



SEATTLE CITY COUNCIL

Finance and Housing Committee

Agenda

Wednesday, September 20, 2023

9:30 AM

Council Chamber, City Hall
600 4th Avenue
Seattle, WA 98104

Teresa Mosqueda, Chair
Lisa Herbold, Vice-Chair
Alex Pedersen, Member
Sara Nelson, Member
Andrew J. Lewis, Member

Chair Info: 206-684-8808; Teresa.Mosqueda@seattle.gov

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September 20, 2023 - 9:30 AM

Meeting Location:

Council Chamber, City Hall, 600 4th Avenue, Seattle, WA 98104

Committee Website:

<http://www.seattle.gov/council/committees/finance-and-housing>

This meeting also constitutes a meeting of the City Council, provided that the meeting shall be conducted as a committee meeting under the Council Rules and Procedures, and Council action shall be limited to committee business.

Members of the public may register for remote or in-person Public Comment to address the Council. Details on how to provide Public Comment are listed below:

Remote Public Comment - Register online to speak during the Public Comment period at the meeting at <http://www.seattle.gov/council/committees/public-comment>. Online registration to speak will begin two hours before the meeting start time, and registration will end at the conclusion of the Public Comment period during the meeting. Speakers must be registered in order to be recognized by the Chair.

In-Person Public Comment - Register to speak on the Public Comment sign-up sheet located inside Council Chambers at least 15 minutes prior to the meeting start time. Registration will end at the conclusion of the Public Comment period during the meeting. Speakers must be registered in order to be recognized by the Chair.

Pursuant to Council Rule VI.10., this Committee Meeting will broadcast members of the public in Council Chambers during the Public Comment period.

Submit written comments to Councilmember Mosqueda at Teresa.Mosqueda@seattle.gov

Please Note: Times listed are estimated

A. Call To Order

B. Approval of the Agenda

C. Public Comment

D. Items of Business

1. [CB 120652](#) **AN ORDINANCE relating to taxicabs and for-hire vehicles; repealing or deleting provisions intended to no longer be in effect in separating the taxicab and transportation network company industries; conforming to changes in state law; adding a new Section 6.310.101 to the Seattle Municipal Code; amending the title of Chapter 6.310 of the Seattle Municipal Code and Sections 6.310.110, 6.310.130, 6.310.150, 6.310.260, 6.310.270, 6.310.325, 6.310.327, 6.310.400, 6.310.452, 6.310.455, 6.310.470, 6.310.530, 6.310.600, 6.310.605, and 6.310.610 of the Seattle Municipal Code; and repealing Sections 6.310.120, 6.310.135, 6.310.137, 6.310.200, 6.310.210, 6.310.220, 6.310.225, 6.310.230, 6.310.240, 6.310.250, 6.310.255, 6.310.300, 6.310.310, 6.310.315, 6.310.320, 6.310.330, 6.310.340, 6.310.350, 6.310.360, 6.310.370, 6.310.380, 6.310.460, 6.310.475, 6.310.480, 6.310.500, 6.310.510, 6.310.720, and 6.310.730 of the Seattle Municipal Code.**

*Supporting
Documents:*

[Summary and Fiscal Note](#)

[FAS Presentation](#)

[Central Staff Memo](#)

Briefing, Discussion, and Possible Vote

Presenters: Beth Gappert and Matthew Eng, Department of Finance and Administrative Services (FAS); Karina Bull, Council Central Staff

2. [CB 120653](#) **AN ORDINANCE relating to taxicabs and for-hire vehicles; separating and amending taxicab and for-hire vehicle industry regulations; adding a new Chapter 6.311 to the Seattle Municipal Code; and amending Sections 11.14.235 and 15.17.005 of the Seattle Municipal Code.**

Supporting

Documents:

[Summary and Fiscal Note](#)

[Presentation](#)

[Amendment 1- Substitute](#)

[Amendment 2](#)

[Central Staff Memo](#)

[Central Staff Memo Attachment A](#)

[Central Staff Memo Attachment B](#)

Briefing, Discussion, and Possible Vote

Presenters: Beth Gappert and Matthew Eng, Department of Finance and Administrative Services (FAS); Karina Bull, Council Central Staff

3. [CB 120656](#) **AN ORDINANCE relating to the Department of Finance and Administrative Services; authorizing the Director of Finance and Administrative Services or designee to execute an interlocal agreement with King County to regulate for-hire transportation.**

Attachments:

[Att 1 - Interlocal Agreement](#)

Supporting

Documents:

[Summary and Fiscal Note](#)

[Central Staff Memo](#)

Briefing, Discussion, and Possible Vote

Presenters: Beth Gappert and Matthew Eng, Department of Finance and Administrative Services (FAS); Karina Bull, Council Central Staff

4. [CB 120659](#) **AN ORDINANCE relating to the transfer of City real property for housing development; declaring the property located at 6109 Phinney Avenue N (“Property”) surplus to the City’s needs; authorizing transfer of the Phinney Ridge Property to Homestead Community Land Trust or its designee; authorizing the Director of the Office of Housing or the Director’s designee to execute and deliver a contract for transfer of land, deed, and related documents; and ratifying and confirming certain prior acts.**

Attachments: [Att 1 - Term Sheet for Phinney Property Transfer](#)

Supporting

Documents:

[Summary and Fiscal Note](#)

[Summary Att 1 - Phinney Property Maps](#)

[Presentation](#)

Briefing, Discussion, and Possible Vote

Presenters: Andrea Akita, Deputy Director, and Erika Malone, Office of Housing; Traci Ratzliff, Council Central Staff

5. [CB 120660](#) **AN ORDINANCE relating to the transfer of City real property for housing development; transferring properties collectively known as “Sites 5-11” to selected developers or their designees; authorizing the Director of the Office of Housing or the Director’s designee to execute and deliver agreements for transfer of land, deeds, and related documents; and ratifying and confirming certain prior acts.**

Attachments: [Att A – Term Sheet RVAHI Sites 5-11 Transfers](#)

Supporting

Documents:

[Summary and Fiscal Note](#)

[Summary Att 1 - Maps of Property](#)

Briefing, Discussion, and Possible Vote

Presenters: Andrea Akita, Deputy Director, and Erika Malone, Office of Housing; Traci Ratzliff, Council Central Staff

6. Staggered Elections

Supporting Documents:

[Central Staff Memo](#)

[Draft Resolution](#)

[Draft Summary and Fiscal Note](#)

Briefing, Discussion, and Possible Vote

Presenter: Lish Whitson, Council Central Staff

E. Adjournment



Legislation Text

File #: CB 120652, Version: 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to taxicabs and for-hire vehicles; repealing or deleting provisions intended to no longer be in effect in separating the taxicab and transportation network company industries; conforming to changes in state law; adding a new Section 6.310.101 to the Seattle Municipal Code; amending the title of Chapter 6.310 of the Seattle Municipal Code and Sections 6.310.110, 6.310.130, 6.310.150, 6.310.260, 6.310.270, 6.310.325, 6.310.327, 6.310.400, 6.310.452, 6.310.455, 6.310.470, 6.310.530, 6.310.600, 6.310.605, and 6.310.610 of the Seattle Municipal Code; and repealing Sections 6.310.120, 6.310.135, 6.310.137, 6.310.200, 6.310.210, 6.310.220, 6.310.225, 6.310.230, 6.310.240, 6.310.250, 6.310.255, 6.310.300, 6.310.310, 6.310.315, 6.310.320, 6.310.330, 6.310.340, 6.310.350, 6.310.360, 6.310.370, 6.310.380, 6.310.460, 6.310.475, 6.310.480, 6.310.500, 6.310.510, 6.310.720, and 6.310.730 of the Seattle Municipal Code.

WHEREAS, in 2022 Washington regulated the operation of transportation network companies but did not preempt Seattle’s existing regulation of transportation network companies; and

WHEREAS, state code constrains Seattle’s ability to modify existing municipal code addressing transportation network companies and their affiliated vehicles and drivers; and

WHEREAS, the City desires to comprehensively regulate transportation network companies and their affiliated drivers and vehicles within the constraints set by state code and to align with state code where appropriate; and

WHEREAS, the City partners with King County to regulate the larger for-hire transportation industry and desires to maintain that partnership under common regulations in the future; and

WHEREAS, due to changes in state law governing the regulation of transportation network companies, modifying an existing Seattle Municipal Code chapter to regulate transportation network companies and establishing a new Seattle Municipal Code chapter to regulate taxicabs and for-hire vehicle best

articulates the City’s objectives for these industries; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The title of Chapter 6.310 of the Seattle Municipal Code, enacted by Ordinance 118341, is amended as follows:

CHAPTER 6.310 ((TAXICABS AND FOR-HIRE VEHICLES)) FOR-HIRE TRANSPORTATION - TRANSPORTATION NETWORK COMPANY VEHICLES AND DRIVERS

Section 2. A new Section 6.310.101 is added to the Seattle Municipal Code as follows:

6.310.101 Scope

A. This Chapter 6.310 is not a part of the New License Code (Subtitle IV of Title 6).

B. This Chapter 6.310 applies to transportation network companies, transportation network company drivers, and transportation network company endorsed vehicles. Chapter 6.311 applies to taxicab associations, for-hire vehicle companies, taxicabs, for-hire vehicles, and drivers of those vehicles. References to taxicab associations, for-hire vehicle companies, taxicabs, for-hire vehicles, and the drivers of those vehicles remain in this Chapter 6.310 because RCW 46.72B.190 constrains The City of Seattle from amending ordinances or regulations related to transportation network companies, transportation network company drivers, or transportation network company endorsed vehicles after January 1, 2022. In the event of a conflict between this Chapter 6.310 and Chapter 6.311, Chapter 6.311 controls.

Section 3. Section 6.310.110 of the Seattle Municipal Code, last amended by Ordinance 125132, is amended as follows:

6.310.110 Definitions

For the purposes of this chapter and unless the context plainly requires otherwise, the following definitions apply:

* * *

~~((“Committed a violation” means that a licensee has been issued a Notice of Violation and either has not~~

~~contested the violation or did contest the violation but lost.~~

~~"Community Development Financial Institution" means a non-profit loan fund certified by the Community Development Financial Institution Fund of the U.S. Department of the Treasury, that serves economically distressed communities and underserved populations by providing credit, capital and financial services that are normally unavailable from traditional financial institutions.))~~

~~* * *~~

~~(("Lender" means a bank, trust company, mutual savings bank, savings and loan association, or credit union authorized to do business and accept deposits in this state under state or federal law and includes a Community Development Financial Institution qualified and approved by the Director to provide loans to licensees under Section 6.310.380~~

~~"Lessor" means a licensee of a taxicab or for hire vehicle who leases to a lease driver.))~~

~~* * *~~

~~"Person" means any individual, partnership, association, corporation, firm, institution, or other entity, whether or not operated for profit. "Person" does not include:~~

- ~~1. A government entity of or within the United States;~~
- ~~2. An entity operating exclusively under contract with a government entity; or~~
- ~~3. That portion of an entity that is operating exclusively under contract with a government entity.~~

~~* * *~~

~~Section 4. Section 6.310.120 of the Seattle Municipal Code, last amended by Ordinance 124524, is repealed:~~

~~**(6.310.120 Scope**~~

~~This chapter applies to all taxicab associations, all transportation network companies, all taxicabs, all for hire vehicles, all TNC-endorsed vehicles, and all for-hire drivers operating in The City of Seattle. This chapter is not intended to be a part of the New License Code, Chapter 6.202 et seq.))~~

Section 5. Section 6.310.130 of the Seattle Municipal Code, last amended by Ordinance 124524, is amended as follows:

6.310.130 Licenses required

A. ~~((It is unlawful to own, lease, drive or otherwise operate within The City of Seattle any taxicab or for-hire vehicle within the scope of this chapter, unless:~~

- ~~1. The for-hire driver has a valid license issued under this chapter;~~
- ~~2. The for-hire vehicle or taxicab has a valid license issued under this chapter;~~
- ~~3. If the vehicle is a taxicab, the taxicab is affiliated with a taxicab association licensed under this chapter;~~
- ~~4. The for-hire driver that operates a taxicab is affiliated with a taxicab association licensed under this chapter.))~~ Reserved.

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.))~~

C. ~~((It is unlawful to operate a taxicab association within The City of Seattle without a valid license issued pursuant to this chapter.))~~ Reserved.

* * *

Section 6. Sections 6.310.135 and 6.310.137 of the Seattle Municipal Code, enacted by Ordinance 124524, are repealed:

~~((6.310.135 Transition to medallion system~~

~~A. Effective February 1, 2015, City taxicab and for hire vehicle licenses shall transition to a medallion system and all references to taxicab licenses and for hire vehicle licenses in this Chapter shall refer to taxicab medallions and for hire vehicle medallions, respectively. The medallion system deems a taxicab or for hire vehicle license to be intangible property. The owner of a taxicab or for hire vehicle medallion can use the medallion as collateral to secure a loan from a bank or any other financial institution. Medallion owners shall file with the Director the name of any and all lienholders, on forms furnished by the Director.~~

~~B. Effective February 1, 2015, existing taxicab or for hire vehicle license holders shall receive one medallion for each taxicab or for hire vehicle license upon payment of a one-time administrative fee of \$100.00. Failure to pay this administrative fee shall result in the denial of the renewal of a taxicab or for hire vehicle license.~~

~~C. All new taxicab or for hire vehicle licenses issued after the effective date of this ordinance shall be issued pursuant to a medallion system by lottery pursuant to subsection 6.310.500.D.2.~~

~~D. Taxicab and for hire vehicle medallions remain subject to all regulations in this Chapter. The interest of a medallion owner may be suspended or revoked for any reason enumerated in this Chapter for the suspension or revocation of a taxicab or for hire vehicle license. Upon the final order of revocation, a medallion shall be involuntarily transferred pursuant to subsection 6.310.137.~~

~~E. Medallion holders waive any and all liability, claims, actions, suits, loss, costs, expense judgments, attorneys' fees, or damages of every kind and description resulting directly or indirectly from any act or omission of the City, its officials, officers, employees, and agents regarding the valuation or devaluation of the medallion.~~

~~F. The City assumes no liability for any devaluation of the medallion due to regulatory action or market forces.~~

~~G. Any taxicab or for hire vehicle medallion may only be voluntarily transferred, sold or assigned in~~

~~accordance with this section 6.310.135. For purposes of the sale of a taxicab or for hire vehicle medallion, the following requirements must be satisfied: (i) all outstanding fines and penalties against the medallion holder and for hire driver's license, if applicable, must be paid or satisfied and all pending administrative matters must be resolved; and (ii) when seller owns two or more taxicab or for hire taxicab licenses, all outstanding items/proceedings as stated in (i) above shall be paid, satisfied or resolved.~~

~~H. Medallion owners may lease an interest in the medallion as prescribed by Director's rule. To assure orderly and rapid transition to the medallion system, the Director shall have such rules in place 90 days from February 1, 2015.~~

~~6.310.137 Involuntary transfer of taxicab or for hire vehicle medallions~~

~~A. The interest of a medallion owner may be suspended or revoked for any reason enumerated in this Chapter for the suspension or revocation of a taxicab or for hire vehicle license. Upon a final order of revocation where all appellate proceedings, if any, have been concluded, the Director shall coordinate the sale of the medallion at public auction by a licensed auctioneer to the highest and best bidder, who shall pay the amount bid by a cashier's check within seven business days from the time of sale.~~

~~The proceeds from the sale of such medallions, after deducting the expenses of the sale and all costs incurred by the City including, but not limited to, attorney's fees, shall be paid, first, to the lienholder or lienholders in the order of date of filing and the balance, if any, shall be paid to the person whose interest in the medallion has been revoked, or to the City when the person cannot be located.~~

~~B. Any person holding a bona fide lien or security interest in a taxicab or for hire vehicle medallion shall have the right to enforcement of a lien against that medallion within thirty days after any final order of revocation where all appellate proceedings, if any, have been concluded and upon actual notice to any lienholder whose name is on file with the Director.~~

~~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 the Director. 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.

D. Any foreclosure of a perfected lien in a taxicab or for-hire vehicle medallion shall be in the King County Superior Court and the City Finance and Administrative Services Department (FAS) shall be joined as an indispensable party. All holders of liens or security interests senior to the pledge, lien or security interest being foreclosed shall be joined and deemed necessary parties to the foreclosure.

E. Upon a judgment of foreclosure, the Director shall coordinate the sale of the medallion at public auction by a licensed auctioneer to the highest and best bidder, who shall pay the amount bid by a cashier's check within seven business days from the time of sale. The proceeds from the sale of such medallions, after deducting the expenses of the sale and all costs incurred by the City including, but not limited to, attorney's fees, shall be paid, first, to the lienholder or lienholders in the order of date of filing and the balance, if any, shall be paid as directed in the judgment of foreclosure.

F. The institution of foreclosure procedures or the judicial transfer of a medallion shall not prevent the Director from suspending or imposing a civil penalty or taking other administrative action against the medallion owner at the time of the alleged violation.

G. Distribution from estate to a beneficiary

1. When a taxicab or for-hire vehicle medallion or stock in a corporation owning such a medallion is distributed from an estate to a beneficiary by a court of law, the transferee shall submit to the Director the court order directing the City to transfer the medallion to the beneficiary. The court order shall condition the transfer upon the transferee complying with this Chapter.

2. An executor or administrator may continue the operation of a taxicab or for-hire vehicle only with prior written approval of the Director. The executor or administrator shall apply for such approval within 120 days of his or her appointment. In the event of any delay not caused by the executor or the administrator,

the Director may grant additional time to apply for approval for good cause shown.))

Section 7. Section 6.310.150 of the Seattle Municipal Code, last amended by Ordinance 125975, is amended as follows:

6.310.150 Fees

The following nonrefundable fees shall apply:

A. Reserved. ((Taxicab association, taxicab, and for hire vehicle license and for hire driver fees (excluding transportation network company (TNC) for hire drivers) shall be:

| | |
|--|-----------------------------|
| 1. Taxicab Association | |
| a. Annual fee | \$1,000 |
| b. Late renewal fee | \$100 |
| 2. Taxicab or for hire vehicle fees | |
| a. Annual license fee | \$500 |
| b. Wheelchair accessible taxicab annual license | Waived |
| c. Late fee (license renewal) | \$60 |
| d. Change of vehicle licensee: | |
| i. July-December | \$500 |
| ii. January-June (half year) | \$250 |
| iii. May 16-June 30* | |
| e. Replace taxicab plate | \$25 |
| f. Special inspection fee** | \$100/hour (½ hour minimum) |
| g. Inspection rescheduling fee (non-City license) | \$25 |
| h. Taxicab change of association affiliation | \$100 |
| i. Change of licensee corporation, limited liability members | \$100 |
| j. Taximeter test (when not part of annual inspection) | \$50 |
| * No change of taxicab licensee or for hire vehicle licensee fee is due if the transfer occurs before or for hire vehicle licensee and the annual license renewal are accomplished together and only once. | |
| ** For testing of taxicab meter or taxicab inspections provided to other municipalities. | |
| 3. For-hire driver license fees: | |
| a. Annual fee Late fee | \$50 \$15 |
| b. Replacement license | \$5 |
| c. Other training and licensing fees (fingerprinting, ID photo, background check): Charge as determined by the Department of Transportation. | |

* * *

Section 8. Sections 6.310.200 through 6.310.255 of the Seattle Municipal Code, last amended or enacted by Ordinances 124524, 121357, and 118341, are repealed:

~~((6.310.200 Taxicab association license application~~

~~A. Any business or individual desiring to operate as a taxicab association within The City of Seattle shall file with the Director a signed and notarized taxicab association application, on forms approved by the Director. The application shall include the following information:~~

~~1. The applicant taxicab association's name, business street address and Post Office box address (if any), business facsimile number, business phone number where the taxicab association representative can generally be reached between nine a.m. (9:00 a.m.) and five p.m. (5:00 p.m.) on all nonholiday weekdays, and FCC licensed frequencies used for dispatch or response;~~

~~2. The form of business entity under which the association will operate (e.g. corporation, partnership, cooperative association);~~

~~a. If the applicant taxicab association is individually owned, the name, business address (or home address if no business address), telephone number and date of birth of the owner, or~~

~~b. If the applicant taxicab association is a corporation, partnership or other business entity, the names, home and business addresses, telephone numbers, and date of birth of all officers, directors, general and managing partners, registered agents, and of all other persons vested with authority to manage or direct the affairs of the legal entity or to bind the legal entity in dealings with third parties, and the entity's true legal name, state of incorporation or registration with the Secretary of State of the State of Washington (if any) and State of Washington business license number, and any other information that the Director may reasonably require;~~

~~3. The color scheme the applicant taxicab association proposes to require for each affiliated~~

~~taxicab, and two (2) two-inch (2") by two-inch (2") sample color chips;~~

~~4. The name, address, phone number and date of birth of the taxicab association representative;~~

~~5. The taxicab number (assigned by the City/County) and the name of each taxicab vehicle owner that will be affiliated with the taxicab association;~~

~~6. The special and/or contract rates that will be charged by taxicabs affiliated with the taxicab association; and~~

~~7. Any other information required by regulations adopted pursuant to this chapter.~~

~~8. The above application and information must be completed for each annual license renewal.~~

~~B. All applications submitted to the Director must be accompanied by the license fee set forth in SMC Section 6.310.150.~~

~~C. The taxicab association applicant or licensee must inform the Director in writing within seven (7) days if any of the information provided pursuant to subsection A of this section changes, ceases to be true or is superseded in any way by new information.~~

~~6.310.210 Taxicab association Standards for license denial.~~

~~A. The operation of a taxicab association is a privilege, not a right. The taxicab association's ability to satisfy stated criteria for a taxicab association license does not create a right to a taxicab association license.~~

~~B. The Director shall deny any taxicab association license application if the Director determines that:~~

~~1. The applicant does not represent at least fifteen (15) affiliated taxicabs;~~

~~2. The application has a material misstatement or omission;~~

~~3. The application is incomplete; and/or~~

~~4. Within three (3) years of the date of application, the applicant, or any owner, officer, director, managing partner, general partner or principal of the applicant, has had a bail forfeiture, conviction or other final adverse finding for crimes of fraud, theft, larceny, extortion, embezzlement, racketeering, Uniform Controlled Substances Act, prostitution, alcohol and/or narcotics where the commission of such crime(s)~~

~~involved a taxicab association, taxicab or for hire vehicle company, taxicab, for hire vehicle or limousine.~~

C. ~~The Director may deny any taxicab association license application if the Director determines that, within five (5) years of the date of application, the taxicab association applicant, or if the taxicab association applicant is a business entity, any officer, director, managing partner, general partner, registered agent or principal of the taxicab association:~~

~~1. Within five (5) years of the date of application, has had a bail forfeiture, conviction or other final adverse finding involving crimes directly related to the applicant's ability to operate a taxicab association, including but not limited to prostitution, gambling, fraud, larceny, extortion, income tax evasion; and/or~~

~~2. Has exhibited past conduct, as evidenced by a criminal conviction, bail forfeiture or other final adverse finding (including in a civil suit or administrative proceeding) in operating a taxicab association, business or vehicle that would lead the Director to reasonably conclude that the applicant will not fulfill the taxicab association responsibilities and requirements set forth in this chapter.~~

~~6.310.220 Taxicab association Approval of color scheme and uniform.~~

~~The Director shall have final approval over the taxicab association's color scheme and uniform, in order to ensure that there is no risk of confusion between the colors of different taxicab associations, and to ensure that the uniform meets the standards of SMC Section 6.310.200 A3 and 4.~~

~~6.310.225 Taxicab association Wearing costume.~~

~~Notwithstanding the uniform requirements of SMC 6.310.200A4, a taxicab association may permit a driver to wear a costume, which may include several color and style variations, upon a written request of a driver and if each of the following requirements is met:~~

~~1. The costume depicts a readily identifiable and generally well known public figure, personality or fictional character.~~

~~2. The costume covers the body at least to the same extent as the regular uniform of the association.~~

~~3. The costume does not include a full or partial mask.~~

~~4. The costume does not include facial make-up or other feature that obscures facial characteristics in such a way as to impair matching the driver's face with the picture on the for-hire driver license.~~

~~5. The costume does not depict a police officer, fire officer or any other public safety officer.~~

~~6. The costume will not interfere with the driver's ability to provide professional, safe and secure transportation to customers.~~

~~7. Other than not being a uniform, the costume will not interfere with the driver's responsibilities to comply with for-hire driver standards set forth in Sections SMC 6.310.450 through 475.~~

~~8. The association has provided the Director a brief description of the costume along with a photograph of the driver wearing the costume.~~

~~The Director shall provide a report to the Council Transportation Committee by August 1, 2004 regarding the number and types of costumes allowed pursuant to this section and the impact of the use of costumes upon the taxicab industry.~~

~~6.310.230 Taxicab association operating responsibilities~~

~~In addition to meeting the license application requirements set forth in Section 6.310.200, the taxicab association must:~~

~~A. Maintain a business office that:~~

- ~~1. Is open and personally staffed all business days between 9 a.m. and 5 p.m. (Class A),~~
- ~~2. Has a local Seattle business telephone number and must be answered during all hours that affiliated taxicabs are operating (Class A),~~
- ~~3. Has a mailing address where the taxicab association representative will accept mail (Class A),~~
- ~~4. Stores all records that this chapter requires the taxicab association to maintain including, but not limited to, copies of taxicab licenses and for-hire drivers licenses, lists of all affiliated taxicabs and affiliated drivers, taxicab vehicle repair and service records, passenger comment cards, new driver training records, vehicle insurance policies, vehicle registrations, taxicab sign-out log or equivalent, and~~

~~radio/computer/application dispatch records (Class A – each requirement),~~

~~5. Provides secure storage for all items left in the taxicab by patrons and turned in by drivers of affiliated taxicabs (Class A), and~~

~~6. Provides radio or computer dispatch during all hours that affiliated taxicabs are operating, and every request for service must be satisfied as long as there are any operating taxicabs not in use; except that associations and for hire drivers that refuse service pursuant to SMC 6.310.465 L shall not be subject to any penalties by the Director, or, in the case of for hire drivers, by the association (Class B – both requirements);~~

~~B. Ensure that each affiliated taxicab is insured as required in SMC Sections 6.310.300 D5-6 and 6.310.320 D (Class B);~~

~~C. Ensure that each affiliated taxicab maintains the taxicab association's color scheme and identification (Class B);~~

~~D. Maintain on file at the taxicab association's place of business proof of insurance required by SMC Sections 6.310.300 C5-6 and 6.310.320 D (Class A);~~

~~E. Accept on behalf of any taxicab licensee or driver of an affiliated taxicab all correspondence from the Director to that taxicab licensee or driver (Class A);~~

~~F. Send, by first class mail, to the taxicab licensee and for hire driver of an affiliated taxicab any correspondence from the Director within five business days after the taxicab association receives such correspondence and keeps a written record of the mailings (Class A);~~

~~G. Collect, store, and quarterly provide reporting documents to the Director as outlined in Section 6.310.540.~~

~~H. Notify the Director within two working days of the taxicab association having knowledge of the following:~~

~~1. A conviction, bail forfeiture or other adverse finding received by the driver or the taxicab licensee of an affiliated taxicab for any criminal offense or traffic violation that occurs during or arises out of~~

~~the driver's operation of the taxicab (Class A for traffic violation, Class B for any criminal offense);~~

~~2. A conviction, bail forfeiture or other adverse finding received by the driver or the taxicab licensee of an affiliated taxicab for any other criminal offense directly bearing on the driver's fitness to operate a taxicab or the taxicab licensee's fitness to be licensed, including but not limited to theft, fraud, robbery, burglary, assault, sex crimes, alcohol, drugs, or prostitution (Class B);~~

~~3. A vehicle accident required to be reported to the State of Washington involving any affiliated taxicab (Class B);~~

~~4. Any restriction, suspension or revocation of a State of Washington driver's license issued to a driver of an affiliated taxicab (Class B), and/or~~

~~5. Any matter listed in SMC Section 6.310.210 B4 or 6.310.210 C (Class B);~~

~~I. Notify the Director within five working days of any change in the affiliation status of any taxicab, including any new taxicab joining the association, any taxicab leaving the association, and any suspension, termination, nonrenewal or revocation of a taxicab by the taxicab association or by any jurisdiction other than The City of Seattle (Class A);~~

~~J. Continue to affiliate with at least 15 taxicabs licensed under this chapter. If the number of taxicabs falls below 15, the taxicab association must increase the number to 15 within six months from the date the number falls below 15, or combine with an already existing association, or lose its license under this chapter (revocation or nonrenewal);~~

~~K. Comply with all regulations promulgated pursuant to this chapter (see applicable rules for penalties or actions);~~

~~L. Permit the Director to carry out inspections without notice of all taxicab records required to be kept under this chapter, and all affiliated taxicabs (Class B);~~

~~M. Pay all penalties imposed by the Department that are either not contested or are upheld after review (revocation of license);~~

~~N. Provide a supervisor at a taxicab zone whenever such zone is used by affiliated taxicabs if the Director determines that it is necessary due to: (1) complaints received from passengers and adjacent property owners, or (2) improper use of nearby passenger load zones, truck load zones, and charter bus zones. If the taxicab association fails to provide a supervisor as required by the Director, the Director may suspend all affiliated taxicabs from using the taxicab zone (first offense—Class B violation and fourteen-day suspension from taxicab zone; second and subsequent offenses—Class B violation and sixty-day suspension from taxicab zone); and~~

~~O. Determine whether an affiliated driver, who has been the victim of a crime of assault or robbery, has reported the crime to 911. If not, the taxicab association shall call 911 and report the crime immediately (Class B).~~

~~P. Prior to providing taxicab services and annually thereafter, require every affiliated vehicle to undergo a uniform vehicle safety inspection, approved by the Director, that utilizes approved mechanics who shall certify in writing that the vehicle is mechanically sound and fit for driving. The approved mechanic is responsible for checking that the plates, decals, customer notices, and other markings, as required and supplied, if applicable, by the City are legible and properly displayed as specified by the Director by rule. Taxicab associations shall maintain vehicle inspection records. (revocation and Class C).~~

~~6.310.240 Taxicab association—Transfers in the interest of a taxicab association.~~

~~A taxicab association license is not transferable. However, an interest in a business entity holding a taxicab association license may be transferred, but only after the new owner or principal has submitted an application, met the standards and requirements contained in Sections 6.310.200, 6.310.205, and 6.310.210, and secured written approval of the Director.~~

~~6.310.250 Taxicab association—License renewals.~~

~~A taxicab association license is valid for no more than one (1) year and expires on December 31st. No taxicab association license may be renewed unless the renewal fee has been paid and all outstanding penalties assessed~~

~~against the taxicab association, its affiliated taxicabs and the for-hire drivers of affiliated taxicabs have been paid to the Director. The Director shall not renew the taxicab association license unless the Director determines that the taxicab association's continued operation is in the public interest. All denials of renewal applications must be set forth in writing, together with the reasons for denial. The written denial shall be delivered either personally or by first class mail to the address provided by the applicant on the license renewal application.~~

~~**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.))~~

Section 9. Section 6.310.260 of the Seattle Municipal Code, last amended by Ordinance 125082, is amended 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.

