

SUMMARY and FISCAL NOTE*

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** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title:

AN ORDINANCE related to the for-hire industry, including wheelchair accessible taxis and for-hire industry insurance; amending Sections 6.310.260, 6.310.300, and 6.310.500 and repealing Section 6.310.335 of the Seattle Municipal Code.

Summary and background of the Legislation:

This legislation relates to requirements on the for-hire industry (i.e., taxicabs, for-hire vehicles and transportation network companies) relating to insurance and wheelchair accessible taxis. In the past, the city has required industry licensees to obtain insurance from companies carrying an A.M. Best rating, which is meant to denote the company's financial strength. The City required a B+ rating until it implemented a provisional period from 2014-2015 where a B rating was accepted. During that period there were no consumer complaints, no claims made against the City and no concerns expressed about the lower rating. Washington State has a guaranty fund that is available if an insurer were to become insolvent. This legislation permanently decreases the A.M. Best financial strength rating requirement from B+ to B for taxicab, for-hire vehicle and transportation network company (TNC) insurance policies. The change will provide increased economic opportunity for vehicle owners and increased competition in the for-hire insurance market.

The attached legislation also allows the Director of FAS to award City of Seattle wheelchair accessible taxicab (WAT) medallions to King County WAT medallion owners. This will allow increased service provision to disabled passengers and increased economic opportunity for WAT medallion owners.

2. CAPITAL IMPROVEMENT PROGRAM

This legislation creates, funds, or amends a CIP Project.

3. SUMMARY OF FINANCIAL IMPLICATIONS

This legislation does not have direct financial implications.

4. OTHER IMPLICATIONS

a) Does the legislation have indirect or long-term financial impacts to the City of Seattle that are not reflected in the above?

No.

- b) Is there financial cost or other impacts of not implementing the legislation?**
There is no financial cost or other impacts to the City. For taxicab and for-hire vehicle owners and County WAT owners, this legislation will ensure increased economic viability.
- c) Does this legislation affect any departments besides the originating department?**
No.
- d) Is a public hearing required for this legislation?**
No.
- e) Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?**
No.
- f) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No.
- g) Does this legislation affect a piece of property?**
No.
- h) Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?**
The allowance of County-only WATs to become dual-licensed WATs will provide an increased level of service to wheelchair customers by allowing the same vehicle to make a drop-off and pickup, especially at Seattle-based hospitals and other service locations.

The for-hire industry has been a historic employer of the immigrant and refugee community. These changes will provide that community with increased economic opportunity.
- i) If this legislation includes a new initiative or a major programmatic expansion: What are the long-term and measurable goals of the program? Please describe how this legislation would help achieve the program's desired goals.**
The addition of five WATs will increase the number of wheelchair passenger trips in the City and County by approximately 20 trips per month. Currently, the County WATs are unable to get enough passenger trips to be economically viable; therefore several are not operating.
- j) Other Issues:** N/A

List attachments/exhibits below: N/A