

**2013 - 2014 Seattle City Council Green Sheet**

**Ready for Notebook**

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**Budget Action Title:** Do not pass C.B. 117613, and pass, C.B. 11XXXX, authorizing FAS to increase fees on taxi and for-hire vehicles, and modify driver dress code and hygiene standards

**Councilmembers:** Budget Committee

**Staff Analyst:** Michael Jenkins

**Council Bill or Resolution:** 117613 / 11XXXX

Date		Total	SB	BH	TR	RC	TB	NL	JG	SC	MO
	Yes										
	No										
	Abstain										
	Absent										

***Budget Action description:***

This green sheet recommends that you do not pass C.B. 117613 and recommends passage of CB 11XXXX - fee increases imposed by FAS on taxis and for-hire vehicles, and changes to driver dress code and hygiene standards. Both CB's impose an increase in taxi and for-hire license fees to provide the Department of Finance and Administrative Services (FAS) with \$465,000 in additional revenue for both 2013 and 2014, to be used to enhance staffing in its Consumer Protection Unit, which oversees the City's taxi and for-hire regulatory program. CB 117613 eliminated taxi and for-hire driver dress and hygiene standards; CB 11XXXX eliminates these same regulations but adds simplified dress and hygiene standards applicable to all taxi and for-hire drivers.

90% of the fees derived from passage of either bill result from increases in taxi and for-hire license fees, and for-hire drivers license fees; for-hire drivers license fees are paid by both taxi drivers and for-hire drivers. The increased revenue from either bill is reflected in the 2013-2014 Proposed Budget:

Fee	2012 Adopted Budget	New revenue from fee increase	2013 Proposed Budget	2014 Proposed Budget
Taxi and for-hire license fees	\$539,600	\$203,000	\$742,600	\$742,600
For-hire drivers' license	\$110,000	\$220,000	\$330,000	\$330,000
Other fee and fine increases	\$88,000	\$42,000	\$130,000	\$130,000
<b>Total</b>	<b>\$737,600</b>	<b>\$465,000</b>	<b>\$1,202,600</b>	<b>\$1,202,600</b>

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On September 24, 2012 Council adopted its 2<sup>nd</sup> Quarter supplemental ordinance to the 2012 Adopted Budget (Ordinance 123985); it provided FAS with position authority and funding for three new positions in its taxi and for-hire regulatory program. Prior to the passage of Ordinance 123985, FAS had two staff to oversee and enforce its regulations affecting 688 taxis, 199 for-hire vehicles and over 2,000 drivers of these vehicles. The three positions authorized under Ordinance 123985 include two additional enforcement officers to conduct vehicle inspections and random street enforcement activities, and an administrative position to provide assistance in the issuance of over 3,000 licenses annually, processing of driver background checks and other program requirements.

Council is currently considering C.B. 117634 – the 3<sup>rd</sup> Quarter supplement to the 2012 Adopted Budget. This bill includes a request by FAS for \$100,000 to fund a study evaluating the extent of demand for taxi and for-hire services.

Passage of either CB 117613 or CB 11XXXXX provide FAS with ongoing funding for the three positions authorized under Ordinance 123985 and provides sufficient additional funding to allow FAS to hire a Strategic Advisor 2 position for the taxi and for-hire regulatory program. This position is reflected in the increase in FTE for FAS 2013-2014 Proposed Budget. Currently FAS does not have staff capacity to undertake a critical review of its taxi and for-hire programs or provide FAS with ongoing strategic and analytic review of this program. This position will provide ongoing analytic and strategic services to the Consumer Protection Unit at FAS and will include oversight of the proposed market study funded in CB 117634. This position will report to the Deputy Director of FAS.

Taxi and for-hire license fees were last updated in 2008 in Ordinance 122763.

CB 117613 eliminates dress code and hygiene standards imposed on taxi associations applicable to its drivers, and on any driver of a for-hire vehicle. CB 11XXXXX eliminates this requirement (Page 6, Line 23) and adopts a simplified dress and hygiene requirement.

A new CB is required, as the title changes from ‘eliminate’ to ‘modify’ dress code and hygiene standards.