1. To be eligible for a license, the transportation network company is limited to providing application dispatch services to transportation network company drivers meeting the requirements set forth in Section 6.310.452; further, no TNC licensed by the City of Seattle shall own or be owned or controlled, in whole or in part, by any other TNC licensed by the City of Seattle, or be owned or controlled in whole or in part by any party or entity owning or controlling, in whole or in part, another TNC licensed by the City of Seattle;

provided that no ownership restrictions shall apply to any publicly-traded company.

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;

b. The form of business entity under which the TNC will operate (e.g. corporation, partnership, or cooperative association);

i. If the applicant transportation network company is individually owned, the name, business address (or home address if no business address), telephone number, and date of birth of the owner, or

ii. If the applicant transportation network company is a corporation, partnership or other business entity, the names, business addresses, telephone numbers, and date of birth of the person or persons vested with authority to manage or direct the affairs of the legal entity in Seattle or to bind the legal entity in dealings with third parties, and the entity's true legal name, state of incorporation or registration with the Secretary of State of the State of Washington (if any) and State of Washington business license number, and any other information that the Director may reasonably require;

c. Verification that applicant uses only one application dispatch system, as approved by the Director;

d. The trade dress the applicant transportation network company proposes to use, if any, for each affiliated driver's vehicle, with a photo of the trade dress submitted with the application. The trade dress may be placed on the vehicle body, but not on the roof or covering any windows, vehicle lights, or obscuring the view of any mirrors, and cannot exceed four square feet;

e. The name, address, phone number, and date of birth of the transportation network

company representative;

f. The registered owners of vehicles with a transportation network company endorsement, or the transportation network company on behalf of the registered owner must have on file with the City evidence that each vehicle has an insurance policy or binder proving compliance with State insurance requirements effective at that time. The insurance policy, and any related driver contracts if applicable, must be submitted to the Director. The TNC shall provide evidence that each vehicle affiliated with a transportation network company has insurance in an amount no less than required by RCW 46.72.050 and underinsured motorist coverage indicating a minimum coverage of \$100,000 per person, and \$300,000 per accident or in an amount no less than required by ((chapter 48.177)) RCW 46.72B.180, at any time while active on the TNC dispatch system. The insurance policy shall:

i. Be issued by an admitted carrier in the State of Washington with an A.M. Best Rating of not less than B VII or show evidence that an exemption has been met allowing for the use of a surplus line insurer; provided however, that the Director may temporarily suspend any or all of these requirements if no other viable insurance options are available to the industry,

ii. Name The City of Seattle as an additional insured,

iii. Provide that the insurer will notify the Director, in writing, of any cancellation and/or non-renewal at least 30 days before that cancellation and/or non-renewal takes effect, and

iv. Not include aggregate limits, or named driver requirements or exclusions.

Other limitations or restrictions beyond standard insurance services office (ISO) business auto policy form are subject to approval by the Director.

g. State ((of Washington)) issued vehicle registration for each vehicle affiliated with the transportation network company.

h. Certificate of a uniform vehicle safety inspection for each vehicle affiliated with the transportation network company as required in subsection 6.310.270.R.

- i. Any other information required by regulations adopted pursuant to this Chapter 6.310.
- j. The above application and information must be completed for each annual license

renewal.

B. The TNC license fee shall be paid as set forth in Section 6.310.150.

C. The transportation network company applicant or licensee must inform the Director in writing within seven days if any of the information provided pursuant to Section 6.310.260.A changes, ceases to be true or is superseded in any way by new information.

D. A transportation network company license is valid for no more than one year. No transportation network company license may be renewed unless all outstanding penalties assessed against the transportation network company and its affiliated drivers have been paid to the Director. The TNC license renewal fee shall be paid as set forth in Section 6.310.150.

Section 10. Section 6.310.270 of the Seattle Municipal Code, enacted by Ordinance 124524, is amended 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:

* * *

K. Notify the Director within two working days of the TNC having knowledge of the following:

1. A conviction, bail forfeiture or other adverse finding received by a TNC driver for any criminal offense or traffic violation that occurs during or arises out of the driver's operation of the vehicle while active on any TNC dispatch (Class A for traffic violation, Class B for any criminal offense),

2. A conviction, bail forfeiture or other adverse finding received by a TNC driver for any other criminal offense directly bearing on the driver's fitness to operate a vehicle or the affiliated driver's fitness to be licensed, including but not limited to theft, fraud, robbery, burglary, assault, sex crimes, alcohol, drugs, or prostitution (Class B),

3. A vehicle accident required to be reported to ~~((the State of Washington))~~ a state agency involving any TNC driver (Class B),

4. Any restriction, suspension or revocation of a ~~((State of Washington))~~ state issued driver's license issued to a TNC driver (Class B), and/or

5. Any matter listed in subsections 6.310.265.B.9 or 6.310.265.C (Class B);

* * *

Section 11. Sections 6.310.300 through 6.310.320 of the Seattle Municipal Code, last amended or enacted by Ordinances 125082, 124524, 122763, and 118341, are repealed:

~~**(6.310.300 Taxicab and for hire vehicle license application**~~

~~A. A taxicab association representative, on behalf of a taxicab license applicant affiliated with the taxicab association, is responsible for filing with the City a taxicab license application, on forms approved by the Director, for each taxicab that is, or is proposed to be, affiliated with the association. The applicant must be the registered owner of the vehicle to be used as a taxicab or for hire vehicle. The taxicab license applicant must sign and swear to the application, which shall include the information specified in subsection C of this section.~~

~~B. A for hire vehicle owner must file with the City a for hire vehicle license application on forms provided by the Director.~~

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

~~1. Applicant type:~~

~~a. If the applicant is an individual, the vehicle owner's full name, home address, home and business telephone number, and date of birth (which shall be at least 18 years prior to the date of application); or~~

~~b. If the applicant is a corporation, limited liability company, partnership or other legal entity, the names, home addresses, telephone numbers and dates of birth (which must be at least 18 years before~~

~~the date of application) for the corporation's or entity's officers, directors, general and managing partners, registered agents, and each person vested with authority to manage or direct the affairs of the legal entity or to bind the legal entity in dealings with third parties; the corporation's, limited liability company's, partnership's, or entity's true legal name, state of incorporation or partnership registration (if any), business address and telephone and facsimile numbers and State of Washington business license number, and any other information that the Director may reasonably require.~~

~~2. Vehicle information, including the name of the taxicab association with which a taxicab is or will be affiliated, the taxicab or for hire vehicle number assigned by any regulatory agency, the make, model, year, vehicle identification number, Washington State vehicle license plate number, and any other vehicle information required by rule or regulation promulgated under this Chapter 6.310.~~

~~3. Information as requested by the Department pertaining to any driver's, for hire vehicle or taxicab license suspension, denial, nonrenewable or revocation, imposed in connection with a taxicab or for hire vehicle owned or leased by the vehicle owner within the last three years.~~

~~4. Consent of the vehicle owner, or if the vehicle owner is a business entity, of the persons specified in subsection 6.310.C.1.b 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. An insurance policy filed with the City proving compliance with chapter 46.72 RCW, as now or hereafter amended, or Chapter 48.177 RCW as now or hereafter amended if approved by the Director for the limited purpose of determining minimum insurance compliance, for each taxicab or for hire vehicle for which a license is sought. The insurance policy shall:~~

~~a. Be issued by an admitted carrier in the State of Washington with an A.M. Best's Rating of not less than B and be not less than A.M. Best's Financial Size Category VII; provided however, that the Director may temporarily suspend any or all of these requirements if no other viable insurance options are~~

available to the industry;

b. Name The City of Seattle as an additional insured;

c. Provide that the insurer will notify the Director, in writing, of any cancellation at least 30 days before that cancellation takes effect, and

d. Not include aggregate limits, or named driver requirements or exclusions. Other limitations or restrictions beyond standard insurance services office (ISO) business auto policy form are subject to approval by the Director.

6. Certificate of underinsured motorist coverage indicating a minimum coverage of \$100,000 per person, and \$300,000 per accident.

7. State of Washington vehicle registration.

8. Certificate of vehicle safety based on a uniform vehicle safety inspection as required in subsection 6.310.320.E.

9. Certificate of taxicab association membership (if application is for a taxicab license).

10. Any other documents required by regulations promulgated under this Chapter 6.310.

11. The above application and information must also be completed and supplied during any annual license renewal. The City will not process a taxicab or for hire vehicle license application if any required information or documentation is missing or incomplete. Completed applications and copies of required documentation shall be provided to the City by the taxicab association, for hire vehicle company, or for hire vehicle licensee.

D. The taxicab association applicant must inform the Director in writing within seven (7) days if any of the information provided pursuant to subsection C changes, ceases to be true or is superseded in any way by new information.

~~6.310.310 Taxicab and for hire vehicle Standards for license denial.~~

A. ~~The Director shall deny any taxicab or for hire vehicle owner license application if the Director~~

determines that:

1. The applicant has failed to submit a complete, satisfactory application pursuant to SMC Section 6.310.300;
2. The applicant taxicab owner has failed to affiliate with a licensed taxicab association;
3. The applicant has made any material misstatement or omission in the application for a license;
4. The applicant fails to meet one or more of the applicant or vehicle requirements of a taxicab or for hire vehicle owner licensee pursuant to SMC Section 6.310.320; and/or
5. Within three (3) years of the date of application, the applicant, or if the applicant is a business entity any officer, director, general partner, managing partner or principal of the applicant, has had a conviction, bail forfeiture or other final adverse finding of criminal fraud, larceny, theft, prostitution, extortion, racketeering, robbery, or violation of the Uniform Controlled Substances Act within three (3) years of the date of application where such crime involved the use of a taxicab, for hire vehicle or limousine.

B. The Director may deny any taxicab or for hire vehicle owner license application if the Director determines that:

1. Within five (5) years of the date of application, the applicant or, if the applicant is a business entity, any officer, director, general partner, managing partner or principal of the applicant, has had a conviction, bail forfeiture, or other final adverse finding involving crimes reasonably related to the applicant's ability to operate a taxicab or for hire business, including but not limited to prostitution, gambling, fraud, larceny, extortion, income tax evasion;
2. Within two (2) years of the date of application, the applicant, or if the applicant is a business entity any officer, director, general partner, managing partner or principal of the applicant, has been found, either through a criminal conviction, bail forfeiture or other final adverse finding (including in a civil suit or administrative proceeding) to have exhibited past conduct in driving or operating a taxicab or for hire vehicle or operating a taxicab or for hire business which would lead the Director to reasonably conclude that the

~~applicant will not comply with the provisions of the chapter related to vehicle requirements and the safe operation of the vehicle;~~

~~3. Within two (2) years of the date of application, the applicant, or if the applicant is a business entity any officer, director, general partner, managing partner or principal of the applicant, has engaged in the business of operating any taxicab or for-hire vehicle within The City of Seattle without a current valid license from The City of Seattle;~~

~~4. Within twelve (12) months of the date of application, the applicant has violated and/or caused or knowingly permitted a driver to violate, any King County or Port of Seattle ordinance or regulation pertaining to the operation of taxicabs while in those jurisdictions, if such violation would constitute grounds for license revocation or denial if occurring within the City; and/or~~

~~5. Within twelve (12) months of the date of application, the applicant has had its City of Seattle taxicab or for-hire vehicle license revoked.~~

~~**6.310.315 Taxicab and for-hire vehicle Vehicle lease requirements.**~~

~~A. All lease agreements for taxicabs shall be in writing, and the lessor shall file the original lease agreement with the Director prior to the effective date of the lease in a manner specified by rule adopted by the Director.~~

~~B. The lease amount charged to a driver shall not exceed the maximum amount established by rule adopted by the Director. In determining the maximum lease amount, the Director shall consider vehicle purchase prices, the cost of insurance premiums, fuel costs, and variations in the Consumer Price Index evaluated over a twenty-four (24) month time period preceding the determination of the lease amount, and may consider any other factors that may affect the market for taxicab leases or that may affect the provision of taxicab services. Data collected to support the creation of this rule shall be provided in a written report to Council prior to the effective date of the rule. The report shall include a description of the public outreach process used in rule-making.~~

~~C. A taxicab lease shall require the driver to pay only the lease charge, and may not include any other expenses, including but not limited to:~~

- ~~1. Vehicle purchase,~~
- ~~2. Vehicle repairs or maintenance,~~
- ~~3. Vehicle registration,~~
- ~~4. Vehicle insurance,~~
- ~~5. Taxicab association dispatch fees,~~
- ~~6. Notice of violation monetary penalties for violations of vehicle standards,~~
- ~~7. Vehicle damage deposits, or~~
- ~~8. Any other expense or deposit.~~

~~D. All violations of the requirements under subsections A through C of this section shall be Class C violations charged against the lessor. Upon satisfaction of the notice and hearing requirements under SMC Section 6.310.635, any lessor who is found to have committed a violation shall be subject to a 14-day taxicab license suspension for the first offense, a 60-day taxicab license suspension for the second offense, and thereafter, shall be subject to revocation of the taxicab license if found to have committed a third offense. The penalties imposed by this section shall apply regardless of the time period in which cumulative violations occur.~~

~~E. Subleasing taxicabs is prohibited (14-day for-hire driver license suspension and Class B).~~

~~F. By September 1, 2010, the Director shall provide a written report to the City Council concerning taxicab leases. The written report shall include an analysis of the effects of Subsections A-C on taxicab service and on the business of providing taxicab transportation services in Seattle, and shall include the Director's recommendations regarding the ongoing regulation of taxicab leases.~~

~~6.310.320 Taxicab and for-hire vehicle vehicle operating requirements~~

~~No taxicab or for-hire vehicle, unless otherwise specifically provided herein, licensed by the City may lawfully operate within The City of Seattle unless the following minimum vehicle requirements are met:~~

~~A. All applicable licenses specified in Section 6.310.130 are in force for the taxicab or for hire vehicle (Misdemeanor or Class C);~~

~~B. For taxicabs only, and subject to subsection 6.310.230.C, the vehicle complies with the approved color scheme of the taxicab licensee's taxicab association (suspension and Class B);~~

~~C. The vehicle model year can be no more than ten years prior to the license date (denial of license);~~

~~D. The vehicle has insurance as required by 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 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;~~

~~F. The taxicab or for hire vehicle meets the vehicle and safety standards set forth in regulations promulgated by the Director (Class A for vehicle standards, summary suspension and Class B for safety standards);~~

~~G. The taxicab or for hire vehicle displays a taxicab or for hire vehicle license with a current year decal issued by the Director (suspension and Class B);~~

~~H. All public rates, including discounts or special rates, and all taxicab numbers and letters are displayed in the manner prescribed by rule or regulation promulgated pursuant to this chapter (Class A);~~

~~I. The vehicle contains the following current documentation: the county and/or city taxicab or for hire vehicle license, the vehicle registration, and the proof of insurance card (Class A);~~

~~J. The taxicab is equipped to accept credit cards (Class A);~~

~~K. The taxicab is equipped with a properly sealed, working, and accurate receipt issuing taximeter or~~

~~receipt-issuing mobile data terminal or receipt-issuing application dispatch system, as prescribed by the Director (suspension and Class B).~~

~~L. The taxicab or for hire vehicle is equipped with a passenger information decal, the size, material, and placement of which is prescribed by the Director by rule. Such decal shall include the taxicab or for hire vehicle name and number and the taxi complaint hotline telephone number. A passenger information notice in Braille and raised lettering must be installed as prescribed by the Director by rule. Passenger survey and complaint cards must be available to passengers in the rear passenger seating area (Class A—each);~~

~~M. The taxicab contains no scanner or other type of receiver that is capable of monitoring another Taxicab Association's assigned frequency, except as otherwise permitted by the Director (suspension and Class B);~~

~~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);~~

~~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 trunk of that vehicle a color distinct from the yellow, orange, or green used by taxicabs. (summary suspension and Class B)~~

~~3. The for hire vehicle 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. (Class C);~~

~~P. The for hire vehicle must have a vehicle number approved with the Director (summary suspension~~

~~and Class B);~~

~~Q. The for-hire vehicle must be clearly marked as "flat rate" on its exterior (summary suspension and Class B);~~

~~R. Signs, including notices, announcements, pictures, advertisements or other messages, are allowed in or on taxicabs only as prescribed by this Chapter and by rule promulgated by the Director concerning the manner in which such signs may be displayed, including, but not limited to, requirements concerning the number of signs per vehicle, placement on or within vehicles, size limitations, and devices or mechanisms used to display such signs (Class A);~~

~~S. The taxicab or for-hire vehicle must be equipped with a monitored silent alarm system approved by the Director pursuant to specifications provided by rule and adopted by the Director (summary suspension and Class B);~~

~~T. The taxicab or for-hire vehicle must be equipped with a monitored Global Positioning System (GPS) pursuant to specifications contained in a rule promulgated by the Director (summary suspension and Class B);~~

~~U. The taxicab must maintain a continuous connection between the taximeter and the computer dispatch system or between the taximeter and the application dispatch system, if such system is installed (five-day suspension and Class B);~~

~~V. A top light may only be used by taxicabs;~~

~~W. Any other requirements set forth in regulations adopted pursuant to this chapter (safety regulations-Class B; nonsafety regulations-Class A).))~~

Section 12. Section 6.310.325 of the Seattle Municipal Code, enacted by Ordinance 124524, is amended 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:

* * *

F. The vehicle model year can be no more than ~~((ten))~~ 15 years prior to the license date under RCW 46.72B.070, as amended.

Section 13. Section 6.310.327 of the Seattle Municipal Code, enacted by Ordinance 124524, is amended as follows:

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

* * *

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:

1. Name, aliases, residence and business address, residence and business telephone numbers;
2. Place and date of birth which shall be at least ~~((21))~~ 20 years prior to the date of application, height, weight, color of ~~((hair and))~~ eyes;
3. ~~((Washington))~~ State issued driver's license number. Providing the social security number is optional. The applicant must present his/her ~~((Washington State))~~ state issued driver's license at time of application;
- ~~((4. Proof that the applicant is authorized to work in the United States;))~~ Reserved.
5. Evidence of vehicle insurance as required by Section 6.310.260; (denial of endorsement)
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 (denial of endorsement); and
8. Proof that applicant's vehicle model year is no more than ~~((ten))~~ 15 years prior to the license date. (denial of endorsement)

9. Such other information as may be reasonably required by regulation promulgated under this chapter.

10. The above application and information must also be completed and supplied during any annual license renewal. The City will not process a TNC endorsement application if any required information or documentation is missing or incomplete. Completed applications and copies of required documentation shall be provided to the City by the TNC, taxicab association, for-hire vehicle company or by the for-hire vehicle licensee.

Failure to meet any of these requirements shall result in the denial of the issuance of the TNC vehicle endorsement. All denials or revocations of TNC vehicle endorsement applications must be set forth in writing, together with the reasons for denial or revocation. The written denial shall be delivered either personally or by first class mail to the address provided by the applicant on the license renewal application.

* * *

Section 14. Sections 6.310.330 through 6.310.380 of the Seattle Municipal Code, last amended or enacted by Ordinances 124524, 122763, 119872, and 118341, are repealed:

~~((6.310.330 Taxicab licensee and for-hire vehicle licensee responsibilities~~

~~A. The licensee of a taxicab or for-hire vehicle must personally verify that the taxicab or for-hire vehicle is being operated only by a driver who holds a valid for-hire driver's license (suspension (five days) and Class B).~~

~~B. The taxicab or for-hire vehicle licensee must maintain an address where the licensee can accept mail, and a telephone in working order. The taxicab association office or dispatch center may suffice for this requirement (Class A).~~

~~C. The taxicab licensee shall comply with all requirements for taxicabs under the taxicab association requirements listed in Sections 6.310.200-6.310.330 (same Class violation as applied to association for same violation, except that penalty for licensee will be monetary penalty only).~~

~~D. The taxicab or for-hire vehicle licensee must notify the Director within three working days of learning of the following occurrences:~~

~~1. Any conviction, bail forfeiture or other final adverse finding received by the taxicab driver or for-hire vehicle driver, for any criminal offense that occurs during, or arises out of, the driver's operation of a taxicab or for-hire vehicle (Class B);~~

~~2. Any conviction, bail forfeiture or other final adverse finding received by the taxicab or for-hire vehicle driver for any criminal offense involving theft, robbery, burglary, assault, sex crimes, drugs, prostitution, or any related offense (Class B);~~

~~3. Any vehicle accident required to be reported to the State of Washington involving any taxicab operated by the taxicab driver or for-hire vehicle operated by the for-hire driver (Class B); or~~

~~4. Any restriction, suspension or revocation of the taxicab or for-hire vehicle driver's motor vehicle driver's license (Class B).~~

~~E. The taxicab or for-hire vehicle licensee must maintain daily trip records, in accordance with Section 6.310.540, as prescribed by the Director by rule for all licensed vehicles. A taxicab licensee must insure that all original daily trip records are given to the taxicab association representative at least weekly. The for-hire vehicle licensee must keep daily trip records in accordance with SMC Section 6.310.540 for a minimum of two years. The for-hire vehicle licensee must provide to the Director, through their association representative, quarterly reporting information in accordance with Section 6.310.540.~~

~~F. The taxicab or for-hire vehicle's licensee and driver shall permit the Department to inspect the vehicle without notice, upon request (suspension and Class B).~~

~~G. The licensee of a taxicab or for-hire vehicle must ensure that the for-hire driver complies with operating and conduct standards per SMC Sections 6.310.450-6.310.475 (same class of violation as for the for-hire driver).~~

~~H. The taxicab or for-hire vehicle licensee shall comply with any applicable regulations promulgated~~

~~under this chapter (Class B for safety requirements, otherwise Class A).~~

~~I. The taxicab or for-hire vehicle licensee shall ensure that all inspection times scheduled by the Director, if applicable, are kept (suspension, \$50 monetary penalty and two (2) penalty points).~~

~~J. Prior to providing for-hire vehicle services and annually thereafter, require every affiliated vehicle to undergo a uniform vehicle safety inspection, approved by the Director, that utilizes approved mechanics who shall certify in writing that the vehicle is mechanically sound and fit for driving. The approved mechanic is responsible for checking that the plates, decals, customer notices, and other markings, as required and supplied, if applicable, by the City are legible and properly displayed as specified by the Director by rule. For-hire vehicle companies or for-hire vehicle licensees shall maintain vehicle inspection records (revocation and Class C). The taxicab or for-hire vehicle licensee shall comply with any written notice of violation issued by the Director, including notices suspending or revoking a vehicle license, and notices requiring repair (suspension and Class B).~~

~~K. A wheelchair accessible taxicab licensee must personally drive the vehicle a minimum of 30 hours per week for at least forty weeks per year for a period of three years following the date of issuance of a new wheelchair taxicab license (wheelchair taxicab license revocation). If a licensee fails to fulfill the minimum use requirement in any one year period within the three year period following the date of issuance, the license shall be subject to revocation. This subsection shall take effect and be in force retroactively as of the effective date of this ordinance.~~

~~L. After December 31, 2007, new taxicab licenses shall be issued to single individuals only, and no corporation, limited liability company, or partnership shall obtain any license held by an individual until the expiration of a period of three years following the original date of issuance to the individual licensee currently holding the license; provided, however, that new taxicab licenses may be issued to and be held by the following business entities:~~

- ~~1. Corporations held by a single shareholder provided that the taxicab must be personally~~

~~operated by the single shareholder for a period of three years from the date of issuance of the license and the ownership of the shares of the corporation cannot be changed within the three-year period. Any change of ownership of shares of the corporation shall result in revocation of the license.~~

~~2. Limited liability companies comprised of a single member provided that the taxicab must be personally operated by the single member for a period of three years from the date of issuance of the license and no change of membership may take place within the three-year period. Any change of membership of the limited liability company shall result in revocation of the license.~~

~~For a period of three years following the date of issuance of a new taxicab license, all new taxicab licensees must personally drive the taxicab for a minimum use requirement of 30 hours per week for a minimum of 40 weeks per year (taxicab license revocation). If a licensee fails to fulfill the minimum use requirement in any one year period within the three-year period following the date of issuance, the license shall be subject to revocation. Taxicab licensees shall provide to the Director, directly or through their association representative, quarterly reporting information in accordance with Section 6.310.540.~~

~~3. At the time of the transfer of any taxicab license occurring after August 1, 2008, the transferor (s) and transferee(s) of the license shall report to the Director the amount of consideration, if any, paid by the transferee to the transferor in exchange for the transfer of the license. The amount of consideration shall be reported in a manner determined by rule promulgated by the Director. The failure to report, or the reporting of false information, shall be grounds for suspension or revocation of the license. In creating and maintaining records of the amount of consideration paid, the Director shall not identify the transferees and transferors, nor shall the Director require the submission of any records that identify the transferees and transferors.~~

~~4. This section 6.310.330 shall take effect and be in force retroactively as of the effective date of this ordinance.~~

~~M. A taxicab licensee shall not change the totalizer readings on the taximeter (Class A).~~

~~6.310.340 Taxicab and for-hire vehicle license transfer~~

~~A for-hire vehicle or taxicab license may be transferred subject to the following restrictions and/or conditions:~~

~~A. New taxicab licenses issued after December 31, 2007 are not transferable for a period of three years from the original date of issuance. This subsection shall take effect and be in force retroactively as of the effective date of this ordinance.~~

~~B. Wheelchair accessible taxicab licenses issued for 2006-2008 demonstration projects are nontransferable.~~

~~C. No transfer of a for-hire vehicle or taxicab license can take effect until all outstanding penalties assessed against the for-hire vehicle or taxicab licensee and/or any driver of the for-hire vehicle or taxicab are paid in full to the Director.~~

~~D. The proposed transferee must submit a for-hire vehicle or taxicab license application according to the standards set forth in SMC Section 6.310.300. The standards for denial set forth in SMC Section 6.310.310 apply to proposed transfers.~~

~~E. Transfers shall not become effective, and the proposed transferee may not operate the taxicab or for-hire vehicle, until the proposed transferee receives the taxicab or for-hire vehicle license.~~

~~F. For taxicabs or for-hire vehicles with both Seattle and King County taxicab licenses, both licenses must be transferred together. When a King County taxicab license is transferred but not the Seattle taxicab license, the Seattle taxicab license shall be deemed abandoned and void, and shall be revoked by the City.~~

~~**6.310.350 Taxicab and for-hire vehicle License expiration and renewal.**~~

~~A. All taxicab and for-hire licenses shall be issued for a period of one year and shall expire on June 30 of the year following issuance of the license.~~

~~B. Each taxicab or for-hire vehicle licensee must renew the for-hire vehicle or taxicab license every year. No taxicab or for-hire vehicle license may be renewed unless all outstanding penalties assessed against the taxicab or for-hire vehicle licensee or the for-hire driver of the taxicab or for-hire vehicle are paid in full to the Director.~~

~~C. The Director shall grant all timely submitted and completed renewal applications of qualified licensees; provided, however, that the Director shall deny any renewal application if grounds exist for the Director to deny a license pursuant to SMC Section 6.310.310 A. If no such grounds exist, the Director shall examine all Department records on the for hire vehicle or taxicab and may deny the renewal if grounds exist that would justify denial under SMC Section 6.310.310 B.~~

~~**6.310.360 Destruction, replacement, retirement or inactivity of a taxicab or for hire vehicle.**~~

~~A. The taxicab association and/or taxicab owner shall notify the Director in writing within five (5) working days whenever a taxicab is destroyed, rendered permanently inoperable, sold or is taken out of service by the owner for any reason.~~

~~B. A for hire vehicle owner shall notify the Director in writing within five (5) working days whenever a for hire vehicle is destroyed, rendered permanently inoperable, sold or is taken out of service by the owner for any reason.~~

~~C. Any vehicle that, for a period of at least sixty (60) days, is not legally operated as a taxicab or for hire vehicle, shall be considered retired, and the license for each retired vehicle shall be deemed abandoned and void. The licensee shall immediately surrender the taxicab license plate and year decal, or for hire vehicle license plate and year decal, for each such vehicle to the Director. Abandoned licenses may not be transferred or reinstated by any means without the Director's prior written permission. The Director, in considering whether to grant such permission shall consider the following nonexclusive factors:~~

~~1. The licensee must submit a written request for an extension of time that states the specific reason additional time is required, identifies a plan and timetable for placing the taxicab or for hire vehicle in service within the shortest possible time, and attaches all documents substantiating the factual information contained in the request.~~

~~2. The plan and timetable submitted must reflect a reasonable approach for placing a taxicab or for hire vehicle in service within the shortest possible time frame.~~

3. If the Director determines that the request for an extension of time should be granted, the Director may grant the licensee no more than thirty (30) additional calendar days (in addition to the original sixty (60) days) to place the taxicab or for hire vehicle back into service.

4. No extensions will be granted to any licensee who is unable to meet the basic operational costs, including liability insurance, regulatory fees, and normal maintenance and repairs of operating a taxicab or for hire vehicle.

5. No more than one extension will be granted for each vehicle license during its license year (September 1st through August 31st).

~~6.310.370 Taxicab and for hire vehicle Owner surrender of vehicle license.~~

It is unlawful to operate a taxicab or for hire vehicle whose license has been suspended or revoked. The taxicab association, taxicab owner and taxicab driver are jointly and severally responsible for immediately surrendering the vehicle license plate or decal and taxicab vehicle license to the Director. The for hire vehicle owner and for hire vehicle driver(s) are jointly and severally responsible for immediately surrendering the vehicle license plate or decal and for hire vehicle license to the Director (Class C or misdemeanor).

