



# Legislative Department Seattle City Council Memorandum

**Date:** July 10, 2014  
**To:** Seattle City Council  
**From:** Tony Kilduff  
**Subject:** **Consent Package for C.B. 118140 (Taxi/TNC/For-hire)**

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The following 21 amendments (Consent Package) to C.B. 118140 have been developed by the respective enforcement and legal staff of the City and King County and the other parties to the agreement. The purpose of the amendments is to clarify certain language and correct errors to facilitate joint implementation and enforcement of the provisions of the Bill by the County and the City. They do not change the policy intent of the Bill or alter the agreement reached by the parties. If you have any questions, please contact.

On Monday, July 14, this Consent Package will be moved as a substitute Bill to which further amendments may be proposed. The Chair of the Taxi, For-hire, and Limousine Regulations Select Committee recommends adoption of these amendments as presented.

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## **Amendment 1**

**Section 2, 6.310.110 (page 6)** contains definitions. This amendment corrects a missing underline in the “for-hire vehicle” definition and adds a definition for a “for-hire vehicle company”. This new definition is needed to clarify the reporting responsibilities delegated in Amendment 4 (SMC 6.310.255) to the for-hire vehicle company.

Accordingly, amend Section 2 as follows:

Section 2. Section 6.310.110 of the Seattle Municipal Code, last amended by Ordinance 123361, is amended as follows:

### **6.310.110 Definitions((=))**

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~~((K-))~~ "For-hire vehicle" means any motor vehicle used for the transportation of passengers for compensation, except:

1. Taxicabs as defined in this chapter;
2. School buses operating exclusively under a contract to a school district;
3. Ride-sharing vehicles under Chapter 46.74 RCW;
4. Limousine carriers licensed under Chapter ~~((81.90))~~ 46.72A RCW;
5. Vehicles used by nonprofit transportation providers solely for elderly or handicapped persons and their attendants under Chapter 81.66 RCW;
6. Vehicles used by auto transportation companies licensed under Chapter 81.68 RCW;
7. Vehicles used to provide courtesy transportation at no charge to and from parking lots, hotels, and rental offices; and
8. Vehicles licensed under, and used to provide "charter party carrier" and "excursion service carrier" services as defined in, and required by, Chapter 81.70 RCW;
9. Transportation network company endorsed vehicle as defined in this chapter.

"For-hire vehicle company" means a person or entity that represents or owns for-hire vehicles licensed by the City that use the same color scheme, trade name, and dispatch services.

~~((L-))~~ "Handicapped person" means any person who, by reason of illness, injury, age, congenital malfunction, or other permanent or temporary incapacity or disability, is unable without special facilities or special planning or design to use mass transportation facilities and services as efficiently as persons who are not so affected. Handicapped persons include ambulatory persons whose capacities are hindered by sensory disabilities such as blindness or

deafness, such mental disabilities as mental retardation or emotional illness, and physical disabilities that still permit the person to walk comfortably, or a combination of these disabilities. It also includes a semiambulatory person who requires such special aids to travel as canes, crutches, walkers, respirators, or human assistance, and a nonambulatory person who must use wheelchairs or wheelchair-like equipment to travel.

## **Amendment 2**

**Section 5, 6.310.130 (page 14)** relates to licenses required to operate as a taxicab, for-hire vehicle, taxi association, TNC driver, TNC, or application dispatch system in the City. In order to correspond with the timeframe outlined in 6.310.327 (TNC vehicle endorsement eligibility and application), which allows a person who wishes to affiliate and operate for a TNC using a personal vehicle 120 days from the effective date of the bill to obtain a TNC vehicle endorsement and for-hire driver's license, Sections 5 will need to be amended to reflect this 120 day timeframe as it relates to TNC drivers.

Accordingly, amend Section 5 as follows:

Section 5. Section 6.310.130 of the Seattle Municipal Code, last amended by Ordinance 119872, is amended as follows:

### **6.310.130 Licenses required((:))**

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B. It is unlawful to operate within The City of Seattle as a transportation network company (TNC) driver, unless:

1. The driver has a valid for-hire driver's license issued under this chapter;
2. The vehicle is either:
  - a. A personal vehicle with a TNC vehicle endorsement, or
  - b. A for-hire vehicle or taxicab licensed under this chapter; and
3. The driver is affiliated with a TNC licensed under this chapter.

This section 6.310.130.B shall be effective 120 days from the effective date of this ordinance.

### **Amendment 3**

**Section 8, 6.310.150 (page 19-20)** relate to fees. Taxicab and for-hire vehicle licenses expire on June 30 of the year following issuance of the license. This bill reduces the annual vehicle license fee from \$600 to \$500. This amendment is made to reflect the intent that this fee reduction apply to the 2014-15 vehicle licensing year which began July 1, 2014.

