ensure SFMTA is a leader in the industry.

**Objectives**

3.1: Improve economic vitality by growing relationships with businesses, community, and stakeholder groups.

**Goal 4: Financial Capacity**

To ensure financial stability and effective resource utilization.

**Objectives**

4.2: Ensure efficient and effective use of resources.

## **DESCRIPTION**

This legislation is part of the continuing reform of San Francisco's motor vehicle for hire regulations that are contained in Article 1100 of Division II of the Transportation Code. Specific changes are listed in the Brief Description above and the narrative description below. As a general matter, the goals of this legislation are to update definitions, eliminate duplication and contradiction between provisions, to add needed clarifications to existing language in order to address problems experienced in day-to-day Taxi Services operations, to further refine and improve notice and hearing provisions that were first developed in 2009 and to incorporate the Paratransit Broker's request for regulatory requirements related to the Paratransit Program.

This legislation came before the SFMTA Board on June 5, 2012, and after public comment, the Board suggested that Taxi Services staff revisit some issues in light of what was heard at public comment. The main complaint was that the industry had not been given enough time to review the proposed changes. Taxi Services staff subsequently held an open discussion of this legislation at the Taxi Advisory Council meetings on July 9, and July 23, 2012. There was also six hours of Town Hall meetings held on June 26, 2012 to discuss the changes to the this legislation.

Many of the changes proposed were not substantive. The primary issue was that because this was a large piece of legislation (90 pages), the industry did not have enough time to review it.

The changes that were made to the June 5 legislation based upon feedback were as follows:

1. Section 1102: The definition of A-Card Seniority was clarified and revised to ensure consistency with Section 1103(c)(2)(B).
2. Section 1103(C)(2)(B) was revised and updated to ensure consistency with section 1102.
3. Section 1106(o): Many industry members felt that notice regarding insurance claims was onerous. Staff proposed a change that while still requiring the information, only required the Color Schemes to submit the information once a month rather than immediately after a claim.
4. Section 1106(p)(7): Industry members were uncomfortable with color schemes having to ensure this requirement. Staff agreed that this is difficult to enforce as long as certain leasing arrangements continue. A change was made simply requiring the Color Schemes to inform their drivers of the maximum driving laws.
5. Section 1120(k): Industry members complained that this change was too draconian. As a compromise the legislation we allowed a 24 hour notice to the SFMTA if the person cannot attend the hearing as well as allowing the Hearing Officer discretion to excuse the failure to appear upon a showing of good cause.
6. Section 1124(c)(1): Color Schemes complained here that they should not be liable for overcharged gate fees when the medallion is being used as an affiliate or long term lease. Taxi Services in response split the liability requiring the color scheme to be liable for overcharged gate fees on gas & gate vehicles and holding the medallion holder directly responsible if the permit is not operated as a gas & gate vehicle.
7. Section 1124(c)(2): Some companies complained that the new definition of low emission vehicle excluded other alternative fuel vehicles such as biodiesel. Staff chose to make no

change to the current legislation here and will vet the appropriate language with a climate or low emission vehicle expert in the future.

**Changes to Section 1102, Definitions**

Section 1102 of the Transportation Code contains the definitions for terms used throughout Article 1100. The proposed regulation would add and slightly revise definitions relevant to the administrative hearing procedures.

The term ‘A-Card Seniority’ has been further refined and to make it consistent with other references in Article 1100, and to provide that no break in A-Card status prior to 1995 would be counted in calculating the A-Card Seniority of a driver.

Definitions of the terms ‘Citation’, ‘Complaint’, ‘Hearing Officer’, have been added and the term ‘Notice of Violation’ was deleted as part of the refinement to the terminology used in the Sections governing hearing procedures.

The term ‘Model Year’ was moved for alphabetizing purposes.

The term ‘Paratransit Debit Card’ is newly defined, in order to provide a basis for later regulations related to the Paratransit Program.

The term ‘PCI DSS’ or ‘Payment Card Industry Data Standard’ was added with reference to industry data security standards for payment transactions.

The definition of ‘Single Operator Permit’ was revised to clarify that such permits shall only be awarded to a single primary driver, not multiple primary drivers.