~~6.310.380 Taxicab and for hire vehicle Revocation upon loan default.~~

A. Where the taxicab or for hire vehicle licensed by the City is collateral for a loan under a perfected security agreement, upon written notice and proof of default of the loan agreement submitted by a lender to the Department, the licensee, and the taxicab association with whom the licensee is affiliated, the Director shall issue a notice of revocation pursuant to SMC Section 6.310.635. The licensee shall have the opportunity to respond to the notice of revocation by submitting a written request for a hearing to the Department within ten (10) days after the date of the notice of revocation pursuant to SMC Section 6.310.635 B. A licensee who timely files a written request for hearing shall have all rights afforded under SMC Sections 6.310.610 D3 and 6.310.635 as they pertain to the non-summary revocation of a license, including all rights of appeal. During the pendency of appeal procedures brought under this section, the licensee may complete a transfer of the license

~~pursuant to SMC Section 6.310.340 to a person that executes a written agreement with the lender to assume responsibility for repayment of the loan and who complies with all requirements for a transfer under this Chapter.~~

~~B. Upon the failure of a licensee to timely appeal, or a final order affirming a revocation under this Section, if no transfer has been completed, the license shall be deemed revoked and Director shall re-issue the license as necessary in accordance with SMC Sections 6.310.300 and 6.310.500 D.~~

~~C. Any holder of a taxicab license may enter into a loan agreement with a Community Development Financial Institution or other lender approved by the Director for the purpose of obtaining financing for purchase of an environmentally efficient vehicle that meets the vehicle standards pertaining to pollution and energy efficiency established by the Director by rule pursuant to SMC Section 6.310.320 P. Where the lender provides timely notice to the Department that a loan is in compliance with this subsection, no transfer of the license shall take place unless the lender submits written notice that the new licensee has assumed responsibility for repayment of the loan. The rights of the lender under the loan agreement shall not be assigned, sold or otherwise transferred to any other lender. The Director shall adopt rules setting forth the qualifications, standards and procedures for approval of a Community Development Financial Institution or other lender.))~~

Section 15. Section 6.310.400 of the Seattle Municipal Code, last amended by Ordinance 124524, 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;
2. Place and date of birth (which shall be at least ~~((21))~~ 20 years prior to the date of application, height, weight, and color of ~~((hair and))~~ eyes;
3. ~~((Washington))~~ State issued driver's license number. Providing the social security number is optional. The applicant must present his/her ~~((Washington State))~~ state issued driver's license or a copy thereof of at time of application;
- ~~((4. Proof that the applicant is authorized to work in the United States;))~~ Reserved.
5. Consent 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;
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;
7. A copy of the applicant's driving abstract from the Washington State Department of Licensing or a signed statement authorizing the Director to obtain a current copy of the applicant's driving abstract from the Washington State Department of Licensing;
8. Statement of applicant listing all reportable accidents and all moving violations the applicant was involved in during the previous three years;
9. Completion of a driver education course and associated tests. The driver training program shall include:
 - a. Completion of the National Safety Council's Defensive Driving Course; and

b. Completion of at least one additional driving training program approved by the Director.

10. On forms provided by the Director, the applicant will provide a statement under penalty of perjury of their physical and mental fitness to act as a for-hire driver.

11. All applications for for-hire driver's licenses become void if the applicant, for any reason other than delay caused by the City, fails or neglects to complete the application process or obtain a license within 60 days of submitting an application.

12. Such other information as may be reasonably required by regulation promulgated under this chapter.

Section 16. Section 6.310.425 of the Seattle Municipal Code, last amended by Ordinance 124524, is amended as follows:

6.310.425 - For-hire driver temporary permit

* * *

C. The temporary license shall become void immediately upon (1) suspension, revocation or expiration of the applicant's ((Washington State)) state issued driver's license, (2) issuance of the for-hire driver's license, or (3) the Director's denial of the for-hire driver's license application, regardless whether the applicant appeals that denial.

Section 17. Section 6.310.452 of the Seattle Municipal Code, enacted by Ordinance 124524, is amended 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:

* * *

B. TNC drivers shall not be in control of a for-hire vehicle for more than ((12 hours spread over a total

~~of 15 hours)) 14 consecutive hours~~ in any 24-hour period. Thereafter, such TNC driver shall not drive any for-hire vehicle until ten consecutive hours have elapsed. For the purposes of this subsection, hours driven in for-hire vehicles in other platforms (taxicabs, for-hire vehicles) are aggregated. (suspension and Class B);

* * *

J. TNC drivers shall have in the driver's possession a valid ~~((Washington State))~~ state issued 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);

* * *

Section 18. Section 6.310.455 of the Seattle Municipal Code, last amended by Ordinance 124525, is amended as follows:

6.310.455 For-hire driver conduct standards

* * *

C. A for-hire driver shall have in the driver's possession a valid for-hire driver's license and valid ~~((Washington State))~~ state issued driver's license at any time the for-hire driver is operating the taxicab or for-hire vehicle. An enlargement of the for-hire license shall be displayed in a permanent frame as prescribed by the Director (suspension and Class B);

* * *

~~((G. A for-hire driver shall not be in control of a taxicab or for-hire vehicle for more than twelve (12) hours spread over a total of fifteen (15) hours in any twenty-four hour period. Thereafter, such for-hire driver shall not drive any taxicab until ten (10) consecutive hours have elapsed (suspension and Class B);))~~ Reserved.

* * *

~~((I. A for-hire driver shall not drive, be in control of or operate a taxicab or for-hire vehicle where the required customer information board is not displayed or does not contain all required information (Class A);))~~ Reserved.

* * *

O. A for-hire driver shall, upon request by the Director or a police officer, provide the City-issued for-hire license and/or ~~((Washington State))~~ state issued driver's license for inspection (suspension and Class B);

* * *

Section 19. Section 6.310.460 of the Seattle Municipal Code, last amended by Ordinance 124524, is repealed:

~~**(6.310.460 For-hire driver taxicab meter/rates standards.**~~

~~A. A for-hire driver shall not operate any taxicab that does not have a sealed taximeter in good working order (suspension and Class B).~~

~~B. A for-hire driver must activate the taximeter at the beginning of each paid trip, whether the fare is computed by the taximeter, contract or flat rate, and deactivate the taximeter upon completion of the trip. Beginning of a trip means the point where the passenger is seated, or materials stowed, and the forward motion of the vehicle begins. The taximeter shall not be engaged unless the taxicab is transporting passengers or materials for compensation (Class A). The taximeter shall be engaged when transporting passengers or materials for a contract trip or an airport flat rate trip (Class A).~~

~~C. A for-hire driver shall assure that the meter reading is visible from a normal passenger position at all times (Class A).~~

~~D. A for-hire driver shall not operate a taxicab or for-hire vehicle that does not have the rate posted as prescribed by the Director (Class A).~~

~~E. A for-hire driver shall not ask, demand or collect any rate or fare other than as specified on the meter, required by ordinance, or pursuant to special rates or contract rates on file with the Director (Class B).~~

~~F. A for-hire driver shall ensure daily trip records are accurate and complete, as prescribed by Section 6.310.540 (Class B).~~

Section 20. Section 6.310.470 of the Seattle Municipal Code, last amended by Ordinance 124524, is

amended as follows:

6.310.470 For-hire driver soliciting and cruising standards

A. ~~((Taxicabs~~

- ~~1. A for hire driver may solicit passengers only from the driver's seat or standing immediately adjacent to the taxicab (within 12 feet), and only when the vehicle is safely and legally parked (Class A).~~
 - ~~2. A for hire driver shall not use any other person to solicit passengers (Class A).~~
 - ~~3. A for hire driver shall not hold out the taxicab for designated destinations (Class A).~~
 - ~~4. A for hire driver shall not park a taxicab and wait for walk up passengers in a marked passenger load zone, truck load zone, or charter bus zone. A for hire driver may drop off passengers or pick up hailed trips in a passenger load zone except as provided by subsections 6.310.475.D and 6.310.475.E (Class A).~~
- ~~)) Reserved.~~

B. ~~((For hire vehicles~~

- ~~1. A for hire driver in a for hire vehicle licensed under this chapter may solicit passengers only from the driver's seat or standing immediately adjacent to vehicle (within 12 feet), and only when the vehicle is safely and legally parked (Class A).~~
- ~~2. A for hire driver shall not use any other person to solicit passengers (Class A).~~
- ~~3. A for hire driver in a for hire vehicle licensed by this chapter is prohibited from picking up passengers in a designated taxi zone, including any taxi zone located in front of a hotel (Class B).)) Reserved.~~

C. Transportation network company (TNC) endorsed vehicles

1. TNC endorsed vehicles are prohibited from soliciting passengers, from cruising for passengers, or from picking up passengers in a taxi zone (Class C).

D. Unlicensed vehicles

1. Vehicles providing for-hire transportation services in the City of Seattle without a City for-hire vehicle license, taxicab license, or TNC endorsement are prohibited from soliciting passengers, cruising for

passengers, or from picking up passengers in a taxi zone. (First violation, civil infraction, second violation, misdemeanor)

Section 21. Sections 6.310.475 and 6.310.480 of the Seattle Municipal Code, last amended or enacted by Ordinances 124524 and 121357, are repealed:

~~((6.310.475 For-hire driver taxi zone standards and number of taxi zones~~

~~A. A for-hire driver shall not leave the taxicab unattended in a taxicab zone for more than 15 minutes. Such vehicles will be impounded by order of the Director (Class A).~~

~~B. A for-hire driver shall occupy a taxicab zone only when available for hire (Class A).~~

~~C. A for-hire driver shall not perform engine maintenance or repairs on the taxicab while in a taxicab zone (Class A).~~

~~D. A for-hire driver cannot use a passenger load zone located within 150 feet from a taxicab zone designated by the Director, except for wheelchair accessible taxicabs. Notification of such zone designation will be sent to all taxicab associations ten days prior to the effective date of the designation (Class B and suspended from using the taxicab zone for 14 days).~~

~~E. For-hire drivers cannot use a taxicab zone while under suspension from that taxicab zone (Class B and suspended from using the taxicab zone for 60 days).~~

~~F. Within one year of the effective date of this ordinance, the City shall work with industry stakeholders to determine appropriate locations of 10 additional taxi zones and shall establish 10 additional taxi zones.~~

~~6.310.480 For-hire driver Wearing costume.~~

~~A driver shall not wear a costume unless all provisions of SMC 6.310.225 have been met. When wearing a costume, the driver shall display a photograph of the driver dressed in the costume along with the driver's for-hire license.))~~

Section 22. Sections 6.310.500 and 6.310.510 of the Seattle Municipal Code, last amended by Ordinances 125082 and 121738, are repealed:

~~((6.310.500 Taxicabs maximum number~~

~~A. The total number of taxicab licenses in effect at any one time shall not exceed 1050. The number of taxicab licenses shall be set by the Director at such times and in such manner as necessary to meet the demand for efficient and economical taxicab service within the city limits and to support a competitive, safe, fair and viable business environment for the taxicab industry; however, no more than 100 licenses can be issued within a calendar year. The Director shall adopt by rule the procedure for determining when and how many new taxicab licenses will be issued. In determining the total number of licenses issued, the Director shall consider factors including, but not limited to consumer demand for transportation services, average service response times, total number of taxi rides, total paid trips per taxicab, and average operating hours per taxicab, and may consider any other factors that may affect the supply and demand for taxi service within the city limits. The Director shall adopt by rule any vehicle and safety standards required for the issuance of new licenses, including but not limited to vehicle size, fuel efficiency, and emissions standards.~~

~~B. The number of for-hire vehicle licenses in effect at any one time shall not exceed 200. Except that if the State Legislature authorizes cities to regulate executive sedans and executive vans, as defined in RCW 46.04.274, then executive sedans and executive vans licensed by the Department of Licensing on the authorization date which meet City vehicle standards would be allowed to obtain for-hire vehicle licenses, and such for-hire vehicle licenses shall not be included in the calculation of total number of for-hire vehicle licenses pursuant to this subsection. TNC vehicle endorsements issued per Section 6.310.327 shall not be included in the calculation of total number of for-hire vehicles licenses pursuant to this subsection.~~

~~C. As an alternative to the license issuance process in subsection 6.310.500.D, the Director may, at the Director's discretion, issue wheelchair accessible taxicab or wheelchair accessible for-hire vehicle licenses to vehicles used to provide transportation to disabled persons defined in K.C.C 6.64.010 or to handicapped persons as defined in Section 6.310.110. Additionally, the Director may issue City of Seattle wheelchair accessible taxicab licenses to applicants selected by King County for issuance of a King County wheelchair~~

~~accessible taxicab license. If a City of Seattle wheelchair accessible taxicab license is awarded to a King County wheelchair accessible taxicab, then a dual license is created, allowing the licensee to operate in both the City and County. The dual status of the licenses is permanent, and the licenses must be transferred or leased together. Licenses issued under this subsection 6.310.500.C shall be non-transferable for a period of three years from the date of issuance and shall not be included in calculating the maximum number of taxicab licenses allowable pursuant to subsections 6.310.500.A and 6.310.500.B.~~

~~D. If the Director determines that issuance of additional taxicab licenses is warranted, not to exceed the maximum allowable taxicab licenses issued pursuant to subsection A of this Section 6.310.500, such licenses shall be issued pursuant to:~~

~~1. A competitive request for proposal and award process under which licenses will be issued to applicants whose proposals demonstrate that they are most able to meet the needs of the public in providing taxicab service by meeting qualifications prepared by the Director that are not in conflict with the general provisions of this chapter; or~~

~~2. Pursuant to a lottery of qualified applicants; or~~

~~3. Pursuant to a combination of both procedures as prescribed by rule adopted by the Director.~~

~~The rule shall include minimum qualifications for taxicab license applicants, including but not limited to the driving and conduct records of prospective applicants.~~

~~E. The Director shall issue 35 additional taxicab licenses in 2015. The Director shall issue 55 additional taxicab licenses each year in 2016, 2017, and 2018. Each of these issuances shall be done by lottery pursuant to the methods described in subsection 6.310.500.D.2[.] To be eligible for the issuance of these new taxicab licenses, an applicant must either: 1) have no more than a 50% ownership interest in a licensed for hire vehicle or licensed taxicab, or 2) relinquish any ownership interest beyond 50% in a licensed for hire vehicle or licensed taxicab prior to and as a condition of the issuance of the new license. For purposes of this subsection, relinquish means to surrender the for hire vehicle or taxicab license to the original licensing agency or transfer~~

~~the interest to another licensed for-hire driver whose ownership interest in a licensed for-hire vehicle or licensed taxicab may not exceed 50%.~~

~~**6.310.510 Response times.**~~

~~The Director shall establish a schedule of optimum average taxicab response times to requests for taxicab service at selected points within the City. The Director shall periodically thereafter survey actual taxicab response times. A comparison of average actual response times to the optimum average taxicab response times shall be used as an indicator of taxicab industry performance and may be used as one (1) criterion in evaluating and recommending entry changes.))~~

Section 23. Section 6.310.530 of the Seattle Municipal Code, last amended by Ordinance 124524, 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 Director by rule for times while not operating on an application dispatch system.~~

~~a. In reviewing rates the Director may take into account, among other things, and with the objective of prescribing a just and reasonable rate, the following factors:~~

~~i. The information in a report prepared by the Director pursuant to SMC Section 6.310.520;~~

~~ii. The public's need for adequate taxi service at the lowest level of charges consistent with the provision, maintenance and continuation of such service;~~

~~iii. The rates of other licensees operating in similar areas;~~

~~iv. The effect of such rates upon transportation of passengers by other modes of transportation;~~

~~v. The owners' need for revenue of a level that, under honest, efficient and~~

economical management, is sufficient to cover all costs (including all operating expenses and license fees of providing adequate taxi service, plus a reasonable profit to the owner;

~~vi. Consistency of rates with those charged by King County; and~~

~~vii. The lease drivers' need for revenue, based on a reasonable number of driving hours per shift, sufficient to provide a living income after payment of taxicab lease rent (including drivers' contributions to both retail sales tax on the lease amount and to Workers' Compensation industrial insurance premiums), fuel costs and any cashier's fees.~~

~~b. No taxicab shall have more than one rate on its meter, except that a taxicab licensed by both Seattle and King County shall not have more than two rates on its meter, one fixed rate for Seattle and one rate as filed with King County.~~

~~2. Pending a Director's rule establishing new taximeter rates, and while not operating on an application dispatch system, the following taximeter rates govern. Except for special or contract rates as provided for in this chapter, or any per trip fee established by the Port of Seattle and set forth in any operating agreement or tariff, or an airport flat rate defined in this section 6.310.520, or a temporary fuel surcharge authorized by the Director pursuant to subsection I of this section 6.310.520, or any toll or charge established for roads, bridges, tunnels or ferries, it shall be unlawful for anyone operating a taxicab licensed by The City of Seattle to advertise, charge, demand or receive any greater or lesser rate than the following:~~

~~Meter rate:~~

~~a. Drop charge: for passengers for first 1/9 mile: \$2.50~~

~~b. Per mile: For each 1/9 mile or fraction thereof after the first 1/9 mile: \$0.30~~

~~c. For every one minute of waiting time: \$0.50*~~

~~(charged at \$0.30 per 36 seconds)~~

~~d. Additional per passenger charge for more than two persons, excluding children under twelve years of age: \$0.50~~

~~* Waiting time rates are charged when taxicab speed is less than 11 miles per hour or when a taxicab driver is asked to wait for the customer.~~

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

~~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.~~

~~c. Unless using application dispatch, the special rates must be filed with the Director on forms furnished by the Director.~~

~~d. All special rates and/or contract rates shall be filed once a year at the time of application by the taxicab association representative, or by the owner of a for-hire vehicle which is not a~~

taxicab.

e. Licensees may change the special rates filed no more than once a year.

f. ~~Unless using application dispatch, contract rates set during the license year shall be filed within two weeks of securing such contract and before implementing the contract rate. Contracts must be between taxicab associations and businesses or non-profit organizations. Passengers transported under contracts must pay the fares to drivers using vouchers issued by the contracting business or non-profit organizations (Class B—each incident).~~

g. ~~All taxicabs shall charge a flat rate from the downtown hotel district to Seattle-Tacoma International Airport except when contract rates are in effect for the trip. The downtown hotel district is the area defined by Broad Street to Mercer Street to I-5 on the north, Elliot Bay on the west, South Dearborn Street on the south, and Boren Ave, to the I-5 Freeway and then the Freeway on the east Unless using application dispatch, the flat rate shall be filed with the Director at the time of application on forms furnished by the Director. The flat rate shall be conspicuously displayed in the vehicle for the passenger to see. Changes made to the flat rates may be adjusted to remain competitive with fee structures used by for-hire vehicles and transportation network companies and shall be filed with the Director.~~

h. ~~Unless using application dispatch, the use of coupons or discounts to establish a lower rate, or a rate not provided within this section 6.310.530, is prohibited (Class A—each incident).)~~ Reserved.

B. ~~(For hire vehicle 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.

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.

3. For-hire vehicles must charge for service based on: a written contract; flat rate per trip, by zone; or by an hourly rate with minimum increments of ½ hour. Flat charges by zone or hourly rate may vary by time of day. Zone boundaries shall be set by Director by rule and shall be consistent across all for-hire vehicle operators.

4. Unless using application dispatch, the use of coupons or discounts to establish a lower rate, or a rate not provided within this section 6.310.530, is prohibited (Class A – each incident.)) Reserved.

E. ((It is unlawful under the Americans with Disabilities Act to charge a special service vehicle rate, except in those instances where the transportation of disabled persons is pursuant to a written contract as specified in subsection 6.310.530.D (Class B).)) A transportation network company may not impose additional charges for providing services to persons with disabilities because of those disabilities, consistent with RCW 46.72B.110.

* * *

Section 24. Section 6.310.600 of the Seattle Municipal Code, last amended by Ordinance 124524, is amended as follows:

6.310.600 Penalties

A. Each violation of subsections ((~~6.310.130.A,~~) 6.310.130.B or 6.310.452.A shall be a civil infraction as contemplated by RCW Chapter 7.80 and deemed to be a Class 1 civil infraction under RCW 7.80.120(a), and shall subject the violator to a maximum penalty and default amount of \$1,000, inclusive of statutory assessments.

B. The first violation of subsection 6.310.470.D shall be a civil infraction as contemplated by RCW Chapter 7.80 and deemed to be a Class 1 civil infraction under RCW 7.80.120(a), and shall subject the violator to a maximum penalty and default amount of \$500, inclusive of statutory assessments.

1. As contemplated by RCW 7.80.160, a person who, after receiving a notice of civil infraction that includes a statement of the options provided in RCW Chapter 7.80 for responding to the notice and the procedures necessary for exercising these options, knowingly fails to exercise one of the options within 15 days of the date of the notice is guilty of a misdemeanor subject to the provisions of Chapters 12A.02 and 12A.04, except that absolute liability shall be imposed for such a violation and none of the mental states described in Section 12A.04.030 need be proved, regardless of the disposition of the notice of civil infraction. A person who willfully fails to pay a monetary penalty or perform community service as ordered by a court may be found in contempt of court as provided in RCW Chapter 7.21.

2. An action for a civil infraction shall be initiated and processed in the manner contemplated by RCW Chapter 7.80 and the Infraction Rules for Courts of Limited Jurisdiction. For purposes of RCW 7.80.040, the "enforcement officer" authorized to enforce the provisions of subsections ((~~6.310.130.A and~~) 6.310.130.B and 6.310.452.A are: (1) the Director of the Seattle Department of Finance and Administrative Services and authorized representatives or assistants of him or her; and (2) a commissioned officer of the Seattle Police Department and a person issued a Special Police Officer Commission by the Chief of Police with authority to

enforce this title.

C. Each subsequent violation of subsections (~~(6.310.130.A,))~~ 6.310.130.B, 6.310.452.A, or 6.310.470.D within five years of the prior violation is a misdemeanor subject to the provisions of Chapters 12A.02 and 12A.04, except that absolute liability shall be imposed for such a violation and none of the mental states described in Section 12A.04.030 need be proved. The Director may request that the City Attorney prosecute such violations criminally as an alternative to the civil infraction procedure outlined in this chapter.

D. Each violation of subsections 6.310.130.~~((C))~~D ~~((-))~~ or 6.310.130.E shall be a civil infraction as contemplated by RCW Chapter 7.80 and deemed to be a Class 1 civil infraction under RCW 7.80.120(a), and shall subject the violator to a maximum penalty and default amount of \$10,000, inclusive of statutory assessments.

1. As contemplated by RCW 7.80.160, a person who, after receiving a notice of civil infraction that includes a statement of the options provided in RCW Chapter 7.80 for responding to the notice and the procedures necessary for exercising these options, knowingly fails to exercise one of the options within 15 days of the date of the notice is guilty of a misdemeanor subject to the provisions of Chapters 12A.02 and 12A.04, except that absolute liability shall be imposed for such a violation and none of the mental states described in Section 12A.04.030 need be proved, regardless of the disposition of the notice of civil infraction. A person who willfully fails to pay a monetary penalty or perform community service as ordered by a court may be found in contempt of court as provided in RCW Chapter 7.21.

2. An action for a civil infraction shall be initiated and processed in the manner contemplated by RCW Chapter 7.80 and the Infraction Rules for Courts of Limited Jurisdiction. For purposes of RCW 7.80.040, the "enforcement officer" authorized to enforce the provisions of subsections (~~(6.310.130.C and))~~ 6.310.130.D and 6.310.130.E are: (1) the Director of the Seattle Department of Finance and Administrative Services and authorized representatives or assistants of him or her; and (2) a commissioned officer of the Seattle Police Department and a person issued a Special Police Officer Commission by the Chief of Police with authority to

enforce this title.

E. Each subsequent violation of subsections ((6.310.130.C,)) 6.310.130.D or 6.310.130.E within five years of the prior violation is a misdemeanor subject to the provisions of Chapters 12A.02 and 12A.04, except that absolute liability shall be imposed for such a violation and none of the mental states described in Section 12A.04.030 need be proved. The Director may request that the City Attorney prosecute such violations criminally as an alternative to the civil infraction procedure outlined in this chapter.

F. For each violation of a provision in this chapter that has a class referenced in parenthesis after the provision, a civil penalty and penalty points shall be imposed by and paid to the Department according to the provisions of Section 6.310.605.

Section 25. Section 6.310.605 of the Seattle Municipal Code, last amended by Ordinance 124524, is amended as follows:

6.310.605 Monetary penalties and penalty points

A. For-hire driver, transportation network company driver for-hire vehicle company, or taxicab/ for-hire vehicle violations

| Violation | Penalties Against a For-hire Driver, TNC Driver Taxicab Licensee, For-Hire Vehicle Company, or For-hire Vehicle For Each Violation | Penalty Points Attributed to Taxicab Association, For-Hire Vehicle Company, or Transportation Network Company For Each Violation |
|--|--|--|
| I. Violations found during a calendar year away from The City of Seattle's inspection facility | | |
| First Class A in one year | \$35 | 2 |
| Second Class A in one year | \$70 | 3 |
| Third or more Class A violation in one year | \$120 | 4 |
| First Class B violation in one year | \$70 | 4 |
| Second Class B violation in one year | \$175 | 7 |

| | | |
|--|---|------------------|
| Third or more Class B violation in one year | \$300 | 10 |
| All Class C violations | \$1,000 | 20 |
| 2. Violations found during inspections at The City of Seattle's inspection facility | | |
| Failure to appear for inspection scheduled by the Director (see ((Section 6.310.330 I and)) paragraph below) | \$50 | 2 penalty points |
| 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 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.

* * *

Section 26. Section 6.310.610 of the Seattle Municipal Code, last amended by Ordinance 124524, is amended as follows:

6.310.610 Suspension or revocation

* * *

C. Revocation standards.

1. Any License. The Director shall revoke a license issued under this chapter if the Director determines that:

- a. The licensee has violated any of the provisions of this chapter that indicate a revocation as a penalty in parentheses after the provision;
- b. The license application contained a material misstatement or omission;
- c. The licensee fails to pay a monetary penalty imposed under this chapter within 90 days after an unappealed notice of violation or final decision or order imposing such monetary penalty is issued.

2. ~~((Taxicab Associations.~~

a. ~~The Director shall revoke a taxicab association license if during the license period the taxicab association, or any owner, officer, director, managing partner, general partner or principal of the taxicab association, receives a bail forfeiture, conviction or other final adverse finding for crimes of fraud, theft, larceny, extortion, embezzlement, racketeering, Uniform Controlled Substances Act, prostitution, alcohol and/or narcotics where the commission of such crimes involved or used a taxicab association, taxicab, for hire vehicle or limousine. If an owner, officer, director, managing partner, general partner or principal of the taxicab association found in violation of this subsection is (i) removed immediately from all operational or management duties or authority and (ii) is divested of all ownership in the taxicab association as soon as possible, the license may be reinstated.~~

b. ~~The Director may revoke a taxicab association license if during the license period the taxicab association, or any owner, officer, director, managing partner, general partner or principal of the taxicab association, receives a bail forfeiture, conviction or other final adverse finding involving crimes directly related to the applicant's ability to operate a taxicab association, including but not limited to prostitution, gambling, fraud, larceny, extortion, income tax evasion. If an owner, officer, director, managing partner, general partner or principal of the taxicab association found in violation of this subsection is (i) removed immediately from all operational or management duties or authority and (ii) is divested of all ownership in the taxicab association as soon as possible, the license may be reinstated.)) Reserved.~~

3. Transportation network companies (TNC)

a. The Director shall revoke a TNC license if during the license period:

i. The TNC, or any person employed to manage Seattle operations, receives a bail forfeiture, conviction or other final adverse finding for crimes of fraud, theft, larceny, extortion, embezzlement, racketeering, Uniform Controlled Substances Act, prostitution, alcohol and/or narcotics where the commission of such crimes involved or used a TNC or for-hire vehicle. If the employee is (a) removed immediately from all operational or management duties or authority and (b) is divested of all ownership in the TNC as soon as possible, the license may be reinstated;

ii. The TNC, or any person employed to manage Seattle operations, receives a bail forfeiture, conviction or other final adverse finding involving crimes directly related to the applicant's ability to operate a TNC, including but not limited to prostitution, gambling, fraud, larceny, extortion, income tax evasion. If the employee of the TNC found in violation of this subsection is (a) removed immediately from all operational or management duties or authority and (b) is divested of all ownership in the TNC as soon as possible, the license may be reinstated;

iii. Knowingly permits an affiliated vehicle to be active on the TNC dispatch system that has not undergone a uniform vehicle safety inspection as required by 6.310.270;

iv. Has failed to meet the insurance requirements outlined in Section 6.310.260;

v. An affiliated driver is active on the TNC dispatch system without effective and proper vehicle insurance as required in this chapter;

vi. Fails to pay all penalties imposed by the Department that are either not contested or are upheld after review; or

vii. The TNC has committed one Class C violations in any one year period.

b. The Director may revoke a TNC license if during the license period the TNC:

i. Dispatches to an unlicensed or unaffiliated driver;

ii. Dispatches to an unaffiliated vehicle;

- iii. Dispatches to a vehicle that is neither a for-hire vehicle or taxicab, nor a vehicle with a TNC vehicle endorsement;
- iv. Knowingly permits a third party to use the TNC dispatch system;
- v. Knowingly permits a TNC endorsed driver driving a TNC endorsed vehicle to pick up hails, cruise, or otherwise solicit trips;
- vi. Knowingly allows a TNC driver driving a TNC endorsed vehicle to take trips not dispatched by the TNC;
- vii. Fails to review driving records of TNC drivers and maintain records thereof;
- viii. Knowingly permits TNC drivers with any conviction listed in subsection 6.310.270 to continue affiliating with a TNC and/or operating as a TNC driver.