Accordingly, amend Section 8 as follows:

Section 8. Section 6.310.150 of the Seattle Municipal Code, last amended by Ordinance 123472, is amended as follows:

#### **6.310.150 Fees(~~(-)~~)**

The following nonrefundable fees shall apply:

A. (~~((Taxicab association:))~~)Upon the effective date of this ordinance, taxicab association, taxicab and for hire vehicle license and for-hire driver fees (excluding Transportation Network Company for-hire drivers) for the 2014-2015 vehicle licensing year shall be:

##### 1. Taxicab Association

a. Annual fee . . . \$1,000

b. Late renewal fee . . . \$100

~~((Fingerprinting of owners and officers . . . Charge as determined by Director to cover costs.))~~

##### ~~((B:))~~ 2. Taxicab or for-hire vehicle fees (~~((license:))~~)

a. Annual license fee . . . (~~(( \$600 ))~~) \$500

b. Wheelchair accessible taxicab annual license fee . . . Waived

c. Late fee (license renewal) . . . . \$60

~~((Change of vehicle....\$100))~~

d. Change of vehicle licensee:

i. July—December . . . . ~~(((\$600))~~ \$500

ii. January—June (half year) . . . . ~~(((\$300))~~ \$250

iii. May 16—June 30\*

e. Replace taxicab plate . . . . \$25

f. Special inspection fee\*\* . . . . \$100/hour ( 1/2 hour minimum)

g. Inspection rescheduling fee (non-City licensed vehicles only) . . .

. \$25

h. Taxicab change of association affiliation . . . . \$100

~~((Vehicle re-inspection fee (for Class A violations) . . . . \$50~~

~~Suspension reinstatement fee (when no penalty is assessed)~~

~~or reinspection fee (for Class B violations) . . . . \$100))~~

i. Change of licensee corporation, limited liability company, or  
partnership members . . . . \$100

~~((Security camera system inspection (when not part of annual  
inspection)....\$50))~~

j. Taximeter test (when not part of annual inspection) . . . . \$50

k. This section 6.310.150.A.2 shall take effect and be in force

retroactively as of May 1, 2014 in order to apply to all taxicab and for-hire vehicle fees for the

2014-15 vehicle licensing year July 1, 2014 through June 30, 2015.

\* No change of taxicab licensee or for-hire vehicle licensee fee is due if the transfer occurs between May 16—June 30. During this period, the change of taxicab or for-hire vehicle licensee and the annual license renewal are accomplished together and only one ((4)) fee will be assessed.

\*\* For testing of taxicab meter or taxicab inspections provided to other municipalities.

#### **Amendment 4**

**Section 7, 6.310.137.C, (page 11)** relates to the involuntary transfer of taxicab and for-hire vehicle medallions. This amendment is made to clarify that perfection of a lien or security interest does not need to be recorded with the Director, but rather that a copy of the recording shall be filed with the Director. The amendment also clarifies that the lien or security interest shall be recorded as required by State law.

Accordingly, Section 7 is amended as follows:

**Section 7. A new Section 6.310.137 is added to the Seattle Municipal Code as follows:**

#### **6.310.137 Involuntary transfer of taxicab or for-hire vehicle medallions**

C. In order to perfect a lien or security interest in a taxicab or for-hire vehicle medallion, the party which holds the pledge, lien or security interest, within thirty days of the date of creation of the pledge, lien or security interest, shall record the same as required by State law and provide a copy of the recording to with the Director, and the Washington State Department of Licensing and must describe it The collateral shall be described as “City of Seattle taxicab medallion” or “City of Seattle for-hire vehicle medallion” and include the medallion certificate number.

## **Amendment 5**

Add a new Section SMC 6.310.255 to the Bill (at page 31) to establish the obligation for for-hire vehicle companies to provide reporting documentation to the Director. Chronologically, this would be inserted at Section 13 and the remainder of the Bill would require the renumbering of sections.

Accordingly, create a new Section 13 as follows:

Section 13. A new Section 6.310.255 to Seattle Municipal Code is adopted, as follows:

### **6.310.255 For-hire vehicle company operating responsibilities**

A for-hire vehicle company must:

A. Collect, store, and quarterly provide reporting documents to the Director as outlined in Section 6.310.540 (Class C);

B. Upon the effective date of this ordinance, submit two two-inch by two-inch sample color chips of the company's proposed color scheme to the Director. All proposed color schemes must be approved by the Director and must be distinct from the orange, yellow or green used by taxicabs. The Director must approve any changes in color scheme. (Class C).

**And, renumber all subsequent sections**

## **Amendment 6**

A uniform vehicle inspection process was established by this Bill. These amendments would correct erroneous cross-references to this process.

**Section 13, 6.310.260.A.2.j (page 35)** is part of the TNC license eligibility and application process that refers to the certificate of a uniform vehicle safety inspection.

Accordingly, renumber Section 13 to section 14 and amended as follows:

Section ~~13~~14. A new Section 6.310.260 to Seattle Municipal Code is adopted, as follows:

### **6.310.260 Transportation network company license eligibility and application**

A. Any business or individual desiring to operate as a transportation network company within The City of Seattle shall file with the Director a signed, under penalty of perjury, transportation network company license application on forms provided by the Director.