**Changes to 1103, Permit Applications**

Section 1103 of the Transportation Code sets forth application requirements for individuals who desire to become taxi drivers, medallion holders, color scheme permit holders, or dispatch permit holders.

A provision in the attached legislation would provide that a permit application will become inactive if the applicant has not completed the process within 60 days of initiating an application, or within such other time limits as established by the Transportation Code for that particular permit. Currently an application for a permit remains active until the applicant withdraws the application in writing, the applicant is determined to be ineligible for the permit, the applicant receives a permit, the applicant has engaged in fraud in connection with a permit application, the applicant fails to respond to notices sent by the SFMTA, or in the event of a Medallion purchase, the applicant fails to complete the purchase within the established deadlines.

Provisions from other Sections of Article 1100 were also moved into Section 1103 for clarity and subject matter consolidation.

Staff is also proposing a new regulation that allows the Director of Transportation to impose a moratorium on the issuance of new Color Scheme and Dispatch Service Permits. This change includes notification procedures to the Board of Directors and the public, as well as any limits that may or may not be imposed by the Director of Transportation and the Board of Directors.

**Changes to 1105, General Permit Conditions.**

The substantive changes proposed to Section 1105 are as follows:

A clarification that only battery-switch electric vehicles that are to be provided by Better Place, Inc. through a federal grant enjoy a waiver of renewal fee for electric vehicle permits that is not available for permits associated with plug-in electric vehicles.

A limitation on the existing rule that all vehicles change shifts at the Color Scheme's property. This amendment proposes that this only be required of medallions operated as 'gas and gates'. Staff intends to return with additional regulations related to the operation of medallions in owner-operated lease arrangements in the near future.

Staff also proposes a rule regarding retaliation, prohibiting any Permit Holder from retaliating against another individual or entity for the exercise of rights provided in Article 1100.

**Changes to 1106, Conditions Applicable to Color Scheme Permits**

Staff has proposed legislation allowing for the approval of Color Scheme requests for Dispatch Service change unless the Dispatch or Color Scheme is on Administrative Probation.

For clarity, issues related to Color Scheme Transfers were moved to section 1103.

The requirement that any vehicle that undergoes repairs for a period of more than 30 days be eliminated permanently from the fleet is deleted from this section. This section also adds language making each day a spare vehicle is operated without a medallion a separate offense for the purpose of calculating penalties.

Taxi companies would also be required by these amendments to notify the SFMTA of any insurance claims filed or received regarding vehicles affiliated with their company on a monthly basis.

These amendments would also make a taxi company responsible to inform the taxi drivers that they may not exceed driving hour maximums set by state and federal law.

**Changes to 1108, Conditions Applicable to Driver Permits**

Proposed changes to this section include (1) requiring drivers to carry notebooks so that they have a place to make notations once they no longer are required to carry paper waybills; (2) only requiring a driver to carry a flashlight at night; (3) removing the dispatch service quota imposed on drivers but requiring them to immediately notify a dispatcher if they determine that they cannot service a call that has already been accepted; (4) prohibiting a driver from demanding any form of payment other than a proffered Paratransit Debit Card if the trip is authorized and there is a sufficient balance on the card to pay for it; and (5) prohibiting a driver from adding a tip to a fare paid by Paratransit debit Card without authorization from the passenger.

Provisions regarding the renewal of driver permits, lapse of active permit status, and returning the Color Scheme Identification Card to the SFMTA were moved to other sections within the Transportation Code for logical consistency and to eliminate duplication.

Finally, Section 1108 was amended to require the driver to carry a back-up credit card transaction device and any supplies required to operate that device, instead of requiring drivers to carry 'knucklebusters' and paper credit card slips.

**Changes to 1113, Vehicle Equipment Standards.**

Language requiring SFMTA's prior approval of any signage displayed on the exterior of taxis is removed in favor of a rule that no advertising can impede the drivers' vision, interfere with the operation of the vehicle, cover any required taxi identifying markings or present a safety hazard.

These amendments would also require that all taxi security cameras be manufactured after 2006 because there are still taxi vehicles today that have non-functional cameras or cameras from which the Police Department is not able to download images because of the camera's extreme age.