4. ~~((Taxicab and for hire vehicle licenses~~

a. ~~The Director shall revoke a taxicab or for hire vehicle owner license if:~~

~~i. The licensee, or any officer, director, general partner, managing partner or principal of the licensee, has had a conviction, bail forfeiture or final adverse finding of criminal fraud, larceny, theft, prostitution, extortion, racketeering, robbery or violation of the Uniform Controlled Substances Act, where the crime is associated with operating a taxicab or for hire vehicle;~~

~~ii. The licensee has had the license suspended twice within a one year period for lack of a current, valid insurance policy;~~

~~iii. The licensee is not affiliated with a taxicab association licensed under this chapter; or~~

~~iv. The licensee is subject to revocation because of a loan default pursuant to Section 6.310.380.~~

b. ~~The Director may revoke a taxicab or for hire vehicle license if:~~

~~i. The licensee, or any officer, director, general partner, managing partner or~~

~~principal of the licensee, receives a bail forfeiture or conviction involving crimes reasonably related to the applicant's ability to operate a taxicab or for-hire business, including but not limited to prostitution, gambling, fraud, larceny, extortion, income tax evasion; or)) Reserved.~~

5. ~~((For-hire driver's licenses~~

~~a. The Director shall revoke a for-hire driver's license if:~~

~~i. The for-hire driver receives a bail forfeiture, conviction, or other final adverse finding for crimes pertaining to hit-and-run, or for crimes pertaining to driving under the influence of alcohol or controlled substances while operating a taxicab or for-hire vehicle; or~~

~~ii. The for-hire driver's Washington State driver's license expires or is revoked; or~~

~~iii. The for-hire driver has committed one Class C violations in any one year period.~~

~~b. The Director may revoke a for-hire driver's license if:~~

~~i. The for-hire driver is found to be in possession of illegal drugs or an open container of alcohol while in control of or while operating any taxicab or for-hire vehicle; or~~

~~ii. The for-hire driver has received a conviction, bail forfeiture, or other final adverse finding involving crimes pertaining to prostitution, gambling, physical violence, Uniform Controlled Substances Act, fraud, theft, robbery, larceny, burglary, extortion and/or crimes directly related to the driver's ability to operate a taxicab.) Reserved.~~

6. Transportation network company (TNC) drivers

a. The Director shall revoke the for-hire license of a transportation network company driver, if, while active on the TNC dispatch system:

i. The TNC driver receives a bail forfeiture, conviction, or other final adverse finding for crimes pertaining to hit-and-run, or for crimes pertaining to driving under the influence of alcohol or controlled substances while operating a TNC endorsed vehicle;

ii. The TNC driver's (~~(Washington State)~~) state issued driver's license expires or is revoked provided that if the TNC driver's (~~(Washington State)~~) state issued driver's license expires, the driver may obtain reinstatement upon proof of renewal within 30 days;

iii. The TNC driver has committed one Class C violations in any one year period;

iv. The TNC endorsed driver driving a TNC endorsed vehicle picks up a street hail, cruises, or otherwise solicits trips whether active on the TNC dispatch system or not;

v. The TNC driver driving a TNC endorsed vehicle provides a ride that is not booked through the TNC application dispatch system;

vi. Drives a vehicle while on the TNC application that is not affiliated with the TNC;

vii. Drives a vehicle while on the TNC application that is neither a for-hire vehicle nor taxicab licensed under (~~(this chapter)~~) Chapter 6.310 nor a vehicle with a TNC vehicle endorsement;

b. The Director may revoke the for-hire license of a transportation network company driver if:

i. The TNC driver is found to be in possession of illegal drugs or an open container of alcohol while in control of or while operating any taxicab or for-hire vehicle; or

ii. The TNC driver has received a conviction, bail forfeiture, or other final adverse finding involving crimes pertaining to prostitution, gambling, physical violence, Uniform Controlled Substances Act, fraud, theft, robbery, larceny, burglary, extortion and/or crimes directly related to the driver's ability to operate a for hire vehicle.

* * *

Section 27. Sections 6.310.720 and 6.310.730 of the Seattle Municipal Code, enacted by Ordinance 118341, are repealed:

~~((6.310.720 Renewal of license, registration or permit-Late penalty.~~

~~A late penalty shall be charged on all applications for renewal of a license, registration or permit received later than ten (10) working days after the expiration date of such license, registration or permit as set forth in the respective resolution or ordinance establishing the expiration date of such license, registration or permit. The amount of such late penalty is fixed in SMC Section 6.310.150.~~

~~6.310.730 Plates, tags, etc., property of City.~~

~~All taxicab or for hire vehicle license plates, year decals shall remain the property of the City.))~~

Section 28. 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.

Passed by the City Council the _____ day of _____, 2023, and signed by me in open session in authentication of its passage this ____ day of _____, 2023.

President _____ of the City Council

Approved / returned unsigned / vetoed this ____ day of _____, 2023.

Bruce A. Harrell, Mayor

Filed by me this _____ day of _____, 2023.

Scheereen Dedman, City Clerk

(Seal)

SUMMARY and FISCAL NOTE*

| Department: | Dept. Contact: | CBO Contact: |
|-------------------------------------|-----------------------|---------------------|
| Finance and Administrative Services | Matthew Eng | Lorine Cheung |

** 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 relating to taxicabs and for-hire vehicles; repealing or deleting provisions intended to no longer be in effect in separating the taxicab and transportation network company industries; conforming to changes in state law; adding a new Section 6.310.101 to the Seattle Municipal Code; amending the title of Chapter 6.310 of the Seattle Municipal Code and Sections 6.310.110, 6.310.130, 6.310.150, 6.310.260, 6.310.270, 6.310.325, 6.310.327, 6.310.400, 6.310.452, 6.310.455, 6.310.470, 6.310.530, 6.310.600, 6.310.605, and 6.310.610 of the Seattle Municipal Code; and repealing Sections 6.310.120, 6.310.135, 6.310.137, 6.310.200, 6.310.210, 6.310.220, 6.310.225, 6.310.230, 6.310.240, 6.310.250, 6.310.255, 6.310.300, 6.310.310, 6.310.315, 6.310.320, 6.310.330, 6.310.340, 6.310.350, 6.310.360, 6.310.370, 6.310.380, 6.310.460, 6.310.475, 6.310.480, 6.310.500, 6.310.510, 6.310.720, and 6.310.730 of the Seattle Municipal Code.

Summary and background of the Legislation: This legislation revises SMC Chapter 6.310 to conform with several newly adopted state regulations affecting transportation network companies (TNCs) and their affiliated vehicles and drivers. The state regulations, first introduced as HB 2076, preserve the City’s ability to regulate TNCs but require that any amendments to existing City code or regulations conform with state law, now codified as Chapter 46.72B Revised Code of Washington.

In addition to removing existing provisions in Chapter 6.310 that explicitly regulate taxicabs and for-hire vehicles and the drivers of those vehicles and making other technical changes, this legislation makes the following changes to align with state regulations:

1. Raise the maximum model age for a TNC vehicle from 10 years to 15 years;
2. Lower the minimum TNC driver and vehicle endorsement holder age from 21 years to 20 years;
3. Change the maximum number of hours a driver can drive to 14 consecutive hours in any 24-hour period;
4. Update the citation for TNC insurance requirements from RCW 48.177 to RCW 46.72B.180;
5. Modify language regarding the prohibition of additional charges for transporting persons with disabilities; and

6. No longer specify Washington State when referring to a driver's license or a vehicle registration.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ___ Yes No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ___ Yes No

Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs? No; this legislation does not have any material effect on the costs incurred to regulate TNCs and their affiliated vehicles and drivers operating in the city of Seattle.

Is there financial cost or other impacts of *not* implementing the legislation? King County will transmit similar legislation to revise its code regulating TNCs. If the City or County does not implement its respective legislation, then enforcement and administration of regulations, which the City and County partner to undertake, will be frustrated. Further, City (or County) regulations will not align with State TNC law in the areas outlined in the bill summary. Staff have not estimated costs should a scenario materialize where one jurisdiction has implemented the legislation and the other has not.

4. OTHER IMPLICATIONS

- a. **Does this legislation affect any departments besides the originating department?** No; however, FAS partners with the King County Department of Executive Services to jointly regulate the for-hire transportation industry, which includes TNCs.
- b. **Is a public hearing required for this legislation?** No.
- c. **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?** No.
- d. **Does this legislation affect a piece of property?** No.
- e. **Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?** Many TNC affiliated drivers are immigrants and/or refugees, speak a language other than English as their primary language, and are persons of color. FAS recognizes drivers

faced reduced economic opportunities due to the COVID-19 pandemic and that HB 2076 has positively affected drivers' compensation and access to other benefits.

f. Climate Change Implications

1. **Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?** This legislation does not contain any provisions to directly affect carbon emissions. Nevertheless, as owners of TNC affiliated vehicles consider options to replace aging vehicles, the availability of electric vehicles (and access to charging infrastructure) and incentive programs (e.g., rebates) to purchase those vehicles could lead to decreased carbon emissions.

2. **Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.** No actions proposed by this legislation will increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way.

g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s). This legislation does not expand the existing for-hire regulatory program affecting TNCs. Success would be measured by ensuring key parts of City and state regulations align with one another and do not create barriers for companies and their affiliated drivers and vehicles.

For-Hire Legislation

Sept. 14, 2023

Beth Gappert, Consumer Protection Division Director
Matthew Eng, Strategic Advisor

Sept. 14, 2023

Department of Finance and Administrative Services



City of Seattle

Today's Agenda

- Discuss Executive generated legislation (three bills) affecting the for-hire transportation industry
- Presentation will cover:
 - Background
 - Bill summary
 - Budget considerations
 - Partnership and coordination with King County



Background – Current Regulatory Structure

- The City partners with King County to regulate for-hire transportation, which includes:
 - Taxicabs (metered rates)
 - For-hire vehicles (flat rates)
 - Vehicles affiliated with transportation network companies (TNCs)
- The City and County license vehicles, drivers and companies each year and enforce code through inspections, audits and related activities

Background – Industry Changes

- Since 2014, the for-hire transportation environment has changed:
 - TNCs are convenient and popular
 - Taxicabs and for-hire vehicles are affordable and serve niche customer bases
 - State adopted TNC laws in 2022, including a minimum compensation standard and benefits for TNC drivers
 - Taxicabs and for-hire vehicles face outmoded regulations



Background – Purpose of the Legislation

- Coordinate with King County (companion legislation)
- Promote regulatory flexibility for taxi and for-hire vehicle medallion owners and drivers
- Align with recently adopted state TNC law
- Reflect ideas generated by the industry to help modernize and streamline regulation
- Address equity concerns



Background – RSJI Analysis and Implications

- Most medallion owners and drivers are immigrants and/or refugees, speak English as another language and are persons of color
- Staff recognize medallion owners and drivers face extensive regulation
 - Proposed changes aim to create equitable opportunities within the for-hire transportation industry and positioning taxis and for-hire vehicles to successfully compete



Background – Outreach and Engagement

- Partnered with the Department of Neighborhoods and its community liaison program to engage taxi and for-hire vehicle owners and drivers
 - Survey, focus groups and project updates in 2021 and 2022
- Spoke with representatives from taxi associations and for-hire vehicle companies and from Teamsters Local 117 and Drive Forward between 2021 and present
- Spoke with representatives from TNCs this year

Bill Summary – CB 120652

- Revises SMC Chapter 6.310 to be a TNC chapter
 - Removes language specifically addressing taxis and for-hire vehicles
- Aligns provisions of the SMC with State law, including:
 - Maximum model age for a vehicle
 - Minimum age for a driver and vehicle endorsement holder
 - Maximum number of driving hours in a 24-hour period
 - RCW citation for insurance requirements



Bill Summary – CB 120653

- Creates a new SMC Chapter 6.311 to regulate taxis and for-hire vehicles and accomplishes the following:
 - Creates operating reciprocity for medallion owners
 - Transitions all for-hire vehicles to taxicabs
 - Creates a temporary deactivation process for medallions
 - Requires adoption of new technology (smart taximeters)
 - Allows for dynamic pricing of trips
 - Simplifies enforcement, penalties and the appeals process



Bill Summary – CB 120656

- Authorizes the FAS director to execute a new for-hire transportation ILA with King County
 - Restates the broad responsibilities of each jurisdiction – vehicles (City) and drivers (King County)
 - Acknowledges the simplified enforcement and appeals process for taxis and for-hire vehicles
 - Does not impose new costs on the City

Budget Considerations

- FAS' 2024 proposed budget will request funding, supported by projected regulatory fee revenues, to pay for updates to Accela, the technology system used to help administer the regulatory program
 - Seattle IT estimates \$600,000 to accommodate the changes proposed in CB 120653
- FAS has sufficient staffing to undertake the rulemaking, outreach and language access, business process changes, etc. needed to implement the legislation

Partnership and Coordination with King County

- The King County Council is considering substantially similar ordinances on a similar timeline
- Departments from both the City and County hope to have the bills passed by Dec. 2023, to keep the effort coordinated and to align implementation dates



September 11, 2023

MEMORANDUM

To: Finance and Housing Committee
From: Karina Bull, Analyst
Subject: For-Hire Transportation Regulations

On September 14, the Finance and Housing Committee (Committee) will discuss 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 Seattle Municipal Code (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 to jointly administer and enforce for-hire transportation regulations.

This memo provides background on the City's regulation of the for-hire transportation industry, summarizes key policy changes in proposed legislation, describes pre-introduction changes in CB 120653, identifies an issue related to coordinating with the County Council's process, and provides next steps.

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.

In 2022, the Washington State Legislature passed [Engrossed Substitute House Bill \(ESHB\) 2076](#), establishing statewide regulatory requirements for TNCs and drivers, and preempting the field of TNC regulations as of January 1, 2023. Under a narrow exception, ESHB 2076 allows the City and County to continue regulating the licensing and processing of applications, examinations, and background checks of TNCs and drivers per existing requirements. However, any amendments to these requirements must conform to state law, codified as Revised Code of Washington (RCW) 46.72.

In response to these statewide changes and growing interest in modernizing for-hire transportation services at the local level, the City partnered with the County to develop companion bills to comprehensively update for-hire transportation regulations. To continue joint implementation of these regulations, the companion bills propose substantially similar provisions (and must be adopted as such). The updates seek to 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.

CB 120652 – TNC Regulations Ordinance, SMC 6.310

CB 120652 would amend SMC 6.310 to (1) conform with state regulations established by RCW 46.72 that apply to TNCs and their affiliated vehicles and drivers, (2) make technical changes, and (3) remove provisions specific to taxicabs and for-hire vehicles.

The legislation would amend SMC 6.310 to align with state regulations for TNCs as follows:

1. Raise the maximum model age for a TNC vehicle from 10 years to 15 years;
2. Lower the minimum TNC driver and vehicle endorsement holder age from 21 years to 20 years;
3. Cap the maximum number of hours that a driver can provide network services to 14 consecutive hours in any 24-hour period;
4. Update the citation for TNC insurance requirements from RCW 48.177 to RCW 46.72B.180;
5. Modify language that prohibits additional charges for transporting persons with disabilities by replacing a reference to the federal Americans with Disabilities Act with a reference to RCW 46.72.B.112; and
6. Remove references to Washington state when referring to driver's licenses or vehicle registrations.

The County has developed companion legislation that would amend KCC 6.64 to conform with the state regulations and remove provisions specific to taxicabs and for-hire vehicles.

CB 120653 – Taxi and For-Hire Vehicle Regulations Ordinance, SMC 6.311

CB 120653 would establish SMC 6.311 as a new chapter regulating taxicab and for-hire segments of the for-hire transportation industry. The legislation would separate the City's regulation of taxicabs and for-hire vehicles from TNCs and propose new regulations to promote equity and innovation; integrate for-hire transportation options and services; and ensure consumer protection and public safety.

The legislation would propose new regulations for taxicab and for-hire vehicles as follows:

1. Allow vehicles with a taxicab or for-hire vehicle medallion to operate throughout the City and King County without the geographic restrictions of the current medallion system;
2. Require taxicab associations and for-hire vehicle companies to transition to “regional dispatch agencies,” subject to standardized licensing and operating requirements;¹
3. Require for-hire vehicles to transition to taxicabs and affiliate with a regional dispatch agency;²
4. Require taxicabs across all regional dispatch agencies to adopt “smart taximeter” technology to use geographic positioning system technology to meter trips, program different rates, and record more extensive trip data than analog taximeters;
5. Establish a regional taximeter rate but allow regional dispatch agencies to vary from the rate based on certain factors, such as customer demand or time of day;
6. Create an option for an enhanced regional for-hire driver’s license that would add fingerprint-based background checks required by certain organizations that partner with regional dispatch agencies to provide transportation for vulnerable populations;
7. Simplify the penalty structure by removing types of violations and streamlining the process for adjudicating enforcement actions;
8. Authorize the FAS Director to regulate emerging for-hire transportation models by attaching new conditions to licensing requirements;
9. Adjust insurance requirements for financial rating and cancellation notification to attract additional insurers to the Seattle market; and
10. Allow medallion owners to temporarily deactivate a medallion for up to 12 months to provide owners with more flexibility in managing their small business.

The County has developed companion legislation that would establish KCC 6.65 as a new chapter regulating taxicab and for-hire segments of the for-hire transportation industry and propose substantially similar regulations.

CB 120656 – For-Hire Interlocal Agreement

CB 120656 would authorize the execution of an interlocal agreement between the City and County to jointly administer and enforce regulations of for-hire transportation services. The agreement would restate the broad division of responsibilities between jurisdictions, reflect updates in state and local regulations, and establish a streamlined enforcement and appeals process utilizing City and County hearing examiners rather than the County Board of Appeals.

¹ Currently, the City licenses nine taxicab associations and four for-hire vehicle companies but does not standardize responsibilities and privileges between these entities. Requiring these entities to become “regional dispatch agencies” (i.e., adopt a change in name and status) aims to eliminate customer confusion between types of vehicles and services, and standardize licensing and operating requirements.

² For-hire vehicle rate structures could remain in effect until March 31, 2026, and then would transition to regional taximeter rates. Drivers could charge flat rates at the discretion of their affiliated regional dispatch agency.

The City would remain the County’s non-exclusive agent for administering vehicle medallions, vehicle endorsements, and regional dispatch agency licenses. The County would remain the City’s non-exclusive agent for administering for-hire driver’s licenses and permits, and TNC licenses.

The County has developed companion legislation that would authorize the execution of the interlocal agreement.

Racial Equity Impacts

Most taxicab and for-hire vehicle medallion owners and drivers are immigrants and/or refugees, speak a language other than English as their primary language, and are persons of color.³ The proposed regulations in CB 120653 reflect recognition that taxicab and for-hire drivers have faced more extensive regulations than TNC drivers and aim to create more equitable opportunities for drivers to successfully compete within the for-hire transportation industry.

The impact of the proposed regulations on the cost of for-hire transportation, which could affect customer use and driver income, is unclear. While the legislation requires regional dispatch agencies to adopt smart taximeter technology by March 31, 2026, the option to use this technology for dynamic pricing is discretionary. For example, a regional dispatch agency could charge dynamic rates similar to TNCs or flat rates.

Financial Impacts

The Executive estimates that implementing CB 120652 (TNC Regulations Ordinance, SMC 6.310) and CB 120656 (For-Hire Interlocal Agreement) and conducting outreach on new regulations would not incur additional costs. The Executive states that outreach could include partnering with other departments, such as working with the Department of Neighborhoods Community Liaison program.

The Executive estimates that developing software to implement CB 120653 (Taxi and For-Hire Vehicle Regulations Ordinance, SMC 6.311) would incur additional costs. Seattle Information Technology forecasts that updating Accela, the software FAS uses to keep records on vehicle medallions, for-hire driver’s licenses, and other parts of the regulatory program, would cost about \$600,000 and require up to nine months for implementation. The Executive states that additional appropriations for this expense, supported by projected regulatory fee revenues, will be reflected in the 2024 Proposed Budget.

³ A 2020 City-commissioned report describing results from the three-year 2016-8 American Community Survey’s counting of “taxi drivers” in King County found that drivers were more likely to identify as foreign-born and persons of color: 72 percent of drivers identified as foreign born and 73 percent identified as Black, Hispanic, Asian, or other (27 percent identified as White non-Hispanic). While many of these drivers were likely affiliated with TNCs, the results provide insight into the demographics of taxi and for-hire vehicle drivers. Parrott, James and Reich, Michael. [A Minimum Compensation Standard for TNC Drivers: Report for the City of Seattle](#). Center for New York City Affairs, Center for Wage and Employment Dynamics. July 2020.

Pre-Introduction Changes

CB 120653 reflects technical and substantive pre-introduction changes sponsored by Councilmember Mosqueda. For more information, see the following attachments:

- A. CB 120653 – Chart with pre-introduction changes, and
- B. CB 120653 – Legislation with pre-introduction changes.

Coordinating with County Council's Process

The City and County have developed substantially similar legislative packages to update and modernize for-hire transportation regulations. Since the City and County plan to jointly administer these regulations, the legislative packages approved by both jurisdictions should remain nearly identical. Therefore, if one jurisdiction amends the proposed regulations, the other jurisdiction should consider approving the same or similar amendments.

Currently, the County's legislative package is awaiting sponsorship and may not be reviewed until October or November. County staff are identifying technical edits that could be proposed or considered during the County Council's deliberations. To synchronize the legislative packages, it is likely that Council will need to consider amendments to the City's proposed legislative package after the County Council has completed its review this fall.

If the Council approves the City's legislative package before the County completes their deliberations, the Council would need to introduce *new* legislation to incorporate any County amendments rather than amending the current package.

As an alternative, the Council could consider delaying a final vote on the City's legislative package until after County deliberations. If the County completes their review of legislation in November, delaying the Council vote until December 5 would likely provide sufficient time for Central Staff to prepare any amendments to synchronize the regulations. Notably, if the County makes extensive changes, the Council may want to consider amendments in committee before a Council vote.

Next Steps

The Committee will continue discussion of the proposed legislation, consider any amendments, and possibly vote on the legislative package at the next meeting on September 20. If Councilmembers would like to propose any amendments, please contact me by 12 pm on September 15.

Attachments:

- A. CB 120653 – Chart with pre-introduction changes
- B. CB 120653 – Legislation with pre-introduction changes

cc: Esther Handy, Director
Aly Pennucci, Deputy Director
Yolanda Ho, Supervising Analyst



Legislation Text

File #: CB 120653, **Version:** 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to taxicabs and for-hire vehicles; separating and amending taxicab and for-hire vehicle industry regulations; adding a new Chapter 6.311 to the Seattle Municipal Code; and amending Sections 11.14.235 and 15.17.005 of the Seattle Municipal Code.

WHEREAS, Seattle desires to comprehensively regulate for-hire transportation, including taxicabs and for-hire vehicles; and

WHEREAS, the City has implemented new policies over the last few years to help the operators of taxicabs and for-hire vehicles navigate the loss of business during the COVID pandemic and subsequent economic recession; and

WHEREAS, industry participants have requested legislation to modernize licensing and operating requirements and align them with the City's values of equity, fairness, shared prosperity, and transparency; and

WHEREAS, the City desires to allow for regional operation of all licensed taxicabs and for-hire vehicles, implement new taximeter technology, offer the option to apply for an enhanced for-hire driver's license, and convert all for-hire vehicles into taxicabs; and

WHEREAS, the City partners with King County to regulate the larger for-hire transportation industry and desires to maintain that partnership under common regulations in the future; and

WHEREAS, due to changes in state law governing the regulation of transportation network companies, establishing a new Seattle Municipal Code chapter to regulate taxicabs and for-hire vehicle and modifying an existing Seattle Municipal Code chapter to regulate transportation network companies best articulates the City's objectives for these industries; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. A new Chapter 6.311 is added to the Seattle Municipal Code as follows:

CHAPTER 6.311 FOR-HIRE TRANSPORTATION - TAXICAB AND FOR-HIRE VEHICLES AND DRIVERS

6.311.010 Purpose

A. This Chapter 6.311 is an exercise of The City of Seattle's power to regulate the for-hire transportation industry. That exercise includes the power to license and regulate taxicabs, for-hire vehicles, taxicab and for-hire vehicle drivers, transitional regional dispatch agencies, and regional dispatch agencies. Some of its regulatory purposes are to increase the safety, reliability, cost-effectiveness, and economic viability and stability of privately operated for-hire vehicle and taxicab services within Seattle.

B. The obligation of complying with this Chapter 6.311 belongs to the licensee or applicant for a license within its scope. Neither a provision of, nor a term used in, this Chapter 6.311 is intended to impose any duty whatsoever upon the City or any of its officers or employees, for whom the implementation or enforcement of this Chapter 6.311 shall be discretionary and not mandatory.

C. This Chapter 6.311 is not intended to be and shall not be construed to create or form the basis for any liability on the part of the City or its officers, employees, or agents, for any injury or damage resulting from the failure of a licensee or applicant for license to comply with this Chapter 6.311, or by reason or in consequence of any act or omission in connection with the implementation or enforcement of this Chapter 6.311 on the part of the City by its officers, employees, or agents.

D. This Chapter 6.311 is intended to reduce regulatory complexity, promote equity and innovation, improve transportation and integration of the for-hire transportation industry, and ensure consumer protection and public safety. To fulfill these purposes, The City of Seattle:

1. Establishes reciprocal licensing privileges for King County medallion owners to operate within Seattle. This reciprocity authorizes medallion owners to operate in both Seattle and King County;

2. Establishes regional operating privileges for taxicab and for-hire vehicle drivers licensed by King County to operate within Seattle. This license allows the driver to operate in both Seattle and King County;

3. Consolidates the regulatory classifications of taxicabs and for-hire vehicles into a single taxicab standard. When a for-hire vehicle transitions to a taxicab, any reciprocal operating privilege will follow the vehicle;

4. Consolidates the regulatory classifications of taxicab associations and for-hire vehicle companies into a single, regional dispatch agency license that is subject to a common set of operating rules and standards;

5. Establishes regional licensing privileges for taxicab associations and for-hire vehicle companies licensed by King County to operate in Seattle. When a taxicab association or for-hire vehicle company transitions to a regional dispatch agency, the regional license will follow; and

6. Establishes a requirement for each regional dispatch agency to adopt a smart taximeter system.

6.311.020 Scope

A. This Chapter 6.311 applies to taxicab associations, for-hire vehicle companies, taxicabs, for-hire vehicles, and drivers of those vehicles. Chapter 6.310 applies to transportation network companies, transportation network company drivers, and transportation network company vehicles. References to transportation network companies, transportation network company drivers, or transportation network company endorsed vehicles remain in Chapter 6.310 because RCW 46.72B.190 constrains The City of Seattle from amending ordinances or regulations related to transportation network companies, transportation network company drivers, or transportation network company endorsed vehicles after January 1, 2022. In the event of a conflict between this Chapter 6.311 and Chapter 6.310, this Chapter 6.311 controls.

B. This Chapter 6.311 is not intended to regulate limousines and is consistent and compliant with

chapter 46.72A RCW.

C. This Chapter 6.311 is not a part of the New License Code (Subtitle IV of Title 6).

6.311.030 Council approval of agreements

The Director may enter into agreements with any other city, town, county, or port district for the joint regulation of for-hire and taxicab drivers in a manner consistent with the provisions of this Chapter 6.311; however, no such agreement shall be made without prior approval of the City Council by ordinance. Agreements may provide for, but are not limited to, the granting, revocation, and suspension of taxicab and for-hire driver licenses, or the sharing of enforcement responsibilities.

6.311.040 Definitions

For the purposes of this Chapter 6.311 and unless the context plainly requires otherwise, the following definitions apply:

"Abnormal disruption of the market" means any change in the market, whether actual or imminently threatened, resulting from stress of weather, convulsion of nature, failure or shortage of electric power or other source of energy, strike, civil disorder, war, military action, national or local emergency, or any other cause.

"Application dispatch system" means technology that allows consumers, via the internet using mobile interfaces such as, but not limited to, smartphone and tablet applications, either or both, to:

1. Directly request dispatch of regional for-hire drivers for trips; and
2. Accept payments for those trips.

"Approved mechanic" means a mechanic or technician on a list maintained by the Director. The list shall contain the name of each mechanic or technician that has been approved by Director because they:

1. Have met all requirements of the National Institute for Automotive Service Excellence;
2. Have been awarded a Certificate in Evidence of Competence satisfactory to the Director; and
3. Do not own, lease, or drive a taxicab, for-hire vehicle, or transportation network company

endorsed vehicle.

"Automated driving system" means hardware and software that are collectively capable of performing the entire dynamic driving task on a sustained basis, regardless of whether it is limited to a specific operational design domain and regardless of the presence of a driver.

"Autonomous operation" means the performance of the entire dynamic driving task by an automated driving system, beginning upon performance of the entire dynamic driving task by an autonomous driving system and continuing until the autonomous driving system is disengaged.

"Autonomous vehicle" means a vehicle with a level 3, level 4, or level 5 automated driving system as provided in the Society of Automotive Engineering International's J3016 standard.

"Certificate of safety" means a document from an approved mechanic certifying that a particular vehicle meets all vehicle safety standards set forth in this Chapter 6.311, including the vehicle safety inspection, and rules adopted by the Director in accordance with this Chapter 6.311.

"Citation" means an enforcement action taken by the Director that imposes monetary penalties when a person violates a requirement of this Chapter 6.311.

"Commencement date" means a calendar date set by the Director for the purpose of initiating certain processes pursuant to Section 6.311.415 and establishing timelines and deadlines associated with them.

"Contract rate" means the rate specified in a written agreement signed by both parties before the dispatch of a taxicab or for-hire vehicle for the services identified in the contract.

"Department" means the Department of Finance and Administrative Services of The City of Seattle, or any department that succeeds the Department's duties under this Chapter 6.311.

"Director" means the Director of Finance and Administrative Services, or the Director's authorized designee, or the director or authorized designee of any successor department.

"Disability" means the presence of a sensory, mental, or physical impairment that is medically cognizable or diagnosable; exists as a record or history; or is perceived to exist whether or not it exists in fact. A disability exists whether it is temporary or permanent, common or uncommon, mitigated or unmitigated,

whether or not it limits the ability to work generally or work at a particular job, or whether or not it limits any other activity within the scope of this Chapter 6.311. For purposes of this definition, "impairment" includes, but is not limited to:

1. Any physiological disorder, or condition, cosmetic disfigurement, or anatomical loss affecting one or more of the following body systems: neurological, musculoskeletal, special sense organs, respiratory, including speech organs, cardiovascular, reproductive, digestive, genitor-urinary, hemic and lymphatic, skin, and endocrine; or

2. Any mental, developmental, traumatic, or psychological disorder, including, but not limited to, cognitive limitation, organic brain syndrome, emotional or mental illness, and specific learning disabilities.