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2. The license application shall include the following information:

a. The applicant transportation network company's name, business street address and post office box address (if any), business facsimile number, business phone number and business email address where the transportation network company representative can generally be reached between 9 a.m. and 5 p.m. on all nonholiday weekdays;

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i. State of Washington vehicle registration for each vehicle affiliated with the transportation network company.

j. Certificate of a uniform vehicle safety inspection for each vehicle affiliated with the transportation network company as required in Section 6.310.270.R((~~X~~)).

### **Amendment 7**

**Section 15, SMC 6.310.270 (page 42)** contains information regarding Transportation Network Company operating responsibilities. This amendment clarifies that Transportation Network Companies must provide reporting data to the Director for auditing purposes and creates parity with the requirements for the taxi and for-hire industries.

Accordingly, amend Section 15 as follows:

Section 15. A new Section 6.310.270 to Seattle Municipal Code is adopted, as follows:

### **6.310.270 Transportation network company (TNC) operating responsibilities**



In addition to meeting the license application requirements set forth in Section 6.310.260, the TNC must:

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V. TNCs shall provide a written insurance disclosure to TNC drivers. The written insurance disclosure must include the following language: “[insert full corporate name and designation of TNC] confirms, in accordance with SMC 6.310.260.A.2., that while driver [insert driver’s full name] is active on its TNC dispatch system as defined by SMC 6.310.110, the driver’s vehicle is insured as required by RCW 46.72.050.” (Class B.)

W. Upon request, permit the Director to review any records as required to be kept under this chapter. (Class B)

## **Amendment 8**

**Section 17, 6.310.300.C.4 (page 43)** details the required contents of a taxicab or for-hire vehicle license application. This amendment is being made to correspond with the new criminal background process detailed in 6.310.405. This amendment would be added to Section 17, which has already amended 6.310.300.C.5 and would correct the formatting of the asterisks.

Accordingly, amend Section 17 as follows:

Section ~~17~~18. Section 6.310.300 of the Seattle Municipal Code, last amended by Ordinance 122763, is amended as follows:

### **6.310.300 Taxicab and for-hire vehicle license application((.))**

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C. The taxicab or for-hire vehicle license application shall include the following information:

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4. ((~~Criminal history, as requested by the Department,~~) ~~Consent~~ of the vehicle owner, or if the vehicle owner is a business entity, of the persons specified in subsection C1b above, ~~to a criminal background check through Washington State Patrol and Federal Bureau of Investigation criminal~~

databases conducted by the Director, or have a copy of a criminal background check provided directly from a Director-approved third party vendor;

5. Insurance policy.

### **Amendment 9**

**Section 19, 6.310.320.E (page 46)** is part of the taxicab and for-hire vehicle operating requirements relating to a certificate of safety based on a uniform vehicle safety inspection that has not been established by the Director. In order to allow time for the Director to develop this new uniform vehicle safety inspection process, 6.310.320.E is being amended to become effective 90 days following the effective date of this ordinance.

Accordingly, amend Section 19 as follows:

Section ~~19~~20. Section 6.310.320 of the Seattle Municipal Code, last amended by Ordinance 122802, is amended as follows:

**6.310.320 Taxicab and for-hire vehicle~~((—))~~ ~~((V))~~vehicle operating requirements~~((,))~~**

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D. The vehicle has insurance as required by ~~((SMC Section))~~ subsections 6.310.300.C.5 and 6.310.300.C.6, provided, that if an insurance policy is canceled, or a vehicle is deleted from the policy, proof of a new policy including the vehicle must be filed with the Director before the vehicle is canceled or deleted from the previous policy (summary suspension);

E. An approved mechanic has issued a valid certificate of safety based on a uniform vehicle safety inspection performed ~~((for the vehicle))~~ within the last license year. The safety certificate remains valid, if the vehicle is sold, until the next renewal date (denial of license), this section 6.310.320.E shall be effective 90 days from the effective date of this ordinance;

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## Amendment 10

**Section 19, 6.310.320.O (page 48)** relates to color scheme requirement within the for-hire vehicle operating requirements. This amendment moves the obligation to report the color scheme to the Director from a licensee to a for-hire vehicle company, consistent with Amendment 4 (SMC 6.310.255).

Accordingly, amend Section 19 as follows:

Section ~~4920~~. Section 6.310.320 of the Seattle Municipal Code, last amended by Ordinance 122802, is amended as follows:

### **6.310.320 Taxicab and for-hire vehicle~~((—)) ((V))~~vehicle operating requirements~~((,))~~**

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~~((P))~~N. The taxicab or for-hire vehicle meets the vehicle requirements prescribed by Director's rule, including but not limited to vehicle size and standards for fuel efficiency and emissions (denial of license);

~~((Q. The for hire vehicle must have any color scheme and vehicle number approved with the Director))~~ O.