**Changes to 1114, Reporting Requirements.**

The proposed amendments would delete obsolete references to taxi company emissions reductions reports, as the emission standards goals of that legislation have already been achieved, and SFMTA Taxi Services is working with the Department of the Environment to develop new emission reductions goals going forward.

This legislation would also require taxi companies to notify the Paratransit Broker if they alter any paratransit equipment and to provide monthly reports of paratransit equipment in their possession that is owned by the SFMTA.

**Changes to 1117, Permit Issuance; Inactive Application**

The changes proposed to Section 1117 are for the purpose of re-ordering provisions for better logical flow, eliminating unnecessary language, and improving consistency and clarity. The changes in this section are intended to clarify hearing procedures when a permit has been denied by the SFMTA.

**Changes to 1120. Revocation, Suspension, and Administrative Fines**

This section is renumbered as Section 1118. Substantive changes include a provision that authorize the SFMTA to impose an administrative fine against the permit holder in addition to suspension and revocation.

This section will now also include language noting that fines are not subject to adjustment by a Hearing Officer in the context of an administrative hearing.

Language related to administrative probation has been deleted and moved from this section and has been replaced with a section addressing administrative fines.

**Changes to 1123, Administrative Fines Assessed against Non-Permit Holders.**

This section is renumbered as Section 1119. Furthermore, staff has proposed deletion of the provisions regarding issuance of citations because they are covered elsewhere. The proposed regulations also enumerate that assessed fines are not subject to adjustment by a Hearing Officer in the context of an administrative hearing.

**Changes to 1118, Administrative Hearings.**

This section is renumbered as Section 1120. The changes proposed in this section are for the purpose of re-ordering provisions and to create better logical flow. It eliminates unnecessary language, and improves consistency and clarity.

A substantive change to this section addresses a Respondent's failure to appear at a scheduled hearing without 24 hours notice which will render the proposed fine, discipline, or action as final and not subject to further administrative or judicial review. A Hearing Officer may excuse this failure for good cause.

**Changes to 1119, Summary Suspension of Permit for Health and Safety Reasons**

This section has been re-ordered and will now become Section 1121. The changes proposed to this section are for the purpose of improving the hearing process, re-ordering provisions for better logical flow, eliminating unnecessary language, and improving consistency and clarity.

**New Section 1122, Administrative Probation**

These amendments would create a separate section to contain existing provisions related to the disciplinary status of administrative probation.

**Changes to 1121, Notices**

This section is renumbered as Section 1123. The changes proposed to this section are for the purpose of re-ordering provisions for better logical flow, eliminating unnecessary language, and improving

consistency and clarity. The amendments would eliminate the current requirement of posting notice at the Main Public library, and would instead require posting at every taxi dispatch service and at the airport taxi lot where drivers are more likely to be found.

**Changes to 1122, Fees, Rates and Charges.**

This section has been re-ordered and will now become Section 1124. Staff has proposed to add a provision stating that the color scheme permit holder is responsible for all gate fees that are assessed against drivers or vehicles that are operated as gas and gates vehicles at that Color Scheme. The medallion holder is responsible for all gate fees assessed against drivers when the vehicle is not operated as a gas and gates vehicle.

Language governing emergency meter rates for taxicabs was also deleted, as staff assumes that any declaration of emergency will provide for such specifics in the context of the particular emergency declaration instead of relying upon language that was adopted by the Board of Supervisors in 1988.

The City Attorney has reviewed this report.

**ALTERNATIVES CONSIDERED**

This proposed legislation does not have a single purpose, but is rather a collection of amendments that have suggested themselves over the course of the SFMTA experience with taxi regulation. If these proposed amendments are not adopted, Taxi Services will continue to conduct its operations in accordance with the existing provisions of Article 1100.

**FUNDING IMPACT**

There are not funding impacts to the Agency, except to the extent that these amendments make Taxi Services operations and use of staff time more efficient.

**OTHER APPROVALS RECEIVED OR STILL REQUIRED**

None.