"Dispatch system" means a system that allocates requests for trips to available drivers and that facilitates communication between a dispatcher and driver. A dispatch system may be integrated into a smart taximeter system.

"Driver coordinator" means an entity that hires, contracts with, or partners with for-hire drivers for the purpose of assisting them with, or facilitating them in, providing for-hire services to the public. For the purposes of this definition, "driver coordinator" includes but is not limited to taxicab associations, for-hire vehicle companies, and transportation network companies.

"Egregious" means any moving violation that posed an immediate threat to the safety of the driver, any passengers in the vehicle, or to others.

"Exclusive driver representative" (EDR) means a qualified driver representative, certified by the Director to be the sole and exclusive representative of all for-hire drivers operating within the City for a particular driver coordinator, and authorized to negotiate, obtain, and enter into a contract that sets forth terms and conditions of work applicable to all of the for-hire drivers employed by that driver coordinator.

"Fare" means anything of economic value that is provided, promised, or donated primarily in exchange for services rendered.

"For-hire transportation services" means services provided by licensees under this Chapter 6.311.

"For-hire vehicle" means any motor vehicle used for the transportation of passengers for hire, and not operated exclusively over a fixed and definite route, except:

1. Taxicabs;
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 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;
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; and
9. Transportation network company endorsed vehicles as defined in Chapter 6.310 and transportation network company vehicles as defined in chapter 46.72B RCW.

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

"Lessee" means a person who has a regional for-hire driver's license that leases a taxicab or for-hire vehicle required to be licensed under this Chapter 6.311.

"Lessor" means a person who has leased a taxicab or for-hire vehicle to a lessee.

"License action" means an enforcement action taken by the Director against a licensee that is a suspension, summary suspension, denial, or revocation of the license.

"Licensee" means any person required to be licensed under this Chapter 6.311.

"Medallion" means a license issued by the Director as a plate, decal, or other physical representation, that is evidence that a taxicab or for-hire vehicle medallion is intangible property.

"Medallion owner" means a person who owns a taxicab medallion, a wheelchair accessible taxicab medallion, or a for-hire vehicle medallion issued by the Director.

"Medallion reciprocity endorsement" means a designation on a medallion issued by King County, or alternatively in the Director's record of the medallion owner, which permits a vehicle to operate in Seattle.

"Medallion system" means the system that deems a taxicab or for-hire vehicle medallion to be intangible property that may be used as collateral to secure a loan from a bank or any other financial institution.

"Motor vehicle" means every motorized vehicle by or upon which any person may be transported or carried upon a public street, highway, or alley. Vehicles used exclusively upon stationary rail tracks or propelled by use of overhead electric wires are not considered motor vehicles for purposes of this Chapter 6.311.

"Operate" or "operating" means owning, leasing, advertising, driving, parking in a taxicab zone, having a top light on, occupying, or otherwise being in control of a taxicab or for-hire vehicle that is available to transport, en route to pick up a passenger, or transporting any passenger for a fare from a point in Seattle. A taxicab association, for-hire vehicle company, transitional regional dispatch agency, or regional dispatch agency is operating if it represents or dispatches any taxicab or for-hire vehicle that at any time transports any passenger for a fare from a point within Seattle.

"Person" means any individual, partnership, association, corporation, firm, institution, or other entity, whether or not operated for profit. "Person" does not include:

1. A government entity of or within the United States;
2. An entity operating exclusively under contract with a government entity; or
3. That portion of an entity that is operating exclusively under contract with a government entity.

"Qualifying driver" means a for-hire driver, who drives for a driver coordinator and who satisfies the conditions established by the Director pursuant to Section 6.311.415. In establishing such conditions, the

Director shall consider factors such as the length, frequency, total number of trips, and average number of trips per driver completed by all of the drivers who have performed trips in each of the four calendar months immediately preceding the commencement date, for a particular driver coordinator, any other factors that indicate that a driver's work for a driver coordinator is significant enough to affect the safety and reliability of for-hire transportation, and standards established by other jurisdictions for granting persons the right to vote to be represented in negotiations pertaining to the terms and conditions of employment. A for-hire driver may be a qualifying driver for more than one driver coordinator.

"Qualified driver representative" (QDR) means an entity that assists for-hire drivers operating within the City for a particular driver coordinator in reaching consensus on desired terms of work and negotiates those terms on their behalf with driver coordinators.

"Regional dispatch agency" means a person licensed under this Chapter 6.311 who represents or owns taxicabs or for-hire vehicles licensed by the City that use the same trade name and dispatch services.

"Regional dispatch agency representative" means a person who a regional dispatch agency has authorized to:

1. File applications and other documents on behalf of the agency; and
2. Receive and accept all correspondence and notices from the Director pertaining to the agency or its taxicabs, taxicab owners, for-hire vehicles, for-hire vehicle owners, or regional for-hire drivers affiliated with the regional dispatch agency.

"Regional for-hire driver" means any person in physical control of a taxicab or for-hire vehicle who is required to be licensed under this Chapter 6.311 and includes a lease driver, owner/operator, or employee, who drives taxicabs or for-hire vehicles.

"Regional for-hire driver's license" means a license issued to an applicant for a regional for-hire driver's license who meets all criteria under this Chapter 6.311 for a regional for-hire driver's license.

"Regional for-hire driver's license wheelchair accessible vehicle endorsement" means an endorsement

applied to a regional for-hire driver's license that demonstrates that the driver has successfully completed required training regarding the special needs of passengers in wheelchairs, including, but not limited to, loading and tie-down procedures and door-to-door service.

"Smart taximeter" means a system of hardware and software that integrates a taximeter and other components together to perform functions required by this Chapter 6.311.

"Smart taximeter system" means the system a regional dispatch agency uses to dispatch trips to, communicate with, and track the location of affiliated vehicles and drivers through the smart taximeter. A smart taximeter system may include an application dispatch system.

"Taxicab" means every motor vehicle required to have a taxicab medallion to be used for the transportation of passengers for a fare, where the route traveled or destination is controlled by the passenger, and the fare is based on an amount recorded and indicated on a taximeter, smart taximeter, or on an application dispatch system.

"Taxicab association" means a person that represents or owns taxicabs licensed by The City of Seattle that use the same uniform color scheme, trade name, and dispatch services.

"Taximeter" means any instrument or device by which the fare for a trip provided in a taxicab is measured or calculated either for the distance traveled by the taxicab or for waiting time, or for both, and upon which such calculated charges shall be indicated by means of figures.

"Transitional regional dispatch agency" means taxicab associations and for-hire vehicle companies, or other persons that meet the requirements of a transitional regional dispatch agency in this Chapter 6.311, that do not have a regional dispatch agency license.

"Transparent" means the trip fare, the fare range, and other pricing variables are made readily available to a passenger before the passenger commits to taking the trip.

"Transportation network company" means the same as it is defined in Chapter 6.310.

"Transportation network company endorsed vehicle" means the same as it is defined in Chapter 6.310.

"Transportation network company vehicle endorsement" means the same as it is defined in Chapter 6.310.

"Uniform color scheme" means the color or colors used by vehicles affiliated with a transitional regional dispatch agency or regional dispatch agency, and approved by the Director for exclusive use.

"Voluntarily converted wheelchair accessible vehicle" means a director-inspected and approved taxicab or for-hire vehicle that is accessible to passengers in wheelchairs or other mobility devices but that is not required to be so as a condition of the vehicle's medallion.

"Wheelchair accessible taxicab" means a taxicab that is required to be accessible to passengers in wheelchairs or other mobility devices as a condition of its wheelchair accessible taxicab medallion.

"Wheelchair accessible taxicab medallion" means a type of medallion issued by the Director that requires the vehicle operated under the medallion to be accessible to passengers in wheelchairs and other mobility devices.

"Wheelchair accessible vehicle" means a taxicab or for-hire vehicle that has been designed or modified to transport passengers in wheelchairs or other mobility devices, conforms to the accessibility requirements of the regulations of the Americans with Disabilities Act of 1990, as amended, and has been inspected and approved by the Director. "Wheelchair accessible vehicle" includes both voluntarily converted wheelchair accessible vehicles and wheelchair accessible taxicabs.

6.311.050 Fees

A. The following nonrefundable fees shall apply:

| 1. Taxicab or for-hire vehicle medallion and related fees | |
|---|---|
| a. Annual medallion fee | \$300 |
| b. Annual medallion reciprocity endorsement fee | \$300 |
| c. Annual wheelchair accessible vehicle medallion fee | Waived when determined eligible by the Director |
| d. Annual wheelchair accessible vehicle medallion endorsement fee | Waived when determined eligible by the Director |

| | |
|---|--|
| e. Late medallion renewal and medallion reciprocal renewal fee | \$30 |
| f. Change of vehicle associated with a medallion | \$25 |
| g. Change or transfer of medallion owner corporation, liability company, or partnership members fee | \$25 |
| h. Replacement medallion plate or decal fee | \$25 |
| i. Wheelchair accessible vehicle and installed equipment fee | \$0 |
| j. Special inspection fee (for tests and/or inspections of vehicles without a medallion) | \$100 per hour (½ hour minimum) |
| k. Vehicle inspection rescheduling fee (for vehicles without a medallion) | \$25 |
| l. Taxicab or for-hire vehicle change of agency address | \$25 |
| 2. Regional for-hire driver fees | |
| a. Annual regional for-hire driver’s license fee* | \$25 |
| b. Late regional for-hire driver’s license renewal | \$15 |
| c. Driving history report fee i. Driving abstract prepared by Department of Transportation ii. Third-party driving history report | Charged as determined by Director to cover costs Charged as determined by Director to cover costs |
| d. Fingerprinting fee | Charged as determined by Director to cover costs |
| e. Criminal background check fee i. Third-party (regional for-hire driver’s license) ii. Fingerprinting check (enhanced regional for-hire driver’s license) | Charged as determined by Director to cover costs Charged as determined by Director to cover costs |
| f. Replacement license | Charged as determined by Director to cover costs |
| g. Rescheduling fee (training, testing) | Charged as determined by Director to cover costs |
| h. Training fees | Charged as determined by Director to cover costs |
| 3. Regional Dispatch Agency License or Transitional Regional Dispatch Agency Fees | |
| a. Annual regional dispatch agency license fee* affiliated vehicles ii. 51 or more affiliated vehicles | \$250 \$500 |
| b. Late regional dispatch agency license renewal affiliated vehicles ii. 51 or more affiliated vehicles | \$25 \$50 |

| | |
|---|-------------|
| c. Annual transitional regional dispatch agency license fee i. 50 or fewer affiliated vehicles ii. 51 or more affiliated vehicles | \$250 \$500 |
| d. Late transitional regional dispatch agency license fee i. 50 or fewer affiliated vehicles ii. 51 or more affiliated vehicles | \$25 \$50 |
| e. Additional trade names registration fee | \$25 |
| * The fee amount shown is the City's portion of the total amount charged (King County charges Seattle and King County fees comprise the total fee for each particular license type. | |

B. The Director may adjust any of the fees in this Section 6.311.050 following consideration of the following nonexclusive factors:

1. The projected costs and annual budget for regulatory and enforcement costs related to taxicabs, for-hire vehicles, and regional for-hire drivers;
2. The need for increased enforcement activities; and
3. The total number of trips across taxicabs and for-hire vehicles.

The purpose of any adjustment is to ensure that the fees cover the Director's enforcement and regulatory costs.

C. Annual medallion fees for wheelchair accessible vehicles may be waived by the Director. To be eligible for this waiver, the licensee must demonstrate compliance with additional standards established by rule, including, but not limited to, providing a minimum number of trips annually to passengers in wheelchairs.

D. The Director may from time to time declare periods of amnesty in which the Director may waive any penalty imposed under this Chapter 6.311 for delinquent payment of fees. Such periods of amnesty and the terms thereof may be established by the Director upon a finding by the Director that to do so would further the goals of the for-hire transportation industry and be in the public interest. The Director may promulgate rules and procedures to implement the provisions of this section.

E. Any late fee established in this Section 6.311.050 applies when an application for medallion or license renewal is received later than one business day after the expiration date of the prior medallion or license or a scheduled payment for a fee is overdue.

6.311.060 Wheelchair Accessible Services Fund

A. In addition to the fees specified in Section 6.311.050, as part of the license issuance or renewal fee, taxicab and for-hire vehicle licensees shall pay a \$0.10 per ride surcharge for all rides originating in Seattle for each vehicle. As part of the City's taxi, for-hire, and transportation network company regulation, this surcharge shall be used to offset the higher operational costs of wheelchair accessible taxi (WAT) services for owners and operators including, but not limited to: vehicle costs associated with purchasing and retrofitting an accessible vehicle, extra fuel and maintenance costs, and time involved in providing wheelchair accessible trips. Funds shall be distributed by reimbursement for documented, itemized costs. The Director shall adopt by rule the procedure for determining when and how to distribute funds to WAT owners and drivers, including imposing conditions of reimbursement, imposing a maximum amount of reimbursement, and considering timely distribution of reimbursement to WAT drivers and owners. In determining the distribution of funds, the Director shall consider factors including, but not limited to, actual consumer demand for WAT services, total number of WAT rides, total number of WAT rides requested through a TNC application, total paid trips per WAT, and average operating hours per WAT. A WAV is eligible for reimbursement from the Wheelchair Accessible Services Fund as prescribed by the Director by rule.

B. Following the first year of collecting the \$0.10 per ride surcharge, the surcharge rate may be adjusted by the Director based on, but not limited to, consideration of the following factors: reimbursed costs for purchasing and retrofitting accessible vehicles, the actual need for purchasing and retrofitting accessible vehicles in the upcoming year, total number of WAT rides, and may consider any other factors that may affect the supply, demand, and financial viability for WAT service within the City limits.

6.311.070 Regional for-hire driver's license required

A. It is unlawful for a person to operate a taxicab or for-hire vehicle without first having obtained a valid regional for-hire driver's license. A regional for-hire driver's license shall expire one year from the date of application. A regional for-hire driver's license is not transferable or assignable.

B. As of the effective date of this ordinance, any valid for-hire driver's license previously issued to a driver under Chapter 6.310, other than a for-hire driver's license that displays as a "for-hire permit," shall become a regional for-hire driver's license and all references to for-hire driver's licenses shall mean regional for-hire driver's licenses. As of the effective date of this ordinance, for-hire drivers with a valid for-hire driver's license issued by King County shall be deemed to also have a corresponding regional for-hire driver's license from The City of Seattle, which shall be valid until the original expiration date.

C. Drivers with a for-hire driver's license that displays as a "for-hire permit" may continue to operate a taxicab or for-hire vehicle until the first license expiration date after the effective date of this ordinance, at which time, a regional for-hire driver's license or enhanced regional for-hire driver's license issued under this Chapter 6.311 shall be required to operate a taxicab or for-hire vehicle.

6.311.080 Wheelchair accessible vehicle endorsement

It is unlawful for a driver to operate a wheelchair accessible vehicle without a regional for-hire driver's license wheelchair accessible vehicle endorsement. To obtain such an endorsement, a driver shall submit proof the driver has successfully completed a director-approved training for providing for-hire transportation services in wheelchair accessible vehicles. Wheelchair accessible vehicle drivers must comply with Section 6.311.290, in addition to the requirements of Sections 6.311.070 through 6.311.180. The Director may take enforcement action against a regional for-hire driver's license wheelchair accessible vehicle endorsement, a regional for-hire driver's license, or both, as consistent with this Chapter 6.311.

6.311.090 Grant of license

The Director shall issue a regional for-hire driver's license to an applicant who:

- A. Is at least 20 years old;
- B. Possesses a valid driver's license issued by a state or territory in the United States, and has possessed such driver's license, or driver's licenses, for at least one year;
- C. Completes driver training as approved by the Director before submitting an initial application for a

regional for-hire driver's license. Training shall include, but is not limited to:

1. A general for-hire driver training course with information about use of emergency procedures and equipment for the driver's personal safety, risk factors for crimes against for-hire drivers, and customer service;

2. A defensive driving course provided by the National Safety Council and approved by the Director, or an alternative defensive driving course approved by the Director; and

3. Any other courses if required by the Director after September 1, 2024.

D. Successfully completes a regional for-hire driver license examination or examinations approved by the Director;

E. Submits a complete application, or consents to an application being submitted on the applicant's behalf, for a regional for-hire driver's license annually on a form or format approved by the Director;

F. Provides a certification of fitness as a regional for-hire driver on a form approved by the Director. The Director may at any time require any applicant for, or holder of, a regional for-hire driver's license to be examined by a physician licensed to practice in the state of Washington if it appears that the applicant or licensee has become physically or mentally incapacitated so that the applicant or licensee is unfit as a regional for-hire driver. The Director shall prescribe by rule the scope of the examination and provide a form for the physician to complete. A United States Department of Transportation medical certification meets the requirements of this subsection 6.311.090.F;

G. Consents to a background check, with ongoing monitoring if available, from an entity that is approved by the Director. The Director shall require the third party to demonstrate competency in providing accurate information prior to being approved by the Director, and shall include local, state, and national databases, and access at least five years of database history when performing background checks;

H. Successfully passes a criminal background check, including:

1. No convictions, bail forfeitures, or other final adverse findings, including in civil suits or

administrative hearings, pertaining to any of the following within the past five years:

- a. Attempting to elude the police;
- b. Reckless driving;
- c. Hit and run;
- d. Any alcohol- or drug-related driving crime;
- e. Any class A or B felony, as defined in Title 9A RCW;
- f. Any violent offense, or serious violent offense, or most serious offense as defined in chapter 9.94A RCW;
- g. A crime involving physical violence, other than those crimes in subsection

6.311.090.H.1.e, if the Director determines the circumstances of the crime make the person unsafe to operate as a regional for-hire driver;

h. A crime that is directly related to the individual's honesty and integrity including, but not limited to, theft, burglary, and extortion, if the Director determines the circumstances of the crime make the person incompatible with the duties of a regional for-hire driver; or

i. Any conviction for any offense committed in another jurisdiction that includes the elements of any of the offenses listed in this subsection 6.311.090.H.1;

2. No convictions, bail forfeitures, or other final adverse findings, including in a civil suit or administrative hearing, pertaining to any sex offense as defined in chapter 9.94A RCW or convictions that include a special allegation of sexual motivation, including convictions for any offense committed in another jurisdiction that includes the elements of a sex offense as defined in chapter 9.94A RCW, within the past seven years;

3. Not being listed in the United States Department of Justice national sex offender public website, and not required to register as a sex offender; and

4. No active arrest warrant for any crime.

I. Authorizes the Director to obtain the applicant’s current driving history, and the results of ongoing monitoring if available, from the Washington State Department of Licensing and from an entity that is approved by the Director that provides a multistate driving abstract that includes the state of Washington;

J. Successfully passes a check of the applicant’s driving record, meaning: (1) the applicant’s driving record has no law violations that are egregious within the past five years, and (2) the applicant’s driving record leads the Director to reasonably conclude that the applicant will operate a vehicle in a safe manner and comply with this Chapter 6.311;

K. Consents to the Director obtaining other information directly concerning the person’s past conduct and general qualifications that shows the person’s ability and skill as a regional for-hire driver and the person’s honesty and integrity for the purposes of determining whether the person is suitable to operate as a regional for-hire driver;

L. Agrees to the affiliated transitional regional dispatch agency or regional dispatch agency receiving, as official service, general correspondence, citations, license actions, and notices of complaints from the Director, on the driver’s behalf; and

M. Meets the criteria necessary for obtaining a regional for-hire driver’s license from King County and applies for a regional for-hire driver’s license from King County concurrently with applying for a regional for-hire driver’s license from The City of Seattle.

6.311.100 Inseparability of regional for-hire driver’s licenses

A regional for-hire driver’s license issued by The City of Seattle and a regional for-hire driver’s license issued by King County to the same individual shall display as a regional for-hire driver’s license, and shall be considered one, inseparable license.

6.311.110 Enhanced regional for-hire driver’s license

Effective September 1, 2024, an enhanced regional for-hire driver’s license is a type of regional for-hire driver’s license that, in addition to meeting the requirements in Section 6.311.090 for a regional for-hire

driver's license, requires a driver to consent to and successfully pass a fingerprint-based background check, with ongoing monitoring if available, from an entity that is approved by the Director, consistent with the criteria in subsection 6.311.090.H.

6.311.120 Inseparability of enhanced regional for-hire driver's licenses

An enhanced regional for-hire driver's license issued by The City of Seattle and an enhanced regional for-hire driver's license issued by King County to the same individual shall display as an enhanced regional for-hire driver's license, and shall be considered one, inseparable license.

6.311.130 Temporary license

Pending final action on a regional for-hire driver's license application, the Director may issue a temporary regional for-hire driver's license when the review of an application is anticipated to be longer than two days. A temporary regional for-hire driver's license shall be effective for a period of up to 60 days unless extended by the Director.

6.311.140 Other considerations

In considering an application for a regional for-hire driver's license, the Director may consider any other information that may lead the Director to reasonably conclude that the applicant will not operate a vehicle in a safe manner or comply with this Chapter 6.311.

6.311.150 Effect of application denial and license revocation

A. An applicant whose application for a regional for-hire driver's license was denied shall:

1. Be ineligible to reapply for a regional for-hire driver's license until the date specified in the final notice of denial; and
2. Not reapply for a regional for-hire driver's license that was denied until correction of the deficiency on which the denial was based is deemed acceptable by the Director.

B. A regional for-hire driver whose regional for-hire driver's license was revoked shall be ineligible to reapply for a regional for-hire driver's license until the date specified in the final notice of revocation.

6.311.160 Regional for-hire driver operation - Requirements

A regional for-hire driver shall:

A. Have in the driver's possession and available upon request of the Director at any time the driver is operating a taxicab or for-hire vehicle:

1. A state-issued or United-States-territory-issued driver's license;
2. The vehicle's registration;
3. Proof of insurance as required by this Chapter 6.311; and
4. A valid regional for-hire driver's license, which shall also be posted in the vehicle and visible

to passengers as prescribed by the Director.

B. Ensure that the vehicle's medallion plate or decal is valid and is displayed as required;

C. Ensure the lights, brakes, tires, steering, seat belts, any system relied on for safe operation, taximeter, and other vehicle equipment are working properly prior to each shift and while operating;

D. Maintain the vehicle interior and exterior, including exterior markings, in clean and good repair;

E. Allow the Director to inspect the vehicle without prior notice at any reasonable time or place;

F. At all times while operating a taxicab or for-hire vehicle, be signed into at least one dispatch system, smart taximeter system, or application dispatch system provided by the affiliated transitional regional dispatch agency or regional dispatch agency;

G. Provide service to passengers in wheelchairs before any other passengers when operating wheelchair accessible vehicles;

H. Activate the taximeter or smart taximeter at the beginning of each paid trip, whether the fare is computed by the taximeter, smart taximeter, application dispatch system, contract, or flat rate, and deactivate the taximeter or smart taximeter upon completion of the trip. The beginning of a trip is the point where the passenger is seated, and any materials are stowed, and the forward motion of the vehicle begins;

I. Ensure that the taximeter or smart taximeter display is visible to passengers at all times while

operating a taxicab;

J. If the fare for a trip is an upfront fare or a flat rate fare, confirm the fare with the customer before beginning the trip;

K. Operate the taxicab or for-hire vehicle with due regard for the safety, comfort, and convenience of passengers and always provide passengers with professional and courteous service. The driver shall not use threatening behavior or offensive language, expressions, or gestures to any person while operating;

L. If requested, be willing to assist a passenger entering or exiting the vehicle and placing luggage or packages that are under 50 pounds in and out of the vehicle. Upon request for assistance, a driver must so assist a passenger or otherwise ensure the passenger's request is fulfilled;

M. Use the most direct or most expedient available route on all trips unless the passenger specifically requests to change the route;

N. Record all trips, process all payments, and issue a receipt for all payments through a dispatch or payment system provided by the transitional regional dispatch agency or regional dispatch agency;

O. Be able to provide a reasonable and prudent amount of change, and, if correct change is not available, no additional charge may be made to the passenger in attempting to secure the change;

P. Accept payment of fares via cash payment for any trip dispatched through a transportation network company's application dispatch system if allowed by the transportation network company;

Q. At the end of each trip, check the vehicle for any article or articles that are left behind by passenger or passengers and promptly secure the article or articles and report the found article or articles to the transitional regional dispatch agency or regional dispatch agency;

R. Comply with any license action, citation, or Director order, and pay any penalties issued under this Chapter 6.311 that are either not appealed or are upheld after review;

S. Immediately surrender the vehicle medallion plate or decal in a manner approved by the Director when the vehicle medallion is temporarily deactivated or revoked;

T. Comply with policies and procedures established by the transitional regional dispatch agency or regional dispatch agency to meet the requirements of this Chapter 6.311 and to ensure customer satisfaction;

U. Comply with applicable business license requirements for any jurisdiction in which the driver operates; and

V. Meet any other requirement as established by the Director by rule as authorized by this Chapter 6.311.

6.311.170 Regional for-hire driver operation - Prohibitions generally

A regional for-hire driver shall not:

A. Transport more passengers than the number of seat belts available nor more luggage than the vehicle capacity will safely and legally allow;

B. Operate a taxicab or for-hire vehicle that does not have the rate posted as prescribed by the Director by rule;

C. Operate a taxicab or for-hire vehicle that is unaffiliated with a taxicab association, for-hire vehicle company, transitional regional dispatch agency, or regional dispatch agency;

D. Use a personal electronic device while driving a motor vehicle on a public roadway, unless consistent with RCW 46.61.672, as amended;

E. Operate a taxicab or for-hire vehicle under the influence of any alcohol, narcotics, drugs, or prescription or over-the-counter medication that impairs the driver's ability to operate a taxicab or for-hire vehicle or in any way jeopardizes the safety or security of passengers or the public;

F. Knowingly possess illegal substances or open containers of alcohol while operating a taxicab or for-hire vehicle as a regional for-hire driver;

G. Operate a taxicab or for-hire vehicle for more than 14 hours in any 24-hour period. Thereafter, the regional for-hire driver shall not operate a taxicab or for-hire vehicle until eight consecutive hours have elapsed. Stand-by time does not count towards the 14-hour limit. For the purposes of this subsection 6.311.170.G, “stand

-by time” includes any time the regional for-hire driver is available for hire but is not physically in the vehicle;

H. Use the taxicab or for-hire vehicle, or allow the taxicab or for-hire vehicle to be used, in the commission of any crime;

I. Refuse to transport in the taxicab or for-hire vehicle, cancel a dispatched call, or end a trip in progress because of:

1. Any passenger's wheelchair or other mobility device that can be folded and safely placed in either the passenger or trunk compartment of the vehicle;

2. A service animal as defined by Section 14.06.020; and

3. A passenger’s groceries, packages, or luggage;

J. Refuse to transport any person except when:

1. The driver has already been dispatched on another call;

2. The passenger is acting in a disorderly, threatening or suspicious manner, or otherwise causes the driver to reasonably believe that the driver’s health or safety, or that of others, may be endangered;

3. The passenger cannot, upon request, show ability to pay the fare;

4. The passenger refuses to state a specific destination upon entering the taxicab or for-hire vehicle; or

5. The trip covers more than one hundred miles or includes traveling over a mountain pass or on a ferry;

K. Smoke or allow passengers to smoke in the vehicle;

L. Ask, demand, or collect any rate or fare other than as specified on the taximeter, smart taximeter, or application dispatch system;

M. Solicit passengers from anywhere other than the driver's seat or standing within direct view of the taxicab or for-hire vehicle, and never solicit when the taxicab or for-hire vehicle is in motion. The driver of a taxicab or for-hire vehicle shall not use any other person to solicit passengers;

N. Park a taxicab or for-hire vehicle in a marked passenger load zone, truck load zone, commercial load zone, or charter bus zone; except that a driver may drop off or pick up passengers in a passenger load zone; and

O. Misstate or omit a material fact on any document provided to the Director, or alter any document or record provided to or issued by the Director.

6.311.180 Regional for-hire driver operation - Prohibitions in a taxicab zone

A. Designated taxicab zones are for taxicabs only. A regional for-hire driver shall not do any of the following in a taxicab zone:

1. Leave the taxicab unattended in a taxicab zone for more than 15 minutes;
2. Occupy a taxicab zone unless operating a taxicab that is available for hire;
3. Perform engine maintenance or repairs on the taxicab while in a taxicab zone;
4. Refuse a request for service because of the driver's position in line at a taxicab zone; a

passenger may select any taxicab in the line; or

5. Use a taxicab zone while under suspension from that taxicab zone.

B. A violation of this Section 6.311.180 may result in a suspension from one or more taxicab zones, in addition to penalties as authorized in Section 6.311.430.

6.311.190 Medallion system

A. As of the effective date of this ordinance, every valid taxicab and for-hire vehicle medallion issued by King County shall be issued a City medallion reciprocity endorsement. A medallion reciprocity endorsement is subject to annual renewal. The medallion and medallion reciprocity endorsement shall be inseparable. A medallion cannot be issued, renewed, transferred, or temporarily deactivated separately from the medallion reciprocity endorsement. Any restriction imposed on a medallion through a license action applies with equal force to the corresponding medallion reciprocity endorsement. Any restriction imposed on a medallion reciprocity endorsement through a license action applies with equal force to the corresponding medallion.

B. Effective September 1, 2024, an existing medallion issued by the City and an existing medallion

issued by King County, which have been used with the same vehicle, may be separated to be used with different vehicles or to be transferred. This provision applies to all medallion types.

C. The owner of a taxicab or for-hire vehicle medallion may use the medallion as collateral to secure a loan from a bank or any other financial institution. Medallion owners shall file with the Director the name of any and all lienholders, on forms furnished by the Director. The collateral shall be described as "City of Seattle taxicab medallion" or, until March 31, 2026, "City of Seattle for-hire vehicle medallion," and shall include the medallion number. Within 30 days of the date of creation of the pledge, lien, or security interest, the party that holds the pledge, lien, or security interest, shall record the same as required by State law and provide a copy of the recording to the Director.

D. The interest of a medallion owner may be suspended or revoked for any reason enumerated in this Chapter 6.311 for the suspension or revocation of a medallion.

