## Seattle Finance & Administrative Services

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Voluntary Transfer of Taxicab or For-Hire Vehicle Medallions	SMC 6.310.135.G		
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Division Director	 Date		
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Apprana	10-9-	-19	
Calvin W. Goings, Department Director	Date		



## City of Seattle Taxicab, Transportation Network Company Vehicle and For-Hire Vehicle Rules

## Rule FOR-HIRE TRANSPORTATION-04-2019 Voluntary Transfer of Taxicab and For-Hire Vehicle Medallions (SMC 6.310.135.G)

The following rule provides guidance for the voluntary transfer of a taxicab medallion or a for-hire vehicle medallion as required by Seattle Municipal Code (SMC). The endorsement of a transportation network company (TNC) vehicle is not transferrable.

1. Taxicab and for-hire vehicle medallions may be sold or voluntarily transferred pursuant to the procedure outlined by this Rule. Leasing of medallions is covered by a separate rule per SMC 6.310.135.H.

Transfer Step	Description
BEFORE INITIATING THE TRANSFER PROCESS	The Director of the Department of Finance and Administrative Services (FAS) or his or her designee (the Department Director) shall only accept the <i>Voluntary Transfer of Taxicab or For-Hire Vehicle Medallion</i> form (transfer form) after the medallion holder (seller) and buyer have completed the following steps:
	<ol> <li>The buyer (or medallion lessee) possesses a vehicle to be placed into service;</li> <li>The vehicle has passed a vehicle safety inspection within the last 180 calendar days (please refer to the Director's Rule on vehicle safety inspections for more information);</li> <li>The buyer has purchased insurance for the vehicle and the buyer's insurance broker has sent insurance documentation to <u>vehicleinsurance@seattle.gov</u>;</li> <li>The buyer and seller possess original copies of all paperwork; e.g., vehicle registration, medallion lease agreement, etc. needed to prove they have satisfied these requirements;</li> <li>If an alleged lien exists against the medallion(s), the seller must either provide proof that the alleged lien has been paid or submit written approval of the transfer from the lienholder. Alternatively, the buyer can accept the transfer subject to the alleged lien and</li> <li>The seller is prepared to surrender the taxicab license plate(s) to the City at the time of submitting the transfer form.</li> </ol>
STEP 1	A. The transfer process may be completed in person or online.
	B. All outstanding Wheelchair Accessible Services surcharges (prorated), fines and penalties against the current medallion holder and all for-hire drivers of the taxicab or for-hire vehicle must be paid or satisfied and all pending administrative matters must be resolved. <sup>1</sup>
	C. The Department Director shall not complete a medallion transfer if any of the following conditions exist:

<sup>&</sup>lt;sup>1</sup> Please see SMC 6.310.135.G, .340.C and .605.C and the Director's Rule on the wheelchair accessible services surcharge.

Transfer Step	Description	
	<ol> <li>The medallion is not valid for the current license year or there is a pending administrative matter, such as an outstanding violation or the denial, suspension or revocation of the medallion.</li> <li>There are unexpired driver lease and/or medallion lease agreements.</li> <li>The original taxicab license or medallion was issued after December 31, 2007, and less than three years have elapsed since issuance.<sup>2</sup></li> <li>The buyer does not meet all licensing requirements.<sup>3</sup></li> </ol>	
	D. Each seller and buyer must complete the transfer form provided by the Department Director. Incomplete transfer forms shall not be accepted.	
	E. If not completing the transfer process online, then each seller and each buyer must be physically present and provide photographic identification on the day the transfer form, accompanying documentation and, if applicable, taxicab license plate are submitted to the Department Director. FAS staff shall review the state issued driver's license and City/King County for-hire driver's license, if applicable, of each buyer and each seller to confirm that the names and license numbers match the information listed on the transfer form. The Department Director may require notarization of the transfer form in exceptional cases; e.g., the seller is out of the state or country.	
	F. Within two business days of receipt of the completed transfer form, the medallion number and transfer date shall be published at <a href="http://www.seattle.gov/business-regulations/taxis-for-hires-and-tncs/medallions">http://www.seattle.gov/business-regulations/taxis-for-hires-and-tncs/medallions</a> . This webpage shall include instructions on how interested parties can receive automated updates when medallions are added to the list.	
	G. In the transfer form, the seller shall disclose any alleged lien and security interest recorded against the medallion being transferred. <sup>4</sup> At the time the transfer form is filed, the Department Director shall search Department records for any lienholder records on file. The transfer form shall state whether the Department Director identified any alleged lien through this search.	
	For any alleged lien disclosed by the seller or identified by the Department Director, the seller must either provide proof that the alleged lien has been paid or submit written approval from the lienholder(s). Payment and approval documentation must include the name and contact information for any lienholder. Alternatively, the buyer can accept the transfer subject to alleged lien. If none of these three conditions is met, the Department Director shall consider the transfer form to be incomplete and not accept it.	

<sup>&</sup>lt;sup>2</sup> Please see SMC 6.310.340.A.

<sup>&</sup>lt;sup>3</sup> Please see SMC 6.310.300.

<sup>&</sup>lt;sup>4</sup> Per SMC 6.310.135.A, a medallion owner must file the name of any and all lienholders with the Department Director.

Transfer Step	Description	
	If an alleged lien is disclosed to the Department Director during the 10 business days following receipt of the completed transfer form, the Department Director shall notify the seller and buyer. The transfer shall proceed unless the parties mutually agree in writing to terminate the transfer.	
	<ul> <li>H. The Department Director shall process and finalize a medallion transfer no sooner than 10 business days from receipt of the completed transfer form. Unless terminated, the transfer shall be finalized on the 11<sup>th</sup> business day.</li> </ul>	
	I. The City shall issue to the buyer a temporary medallion to operate the taxicab or for-hire vehicle for the 10 business days before the City finalizes the transfer process. The medallion shall expire and become null and void when the transfer is final or terminated. For a taxicab, the plate shall be installed on the buyer's vehicle at this time.	
	The City, its officials, officers, employees, and agents assume no liability for any and all claims, loss or damages related to the transfer of a medallion.	
	The buyer is responsible for determining whether a medallion is encumbered by an alleged lien prior to transfer. The City is operating in its regulatory capacity and assumes no fiduciary relationship, duty or role in any act or omission under this rule.	
STEP 2	<ul> <li>A. On the 11<sup>th</sup> business day following receipt of the transfer form, the City shall issue (print) the new medallion certificate for the buyer. If the buyer is not physically present to receive the printed certificate on that day, the City shall mail a copy to the buyer's mailing address as recorded. The temporary (vehicle) license issued to the buyer shall become null and void.</li> </ul>	
	B. The medallion transfer shall be final when a new medallion certificate has been issued, which demonstrates that the interest of the medallion has transferred.	
	Dual Seattle and King County taxicab or for-hire vehicle medallions must be transferred together <sup>5</sup> and abandoned medallions shall be revoked and disposed of by involuntary transfer. <sup>6</sup>	

- 2. Taxicab and for-hire vehicle medallions are intangible property and may be used as collateral to secure loans; however, the medallion holder is solely responsible for satisfying all liens for debts.
- 3. In creating this rule, the City does not conclude that a medallion has a particular present or future value or any value.

<sup>&</sup>lt;sup>5</sup> Please see SMC 6.310.340.F and KCC 6.64.710.B.

 $<sup>^{\</sup>rm 6}$  Please see SMC 6.310.360 and KCC 6.64.650.C.