1. As of the first license renewal period after the effective date of this ordinance, for-hire vehicle owners or companies with a color scheme composed solely of the yellow, orange, and/or green, or any combination thereof, used by taxicabs, shall repaint the hood, roof, and trunk of those vehicles a color distinct from those used by taxicabs. (summary suspension and Class B)

2. Any for-hire vehicle owner or company who obtains a new vehicle shall paint the hood, roof, and truck of that vehicle a color distinct from the yellow, orange, or green used by taxicabs. (summary suspension and Class B) ~~The hood, roof, or trunk of a for hire vehicle licensed after the effective date of this ordinance shall not have the same color scheme as one used by a taxicab association licensed and filed with the director on the effective date of this ordinance.~~

3. The for-hire vehicle ~~licensee~~ company shall submit two two-inch by two-inch sample color chips of the proposed color scheme to the Director. All proposed color schemes must

be approved by the Director. ~~and must be distinct from the orange, yellow or green used by taxicabs~~  
(Class C);

P. The for-hire vehicle must have a vehicle number approved with the Director (summary suspension and Class B);

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### **Amendment 11**

**Section 20, 6.310.325.E (page 50)** applies to TNC vehicle operating requirements, specifically referencing the uniform vehicle safety inspection requirement.

Accordingly, Section 20 is amended as follows:

Section ~~20~~21. A new Section 6.310.325 is added to the Seattle Municipal Code as follows:

#### **6.310.325 Vehicles affiliated with a transportation network company (TNC) vehicle operating requirements**

No vehicle affiliated with a TNC shall operate within The City of Seattle to transport passengers for compensation unless the following minimum vehicle requirements are met:

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E. Passed the uniform vehicle safety inspection as required by subsection 6.310.270.R~~((X))~~; and

F. The vehicle model year can be no more than ten years prior to the license date.

### **Amendment 12**

**Section 21, 6.310.327.C.7 (page 52)** relates to the TNC vehicle endorsement eligibility and application process, specifically referencing the uniform vehicle safety inspection requirement.

Accordingly, Section 21 is amended as follows:

Section ~~24~~22. A new Section 6.310.327 is added to the Seattle Municipal Code as follows:

**6.310.327 Transportation network company (TNC) vehicle endorsement eligibility and application**

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C. To apply for the TNC vehicle endorsement, the applicant shall complete, sign, swear to and file with the Director a TNC vehicle endorsement application on forms provided by the Director to include the following information:

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6. Evidence of for-hire driver's license; (denial of endorsement)

7. Proof that applicant's vehicle has passed the uniform vehicle safety inspection as required by subsection 6.310.270, R((~~X~~)) (denial of endorsement); and

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**Amendment 13**

**Section 27, 6.310.400 (page 65)** relates to for-hire driver's license application requirements. The reason for this amendment is threefold: 1) to clarify that applications may be submitted online, and that in the case of an online application, the for-hire driver's licenses must be picked up directly from the licensing agency to verify the identity of the applicant, 2) to correct that the original language of 6.310.400.5 was not properly struck, and 3) to clarify that an applicant must either consent to a WSP and FBI background check or have a copy of the background check provided directly from an approved third party vendor.

Accordingly, amend Section 27 as follows:

Section ~~27~~28. Section 6.310.400 of the Seattle Municipal Code, last amended by Ordinance 121738, is amended as follows:

**6.310.400 For-hire driver's license application((:))**

A. For an initial for-hire driver's license and annually thereafter, a for-hire driver, or a taxicab association, for-hire vehicle licensee or company, or transportation network company on behalf of the for-hire driver, must complete, sign, swear to and file with the Director a for-hire driver's license application on forms provided by the Director. Application materials may be submitted online or through email. For-hire driver's licenses approved through applications received online or through email must be picked up directly from the licensing agency, whereupon the licensee applicant must show proof of photo identification. When issued to an applicant affiliated with a TNC, the for-hire license shall read "for-hire permit" on the associated license, but shall remain subject to all for-hire driver licensee duties and obligations in this Chapter. The application shall include the following information:

1. Name, aliases, residence and business address, residence and business telephone numbers;

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5. ~~((The applicant's criminal history for the last five (5) years;))~~ Consent to ~~conduct a~~ Documentation that a full criminal background check has been completed on the applicant through Washington State Patrol and Federal Bureau of Investigation criminal databases conducted by the Director, or through have a copy of a criminal background check provided directly from a Director-approved third party vendor;

6. Information indicating whether or not the applicant has ever had a for-hire or driver's license suspended, revoked, or denied and for what cause;

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## **Amendment 14**

**Section 42, SMC 6.310.530 (page 88)** contains information on regulating rates for all industries. These amendments explain the qualifications that the Director shall consider in determining application dispatch system rate transparency for taxis (6.310.530.A.3), for-hire vehicles (6.310.530.B.1), and transportation network companies (6.310.530.C1).

Accordingly, amend Section 42 as follows:

Section 42. Section 6.310.530 of the Seattle Municipal Code, last amended by Ordinance 123939, is amended as follows:

### **6.310.530 Rates((,))**

#### **A. Taxicab rates**

1. The rates for taxicabs licensed to operate in Seattle shall be established by the ~~((Seattle City Council))~~ Director by rule for times while not operating on an application dispatch system.

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~~((E.))~~ 3. Application Dispatch, Special Rates, Contract Rates, "Downtown to Airport" Flat Rate, and Coupons.