E. Upon a final order of medallion revocation, where all appellate proceedings, if any, have been concluded, the medallion may only be transferred as prescribed by this Section 6.311.190, Section 6.311.230, and as prescribed by the Director by rule.

F. In accepting a medallion, medallion owners waive any and all liability, claims, actions, suits, loss, costs, expense judgments, attorneys' fees, or damages of every kind and description resulting directly or indirectly from any act or omission of the City, its officials, officers, employees, and agents regarding the valuation or devaluation of the medallion.

G. The City assumes no liability for any devaluation of the medallion, including, but not limited to, any devaluation due to regulatory action or market forces.

H. Except for an owner awarded a new taxicab or for-hire vehicle medallion that is required to meet the minimum operating requirements in subsection 6.311.200.G, a medallion owner may voluntarily transfer or sell a medallion in accordance with this Section 6.311.190, Section 6.311.230, and as prescribed by the Director by rule.

I. Medallion owners may lease an interest in the medallion as prescribed by Director's rule. A leased medallion shall not be subleased to another party.

6.311.200 Medallions - Allowable number

A. Unless adjusted by the Director by rule, the maximum number of taxicab medallions is 1,300.

Wheelchair accessible taxicab medallions do not count towards the maximum number.

B. On April 1, 2026, all for-hire vehicle medallions shall become taxicab medallions. The medallion system for for-hire vehicles shall no longer be in effect after March 31, 2026.

C. The Director may issue new taxicab medallions only as specified by this Section 6.311.200.

D. The Director may adjust by rule the maximum number of taxicab medallions and shall periodically determine the need for additional taxicab service. Factors to be considered to adjust the maximum number of taxicab medallions or to issue new taxicab medallions include:

1. Coordination with King County to promote a regional licensing and regulatory framework for for-hire transportation services;
2. Growth in population, tourists, and other visitors to the area;
3. The quality of existing taxicab service as indicated by customer satisfaction, including wheelchair accessible vehicle service, if applicable;
4. A comparison of actual average taxicab response times to optimum average taxicab response times established by the Director;
5. Availability and quality of for-hire transportation services in underserved communities, including areas of lower population density;
6. Available data for medallions on the private market;
7. Analysis of drivers' ability to earn a living wage, including the impact of adjusting the number of medallions on driver income; and
8. Other indications of market demand.

E.

1. If the Director determines that issuance of additional taxicab medallions is warranted, such medallions shall be issued as follows:

a. A competitive request for proposals and award process under which medallions will be issued to applicants whose proposals demonstrate that they are most able to meet the needs of the public in providing taxicab service by meeting qualifications prepared by the Director that are not in conflict with the general provisions of this Chapter 6.311;

b. A lottery of qualified applicants; or

c. A combination of both procedures as prescribed by the Director by rule.

2. Regardless of the method used, the Director shall consider an applicant's driving record, driving experience, current or previous medallion ownership, and any additional qualifications required by the Director.

3. If issuing a wheelchair accessible taxicab medallion, the Director may additionally consider the applicant's qualifying experience transporting individuals with disabilities who require any type of mobility device, including a manual or motorized wheelchair, and any additional qualifications required by the Director.

F. Any new taxicab medallion shall only be issued to a person who is an individual. No corporation, limited liability company, or partnership shall obtain any medallion held by an individual until the expiration of three years following the original date of issuance to that individual; however, new taxicab medallions may be issued to and be held by the following business entities:

1. Corporations held by a single shareholder, except that the taxicab must be personally operated by the single shareholder for a period of three years from the date of issuance of the medallion and the ownership of the shares of the corporation cannot be changed within the three-year period. Any change of ownership of shares of the corporation shall result in revocation of the medallion; or

2. Limited liability companies comprised of a single member, except that the taxicab must be

personally operated by the single member for a period of three years from the date of issuance of the medallion and no change of membership may take place within the three-year period. Any change of membership of the limited liability company shall result in revocation of the medallion.

G. For three years following the date of issuance of a new taxicab medallion or a new wheelchair accessible taxicab medallion, the owner must personally drive the taxicab for at least 30 hours per week for a minimum of 40 weeks per year. If the medallion owner fails to fulfill this minimum operating requirement in any one-year period within the three-year period following the date of issuance, the medallion shall be revoked and shall not be eligible for transfer by its original owner. The medallion shall be transferable upon the completion of the three-year operating requirement.

H. A medallion plate, medallion decal, or other indicia issued to a medallion owner shall remain the property of the Director.

I. A medallion owner may seek Director approval to permanently convert a medallion to a wheelchair accessible taxicab medallion. Such a conversion shall be subject to conditions prescribed by the Director by rule. Conversion of a taxicab medallion to a wheelchair accessible taxicab medallion is not considered the issuance of a new medallion. A medallion that has been operated for three or more years that is permanently converted to a wheelchair accessible taxicab medallion shall be transferrable and not subject to a new three-year operating requirement.

J. As an alternative to the process outlined in subsection 6.311.200.E, the Director may issue City of Seattle medallion reciprocity endorsements to applicants selected by King County to be issued a King County taxicab medallion or a King County wheelchair accessible taxicab medallion, as applicable.

6.311.210 Temporary deactivation and retirement of a taxicab or for-hire vehicle medallion

A. Effective September 1, 2024, any time a medallion is not operating for 60 days or more, the medallion owner, or an authorized representative, shall file a notice of temporary deactivation with the Director in a manner determined by the Director. A temporary deactivation may be for any reason, including, but not

limited to, an inoperable or unavailable vehicle, a temporary lack of affiliation with an agency, an extended leave of absence, or owner convenience.

B. When a notice of temporary deactivation is filed with the Director:

1. If the medallion is not expired, the deactivation period shall not exceed 12 consecutive months from the date the temporary deactivation notice is filed with the Director;
2. If the medallion is expired, the deactivation period shall not be more than 12 consecutive months from September 1, 2024 or from the date the medallion expired, whichever is longer; and
3. If the medallion is expired or expires during the temporary deactivation period, the medallion renewal process must be completed before the medallion can be reactivated.

C. The Director may initiate a temporary deactivation when the Director becomes aware that a medallion has not been operating for 60 days or more.

D. For medallions revoked, relinquished, or otherwise held by the Director after January 31, 2015, and before September 1, 2024, the temporary deactivation period shall begin on September 1, 2024. A medallion previously revoked, relinquished, or otherwise held by the Director, must be renewed by September 1, 2025.

E. If a medallion owner fails to reactivate the medallion within 12 months from the effective date of the temporary deactivation, the Director shall issue a notice of retirement to the medallion owner. Within 60 days of the notice of retirement, the medallion owner may reactivate or transfer the medallion. If the medallion is not reactivated or transferred within 60 days of the notice of retirement, the medallion is retired and an order of retirement will be issued by the Director. The medallion owner may appeal the order of retirement in accordance with Section 6.311.450. Failure to appeal means the order of retirement issued by the Director is final. The taxicab or for-hire vehicle medallion plate or decal that has been retired shall be returned to the Director within 15 days of the final order of retirement or, if the order is appealed and affirmed, within 15 days after all appellate proceedings have concluded.

F. Medallions issued via a lottery or request for proposals shall not be transferrable until the obligations

under subsection 6.311.200.G have been met.

G. Vehicle insurance is not required if a medallion is temporarily deactivated. The medallion owner must provide proof of vehicle insurance when reactivating the medallion.

6.311.220 Taxicab and for-hire vehicle - Owner surrender of vehicle medallion

It is unlawful to operate a taxicab or for-hire vehicle medallion that is suspended or revoked. The operation of the taxicab or for-hire vehicle must cease, and the medallion owner shall immediately surrender the medallion plate or medallion decal to the Director.

6.311.230 Taxicab and for-hire vehicle medallion transfer

Except for an owner subject to the minimum operating requirements in subsection 6.311.200.G, a taxicab or for-hire vehicle medallion may be transferred subject to the following restrictions and conditions:

- A. The medallion and medallion reciprocity endorsement are inseparable and must be transferred together;
- B. There are no pending enforcement actions or penalties, fees, or surcharges owed, that were issued under this Chapter 6.311, no unexpired vehicle lease agreements, and no unexpired medallion lease agreements;
- C. Transfers of medallions with liens filed with the Director will not be approved unless the medallion owner provides proof that the lien is paid or the lienholder provides written approval of the transfer. Only liens filed with the Director according to subsection 6.311.190.C will be considered in the transfer review;
- D. The medallion owner and proposed transferee shall submit a notice of transfer on a form or in a format prescribed by the Director;
- E. The proposed transferee shall meet all requirements in Section 6.311.260. A transfer shall not become effective, and the proposed transferee may not operate the taxicab or for-hire vehicle, until the proposed transferee receives the medallion plate or medallion decal; and
- F. Upon the final order of revocation, where all appellate proceedings, if any, have been concluded, a medallion owner shall immediately surrender the taxicab or for-hire vehicle medallion plate or decal to the

Director. Effective September 1, 2024, except for revocation according to subsection 6.311.200.G, the medallion owner has 60 days from the final order of revocation to transfer the medallion; however, medallions subject to a lien as evidenced by the filing requirement in subsection 6.311.190.C cannot transfer unless the medallion owner provides proof that the lien is paid or the lienholder provides written approval of the transfer. If the medallion is not transferred within the 60 days, the medallion shall be deemed permanently retired, the lien, if any, is removed, and the Director shall not reissue the medallion.

6.311.240 Estate distribution of a taxicab or for-hire vehicle medallions

A. When a taxicab or for-hire vehicle medallion or stock in a corporation owning such a medallion is distributed from an estate to a beneficiary by a court of law, the transferee shall submit to the Director the court order directing the City to transfer the medallion to the beneficiary. The court order shall condition the transfer upon the transferee complying with this Chapter 6.311.

B. An executor or administrator may continue the operation of a taxicab or for-hire vehicle only with prior written approval of the Director. The executor or administrator shall apply for such approval.

6.311.250 Taxicab and for-hire vehicle - Medallion and medallion reciprocity endorsement expiration and renewal

All medallions and medallion reciprocity endorsements shall expire one year from the date of issuance. Medallions and their associated medallion reciprocity endorsements are inseparable and expire and renew concurrently. Unless an appeal is pending, no medallion may be renewed unless all outstanding penalties owed under this Chapter 6.311 have been paid.

6.311.260 Taxicab and for-hire vehicle initial and annual medallion application requirements

A. All for-hire vehicles must be operated as taxicabs using a smart taximeter system and must be affiliated with a regional dispatch agency that has a valid regional dispatch agency license by a date consistent with subsection 6.311.330.D.

B. It is unlawful to operate a taxicab or for-hire vehicle without first having obtained, for each and every

vehicle so used, a taxicab medallion or for-hire vehicle medallion issued in accordance with this Section 6.311.260.

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

1. Applicant type

a. If the applicant is an individual, the applicant's full name, business address, primary telephone number, primary email address, and date of birth, which must be at least 18 years before the date of application; or

b. If the applicant is a corporation, limited liability company, partnership, or other entity:

1) The applicant's name, business address, telephone number, email address, and state of incorporation or partnership registration; and

2) The full name, title, date of birth which must be at least 18 years before the date of application, business address, and phone number for each individual representative who is vested with authority to manage or direct the affairs of the legal entity or to bind the legal entity in dealings with third parties;

2. Vehicle information including: the make; model; year, which shall be no more than 15 model years before the application date unless otherwise adjusted by the Director by rule; engine type; vehicle identification number; Washington state license plate number; transitional regional dispatch agency or regional dispatch agency with which the vehicle is affiliated; and vehicle number if previously assigned by the Director. The vehicle must be a passenger car as defined in RCW 46.04.382;

3. Certificate or other proof of affiliation with a transitional regional dispatch agency or regional dispatch agency;

4. Insurance policy as required by this Chapter 6.311;

5. A copy of the State of Washington vehicle registration or confirmation of vehicle registration

on a form or in a format accepted by the Director. The applicant does not need to be the registered owner;

6. Certificate of safety based on a vehicle safety inspection conducted annually by an approved mechanic; and

7. Any other information the Director may reasonably require to make a licensing decision, take enforcement action, or perform any other duties of the Director authorized by this Chapter 6.311.

D. The application and information required in this Section 6.311.260 must also be completed and supplied during each annual medallion renewal. The Director will not process a medallion application if any required information or documentation is missing or incomplete. Completed applications and copies of required documentation shall be provided to the Director by the medallion owner, or the transitional regional dispatch agency or regional dispatch agency on behalf of the medallion owner.

E. If any of the information in the application changes, ceases to be true, or is superseded in any way by new information, the applicant shall within seven days of the change:

1. Inform the Director; or

2. Inform the transitional regional dispatch agency or regional dispatch agency, if the application was submitted on behalf of the applicant.

F. A medallion shall not be renewed if the medallion does not have an associated vehicle or if the vehicle to which the medallion is associated is not affiliated with a transitional regional dispatch agency or regional dispatch agency. In such cases, the owner of the medallion shall initiate a temporary deactivation with the Director.

6.311.270 Insurance requirements

A. At all times while operating as a taxicab or for-hire vehicle, there must be valid insurance as described in this Section 6.311.270. All insurance policies shall either comply with chapter 46.72 RCW and have underinsured motorist coverage of at least \$100,000 per person and \$300,000 per accident; or comply with the coverage amounts required by RCW 46.72B.180. All insurance policies that cover a vehicle while operating

as a taxicab or for-hire vehicle and for which a medallion is required, shall be filed with the Director. The insurance policy shall:

1. Be issued by an admitted carrier in the state of Washington with an A.M. Best Rating of not less than B- and be not less than A.M. Best Financial Size Category VII or show evidence to the Director of surplus lines from an insurer with an A.M. Best Rating of not less than B and be not less than A.M. Best Financial Size Category VII;

2. Name The City of Seattle, its officers, officials, agents, and employees as an additional insured on the insurance policy;

3. Provide that the insurer will notify the Director, in writing, of cancellation for nonpayment of premium no less than ten days before the cancellation takes effect, or of cancellation for any other reason no less than 30 days before the cancellation or nonrenewal takes effect. If an insurance policy is cancelled or not renewed, proof of a new policy must be filed before the expiration of the policy. The taxicab or for-hire vehicle is automatically suspended and cannot operate until coverage is secured;

4. Not include aggregate limits, named driver requirements or exclusions, or radius restrictions. Other limitations or restrictions beyond standard insurance services office business auto policy form are subject to approval by the Director; and

5. Be in effect at any time the taxicab or for-hire vehicle is operating.

B. When a taxicab or for-hire vehicle is dispatched by a transportation network company, the taxicab's or for-hire vehicle's insurance covers that trip, unless the transportation network company maintains an insurance policy that includes trips provided by a taxicab or for-hire vehicle.

C. The Director may suspend or suspend and modify any requirements of this Section 6.311.270 when no other viable insurance options are available to the industry.

6.311.280 Vehicle safety inspections

A. The vehicle safety inspection and certificate of safety required by subsection 6.311.260.C.6 shall be

provided by an approved mechanic and shall certify that the following items on taxicab or for-hire vehicle are mechanically sound and fit for driving:

1. Foot brakes;
2. Emergency brakes;
3. Steering mechanism;
4. Windshield;
5. Rear window and other glass;
6. Windshield wipers;
7. Headlights;
8. Taillights;
9. Turn indicator lights;
10. Stop lights;
11. Front seat adjustment mechanism;
12. Doors, including that the doors properly open, close, and lock;
13. Horn;
14. Speedometer;
15. Bumpers;
16. Muffler and exhaust system, except for where vehicle propulsion systems emit zero emissions such as in battery electric vehicles;
17. Condition of tires, including tread depth;
18. Interior rear view mirror and exterior side view mirrors;
19. Safety belts and air bags for driver and a passenger or passengers; and
20. Other items reasonably required by the Director.

B. If the vehicle is sold, the certificate of safety remains valid until the next medallion renewal date.

C. An approved mechanic who performs vehicle safety inspections must not have a conflict of interest as defined by the Director by rule. The Director may remove an approved mechanic from the list maintained by the Director for a violation of this Chapter 6.311 or rules prescribed by the Director and authorized by this Chapter 6.311 or due to substantiated complaints from drivers.

D. Vehicles shall be maintained consistent with the service standards recommended by the vehicle manufacturer. The vehicle owner and driver shall keep all maintenance and service records for all vehicles owned and used for for-hire transportation services for three years.

E. The vehicle owner and driver shall remedy a vehicle defect in a manner consistent with a vehicle safety recall notice issued by the vehicle manufacturer and/or the National Highway Traffic Safety Administration, after being notified of the recall by the vehicle manufacturer, the driver's affiliated agency or company, or the Director.

F. The vehicle owner and driver shall ensure that all requirements in this Section 6.311.280 are met and continually maintained.

G. A vehicle that has been in a collision and determined by the insurance adjuster to be a total wreck or total loss shall not be placed back in service until an approved mechanic with a current certification in structural analysis and damage repair or airbags has verified that there is no damage to the vehicle frame and that the airbag system is working properly. The inspection is separate from the vehicle safety inspection completed each year.

H. The Director shall summarily suspend a medallion and place a vehicle out of service if the vehicle fails a vehicle safety inspection or the Director determines that a violation of this Section 6.311.280 is an immediate safety hazard and it is necessary to prevent a clear, substantial, and imminent hazard to life, safety, or property.

6.311.290 Wheelchair accessible vehicles

In addition to meeting all vehicle standards established in this Section 6.311.290, the following requirements

apply to wheelchair accessible vehicles:

A. The vehicle must conform to the vehicle accessibility requirements of the regulations of the Americans with Disabilities Act of 1990, Title 49 C.F.R. Chapter 38, Subpart B, as amended;

B. Taxicabs and for-hire vehicles may not convert to wheelchair accessible vehicles without Director approval. The Director may approve applications for conversion consistent with criteria prescribed by rule;

C. A vehicle operating with a wheelchair accessible taxicab medallion must be a wheelchair accessible vehicle; and

D. Before being placed into service and annually thereafter, a separate inspection of the vehicle and any installed accessibility equipment must occur. In addition to checking for conformance with vehicle accessibility requirements in accordance with subsection 6.311.290.A, the vehicle driver or drivers may be required to pass a practical demonstration of proper wheelchair securement techniques during this inspection. If a driver of the vehicle is unable to demonstrate proper securement techniques during this inspection, the Director shall suspend the driver's regional for-hire driver's license wheelchair accessible vehicle endorsement and may require the driver to undergo additional training before returning to try the practical demonstration again. A wheelchair accessible vehicle shall not pass the inspection unless the driver is able to pass a practical demonstration of proper wheelchair securement techniques. Upon passing the practical demonstration of proper wheelchair securement techniques, the driver's regional for-hire driver's license wheelchair accessible vehicle endorsement will no longer be suspended and is effective.

E. If prescribed by the Director by rule, affiliated wheelchair accessible vehicles shall participate in a Director-approved dispatch system for wheelchair accessible trips.

6.311.300 Electrification of taxicabs and for-hire vehicles

A. The Director may establish a rule to determine the viability of electric vehicles for taxicab and for-hire vehicle owners and regional for-hire drivers and, if viable, create incentives to promote the use of electric vehicles. When determining electric vehicle viability for for-hire transportation services, the Director shall

consider, but not be limited to, the following factors:

1. The price of new or used electric vehicles compared to new or used nonelectric vehicles;
2. If the mileage range for new and used electric vehicles meets the needs of full-time for-hire transportation services;
3. The availability of recharging infrastructure in locations and at times that are convenient for regional for-hire drivers, and if recharging time conflicts with the regional for-hire driver's need to operate the vehicle; and
4. If the vehicle life cycle for existing and new electric vehicles creates an undue burden for the vehicle owner or regional for-hire driver.

B. Nothing in this Chapter 6.311 shall be construed to require or restrict a regional for-hire driver's use of electric vehicles for for-hire transportation services.

6.311.310 Taxicab and for-hire vehicle operation - Requirements

- A. A taxicab or for-hire vehicle with a valid medallion may operate if the taxicab or for-hire vehicle:
1. Is operated by a driver with a valid regional for-hire driver's license issued under this Chapter 6.311;
 2. Has insurance as required by this Chapter 6.311;
 3. Displays, in a location specified by the Director, a current taxicab or for-hire vehicle medallion plate or decal issued by the Director; however, a licensed taxicab or for-hire vehicle does not require a transportation network company endorsement decal when dispatched by a transportation network company;
 4. Displays the vehicle medallion number and name of the affiliated transitional regional dispatch agency or regional dispatch agency on the exterior of the vehicle and displays any rates that apply to a trip not requested via an application dispatch system, as prescribed by the Director by rule;
 5. Is equipped to accept electronic payment of fares and issue receipts;
 6. When operating with a taxicab medallion, is equipped with an approved and properly

functioning taximeter or smart taximeter and is connected to a mobile data terminal to accept electronic payment of fares and issue receipts;

7. Displays any passenger information prescribed by the Director by rule;

8. Displays on or in the vehicle signs, including notices, announcements, pictures, advertisements, or other messages, that do not create a visible distraction or safety hazard for the driver of the vehicle or for other vehicles on the road. The Director may prescribe by rule the manner in which the signs may be displayed, including, but not limited to, requirements concerning the number of signs per vehicle, placement on or within vehicles, size limitations, and devices or mechanisms used to display the signs;

9. Is equipped with a monitored duress alarm approved by the Director in accordance with specifications prescribed by the Director by rule;

10. Is equipped with a monitored vehicle tracking system, which may be part of an approved smart taximeter system or application dispatch system, in accordance with specifications prescribed by the Director by rule;

11. Maintains a continuous connection between the taximeter and the dispatch system or between the taximeter and the application dispatch system;

12. Operates on a dispatch system of the affiliated transitional regional dispatch agency or regional dispatch agency and may also operate on one or more approved application dispatch systems, including those operated by a licensed transportation network company;

13. Is affiliated with a transitional regional dispatch agency or regional dispatch agency and adopts the uniform color scheme of that transitional regional dispatch agency or regional dispatch agency unless otherwise authorized by the Director. The Director may prescribe by rule any additional criteria for vehicle colors and markings;

14. Meets current taximeter standards and has installed and uses a smart taximeter when a smart

taximeter system is implemented by the affiliated regional dispatch agency;

15. Is compliant with policies and procedures established by the transitional regional dispatch agency or regional dispatch agency to meet the requirements of this Chapter 6.311 and ensure customer satisfaction; and

16. Meets any other requirement as established by the Director by rule as authorized by this Chapter 6.311.

B. To operate a taxicab or for-hire vehicle, the medallion owner or vehicle owner shall:

1. Not have any outstanding monetary penalties issued under this Chapter 6.311;

2. Inform the Director within five business days if the vehicle is no longer operating; and

3. Inform the Director and prior transitional regional dispatch agency or regional dispatch agency within five business days of the vehicle affiliating with a new transitional regional dispatch agency or regional dispatch agency.

C. A citation, license action, or both issued for a violation of this Section 6.311.310 shall be issued to the medallion owner, medallion lessee, person operating the vehicle, or any combination thereof, as appropriate.

6.311.320 Taxicab and for-hire vehicle - Vehicle lease requirements

A. All lease agreements for taxicabs and for-hire vehicles shall be in writing, and the lessor shall file the original lease agreement with the Director prior to the effective date of the lease in a manner specified by rule adopted by the Director.

B. If a change of transitional regional dispatch agency or regional dispatch agency is made, any existing vehicle lease must be filed with the new agency at the time of the change.

C. The lease amount charged to a lessee shall not exceed the maximum amount established by rule adopted by the Director. In determining the maximum lease amount, if any, the Director shall consider vehicle purchase prices, the cost of insurance premiums, fuel costs, and variations in the U.S. Bureau of Labor

Statistics Consumer Price Index for All Urban Consumers (CPI-U), for the Seattle area, evaluated over a 24-month time period preceding the determination of the lease amount, and may consider any other factors that may affect the market for taxicab or for-hire vehicle leases or that may affect the provision of for-hire transportation services. Costs already factored into the lease amount shall not be charged to the driver as an additional amount.

D. A vehicle lessee shall not sublease a taxicab or for-hire vehicle.

6.311.330 Transition of taxicab associations and for-hire vehicle companies to regional dispatch agencies

A. Taxicab associations and for-hire vehicle companies must transition to become regional dispatch agencies by March 31, 2026.

B. As of the effective date of this ordinance, a valid City of Seattle taxicab association license or for-hire vehicle company recognition shall automatically become a transitional regional dispatch agency license and shall expire on March 31, 2024. As of the effective date of this ordinance, every taxicab association with a valid license issued by King County and every for-hire vehicle company registered by King County shall be issued a transitional regional dispatch agency license by The City of Seattle and shall expire on March 31, 2024. A transitional regional dispatch agency license or a regional dispatch agency license permits the licensee to operate in Seattle and King County. New taxicab association licenses shall not be issued and new for-hire vehicle companies shall not be recognized after the effective date of this ordinance.

C. Upon initial license renewal, a transitional regional dispatch agency shall submit for Director approval a transition plan on a form provided by the Director for adopting a smart taximeter system. The transition plan must include a clear process for adopting a smart taximeter system by no later than March 31, 2026. The Director may grant an extension of the deadline for implementing a smart taximeter system for up to 12 months based upon consideration of the following nonexclusive factors:

1. Previous efforts of a transitional regional dispatch agency to implement a smart taximeter system in its fleet of affiliated vehicles;

2. Costs and availability of a smart taximeter system; and
3. Economic viability of operating a taxicab.

D. Transitional regional dispatch agencies seeking to continue operating beyond March 31, 2026, shall apply for a regional dispatch agency license. Unless the Director approves an extension for adopting a smart taximeter system, a valid regional dispatch agency license is required to operate after March 31, 2026.

6.311.340 Transitional regional dispatch agency or regional dispatch agency license required

A. It is unlawful for a person to operate as a regional dispatch agency without a valid regional dispatch agency license. A regional dispatch agency license is valid for one year and is not transferable. To be licensed as a regional dispatch agency, all regional dispatch agencies shall meet the criteria necessary for obtaining a regional dispatch agency license from King County and shall apply for a regional dispatch agency license from King County concurrently with applying for a regional dispatch agency license from The City of Seattle, and shall:

1. Apply for a license on a form approved by the Director;
2. Have an identified representative authorized to make business decisions on behalf of the agency or company;
3. Adopt a zero-tolerance policy for alcohol and drug use while operating a taxicab or for-hire vehicle licensed under this Chapter 6.311;
4. Adopt a policy that prohibits the agency or company, including their affiliated drivers, from discriminating against passengers or potential passengers on the basis of race; color; national origin; religious belief or affiliation; sex; disability; age; use of a service animal; sexual orientation; gender identity; or geographic beginning or endpoints of the ride, unless the trip covers more than 100 or includes traveling over a mountain pass or on a ferry;
5. Have a process for receiving, tracking, and resolving passenger complaints;
6. Have and maintain a secure process for passengers to retrieve items left behind in an affiliated

vehicle as soon as possible but no longer than two calendar days following the date of the trip. Such policy shall be in writing and readily accessible to passengers;

7. Have a system that enables each passenger to receive an electronic or paper receipt upon payment of the fare. A receipt shall include at least the following information:

- a. The date and time the trip began and ended;
- b. The medallion number for a taxicab or for-hire vehicle trip;
- c. The driver's regional for-hire driver's license number or unique driver identification number;
- d. The fare charged and any tip paid;
- e. The transitional regional dispatch agency or regional dispatch agency with which the vehicle is affiliated; and
- f. A phone number, email address, or website to submit passenger feedback and inquiries to the transitional regional dispatch agency or regional dispatch agency;

8. Have an approved smart taximeter system that includes the following functions:

- a. Is capable of metering a trip using an onboard diagnostic connection to the vehicle or the use of location tracking technology, or some combination of the two, to measure time and distance traveled;
- b. Has an integrated payment and receipting system that accepts credit cards and other electronic payments such as electronic taxi scrip, promotional codes, and alternative payment channels;
- c. Has an integrated dispatch system that:
 - 1) Supports two-way communication between the dispatcher and the driver;
 - 2) Is equipped with monitored vehicle tracking technology and be able to track vehicle location in real time;
 - 3) Does not exclusively dispatch calls by phone or radio; and
 - 4) Provides a duress alarm for the driver.

- d. Supports pricing based on static and dynamic market conditions;
 - e. Has the ability to calculate an upfront fare to present to a passenger before the passenger accepts the ride;
 - f. Is capable of notifying a passenger if a convenience fee for electronic payment, or other known fees, will be added to the fare;
 - g. Includes driver authentication and system security features;
 - h. Automates data collection and reporting;
 - i. Provides geographic location information;
 - j. Incorporates a Director-approved mobility data standard for on-demand for-hire vehicles to support external integration;
 - k. Can be used and configured for one or more regional dispatch agencies and can dispatch vehicles from one or more registered trade names;
 - l. If required by the Director by rule, is connected to a Director-approved external dispatch system for the purpose of dispatching wheelchair accessible vehicles; and
 - m. Meets any other requirement prescribed by the Director by rule; and
9. Have a driver training program, for for-hire drivers, approved by the Director.

B. Prior to obtaining a regional dispatch agency license, transitional regional dispatch agencies shall comply with regional dispatch agency licensing and operating requirements in this Section 6.311.340, except that:

- 1. A transitional regional dispatch agency shall not be required to have a smart taximeter system; and
- 2. A transitional regional dispatch agency that is affiliated with taxicabs at the time of being issued a transitional regional dispatch agency license that does not have a smart taximeter system approved by the Director, shall provide a dispatch system integrated with the vehicle's taximeter for all affiliated vehicles.

6.311.350 Inseparable licenses

A transitional regional dispatch agency license or regional dispatch agency license issued by The City of Seattle and a corresponding regional dispatch agency license or transitional regional dispatch agency license issued by King County shall be considered one inseparable license.