**RECOMMENDATION**

Requesting the San Francisco Municipal Transportation Agency Board of Directors to amend Sections 1102, 1103, 1105, 1106, 1108, 1113, 1114 and 1117-1123 of Article 1100 of Division II of the San Francisco Transportation Code to: (1) add definitions of necessary terms and amend the definitions of A-Card Seniority and Single Operator Part-time Permit; (2) add requirements for renewal of Color Scheme permits; (3) render a permit application inactive if it is not completed within 60 days; (4) require all Gas and Gates Medallion vehicles to change shifts on Color Scheme property; (5) authorize the Director of Transportation to impose a moratorium on the issuance of Color Scheme Permits or Dispatch Service Permits; (6) prohibit retaliation for exercise of rights provided by Article 1100; (7) delete requirement that taxis taken out of service be returned to service in 30 days or be permanently replaced; (8) to make each day of the unauthorized use of a spare vehicle by a Color Scheme a separate offense; (9) require Color Schemes to report vehicle-related insurance claims received or filed to the SFMTA and to ensure that Gas and Gates Medallions are not violating laws limiting the length of a commercial driver's shift; (10) require Color Schemes to provide certain notices to the Paratransit Broker regarding In-Taxi Equipment; (11) prohibit certain practices by Drivers in connection with accepting payment by Paratransit Debit Card; (12) prohibit Drivers from tampering with required taxi equipment; (13) require that taxi security cameras be manufactured after 2006; (14) require Color Schemes to provide security camera data to the SFMTA and the SFPD; (11) make minor changes to the procedures for hearings on decisions to grant or deny permits; (15) renumber and amend Sections 1118 – 1123; (16) clarify procedures for hearings on Citations issued to Permit Holders and members of the public; (17) clarify SFMTA's procedures for providing public notice to the taxi industry; and (18) make

Color Scheme Permit Holders responsible for ensuring that all Gate Fees charged for use of vehicles affiliated with the Color Scheme are within the Gate Fee cap.

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS  
RESOLUTION No. \_\_\_\_\_

WHEREAS, following the March 1, 2009 ascension of the SFMTA to jurisdiction over the San Francisco taxi industry, SFMTA staff has continued to build upon and refine regulations that formerly adopted by the Board of Supervisors, Police Commission and Taxi Commission; and

WHEREAS, There is a need to consolidate, re-order and renumber certain provisions to eliminate duplication and for logical assistance and clarity; and

WHEREAS, Many minor regulatory amendments have been identified by staff as desirable in order to address day-to-day operational issues; and

WHEREAS, The Paratransit Broker has requested certain changes to the regulations in order to improve the efficiency of the Paratransit Program; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors amends Sections 1102, 1103, 1105, 1106, 1108, 1113, 1114 and 1117-1123 of Article 1100 of Division II of the San Francisco Transportation Code to: (1) add definitions of necessary terms and amend the definitions of A-Card Seniority and Single Operator Part-time Permit; (2) add requirements for renewal of Color Scheme permits; (3) render a permit application inactive if it is not completed within 60 days; (4) require all Gas and Gates Medallion vehicles to change shifts on Color Scheme property; (5) authorize the Director of Transportation to impose a moratorium on the issuance of Color Scheme Permits or Dispatch Service Permits; (6) prohibit retaliation for exercise of rights provided by Article 1100; (7) delete requirement that taxis taken out of service be returned to service in 30 days or be permanently replaced; (8) to make each day of the unauthorized use of a spare vehicle by a Color Scheme a separate offense; (9) require Color Schemes to report vehicle-related insurance claims received or filed to the SFMTA and to ensure that Gas and Gates Medallions are not violating laws limiting the length of a commercial driver's shift; (10) require Color Schemes to provide certain notices to the Paratransit Broker regarding In-Taxi Equipment; (11) prohibit certain practices by Drivers in connection with accepting payment by Paratransit Debit Card; (12) prohibit Drivers from tampering with required taxi equipment; (13) require that taxi security cameras be manufactured after 2006; (14) require Color Schemes to provide security camera data to the SFMTA and the SFPD; (15) make minor changes to the procedures for hearings on decisions to grant or deny permits; (16) renumber and amend Sections 1118 – 1123; (17) clarify procedures for hearings on Citations issued to Permit Holders and members of the public; (18) clarify SFMTA's procedures for providing public notice to the taxi industry; and (19) make Color Scheme Permit Holders responsible for ensuring that all Gate Fees charged for use of vehicles affiliated with the Color Scheme are within the Gate Fee cap.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

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