~~((4))~~ a. If using an application dispatch system, written documentation explaining and/or a physical demonstration on an application showing that the rate structure is transparent to the rider prior to confirming the ride shall be provided to the Director. Rates do not need to be filed with the Director. The Director shall determine that the rate structure is transparent if:

i. The total fare or fare range is clearly displayed on the application upon requesting a ride, but before confirming the ride. Any variables that may result in additional or higher charges such as tips, waiting time, demand pricing, or any other surcharges shall be clearly articulated on the application before confirming a ride.

ii. The rate by distance and/or time is clearly displayed on the application upon requesting a ride but before confirming the ride. Any variables that may result in additional or higher charges such as tips, waiting time, demand pricing, or any other surcharges shall be clearly articulated on the application before confirming a ride.

iii. The cost of the ride is made clear to the passenger prior to confirming the ride through an alternative method deemed acceptable by the Director.

b. Special rates as defined in this chapter shall be calculated as a fraction or percentage of the meter rate or a fixed dollar amount per trip.

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~~((F.))~~ B. For-hire ~~((V))~~vehicle ~~((R))~~rates~~((:))~~

1. If using an application dispatch system, written documentation explaining and/or a physical demonstration on an application showing that the rate structure is transparent to the rider prior to confirming the ride shall be provided to the Director. Rates do not need to be filed with the Director. The Director shall determine that the rate structure is transparent if:

a. The total fare or fare range is clearly displayed on the application upon requesting a ride, but before confirming the ride. Any variables that may result in additional or higher charges such as tips, waiting time, demand pricing, or any other surcharges shall be clearly articulated on the application before confirming a ride.

b. The rate by distance and/or time is clearly displayed on the application upon requesting a ride but before confirming the ride. Any variables that may result in additional or higher charges such as tips, waiting time, demand pricing, or any other surcharges shall be clearly articulated on the application before confirming a ride.



c. The cost of the ride is made clear to the passenger prior to confirming the ride through an alternative method deemed acceptable by the Director.

((4))2. Every for-hire vehicle licensee shall also file all non-application dispatch system rates and charges, including rate structures that vary by time of day with the Director. All rates and charges, including any adopted senior citizen discount rate, shall be conspicuously displayed in the interior of the for-hire vehicle so as to be readily discernible to the passenger. The Director will prescribe the manner of such posting.

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### C. Transportation network company rates

1. Written documentation explaining or demonstrating that the application dispatch rate structure is transparent to the rider prior to confirming the ride shall be provided to the Director. The Director shall determine that the rate structure is transparent if:

a. The total fare or fare range is clearly displayed on the application upon requesting a ride, but before confirming the ride. Any variables that may result in additional or higher charges such as tips, waiting time, demand pricing, or any other surcharges shall be clearly articulated on the application before confirming a ride.

b. The rate by distance and/or time is clearly displayed on the application upon requesting a ride but before confirming the ride. Any variables that may result in additional or higher charges such as tips, waiting time, demand pricing, or any other surcharges shall be clearly articulated on the application before confirming a ride.

c. The cost of the ride is made clear to the passenger prior to confirming the ride through an alternative method deemed acceptable by the Director.

~~((G.))~~D. The rates specified in this section 6.310.530 shall not apply to transportation of persons provided pursuant to a written contract which establishes a fare at a different rate for specified transportation and has been previously filed with the Director; provided, that no contract may include any provision the effect of which is to directly or indirectly require exclusive use of the transportation services of the contracting taxicab or for-hire vehicle.

### **Amendment 15**

**Section 28, 6.310.405 (page 67)** details the background check requirements for for-hire driver's license applicants. The reason for this amendment is threefold: 1) expands this criminal background check process to include taxicab and for-hire vehicle owners, 2) clarifies that an applicant must either consent to be fingerprinted for a WSP and FBI background check or have a copy of the background check provided directly from an approved third party vendor and 3) references State law that governs how WSP and FBI criminal background checks are conducted by local licensing authorities.

Accordingly, amend Section 28 as follows:

Section ~~28~~29. Section 6.310.405 of the Seattle Municipal Code, last amended by Ordinance 118341, is amended as follows:

#### **6.310.405 Criminal ~~((B))~~background ~~((C))~~check**

~~((All applicants for a for-hire driver's license must consent to be fingerprinted for a criminal background check.))~~

A. All applicants for a for-hire driver's license, taxicab license, or for-hire vehicle license must consent to a criminal background check. An applicant shall either:

1. Be fingerprinted for a state and national Washington State Patrol and Federal Bureau of Investigation criminal background check by the Director pursuant to RCW 35.21.920 to regulate the issuance of licenses of those engaged in taxicab, for-hire, and TNC occupations

and activities. The applicants' criminal history record information shall be forwarded to the licensing agency. or

2. ~~Submit~~ Have a copy of ~~proof that~~ a criminal background check provided directly from ~~has been conducted by~~ a Director-approved third party vendor. The director will annually issue the list of approved third party background check vendors. Approved vendors, at a minimum must:

- a. Include local, state, and national databases;
- b. Access at least five years of database history; and
- c. Demonstrate competency in providing accurate information.