6.311.360 Transitional regional dispatch agency or regional dispatch agency operation - Requirements

A. At all times, a transitional regional dispatch agency or regional dispatch agency shall:

1. Operate with a valid transitional regional dispatch agency or regional dispatch agency license;
2. Ensure all information provided to the Director does not misstate or omit material facts;
3. Inform the Director in writing within seven days if any of the information provided in the transitional regional dispatch agency or regional dispatch agency license application changes, ceases to be true, or is superseded in any way by new information;
4. Ensure any driver of an affiliated vehicle possesses a valid regional for-hire driver's license, enhanced regional for-hire driver's license, or regional for-hire driver's license wheelchair accessible vehicle endorsement, or any combination thereof, as applicable to either the ride type or the vehicle type, or both;
5. Require affiliated vehicles to meet all requirements of this Chapter 6.311, including, but not limited to, passing an annual vehicle safety inspection and being licensed, endorsed, and insured;
6. Notify the Director in writing within seven days upon adding or removing an affiliated vehicle;
7. Require affiliated vehicles to be fully equipped as required by this Chapter 6.311 whenever operating as a taxicab or for-hire vehicle;
8. Accept service of general correspondence, license actions, citations, and notices of complaints on behalf of an affiliated driver or vehicle owner and forward such to the respective affiliated driver or vehicle owner;
9. Prioritize dispatch services to passengers in wheelchairs or other mobility devices when

dispatching affiliated wheelchair accessible vehicles;

10. Allow passengers to indicate whether they require a wheelchair-accessible vehicle and connect passengers to those services either directly or via a weblink, application, or phone number, if no wheelchair accessible vehicles are available on the agency's application dispatch system. The Director may suspend or alter this requirement by rule if a Director-approved dispatch system is established for wheelchair accessible trips;

11. Maintain a phone number, mailing address, and email address for customer service;

12. Record all trips, process all payments, and issue a receipt for all payments through the dispatch system, a smart taximeter system, or an application dispatch system provided to affiliated drivers;

13. Comply with the data reporting requirements established in this Chapter 6.311;

14. Operate only Director- approved application dispatch systems;

15. Require affiliated vehicles to comply with applicable rate structures defined in this Chapter 6.311;

16. Have, maintain, and monitor, while one or more affiliated vehicles are active, a duress alarm for the driver;

17. Establish and enforce operating standards for affiliated drivers and vehicles to ensure code compliance and customer satisfaction;

18. Satisfy every request for service as long as there are affiliated taxicabs or for-hire vehicles available; except that transitional regional dispatch agencies, regional dispatch agencies, and regional for-hire drivers that refuse service within the meaning of subsection 6.311.170.I, shall not be subject to any penalties by the Director, and, in the case of regional for-hire drivers, by the transitional regional dispatch agency or regional dispatch agency;

19. Require affiliated vehicles to use a uniform color scheme or any associated graphics, or both, approved by the Director;

20. Provide a supervisor at a taxicab zone whenever such zone is used by affiliated taxicabs if the Director determines that it is necessary due to complaints received from passengers and adjacent property owners or improper use of nearby passenger load zones, truck load zones, and charter bus zones. If the transitional regional dispatch agency or regional dispatch agency fails to provide a supervisor as required by the Director, the Director may prohibit all affiliated taxicabs from using the taxicab zone;

21. Require affiliated vehicles to operate on an approved taximeter, smart taximeter system, or application dispatch system as required in this Chapter 6.311;

22. Remit fares made via electronic payment to regional for-hire drivers within two business days after the ride was completed;

23. Remit fares made via electronic payment through the smart taximeter system to regional for-hire drivers in amounts not less than the full fare paid by the passenger, excluding deductions for fees agreed to in accordance with Section 6.311.370;

24. Comply with applicable business license requirements for any jurisdiction in which the transitional regional dispatch agency or regional dispatch operates; and

25. Meet any other requirement as established by the Director by rule as authorized by this Chapter 6.311.

B. A transitional regional dispatch agency that is not affiliated with taxicabs at the time of being issued a transitional regional dispatch agency license does not need to:

1. Affiliate with taxicabs;
2. Have or operate a taximeter;
3. Comply with taximeter rates; or
4. Provide a supervisor at a taxicab zone because for-hire vehicles are not permitted to operate at a taxicab zone.

C. Persons not previously licensed as a taxicab association or recognized as a for-hire vehicle company

may apply for a transitional regional dispatch agency license in a manner determined by the Director.

D.

1. Transitional regional dispatch agencies and regional dispatch agencies shall maintain accurate and complete operational records for all affiliated vehicles and shall submit quarterly reports, in an electronic format approved by the Director.

2. Reports shall include the following:

- a. A total count of rides per origination ZIP Code;
- b. A total count of rides per destination ZIP Code;
- c. A total count of unfulfilled ride requests by ZIP Code;
- d. A total count of rides provided by a wheelchair accessible vehicle by ZIP Code;
- e. A total count of unfulfilled ride requests for a wheelchair accessible vehicle by ZIP

Code;

f. A list of vehicle collisions, including the vehicle medallion number, regional for-hire driver's license number, and if known, whether the collision was the fault of the regional for-hire driver; and whether the collision resulted in any injuries;

- g. A list of crimes committed against drivers;
- h. A list of passenger complaints; and
- i. Any other data required by the Director to ensure compliance.

3. Transitional regional dispatch agencies and regional dispatch agencies shall retain records related to the reports required under this subsection 6.311.360.D for the current year and at least the two prior calendar years. Records may be maintained electronically.

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

E. A transitional regional dispatch agency and regional dispatch agency shall store, and upon request permit the Director to review, all records required by this Chapter 6.311 for affiliated drivers and vehicles including, but not limited to, copies of regional for-hire driver's licenses, taxicab and for-hire vehicle medallions, lists of all affiliated drivers and their affiliated vehicles, passenger feedback, new driver training records, dispatch records, and proof of vehicle insurance and vehicle registration. In addition, the transitional regional dispatch agency or regional dispatch agency shall:

1. Retain records, electronically or otherwise, for the current year and at least the prior two calendar years;
2. Provide the Director with any other information the Director may reasonably require upon request; and
3. Timely respond to the Director's request for information.

F. The Director may authorize a transitional regional dispatch agency or regional dispatch agency to submit regional for-hire driver's license applications on behalf of its affiliated drivers, in a manner approved by the Director.

G. A transitional regional dispatch agency or regional dispatch agency may maintain a rating system for drivers and passengers to rate each other following a trip.

6.311.370 Dispatch agency, vehicle owner, medallion owner, and regional for-hire driver relations

A. A transitional regional dispatch agency and regional dispatch agency shall put in writing all policies that affect affiliated medallion owners, vehicle owners, and regional for-hire drivers.

B. Prior to implementing or changing a policy, the transitional regional dispatch agency or regional dispatch agency shall provide a copy of the draft policy to the affiliated medallion owner, vehicle owner, or regional for-hire driver, or post a copy of the draft policy in the transitional regional dispatch agency or regional dispatch agency office, and send via electronic transmittal a copy of the draft policy to the affiliated medallion owners, vehicle owners and regional for-hire drivers. Affiliated medallion owners, vehicle owners and regional

for-hire drivers shall have a minimum of 20 days to review and provide input on the draft policy before the policy takes effect. Notwithstanding this 20-day timeline, a policy proposed for purposes of addressing an emergent issue may be temporarily established for up to 30 days. After 30 days, medallion owners, vehicle owners, and regional for-hire drivers shall be given an opportunity to provide input before the policy may be permanently adopted.

C. A transitional regional dispatch agency and regional dispatch agency shall make known to the regional for-hire driver the amount of the fare for each trip provided by that driver.

If the amount remitted to the driver is less than the full fare paid by the passenger, the remittance to the driver shall include a description detailing the deductions made. With the exception of any fees that are authorized in Section 6.311.380, a transitional regional dispatch agency or regional dispatch agency may only make a deduction on trips dispatched by the agency, and the maximum allowable amount of such deduction shall be ten percent of the fare paid by the passenger.

D. A transitional regional dispatch agency or regional dispatch agency shall establish a written policy governing an owner's or driver's access to the smart taximeter system, application dispatch system, the ability to work on any contracted accounts, and affiliation with the dispatch agency. The policy must include written notice of impending deactivation with sufficient information for the driver to understand the reason for deactivation, an opportunity for the owner or driver to be heard with representation of their choice, the adjudication of disputes by a neutral third party under a just cause standard, and a period for the owner or driver to cure the violation before deactivation begins, unless the deactivation is ordered by the Director or is an immediate threat to public safety. The transitional regional dispatch agency or regional dispatch agency shall submit the policy required by this subsection 6.311.370.D to the Director at the first annual license renewal after the effective date of this ordinance.

6.311.380 Rates

A. Regional taximeter rates are in this subsection 6.311.380.A.

1. Unless specified elsewhere in this Section 6.311.380 or prescribed by the Director by rule, it shall be unlawful for anyone operating a taxicab licensed by The City of Seattle to advertise, charge, demand, or receive any greater or lesser rate than the following regional taximeter rates:

a. Drop charge: for passengers for first 1/9 mile: \$2.60;

b. Per mile: For each 1/9 mile or fraction thereof after the first 1/9 mile: \$0.30;

c. For every one minute of waiting time: \$0.50, charged at \$0.30 per 36 seconds. Waiting time rates are charged when taxicab speed is less than 11 miles per hour or when a taxicab driver is asked to wait for the customer; and

d. Additional per passenger charge for more than two persons, excluding children under 12 years of age: \$0.50.

2. The Director may adjust or prescribe new regional taximeter rates and other rates, such as minimum fares for trips, or both, by rule. In determining new regional taximeter rates, the Director may consider, among other things, the following factors:

a. Operational data supplied by a regional dispatch agency or data obtained by the Director through other sources, including, but not limited to, regional consumer price index data;

b. The public's need for adequate for-hire transportation services at reasonable rates consistent with the provision, maintenance, and continuation of such services;

c. The rates of other for-hire transportation providers operating in similar areas;

d. Rates paid by passengers using other modes of transportation;

e. The ability of a driver to earn a living wage after covering all operating costs incurred by the owner and driver;

f. Other regulatory, access, or similar fees paid by drivers to serve the transportation needs of the region; and

g. Alignment with rates established by King County.

3. Regional taximeter rates are exclusive of any per-trip fee established by the Port of Seattle and set forth in any operating agreement or tariff, a temporary fuel surcharge authorized by the Director, a technology fee authorized by the Director, a convenience fee for electronic payment of fares, or any toll or charge established for roads, bridges, tunnels, or ferries.

4. A regional dispatch agency's affiliated taxicabs shall have regional taximeter rates programmed into its smart taximeter system. Variations from regional taximeter rates are permitted, as follows:

a. Variations from regional taximeter rates may be applied to contract trips, upfront fares, dynamic pricing, fare splitting, trip bidding, and unless prohibited by the Director by rule, for flat-rate fares, minimum trip fares, or when operating on an application dispatch system;

b. The Director may prescribe by rule variations from regional taximeter rates;

c. Unless prescribed otherwise by the Director by rule, any variation from regional taximeter rates shall be established by a regional dispatch agency and not by an individual driver. A regional dispatch agency shall not vary a rate so that it results in a higher dispatch fee or other fee to be paid by an affiliated driver;

d. Variations from regional taximeter rates shall be applied in a manner that does not discriminate on the basis of a protected class within the scope of discrimination as defined in Chapter 14.06.020, or on the basis of the ride's geographic beginning or endpoints;

e. Unless a trip is dispatched via an application dispatch system, an upfront fare shall be based on the estimated time and distance calculated by the smart taximeter and multiplied by the regional taximeter rate. If the passenger rejects the upfront fare, the regional taximeter rates apply; and

f. If a flat rate between two defined points has been established, the flat rate shall be made available to the passenger prior to accepting a ride. Regional dispatch agencies must maintain a list of all established flat rates, including their defined origin and destination points, and make such list available for inspection upon request of the Director.

5. Contract rates shall be in writing, be retained by the regional dispatch agency, and be available for inspection upon request of the Director.

6. Before a licensee may use a smart taximeter system that is integrated with an application dispatch system, the Director must first determine the application dispatch system rates are transparent under subsection 6.311.380.B.

B. Application dispatch system rates are in this subsection 6.311.380.B.

1. Before using an application dispatch system, or using a smart taximeter system as an application dispatch system, the transitional regional dispatch agency or regional dispatch agency shall provide to the Director either written documentation or a physical demonstration, or both, that the application dispatch system rate structure is transparent to the passenger prior to confirming the ride. Application dispatch system rates do not need to be filed with the Director unless this Chapter 6.311 specifies otherwise. The Director shall determine that the rate structure is transparent if:

a. One of the following methodologies is used:

1) The rate by either distance or time, or a combination of distance and time, and the total fare or fare range is clearly displayed on the application dispatch system to the passenger upon requesting a ride, but before confirming the ride; or

2) The fare for the ride is made clear to the passenger prior to confirming the ride through an alternative method deemed acceptable by the Director; and

b. Any additional or higher charges such as tips, waiting time, tolls, or any other charges not included in subsections 6.311.380.B.1.a.1 and 6.311.380.B.1.a.2 shall be clearly identified by specific amount, if known, or by category, on the application dispatch system before confirming a ride; and

c. The receipt showing all charges paid by the customer is available to the regional for-hire driver in the application dispatch system.

2. During an abnormal disruption of the market, lasting for no longer than 12 consecutive hours in Seattle, a transitional regional dispatch agency or regional dispatch agency shall not raise its normal range of fare more than two times the fare that would otherwise be applicable.

C. For-hire vehicle rates are in this subsection 6.311.380.C.

1. For-hire vehicles must charge for service based on: a written contract; flat rate per trip or by zone; or by an hourly rate with minimum increments of 30 minutes. Flat charges by zone or hourly rate may vary by time of day. Zone boundaries shall be set by Director by rule and shall be consistent across all for-hire vehicle operators.

2. Records of all for-hire vehicle rates in place prior to implementing a smart taximeter system shall be maintained by the for-hire vehicle company and be made available for inspection upon request by the Director. All rates and charges shall be conspicuously available in the interior of the for-hire vehicle.

3. The for-hire vehicle rate structure shall remain in effect until the vehicle transitions to a taxicab or March 31, 2026, whichever occurs sooner. After March 31, 2026, all for-hire vehicles shall have transitioned to taxicabs and are subject to the regional taximeter rates and application dispatch system rate requirements under this Chapter 6.311.

4. If using an application dispatch system, the Director must first determine that the rates are transparent to the passenger under subsection 6.311.380.B.

D. If the Director establishes a minimum fare, or flat rate from one location to another location, or based on the factors identified in subsection 6.311.380.A.2, such minimum fare or flat rate shall apply whether the trip originated via a taximeter, a smart taximeter, or, if specified by the Director, an application dispatch system.

E. Other rate and fare requirements are in this subsection 6.311.380.E.

1. It is unlawful to charge additional fees for carrying individuals with disabilities and their equipment or to charge rates higher to passengers with a disability than are charged to other persons. To

promote equitable access to for-hire transportation for persons with disabilities, and to ensure that wheelchair accessible vehicle service is reliably available at reasonable and predictable rates, the Director may prescribe by rule fares for wheelchair accessible trips or other conditions on the rates, fares, fees, and other surcharges, or both, for providing wheelchair accessible transportation services to persons with disabilities.

2. The Director is authorized to establish a fuel surcharge to the regional taximeter rate, or that can be added as an amount to the passenger's total fare, any time the price of fuel, as published by the American Automobile Association for the local area, exceeds a fuel surcharge trigger price established in accordance with a rule adopted by the Director. The surcharge shall be an amount necessary to recoup the increased fuel costs.

3. A toll or charge established for roads, bridges, tunnels, or ferries while passengers are being transported may be added to the passenger's total fare, if such charges are not already included in the calculation of the fare.

4. Discriminatory charges are prohibited. For the purposes of this subsection 6.311.380.E.4, "discriminatory charges" means policies or practices that result in higher charges or rates being applied to passengers belonging to a protected class within the scope of discrimination as defined in Section 14.06.020 compared to other passengers.

5. The Director may establish by rule the process and criteria associated with the Director's review and approval of a technology fee that is intended to help offset the cost of implementing, operating, and maintaining a smart taximeter system and that may be added to the fare for all trips subject to the regional taximeter rates in subsection 6.311.380.A.

6.311.390 Emerging for-hire transportation models

A. The Director may prescribe by rule the implementation of a discrete licensing program for emerging for-hire transportation models that do not fit within the parameters of this Chapter 6.311 or Chapter 6.310.

B. The Director shall determine whether a proposed business activity is an emerging business type or a

nontraditional business activity that falls outside the parameters of any existing license under this Chapter 6.311 or Chapter 6.310, and whether the proposed business activity presents potential risks to the public health, safety, and welfare such that, for the protection of the public, the activity must be regulated and licensed.

C. The Director may grant the applicant an emerging for-hire transportation license to operate in the proposed business activity on a pilot basis.

D. The emerging for-hire transportation license shall be renewed annually for a maximum of two years, after which the license shall expire. The emerging for-hire transportation license shall be a personal privilege and not property. The emerging for-hire transportation license shall not be transferrable to another location, person, or business entity.

E. The Director may attach conditions to the emerging for-hire transportation license as are reasonably required to protect the public health, safety, labor harmony, and welfare from risks including, but not limited to: adverse impact on public health; public safety; increased demand on government services; increased environmental impacts; or increased traffic or congestion in the public way. The Director may attach any such conditions when the emerging for-hire transportation license is issued, or the Director may attach, remove, or modify conditions at any time during the term of the permit, upon reasonable notice to the licensee.

F. The Director may determine at any time during the term of the emerging for-hire transportation license that the licensed business activity as conducted presents an unreasonable risk to public health and safety that cannot be mitigated, and may revoke the license, with or without prior notice. If a license is revoked, the licensee shall be given the opportunity to appear before the Director for an informal hearing to introduce any evidence to appeal the revocation before the revocation is effective or no later than ten days after the revocation is effective. The Director shall render a decision affirming or reversing the revocation within three business days after conclusion of the hearing. The decision of the Director is final.

G. If the Director determines that a type of emerging business model that has been issued an emerging for-hire transportation license should be regulated by ordinance, the Director shall convey the determination to

the City Council prior to the expiration of the license. The license shall not be extended beyond two years unless an ordinance regulating the emerging business model is effective and the emerging business has obtained any necessary license under that ordinance.

6.311.400 Consumer feedback

The Director may establish, in conjunction with King County and the Port of Seattle, a shared process to receive and, when appropriate, resolve consumer feedback and may communicate the process to consumers.

6.311.410 For-hire transportation services complaint process

A. Upon receiving a written complaint involving the conduct of a licensee, where the conduct may be a violation of this Chapter 6.311, the Director shall review the complaint, and if appropriate:

1. Issue a notice of complaint to the licensee, and if applicable, the affiliated transitional regional dispatch agency or regional dispatch agency, advising them of the allegations or allegations made in the complaint;
2. Require the licensee, and if applicable, the affiliated transitional regional dispatch agency or regional dispatch agency, to respond in writing or by contacting the issuing inspector to provide a response to the allegations or allegations in the notice of complaint within 15 calendar days from the date the notice of complaint was issued;
3. Investigate the allegations in the written complaint and the response submitted by the licensee and if applicable, the response submitted by the transitional regional dispatch agency or regional dispatch agency representative; and
4. Make a finding as to the validity of the allegations in the written complaint. If the complaint is found to be valid, the Director may take enforcement action consistent with this Chapter 6.311.

B. Failure to respond to a notice of complaint, either in writing or by contacting the issuing inspector, within 15 calendar days shall constitute a waiver of the licensee's and, if applicable, the affiliated agency's right to respond to the allegations in the written complaint and shall be prima facie evidence that the allegations are

valid.

6.311.415 Exclusive driver representatives

A. The Director shall promulgate a commencement date no later than January 17, 2017.

B. The process of designating a QDR shall be prescribed by Director's rule. The designation of a QDR shall be based on, but not limited to, consideration of the following factors:

1. Registration with the Washington Secretary of State as a not-for-profit entity;

2. Organizational bylaws that give drivers the right to be members of the organization and participate in the democratic control of the organization; and

3. Experience in and/or a demonstrated commitment to assisting stakeholders in reaching consensus agreements with, or related to, employers and contractors.

C. An entity wishing to be considered as a QDR for for-hire drivers operating within the City must submit a request to the Director within 30 days of the commencement date or at a later date as provided in subsection 6.311.415.G. Within 14 days of the receipt of such a request, the Director will notify the applicant in writing of the determination. Applicants who dispute the Director's determination may appeal to the Hearing Examiner within ten days of receiving the determination. The Director shall provide a list of all QDRs to all driver coordinators.

1. An entity that has been designated as a QDR shall be required to establish annually that it continues to satisfy the requirements for designation as a QDR.

2. An entity that has been designated as a QDR and that seeks to represent the drivers of a driver coordinator shall notify the driver coordinator of its intent to represent those drivers within 14 days of its designation as a QDR. That notice may be provided by any means reasonably calculated to reach the driver coordinator, including by written notice mailed or delivered to a transportation network company or taxicab association representative at the mailing address listed with the City.

D. Driver coordinators who have hired, contracted with, partnered with, or maintained a contractual

relationship or partnership with, 50 or more for-hire drivers in the 30 days prior to the commencement date, other than in the context of an employer-employee relationship, must, within 75 days of the commencement date, provide all QDRs that have given the notice specified in subsection 6.311.415.C.2 the names, addresses, email addresses (if available), and phone number (if available) of all qualifying drivers they hire, contract with, or partner with.

E. QDRs shall use driver contact information for the sole purpose of contacting drivers to solicit their interest in being represented by the QDR. The QDR may not sell, publish, or otherwise disseminate the driver contact information outside the entity/organization.

F. The Director shall certify a QDR as the EDR for all drivers contracted with a particular driver coordinator, according to the following:

1. Within 120 days of receiving the driver contact information, a QDR will submit statements of interest to the Director from a majority of qualifying drivers from the list described in subsection 6.311.415.D. Each statement of interest shall be signed, dated, and clearly state that the driver wants to be represented by the QDR for the purpose of negotiations with the driver coordinator. A qualifying driver's signature may be provided by electronic signature or other electronic means. The Director shall determine by rule the standards and procedures for submitting and verifying statements of interest by qualifying drivers choosing an EDR.

a. The methods for submitting and verifying statements of interest by qualifying drivers choosing an EDR may include, but not be limited to, signature verification, unique personal identification number verification, statistical methods, or third party verification.

2. Within 30 days of receiving such statements of interest, the Director shall determine if they are sufficient to designate the QDR as the EDR for all drivers for that particular driver coordinator, and if so, shall so designate the QDR to be the EDR, except that, if more than one QDR establishes that a majority of qualifying drivers have expressed interest in being represented by that QDR, the Director shall designate the QDR that received the largest number of verified affirmative statements of interest to be the EDR.

3. Within 30 days of receiving submissions from all QDRs for a particular driver coordinator, the Director shall either certify one to be the EDR or announce that no QDR met the majority threshold for certification.

G. If no EDR is certified for a driver coordinator, the Director shall, upon the written request from a designated QDR or from an entity that seeks to be designated as a QDR, promulgate a new commencement date applicable to that driver coordinator that is no later than 90 days after the request, provided that no driver coordinator shall be subject to the requirements of this Section 6.311.415 more than once in any 12-month period. The QDR, any other entity that seeks to be designated as a QDR, and the driver coordinator shall then repeat the processes in subsections 6.311.415.C, 6.311.415.D, and 6.311.415.F.

H.

1. Upon certification of the EDR by the Director, the driver coordinator and the EDR shall meet and negotiate in good faith certain subjects to be specified in rules or regulations promulgated by the Director, including, but not limited to, best practices regarding vehicle equipment standards; safe driving practices; the manner in which the driver coordinator will conduct criminal background checks of all prospective drivers; minimum hours of work, conditions of work, and applicable rules. The subjects to be specified in rules or regulations promulgated by the Director shall not include the nature or amount of payments to be made by, or withheld from, a driver coordinator to or by its drivers. If the driver coordinator and the EDR reach agreement on terms, their agreement shall be reduced to a written agreement. The term of such an agreement shall be agreed upon by the EDR and the driver coordinator, but in no case shall the term of such an agreement exceed four years.

2. After reaching agreement, the parties shall transmit the written agreement to the Director. The Director shall review the agreement for compliance with the provisions of Chapter 6.311, and to ensure that the substance of the agreement promotes the provision of safe, reliable, and economical for-hire transportation services and otherwise advance the public policy goals set forth in this Chapter 6.311 and in the Preamble to

and Section 1 of Ordinance 124968. In conducting that review, the record shall not be limited to the submissions of the EDR and driver coordinator nor to the terms of the proposed agreement. The Director shall have the right to gather and consider any necessary additional evidence, including by conducting public hearings and requesting additional information from the EDR and driver coordinator. Following this review, the Director shall notify the parties of the determination in writing, and shall include in the notification a written explanation of all conclusions. Absent good cause, the Director shall issue the determination of compliance within 60 days of the receipt of an agreement.

a. If the Director finds the agreement compliant, the agreement is final and binding on all parties.

b. If the Director finds it fails to comply, the Director shall remand it to the parties with a written explanation of the failure(s) and, at the Director's discretion, recommendations to remedy the failure(s).

c. The agreement shall not go into effect until the Director affirmatively determines its adherence to the provisions of Chapter 6.311 and that the agreement furthers the provision of safe, reliable, and economical for-hire transportation services and the public policy goals set forth in the Preamble to and Section 1 of Ordinance 124968.

3. Unless the EDR has been decertified pursuant to subsection 6.311.415.L or has lost its designation as a QDR, the EDR and the driver coordinator shall, at least 90 days before the expiration of an existing agreement approved pursuant to subsections 6.311.415.H.2.c or 6.311.415.I.4.c, meet to negotiate a successor agreement. Any such agreement shall be subject to approval by the Director pursuant to subsection 6.311.415.H.2. If the parties are unable to reach agreement on a successor agreement within 90 days after the expiration of an existing agreement, either party must submit to interest arbitration upon the request of the other pursuant to subsection 6.311.415.I, and the interest arbitrator's proposed successor agreement shall be subject to review by the Director pursuant to subsections 6.311.415.I.3 and 6.311.415.I.4.

4. Nothing in this Section 6.311.415 shall require or preclude a driver coordinator from making

an agreement with an EDR to require membership of for-hire drivers in the EDR's entity/organization within 14 days of being hired, contracted with, or partnered with by the driver coordinator to provide for-hire transportation services to the public.

I. If a driver coordinator and the EDR fail to reach an agreement within 90 days of the certification of the EDR by the Director, either party must submit to interest arbitration upon the request of the other.

1. The interest arbitrator may be selected by mutual agreement of the parties. If the parties cannot agree, then the arbitrator shall be determined as follows: from a list of seven arbitrators with experience in labor disputes and/or interest arbitration designated by the American Arbitration Association, the party requesting arbitration shall strike a name. Thereafter the other party shall strike a name. The process will continue until one name remains, who shall be the arbitrator. The cost of the interest arbitration shall be divided equally between the parties.

2. The interest arbitrator shall propose the most fair and reasonable agreement concerning subjects specified in rules or regulations promulgated by the Director as set forth in subsection 6.311.415.H.1 that furthers the provision of safe, reliable, and economical for-hire transportation services and the public policy goals set forth in the Preamble to and Section 1 of Ordinance 124968. The term of any agreement proposed by the interest arbitrator shall not exceed two years. In proposing that agreement, the interest arbitrator shall consider the following criteria:

- a. Any stipulations of the parties;
- b. The cost of expenses incurred by drivers (e.g., fuel, wear and tear on vehicles, and insurance);
- c. The safety and equipment standards and rules applicable to other persons, whether employees or independent contractors, employed as for-hire or taxicab drivers in Seattle and its environs, as well as other comparably sized urban areas;
- d. The hours and conditions of employment of other persons, whether employees or

independent contractors, employed as for-hire or taxicab drivers in Seattle and its environs, as well as other comparably sized urban areas;

e. If raised by the driver coordinator, the driver coordinator's financial condition and need to ensure a reasonable return on investment and/or profit;

f. Any other factors that are normally or traditionally taken into consideration in the determination of hours, safety and equipment standards, rules, and conditions of employment; and

g. The City's interest in promoting the provision of safe, reliable, and economical for-hire transportation services and otherwise advancing the public policy goals set forth in Chapter 6.311 and in the Preamble to and Section 1 of Ordinance 124968.

3. The arbitrator shall transmit the proposed agreement to the Director for review in accordance with the procedures and standards set forth in subsection 6.311.415.H.2. With the proposed agreement, the arbitrator shall transmit a report that sets forth the basis for the arbitrator's resolution of any disputed issues. The Director shall review the agreement as provided in subsection 6.311.415.H.2.

4. In addition to the review provided for in subsection 6.311.415.I.3, a driver coordinator or EDR may challenge the proposed agreement on the following grounds: that the interest arbitrator was biased, that the interest arbitrator exceeded the authority granted by subsection 6.311.415.H and this subsection 6.311.415.I, and/or that a provision of the proposed agreement is arbitrary and capricious. In the event of such a challenge, the Director will provide notice to the driver coordinator and the EDR, allow the driver coordinator and the EDR the opportunity to be heard, and make a determination as to whether any of the challenges asserted should be sustained.

a. If the Director finds the agreement fulfills the requirements of subsection 6.311.415.H.2, and that no challenges raised under this subsection 6.311.415.I.4 should be sustained, the Director will provide written notice of that finding to the parties and the agreement will be deemed final and binding on all parties.

b. If the Director finds that the agreement fails to fulfill the requirements of subsection 6.311.415.H.2, or that any challenge asserted under this subsection 6.311.415.I.4 should be sustained, the Director shall remand the agreement to the interest arbitrator with a written explanation of the failure(s) and, at the Director's discretion, recommendations to remedy the failure(s).

c. The agreement shall not go into effect until the Director affirmatively deems the agreement final and binding pursuant to subsections 6.311.415.I.3 and 6.311.415.I.4.a.

d. A driver coordinator or EDR may obtain judicial review of the Director's final determination rendered pursuant to this subsection 6.311.415.I.4 by applying for a Writ of Review in the King County Superior Court within 14 days from the date of the Director's determination, in accordance with the procedure set forth in chapter 7.16 RCW, other applicable law, and court rules. The Director's final determination shall not be stayed pending judicial review unless a stay is ordered by the court. If review is not sought in compliance with this subsection 6.311.415.I.4.d, the determination of the Director shall be final and conclusive.

