

December 5, 2023

MEMORANDUM

To: Seattle City Council
From: Karina Bull, Analyst
Subject: For-Hire Transportation Regulations

On December 12, the City Council (Council) will discuss and may vote on a legislative package intended to update and modernize the City of Seattle's (City's) regulation of for-hire transportation services. The legislative package includes the following Council Bills (CBs):

[CB 120652](#) **Transportation Network Company (TNC) Regulations Ordinance**, amending Seattle Municipal Code (SMC) 6.310 to conform with new state regulations for TNCs and their affiliated vehicles and drivers.

[CB 120653](#) **Taxi and For-Hire Vehicle Regulations Ordinance**, establishing SMC 6.311 to regulate the taxicab and for-hire vehicle industry.

[CB 120656](#) **For-Hire Interlocal Agreement**, authorizing an updated agreement between the City and King County (County) to jointly administer and enforce regulations of for-hire transportation services.

This memo provides background on the regulation of for-hire transportation services, describes coordination with the County, and summarizes three substitute bills for the Council's consideration.

Background

The City currently regulates the for-hire transportation industry under [SMC 6.310](#). These regulations are administered by the Department of Finance and Administrative Services (FAS) and cover transportation services provided by for-hire vehicles (flat rates), taxicabs (metered rates), and vehicles associated with TNCs. The County regulates the for-hire transportation services under [King County Code \(KCC\) 6.64](#). The City and County share administrative authority to implement and enforce these regulations pursuant to an interlocal agreement last updated in 1995. The City and County jointly license vehicles, drivers, and companies each year and enforce regulations through inspections, audits, and related activities.

Following statewide changes to TNC regulations and growing interest in modernizing for-hire transportation services at the local level, the City partnered with the County to develop companion legislative packages to comprehensively update for-hire transportation regulations.¹

¹ The County's companion legislative package includes [Ordinance 2023-0230](#) (equivalent of CB 120652); [Ordinance 2023-0231](#) (equivalent of CB 120653); and [Ordinance 2023-0233](#) (equivalent of CB 120656).

The updates to the for-hire regulations align local regulations with state law and promote regulatory flexibility for taxi and for-hire drivers. The updates also reflect years of extensive stakeholder engagement, including surveys and input from drivers, companies, and advocacy groups.

On September 14, 2023, the Finance and Housing Committee (Committee) received a [briefing](#) on the three bills comprising the City’s legislative package from FAS and Central Staff.² On September 20, 2023, the Committee voted the bills out of committee, including CB 120653 as amended.³

Coordination with the County

Since the City and County intend to jointly administer the for-hire transportation regulations, the legislative packages approved by both jurisdictions must be nearly identical. Therefore, if one jurisdiction amends the proposed regulations, the other jurisdiction should consider approving the same or similar amendments.

On November 14, the County’s [Government Accountability and Oversight Committee](#) amended and approved the [County’s companion legislative package](#) to (1) incorporate technical and clarifying edits and (2) adopt the City’s pre-introduction changes and committee amendments to CB 120653 for the County’s equivalent legislation (Ordinance 2023-0231). On November 28, 2023, the [County Council](#) amended and approved the final version of the [County’s companion legislative package](#).

Amendments

To synchronize the City’s legislative package with the final version of the County’s companion legislative package, Councilmember Mosqueda is sponsoring substitute versions of each bill for the Council’s consideration. See Table 1 for a summary of these substitute bills.

² The [introduced version of CB 120653](#) reflected [pre-introduction changes](#) sponsored by Councilmember Mosqueda.

³ The Committee approved two amendments to CB 120653: (1) an amendment that [adopted a substitute bill](#) adding recitals and changing certain requirements for the regional dispatch agency’s owner and driver policy; and (2) an amendment [establishing certain conditions](#) before the FAS Director can grant authority for the autonomous operation of autonomous vehicles providing for-hire transportation services .

Table 1: Substitute Bills for the Council’s consideration

Legislation	Summary of Amendments ⁴
CB 120652	<ul style="list-style-type: none"> • Amend the title of the ordinance to include reference to Section 6.310.125, • Remove reference to taxicab associations and taxicab licensees in Section 6.310.125, • Cross-reference certain definitions (i.e., for-hire vehicle, for-hire vehicle company, medallion, medallion system, taxicab, taxicab association, taximeter) to Section 6.311.040, • Update provisions to conform with state law (i.e., removing reference to requirement for state-issued driver’s licenses), • Amend obsolete references to Chapter 6.310, • Adopt consistent terminology and formatting, and • Add a severability clause.
CB 120653	<ul style="list-style-type: none"> • Identifying the Mayor or designee as the signatory to the interlocal agreement for the City, • Remove unnecessary terms and provisions, • Adopt consistent terminology and formatting, • Clarify the standard for a misdemeanor as three or more violations in a 12-month period, and • Add a severability clause.
CB 120656	<ul style="list-style-type: none"> • Amend the title of the ordinance to remove the Department of Finance and Administrative Services Director as the signatory to the agreement, • Identify the Mayor or designee as the signatory to the interlocal agreement for the City in the body of the ordinance and Attachment 1, • Identify the King County Executive or designee as the signatory to the interlocal agreement for the County in Attachment 1, • Clarify that the City and County will not enforce provisions in the other jurisdiction’s code that do have a corresponding provision in the respective City or County code, • Remove unnecessary terms and provisions, and • Adopt consistent terminology and formatting.

Attachments:

- A. Amendment A, Version 1 to CB 120652 – Substitute version 2 of the legislation
- B. Amendment A, Version 1 to CB 120653 – Substitute version 3 of the legislation
- C. Amendment A, Version 1 to CB 120656 – Substitute version 2 of the legislation and Attachment 1

⁴ Consistent with Washington State Constitution requirements, the proposed amendments in the substitute bills, including the amendments to the titles in CB 120652 and CB 120656, would not change the scope and object of the ordinances.

cc: Esther Handy, Director
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