### **Amendment 16**

Section 34. A new Section 6.310.452 is added to the Seattle Municipal Code as follows:

#### **6.310.452 TNC driver operating, conduct, and passenger relations standards**

In addition to meeting the for-hire operating standards set forth in Section 6.310.450, the TNC drivers must meet the following operating, conduct, and passenger relations standards:

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J. TNC drivers shall have in the driver's possession a valid Washington State driver's license, a valid for-hire driver's license, and documentation that they are affiliated with a licensed TNC at any time the TNC driver is active on the TNC dispatch system. (suspension and Class B);

K. The for-hire driver of a TNC endorsed vehicle shall permit the Department to inspect the TNC endorsed vehicle upon request. (suspension and Class B).

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## **Amendment 17**

**Section 43, 6.310.540 (page 92)** relates to reporting responsibilities across all industries. This amendment clarifies that for-hire vehicle companies rather than individual for-hire vehicle license holders will be required to maintain and submit quarterly reporting documents to the Director. This amendment further clarifies that for-hire drivers and all vehicle licensees or TNC endorsement holders are responsible for reporting to the TNC, taxi association, and for-hire vehicle companies. This change will consolidate reporting responsibilities, lessening the regulatory burden associated with individual for-hire vehicle licensee reporting.

Accordingly, amend Section 43 as follows:

Section ~~43~~44. A new Section 6.310.540 to Seattle Municipal Code is adopted, as follows:

### **6.310.540 Reporting responsibilities**

A. Transportation Network Companies, Taxi Associations, and ~~For-Hire Vehicle license holders~~ For-Hire vehicle companies shall maintain accurate and complete operational records as provided by for-hire drivers, taxicab and for-hire vehicle licensees, and TNC endorsement holders in subsection 6.310.540E, for two years, including, but not limited to:

1. Total number of rides provided by each taxi or for-hire vehicle license holder or individual Transportation Network Company;
2. Type of dispatch for each ride (hail, phone, app, etc.)
3. Percentage or number of rides picked up in each zip code;
4. Pick up and drop off zip codes of each ride;
5. Percentage by zip code of rides that are requested but unfulfilled;(phone or app only)
6. Number of collisions; including the name and number of the affiliated TNC, taxicab, and for-hire driver, collision fault, injuries, and estimated damage;
7. Number of requested rides for an accessible vehicle;

8. Crimes against driver reports;

9. Passenger complaints; and

10. Any other data identified by the Director to ensure compliance. ~~(Class A -~~

~~each requirement)~~

B. Records may be maintained electronically.

C. On a quarterly basis, Transportation Network Companies, Taxi Associations, and For-Hire Vehicle ~~licensee or~~ Companies must submit complete data to the Director via electronic reporting forms made available by the Director. (Class C)

D. If a public records request is made of the City for documents that have been designated by the providing party as confidential or proprietary, the City shall provide third party notice to the providing party prior to disclosure.

E. For-hire drivers, taxicab and for-hire vehicle licensees, and TNC endorsement holders must provide full and accurate information per Section 6.310.540.A to transportation network companies, taxi associations, and for-hire vehicle companies on a weekly basis. (Class A - each requirement)

### **Amendment 18**

**Section 45, 6.310.605 (page 96)** relates to monetary penalties. This amendment adds a for-hire vehicle company as a classification for which monetary penalties may be assigned. The amendment also addresses several typos, deletions and code drafting corrections.

Accordingly, amend Section 45 as follows:

Section ~~45~~46. Section 6.310.605 of the Seattle Municipal Code, which Section was last amended by Ordinance 121738, is amended as follows:

**6.310.605 Monetary ~~(P)~~penalties and penalty points~~((:))~~**

A. For-hire ~~((D))~~driver, transportation network company driver, for-hire vehicle company, or ~~((T))~~taxicab/~~((F))~~for-hire ~~((V))~~vehicle ~~((V))~~violations~~((:))~~

Violation	Penalties Against a For-hire Driver, <u>TNC Driver, <del>or a</del> Taxicab Licensee, For-Hire Vehicle Company,</u> or For-hire Vehicle For Each Violation	Penalty Points Attributed to Taxicab Association, <u>For-Hire Vehicle Company,</u> or <u>Transportation Network Company</u> For Each Violation
1. Violations <del>((F))</del> found <del>((D))</del> during a <del>((C))</del> calendar <del>((Y))</del> year <del>((A))</del> away from <u>The City<del>((s))</del> of Seattle's</u> <del>((I))</del> inspection <del>((F))</del> facility <del>((:))</del>		
First Class A in one year	\$35 <del>((:00))</del>	2
Second Class A in one year	\$70 <del>((:00))</del>	3
Third or more Class A violation in one year	\$120 <del>((:00))</del>	4
First Class B violation in one year	\$70 <del>((:00))</del>	4
Second Class B violation in one year	\$175 <del>((:00))</del>	7
Third or more Class B violation in one year	\$300 <del>((:00))</del>	10
All Class C violations	\$1,000 <del>((:00))</del>	20
2. Violations <del>((F))</del> found <del>((D))</del> during <del>((I))</del> inspections at <u>The City<del>((s))</del> of Seattle's</u> <del>((I))</del> inspection <del>((F))</del> facility <del>((:))</del>		
Failure to appear for inspection scheduled by the Director (see Section 6.310.330 I and	\$50	2 penalty points

paragraph below)		
Class A violation found during inspection at City's inspection facility	Vehicle reinspection fee. See fee schedule in Section 6.310.150	2 each violation
Class B violation found during inspection at City's inspection facility	Vehicle reinspection fee. See fee schedule in Section 6.310.150	4 each violation

"Failure to appear for inspection scheduled by the Director" includes a late arrival for the inspection. If notification that the vehicle (~~can not~~) cannot appear is made prior to the close of business on the business day before the scheduled inspection, and the taxicab plates are delivered to the inspection facility prior to the original inspection time, then no penalty will be due.

3. Penalties and penalty points are attributed to the taxicab association or transportation network company with which the taxicab and/or for-hire driver is affiliated at the time the violation occurs.

B. Taxicab (~~(A)~~)association, for-hire vehicle company, or transportation network company (~~(V)~~)violations (~~(D)~~)during a (~~(E)~~)calendar (~~(Y)~~)year (~~(-)~~)

Violation	Penalty Points Against Taxicab Association, <u>for-hire vehicle company, or</u> <u>Transportation</u> <u>Network Company</u>
First Class A violation in one year	5
Second Class A violation in one year	6
Third or more Class A violation in one year	7
First Class B violation in one year	10
Second Class B violation in one year	12
Third or more Class B violation in one year	15

Any Class C violation	Revocation
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As soon as an association, for-hire vehicle company, or TNC accumulates more than five ~~((5))~~ penalty points per affiliated taxicab, for-hire vehicle, or TNC endorsed vehicle on average, it must pay a penalty to the Director of ~~((One Hundred Dollars (\$100)))~~ \$100 per affiliated taxicab, for-hire vehicle, or TNC endorsed vehicle. As soon as an association, for-hire vehicle company, or TNC accumulates more than seven ~~((7))~~ penalty points per affiliated taxicab, for-hire vehicle, or TNC endorsed vehicle on average, it must pay an additional penalty to the Director of ~~((One Hundred Fifty Dollars (\$150)))~~ \$150 per affiliated taxicab, for-hire vehicle, or TNC endorsed vehicle. As soon as an association, for-hire vehicle company, or TNC accumulates more than ten ~~((10))~~ points per affiliated taxicab, for-hire vehicle, or TNC endorsed vehicle on average, it must pay an additional penalty to the Director of ~~((Two Hundred Fifty Dollars (\$250)))~~ \$250 per affiliated taxicab, for-hire vehicle, or TNC endorsed vehicle. For purposes of this subsection, average number of penalty points per affiliated taxicab, for-hire vehicle or TNC endorsed vehicle means total ~~((association))~~ penalty points divided by number of taxicabs, for-hire vehicles or TNC endorsed vehicles within the association, for-hire vehicle company, or TNC. (The Director will compute the number of taxicabs, for-hire vehicles ~~((of))~~ TNC endorsed vehicles within the association, for-hire vehicle company, or TNC by averaging the number of TNC endorsed vehicles, taxicabs, or for-hire vehicles in the association, for-hire vehicle company or TNC (rounded up) at the beginning of the year and the number of cabs, for-hire vehicles or ~~((TNC))~~ TNC endorsed vehicles at the end of each completed quarter, (i.e., March 31st, June 30th, etc.). If an association, for-hire vehicle company, or TNC has exceeded the average amount of penalty points as outlined above, the penalty will be due as of the end of the current quarter. The association, for-hire company or TNC may ask for a hearing with the



Director concerning the assessment of such penalty. At such hearing the association, for-hire company or TNC will present any evidence to refute or mitigate ~~((the))~~ its performance~~((of the association))~~. After the hearing, the Director may impose the penalty, reduce the penalty, or with just cause waive the penalty and put the association or TNC on probation with specific performance guidelines. If the association, for-hire company or TNC does not meet the guidelines imposed, the Director will impose the penalty. In any case, the Director's decision is final.

Upon renewal of the taxicab association or TNC license, the association or TNC will start the new year with zero ~~((+))~~penalty points. For-hire companies will start each new calendar year with zero penalty points.

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## **Amendment 19**

**Section 47, 6.310.635 (page 108)** relates to notices for violation hearings. This amendment adds the classification of for-hire vehicle company, consistent with Amendment 10.

Accordingly, amend Section 47 as follows:

Section ~~47~~48. Section 6.310.635 of the Seattle Municipal Code, which Section was last amended by Ordinance 121738, is amended as follows:

### **6.310.635 Notice and hearing for denials, violations, suspensions and revocations~~((:))~~**

A. For each violation, and for each denial, suspension or revocation, the Director shall give written notice to the affected licensee, for-hire vehicle company, or TNC endorsement holder. If the affected licensee is a taxicab driver, the Director shall at the same time give written notice of violations to the taxicab licensee and the taxicab association. If the affected licensee or TNC endorsement holder is a transportation network company driver, the Director shall at the

same time give written notice to the transportation network company. If the affected licensee is a taxicab licensee, the Director shall at the same time give written notice of violations to the taxicab association. All notices directed to a taxicab driver or taxicab licensee may be served by personal delivery to, or by first-class mail addressed to, the taxicab association.

B. Any notice of denial, violation, suspension or revocation, other than a summary suspension or revocation pursuant to ~~((Section))~~ subsection 6.310.610.A, shall state that the driver, taxicab or for-hire vehicle licensee, TNC endorsement holder, transportation network company, for-hire vehicle company, and/or taxicab association is entitled to a hearing to respond to the notice and introduce any evidence to refute or mitigate the violation. Upon written request, submitted by the person named on the violation, filed within ten ~~((40))~~ calendar days after the date of the notice of denial, violation, suspension or revocation, the Director shall set a hearing date and time to be held as soon as possible and not more than ~~((thirty (30)))~~ 30 calendar days from the date of the request or the next business day after that if the thirtieth day falls on a weekend or holiday.

C. Any notice of summary suspension or revocation pursuant to ~~((Section))~~ subsection 6.310.610.A and 6.310.610.D.1, shall state that the driver, taxicab or for-hire vehicle licensee, TNC endorsement holder, transportation network company, and/or taxicab association is entitled to a hearing to respond to the notice and introduce any evidence to refute or mitigate the violation. Upon written request, submitted by the person named on the violation, filed within ten ~~((40))~~ calendar days after the date of the notice of the summary suspension or revocation, the Director shall set a hearing date and time to be held as soon as possible and not more than seven ~~((7))~~ calendar days from the date of the request or the next business day after that if the seventh day falls on a weekend or holiday. The Director shall render a decision affirming or reversing the

summary suspension or revocation within three (~~((3))~~) business days after the conclusion of the hearing.

D. The decision of the Director is final only if a monetary penalty is imposed or if a timely appeal is not filed pursuant to subsection G. A taxicab license, TNC endorsement, or for-hire driver license may be reinstated without a hearing if the violation was for failure to pay a monetary penalty within (~~((thirty (30)))~~) 30 days, if the licensee or TNC endorsement holder pays the monetary penalty in full within ten (~~((10))~~) days of the date of license revocation and pays a license reinstatement fee. This authority to reinstate licenses without a hearing only applies if it is the first instance of failure to pay a monetary penalty in the calendar year.

E. The hearing shall be held by the Director or the Director's designee, provided that the designee may not be a person who directly supervises the inspector who issued the notice of denial, violation, suspension or revocation.

F. The hearing shall be informal, but shall be recorded by electronic means provided by the Director. Within (~~((twenty (20)))~~) 20 days of the hearing, the Director shall issue a written ruling including factual findings and the Director's conclusion, with supporting reasons, affirming, modifying or reversing the notice. The decision shall be mailed by first class mail to each affected licensee, for-hire vehicle company, or TNC endorsement holder at the address listed on the application; or in any supplemental materials. (~~((However, if the licensee is a taxicab licensee or taxicab driver, the decision))~~) Licensee decisions for taxicabs and taxicab drivers shall be mailed by first class mail to the licensee at the address of the taxicab association. Licensee and endorsement decisions for transportation network company drivers shall be mailed by first class mail to the licensee at the address listed on the licensee's for-hire driver's license application as well as the transportation network company.

G. If the Director's decision imposes or affirms a denial, suspension or revocation, including summary suspension or revocation, any affected licensee or TNC endorsement holder may appeal the entire decision to the Hearing Examiner by filing a notice of appeal with the Hearing Examiner within ten ~~((40))~~ days after the date of mailing of the decision. Decisions of the Director imposing a monetary penalty only, pursuant to subsection D, shall not be appealable to the Hearing Examiner.

### **Amendment 20**

**Section 50 (page 111)** repealing Ordinance 124441 is no longer necessary.

Accordingly, delete Section 50 and renumber subsequent sections.

~~Section 50. Ordinance 124441 is repealed.~~

### **Amendment 21**

**Section 52 (page 112)** is the last section of the bill and establishes the effective date of the bill. In order to allow the Department of Finance and Administrative Services sufficient time to establish new licensing processes created by this ordinance, including but not limited to approving certified mechanics for vehicle inspections, third party vendors for criminal background checks, and driver training programs, this amendment establishes a 120-day effective date for provisions relating to new licensing processes. The current code for these sections will remain effective until the 120 day elapses. In order to accommodate this amendment, insert a new Section 52 and renumber Section 52..

Accordingly, create a new Section 52 as follows:

Section 52. The following sections shall take effect and be in force 90 days following the effective date of this ordinance: Section 9 (creating 6.310.175); Section 27 (amending 6.310.400); Section 28 (amending 6.310.405); Section 29 (amending 6.310.410); Section 30

(amending 6.310.415); Section 31 (amending 6.310.420); Section 32 (amending 6.310.425); and Section 43 (creating 6.310.540).

And renumber Section 52 as follows:

Section ~~52~~53. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.