5. If either party refuses to enter interest arbitration, upon the request of the other, either party may pursue all available judicial remedies.

J. During the term of an agreement approved by the Director under subsection 6.311.415.H or 6.311.415.I, the parties may discuss additional terms and, if agreement on any amendments to the agreement are reached, shall submit proposed amendments to the Director, who shall consider the proposed amendment in accordance with the procedures and standards in subsection 6.311.415.H.2. Any proposed amendment shall not go into effect until the Director affirmatively determines its adherence to the provisions of Chapter 6.311 and that it furthers the provision of safe, reliable and economical for-hire transportation services and the public policy goals set forth in the Preamble to and Section 1 of Ordinance 124968.

1. During the term of an agreement approved by the Director under subsection 6.311.415.H or 6.311.415.I, the Director shall have the authority to withdraw approval of the agreement if the Director

determines that the agreement no longer adheres to the provisions of Chapter 6.311 or that it no longer promotes the provision of safe, reliable, and economical for-hire transportation services and the public policy goals set forth in the Preamble to and Section 1 of Ordinance 124968. The Director shall withdraw such approval only after providing the parties with written notice of the proposed withdrawal of approval and the grounds therefor and an opportunity to be heard regarding the proposed withdrawal. The Director's withdrawal of approval shall be effective only upon the issuance of a written explanation of the reasons why the agreement no longer adheres to the provisions of Chapter 6.311 or no longer furthers the provision of safe, reliable, and economical for-hire transportation services or the public policy goals set forth in the Preamble to and Section 1 of Ordinance 124968.

2. The Director shall have the authority to gather and consider any necessary evidence in exercising the authority provided by this subsection 6.311.415.J.

3. A driver coordinator shall not make changes to subjects set forth in subsection 6.311.415.H or specified in rules or regulations promulgated by the Director without meeting and discussing those changes in good faith with the EDR, even if the driver coordinator and EDR have not included terms concerning such subjects in their agreement.

K. A driver coordinator shall not retaliate against any for-hire driver for exercising the right to participate in the representative process provided by this Section 6.311.415, or provide or offer to provide money or anything of value to any for-hire driver with the intent of encouraging the for-hire driver to exercise, or to refrain from exercising, that right. It shall be a violation for a driver coordinator or its agent, designee, employee, or any person or group of persons acting directly or indirectly in the interest of the driver coordinator in relation to the for-hire driver to:

1. Interfere with, restrain, or deny the exercise of, or the attempt to exercise, any right protected under this Section 6.311.415; or
2. Take adverse action, including, but not limited to, threatening, harassing, penalizing, or in any

other manner discriminating or retaliating against a driver, because the driver has exercised the rights protected under this Section 6.311.415.

L. Decertification. An Exclusive Driver Representative may be decertified according to the following:

1. The Director receives a petition to decertify an EDR no more than 30 days before the expiration of an agreement reached pursuant to this Section 6.311.415 or no less than three years after the agreement's effective date, whichever is earlier.

a. A decertification petition must be signed by ten or more qualifying drivers. The Director shall determine by rule the standards and procedures for submitting the decertification petition.

2. Once a petition has been accepted by the Director, the Director shall issue notice to the driver coordinator and the EDR of the decertification petition and promulgate a decertification date.

3. The driver coordinator shall have 14 days from the decertification date to transmit the list of qualifying drivers to the petitioners and the EDR.

4. Within 120 days of receiving the driver contact information, petitioners for a decertification will submit to the Director statements of interest from a majority of qualifying drivers from the list described in subsection 6.311.415.K.3. The statements of interest shall be signed and dated and shall clearly indicate that the driver no longer wants to be represented by the EDR for the purpose of collective bargaining with the driver coordinator. The Director shall determine by rule the standards and procedures for submitting and verifying the statements of interest of qualifying drivers.

5. Within 30 days of receiving such statements of interest, the Director shall determine if they are sufficient to decertify the EDR for that particular driver coordinator. The Director shall either decertify the EDR, or declare that the decertification petition did not meet the majority threshold and reaffirm that the EDR shall continue representing all drivers for that particular driver coordinator.

a. If an EDR is decertified for a particular driver coordinator, the process of selecting a new EDR may start according to the process outlined in subsection 6.311.415.G.

M. Enforcement

1. Powers and duties of Director

a. The Director is authorized to enforce and administer this Section 6.311.415. The Director shall exercise all responsibilities under this Section 6.311.415 pursuant to rules and regulations developed under Chapter 3.02. The Director is authorized to promulgate, revise, or rescind rules and regulations deemed necessary, appropriate, or convenient to administer the provisions of this Section 6.311.415, providing affected entities with due process of law and in conformity with the intent and purpose of this Section 6.311.415.

b. The Director shall investigate alleged violations of subsections 6.311.415.D and 6.311.415.H.1, and if the Director determines that a violation has occurred, the Director shall issue a written notice of the violation. The Director may investigate alleged violations of other subsections of this Section 6.311.415, and if the Director determines that a violation has occurred, the Director shall issue a written notice of the violation. The notice shall:

- 1) Require the person or entity in violation to comply with the requirement;
- 2) Include notice that the person or entity in violation is entitled to a hearing before the Hearing Examiner to respond to the notice and introduce any evidence to refute or mitigate the violation, in accordance with Chapter 3.02; and
- 3) Inform the person or entity in violation that a daily penalty of up to \$10,000 for every day the violator fails to cure the violation will accrue if the violation is uncontested or found committed.

c. The person or entity named on the notice of violation must file with the Hearing Examiner's Office the request for a hearing within ten calendar days after the date of the notice of violation. The Hearing Examiner may affirm, modify, or reverse the Director's notice of violation.

d. If the person or entity named on the notice of violation fails to timely request a

hearing, the notice of violation shall be final and the daily penalty of up to \$10,000 will accrue until the violation is cured.

e. Nothing in this Section 6.311.415 shall be construed as creating liability or imposing liability on the City for any non-compliance with this Section 6.311.415.

2. Judicial review. After receipt of the decision of the Hearing Examiner, an aggrieved party may pursue all available judicial remedies.

3. Private right of action. Subsections 6.311.415.D, 6.311.415.E, 6.311.415.H, and 6.311.415.K may be enforced through a private right of action. Any aggrieved party, including, but not limited to, an EDR, may bring an action in court, and shall be entitled to all remedies available at law or in equity appropriate to remedy any violation of this Section 6.311.415. A plaintiff who prevails in any action against a private party to enforce this section 6.311.415 may be awarded reasonable attorney's fees and costs.

4. Contractual remedies. Nothing in this Section 6.311.415 shall be construed as preventing the parties to an agreement approved by the Director from pursuing otherwise available remedies for violation of such agreement.

6.311.420 Violations and penalties - Generally

A. It is a violation for any person to not meet or maintain compliance with any requirement of this Chapter 6.311 or rule issued by the Director. If the Director determines that any of this Chapter 6.311's requirements or rules have been violated, the Director may issue:

1. A citation;
2. A license action; or
3. A citation and a license action.

B. The Director shall reject a license or medallion application if it has any material misstatement or omission.

C. In determining a monetary penalty, the Director shall consider the gravity of the violation; the

number of past violations committed; the size of the business of the violator; the deterrent effect of monetary penalties; and the good faith of the violator in attempting to achieve compliance after notification of the violation.

D. A person shall pay all fees, surcharges, and monetary penalties that are owed under this Chapter 6.311. If the person cited fails to pay a monetary penalty imposed under this Chapter 6.311, the monetary penalty may be referred to a collection agency. The cost to the Director for the collection services will be added to the penalty. Alternatively, the Director may pursue collection in any other manner allowed by law. The Director shall refuse to issue a license, endorsement, or medallion at the time of renewal if the person has outstanding fees, surcharges, or monetary penalties issued under this Chapter 6.311.

E. Each day a person violates or fails to comply with one of the requirements of this Chapter 6.311 may be considered a separate violation for which a citation may be issued.

F. It is a misdemeanor for any person to violate the operating standards established in this Chapter 6.311 if the violation demonstrates a habitual disregard for the standards in this Chapter 6.311. The Director may refer such a person for prosecution as an alternative to the citation and license action procedures outlined in this Chapter 6.311.

G. The Director may seek legal or equitable relief to enjoin any acts or practices when necessary to achieve compliance.

H. Nothing in this Section 6.311.420 limits or precludes any action or proceeding to enforce this Chapter 6.311, and nothing obligates or requires the Director to issue a citation or license action prior to the imposition of criminal penalties.

6.311.430 Violations and penalties

Except where otherwise noted in this Chapter 6.311, the following shall be assessed for violations of the listed sections or subsections.

A. The Director shall assess a Class A penalty, which is a \$35 civil penalty for a first offense, a \$70 civil

penalty for a second offense, or a \$120 civil penalty for a third or subsequent offense:

1. 6.311.160.A, B, D, L, N, Q, and U;
2. 6.311.170.B, M, and N;
3. 6.311.180.A.1, 2, and 3;
4. 6.311.280.D, E, and F; and
5. 6.311.310.A.4, 5, 6, 7, and 8;

B. The Director shall assess a Class B penalty, which is a \$70 civil penalty for a first offense, a \$175 civil penalty for a second offense, or a \$300 civil penalty for a third or subsequent offense:

1. 6.311.160.C, E, F, G, H, I, J, K, and M;
2. 6.311.170.A, D, G, I, J, K, and L;
3. 6.311.180.A.4 and 5;
4. 6.311.310.A.3, 9, 10, 11, 12, 13, 14, and 15; and
5. 6.311.310.B.2 and 3;

C. The Director shall assess a Class C penalty, which is a \$1,000 civil penalty for an offense:

1. 6.311.170.F;
2. 6.311.360.A.1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, and 23; and
3. 6.311.370.A, B, C, and D;

D. The Director shall assess a \$1,000 civil penalty for the first offense and suspend the license or medallion for the second and subsequent offenses:

1. 6.311.320.A and C;
2. 6.311.360.D and E; and
3. 6.311.380.A.4;

E. The Director shall assess a \$1,000 civil penalty for each offense. It is a criminal misdemeanor for the second and subsequent offenses, which the Director may refer for prosecution:

1. 6.311.070.A;
2. 6.311.220; and
3. 6.311.260.B;

F. The Director shall act as listed on a license or medallion for offenses violating the following:

1. 6.311.090.A, B, C, D, E, F, G, H, I, J, K, L, and M, denial;
2. 6.311.160.O, R, and S, revocation;
3. 6.311.170.C, E, and H, suspension;
4. 6.311.200.G, revocation;
5. 6.311.230.E, denial;
6. 6.311.260.A, revocation;
7. 6.311.260.C, denial;
8. 6.311.280.A, G, and H, summary suspension;
9. 6.311.290.C, suspension;
10. 6.311.290.D, suspension of the regional for-hire driver's license wheelchair accessible

vehicle endorsement;

11. 6.311.310.A.1 and 2, summary suspension;
12. 6.311.330.A, revocation;
13. 6.311.340.A, denial; and
14. 6.311.360.A.24, suspension;

G. The Director shall suspend a license or medallion, or shall deny a license or medallion application at renewal:

1. 6.311.260.E;
2. 6.311.270.A;
3. 6.311.310.B.1; and

4. 6.311.360.A.2;

H. The Director shall assess a \$70 civil penalty for the first offense and a \$1,000 civil penalty for the second and subsequent offenses of Section 6.311.080;

I. The Director shall revoke a license or deny a license application at renewal for an offense of subsection 6.311.170.O;

J. For rules promulgated in accordance with subsections 6.311.160.V, 6.311.310.A.16, and 6.311.360.A.25, the Director shall specify any applicable civil penalty or license action in the rule itself; and

K. Any violation not enumerated in this Section 6.311.430 that does not pose a threat or hazard to life, safety, or property shall have a civil penalty of up to \$120. Any violation not enumerated in this Section 6.311.430 that poses a threat or hazard to life, safety, or property shall have a civil penalty of up to \$300.

6.311.440 Citations and license actions

A. The Director may issue citations and suspend, summarily suspend, deny, or revoke any license, endorsement, or medallion of any person for violating or failing to comply with any applicable provision of this Chapter 6.311.

B. Notwithstanding any other provision of this Chapter 6.311, the Director may summarily suspend a license, endorsement, or medallion issued under this Chapter 6.311, with the suspension to take effect immediately by order of the Director prior to any hearing upon finding that:

1. There is reasonable cause to believe that the licensee has engaged in activity that causes or will cause a clear, substantial, and imminent hazard to life, safety, property, or privacy of the driver, passenger, or public, or any combination thereof; or

2. There is a lapse in coverage or the coverage of any surety bond or public liability insurance policy required to be filed with the Director is less than the minimum requirements of Section 6.311.270.

C. The following applies to license actions:

1.

a. Whenever any license, endorsement, or medallion is revoked or summarily suspended the revocation or summary suspension is effective upon issuance of the notice. Such notice may be appealed in accordance with the procedures of Section 6.311.450. If a timely appeal is not filed by the licensee, the notice of revocation or summary suspension shall be final.

b. A final order of revocation shall extend for 12 months, except for a final medallion revocation. Upon the final order of revocation of a medallion, where all appellate proceedings, if any, have been concluded, a medallion owner shall immediately surrender the taxicab or for-hire vehicle medallion plate or decal to the Director and has 60 days to transfer the medallion as prescribed by Section 6.311.230.

c. A final order of summary suspension shall extend until the license, endorsement, or medallion expires or until evidence satisfactory to the Director is produced showing that the violation is cured, whichever occurs first;

2. If the licensee does not file a timely appeal in accordance with Section 6.311.450, the notice of suspension shall be final. Suspensions are effective upon the date included in the notice of suspension or if timely appealed under Section 6.311.450, when an order on appeal affirming such notice becomes final. Suspensions shall extend until the license or endorsement expires or until evidence satisfactory to the Director is produced showing that the violation is cured, whichever occurs first; and

3. Except in the case of revocation or summary suspension, whenever a timely appeal is filed in accordance with Section 6.311.450, a licensee may continue to operate pending a final decision on appeal; however, an applicant not licensed in the preceding license year may not engage in the activity for which the license is required pending a final decision on appeal.

6.311.450 Notice and hearing for citations, denials, suspensions, summary suspensions, and revocations

A. A citation or license action shall include the following:

1. The name and address of the person to whom the citation or license action is issued;

2. The address of the location, if relevant, where the violation occurred;
3. A separate statement of each provision violated;
4. The date of the violation;
5. The applicable monetary penalty;
6. A statement that the person cited must respond to the citation or license action within 24 calendar days after service;
7. A statement that a response must be sent to the Hearing Examiner and received not later than 4:30 p.m. on the day the response is due;
8. Contact information for where the citation or license action is to be filed;
9. A statement that the citation or license action represents a determination that a violation has been committed by the person named in the citation or license action and that the determination shall be final unless appealed in accordance with this Chapter 6.311; and
10. A statement certified under penalty of perjury by the Director's representative issuing the citation or license action setting forth facts supporting issuance of the citation or license action.

B. The citation or license action shall be addressed to the person allegedly responsible for the violation, and be served by first-class mail, electronically, or in person. Service by first-class mail shall be deemed complete three days after the mailing. If a citation or license action sent electronically or by first class mail is returned as undeliverable, the citation or license action may be served in person. The Director shall respond to inquiries concerning the facts and process of the decision and requests for any files that detail the facts on which the Director based the ruling.

C. A person cited must respond to a citation in one of the following ways:

1. Pay the amount of the monetary penalty specified in the citation within 30 calendar days of issuance, in which case the record shall show a finding that the person cited committed the violation;
2. Timely request in writing a hearing to mitigate, by explaining the circumstances surrounding

the commission of the violation, and providing an address to which notice of the hearing may be sent; or

3. Timely request in writing a hearing to appeal, by disputing the commission of the violation, and providing an address to which notice of the hearing may be sent.

D. The Director's license action is final unless the person cited timely requests in writing a hearing to appeal the license action and provides an address to which notice of such hearing may be sent.

E. If requesting a hearing, a response to a citation or license action must be received by the Hearing Examiner no later than 24 calendar days after the date the citation is served. When the last day of the appeal period so computed is a Saturday, Sunday, or holiday, the period shall run until 4:30 p.m. on the next business day. If a person fails to respond to a citation or license action within 24 calendar days of service, the citation and monetary penalty or license action shall become the final order of the Director and is unreviewable by the Hearing Examiner.

F. Appeals of license actions shall be heard by the Hearing Examiner of the jurisdiction issuing the license action. The presiding Hearing Examiner shall decide the appeal under the applicable portions of both the Seattle Municipal Code and the King County Code. The City Hearing Examiner is bound by any interpretation of the applicable King County Code by the King County Hearing Examiner in a license action appeal. The City Hearing Examiner shall forward all decisions made under this subsection F to the King County Hearing Examiner within ten business days of issuing the decision. Appeals of citations shall be heard by the Hearing Examiner of the jurisdiction issuing the citation, and the City Hearing Examiner shall decide the appeal under the Seattle Municipal Code. The hearing for either a license action or a citation shall be held within 45 calendar days after written response is received by the Hearing Examiner, except that hearings for summary suspension shall be held within ten business days of the request, unless a later date is agreed to by the person issued the license action. With the exception of summary suspension hearings, notice of the time, place, and date of the hearing shall be sent to the address specified in the request for hearing not less than ten calendar days before the hearing.

G. Hearings to appeal the citation or license action shall be conducted in accordance with the procedures and rules of the Hearing Examiner. The issues heard at the hearing shall be limited to those that are raised in writing in the response to the citation or license action and that are within the jurisdiction of the Hearing Examiner. The Hearing Examiner may issue subpoenas for the attendance of witnesses and the production of documents. The Director shall have the burden of proving by a preponderance of the evidence both that the violation occurred and the appropriateness of the remedy the Director has imposed.

H. A citation or license action shall not be deemed insufficient for failure to contain a detailed statement of the facts constituting the specific violation that the person is alleged to have committed or by reason of defects or imperfections, but only if the lack of detail, or the defects or imperfections, do not prejudice substantial rights of the person. A citation or license action may be amended before the conclusion of the hearing to conform to the evidence presented if substantial rights of the affected person are not thereby prejudiced.

I. The certified statement or declaration authorized by chapter 5.50 RCW shall be prima facie evidence that a violation occurred and that the person listed on the citation or license action is responsible. The certified statement or declaration authorized under penalty of perjury and any other evidence accompanying the report shall be admissible without further evidentiary foundation. In cases where the person seeks to mitigate the citation, the person may explain the circumstances surrounding the commission of the violation. In cases where the person disputes the citation or license action, the person may rebut the Director's evidence and establish that the violation or violations preceding the citation or license action did not occur or that the person appealing the citation or license action is not responsible for the violation.

J. In a mitigation hearing, the Hearing Examiner shall determine whether the person's explanation justifies reduction of the monetary penalty. However, the monetary penalty may not be reduced unless the Director affirms or certifies that the violation has been corrected prior to the mitigation hearing. Factors that may be considered in whether to reduce the penalty include: whether the violation was caused by the act,

neglect, or abuse of another; or whether correction of the violation was commenced before the issuance of the citation but full compliance was prevented by a condition or circumstance beyond the control of the person cited. The Hearing Examiner shall enter an order finding that the person cited committed the violation and assess a monetary penalty.

K. If the citation or license action is sustained at the hearing, the Hearing Examiner shall enter an order finding that the person committed the violation and impose the applicable monetary penalty or enter an order affirming the license action. The Hearing Examiner may reduce the monetary penalty of a citation in accordance with subsection 6.311.450.J. If the Hearing Examiner determines that the violation did not occur, the Hearing Examiner shall enter an order dismissing the citation or denying the license action.

L. Failure to appear for a requested hearing will result in the Hearing Examiner entering an order finding that the person committed the violation and assessing the penalty specified in the citation or finding that the person committed the violation and affirming the license action. For good cause shown and upon terms the Hearing Examiner deems just, the Hearing Examiner may set aside an order entered upon a failure to appear and schedule a new hearing date.

M. If a license action involving a vehicle is upheld, and the vehicle is to be temporarily or permanently placed out of service, the Director shall initiate the temporary deactivation process authorized under this Chapter 6.311 and the licensee shall immediately surrender all applicable vehicle medallion plates or decals to the Director.

N. The decision of the Hearing Examiner shall be final and conclusive unless judicial review is timely filed with the appropriate court.

O. The Hearing Examiner may affirm, modify, or reverse the decisions of the Director.

P. The Director may contract with a third party to serve as the Hearing Examiner for purposes of this Chapter 6.311, if done in conjunction with King County.

6.311.460 Director's reports

The Director shall issue a joint annual report with King County on the state of for-hire transportation in the region on or before April 30 of each year, and the Director shall make the annual report, for the previous calendar year, publicly available on the Director's website. The report may include but is not limited to the following:

- A. The number of licensed vehicles providing for-hire transportation services in Seattle and King County during the reporting period and during the preceding year;
- B. The number of licensed regional for-hire drivers in Seattle and King County during the reporting period and during the preceding year;
- C. The numbers and nature of complaints;
- D. The results of any survey of taxicab response times and any changes in response times from the previous year;
- E. What, if any, organizations have been authorized to operate as an emerging for-hire transportation model; and
- F. Any other information or recommendations deemed appropriate by the Director.

6.311.470 Rulemaking authority

A. The Director is authorized to implement, enforce, and administer this Chapter 6.311. The Director is authorized to adopt, revise, or rescind rules, and regulations deemed necessary, appropriate, convenient, or efficient to implement, enforce, and administer the provisions of this Chapter 6.311, providing affected entities with due process of law and in conformity with the intent and purpose of this Chapter 6.311. Rules shall be adopted in accordance with Chapter 3.02.

B. The Director may suspend or suspend and modify requirements of this Chapter 6.311 by rule related to licensing and operating standards, fees, and rates. In suspending or suspending and modifying requirements of this Chapter 6.311, the Director shall analyze one or more of the following nonexclusive factors:

1. Whether the action would serve the public interest, including the public's need for safe,

reliable, and effective for-hire transportation;

2. Whether technology has changed such that the requirements are no longer necessary;

3. Whether such action would improve the economic viability for drivers and vehicle owners;

and

4. Whether such action would encourage and enable companies and agencies to innovate and improve customer service and increase access to for-hire transportation options.

C. The Director may establish rules either for taxicabs or for-hire vehicles or for both to operate when equipped with an automated driving system and may establish associated penalties. Unless granted such authority by the Director by rule, an autonomous vehicle providing for-hire transportation services is prohibited from autonomous operation.

6.311.480 Additional remedies

Notwithstanding the existence or use of any other remedy, the City Attorney may seek legal or equitable relief to enjoin an act or practice that constitutes or will constitute a violation of this Chapter 6.311 or an applicable rule adopted under this Chapter 6.311.

Section 2. Section 11.14.235 of the Seattle Municipal Code, enacted by Ordinance 108200, is amended as follows:

11.14.235 For-hire car

"For-hire car" means for-hire vehicles as defined by ~~((the Seattle License Code))~~ Chapter 6.311.

Section 3. Section 15.17.005 of the Seattle Municipal Code, last amended by Ordinance 126732, is amended as follows:

15.17.005 Authorized vending in the public place

No person shall vend in a public place unless authorized as described below:

A. The vending activity occurs in an area that is permitted for that type of an activity, for example: as part of a Street Use temporary activation permit which authorizes vending; Chapter 11.25, parade permits;

Chapter 15.08, areaways; Chapter 15.16, cafe Street Use permits; street areas within the Pike Place Market Historical District Chapter 25.24) that are being administered by the Pike Place Market Preservation and Development Authority; Chapter 15.35, filming permits; Chapter 15.52, Special Event permits; ((~~or~~)) Chapter 6.310(~~(Taxicabs and For Hire Vehicles)~~); or Chapter 6.311.

* * *

Section 4. After any transition to a new type of entity or driver has been completed, the Director may notify the Code Reviser regarding that transition and which portions of Seattle Municipal Code Chapter 6.311 will no longer have any application to future situations. After receiving and verifying that information, the Code Reviser shall decodify those obsolete portions pursuant to Seattle Municipal Code subsection 1.03.030.J. Reuse of those obsolete portions' Seattle Municipal Code section or subsection numbers has no legal relevance in interpreting those obsolete portions.

Section 5. 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.

Passed by the City Council the _____ day of _____, 2023, and signed by me in open session in authentication of its passage this _____ day of _____, 2023.

President _____ of the City Council

Approved / returned unsigned / vetoed this _____ day of _____, 2023.

Bruce A. Harrell, Mayor

Filed by me this _____ day of _____, 2023.

Scheeren Dedman, City Clerk

(Seal)

SUMMARY and FISCAL NOTE*

| | | |
|---|--------------------------------------|--------------------------------------|
| Department: Finance and Administrative Services | Dept. Contact: Matthew Eng | CBO Contact: Lorine Cheung |
|---|--------------------------------------|--------------------------------------|

** 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 relating to taxicabs and for-hire vehicles; separating and amending taxicab and for-hire vehicle industry regulations; adding a new Chapter 6.311 to the Seattle Municipal Code; and amending Sections 11.14.235 and 15.17.005 of the Seattle Municipal Code.

Summary and background of the Legislation: This legislation creates a new SMC chapter to regulate the taxicab and for-hire vehicle segments of the for-hire transportation industry. The new chapter aligns with a new chapter of King County Code and together, they reduce regulatory complexity, promote equity and innovation, modernize and better integrate for-hire transportation options and services, and ensure consumer protection and public safety. Regulation of the transportation network company (TNC) segment of the for-hire transportation industry remains in SMC Chapter 6.310. Please see companion legislation.

The City has long partnered with the County to jointly regulate the region’s for-hire transportation industry. The County has transmitted for-hire legislation to the County Council to achieve the same goals as the City. Overall success depends on both the City Council and County Council adopting nearly identical legislation.

Some major changes include the following:

| Change | Description |
|--|---|
| 1. Create a reciprocity endorsement system to provide all vehicles with a taxicab or for-hire vehicle medallion a means to operate throughout the City and King County | Reciprocity endorsements will allow all licensed taxicabs and for-hire vehicles to operate without the geographical restrictions of the current medallion system, ¹ help to eliminate deadheading, and increase the availability of vehicles to meet customer demand. Endorsed TNC vehicles have been able to operate through King County this since 2014. |
| 2. Require the transition of all for-hire vehicles (or flat-rate vehicles) to taxicabs and required affiliation | Regional dispatch agencies will replace taxicab associations and for-hire vehicle companies. This change, which represents a change in name and status, helps eliminate customer confusion between vehicle |

¹ The current licensing system permits some vehicles to only operate in the City, some vehicles to only operate in the County, and some vehicles to operate in both jurisdictions.

| Change | Description |
|---|--|
| with a regional dispatch agency | types and standardizes licensing requirements and operating responsibilities and privileges. Currently, the municipal code does not standardize operating responsibilities and privileges between taxicab associations and for-hire vehicle companies. The City currently licenses nine taxicab associations and recognizes four for-hire vehicle companies. |
| 3. Require the adoption of smart taximeters by all taxicabs and requirement that each regional dispatch agency plan that adoption for its affiliated vehicles | <p>Smart taximeters represent the next generation of taximeter technology as they use geographic positioning system (GPS) technology to meter trips, have the capability to program different fares, and record more extensive trip data than the analog taximeters currently in use. Maximizing the capabilities of smart taximeters requires adoption across all regional dispatch agencies.</p> <p>FAS estimates the cost of purchasing a tablet and other required hardware for a smart taximeter at \$2,000, which a vehicle owner would pay. The subscription fee for the software is built into the dispatch fee already incurred by vehicle owners (approximately \$125 per week). Further, calibrating individual smart taximeters may reduce downtime for vehicles.</p> <p>The proposal requires all regional dispatch agencies to adopt a smart taximeter system for their affiliated vehicles and those affiliated vehicles to have smart taximeters installed and ready to use by March 31, 2026.</p> |
| 4. Establish a regional taximeter rate but allow regional dispatch agencies to vary from this rate based on factors such as customer demand or time of day | <p>The City and County propose maintaining the current taximeter rate as a regional taximeter rate (or base rate); regional dispatch agencies would now have authority to adjust the base rate. The City does not plan on placing a limit on such rate adjustments (TNCs do not have limits on their rates) beyond capping rates during a declared emergency.</p> <p>Rate flexibility benefits regional dispatch agencies and their drivers by responding to fluctuations in supply and demand. In practice, for example, taxicab brand A may have the regional rate in place between midnight and 6 a.m. on a Sunday in October but increase that rate after 6 a.m. and before 7 p.m. to take advantage of increased demand during a Seahawks game.</p> |

| Change | Description |
|---|--|
| | <p>FAS will still maintain requirements to keep a fare or a proposed/estimated fare transparent to the passenger before the passenger accepts a ride (if booking via an app, for example). FAS will issue a director’s rule on how price transparency would work for taxicabs hailed from the street or booked over the phone, etc.</p> |
| <p>5. Create an enhanced regional for-hire driver’s license to meet driver needs</p> | <p>The City and County will continue to issue for-hire driver’s licenses, which will have regional operating privileges. An enhanced regional for-hire driver’s license, which any driver has the option to obtain, adds a fingerprint-based background check to the vetting process. Certain organizations that serve vulnerable populations and contract with regional dispatch agencies require drivers who have successfully passed a fingerprint-based background check.</p> <p>FAS does not anticipate reduced availability of taxicabs and for-hire vehicles to passengers from the creation of an enhanced regional for-hire driver’s license.</p> |
| <p>6. Simplify the penalty structure and adopt a more streamlined process for adjudicating enforcement actions</p> | <p>The proposal eliminates the current system of classifying types of violations and assessing points to each violation; those points have then been aggregated to further penalize the licensee. Under the new proposal, the City and County have also agreed to streamline the process for appealing enforcement actions so that a driver, for example, does not have to navigate a City hearing process and a separate County one.</p> |
| <p>7. Provide regulatory flexibility to address emerging for-hire transportation models</p> | <p>This provision gives the City the flexibility to regulate, on a pilot basis, emerging for-hire transportation models instead of simply saying they cannot operate because they do not fit within existing regulations. These models could resemble the prevailing TNC structure but with changes, for example, to the type of vehicle used or the customer base served.</p> |
| <p>8. Adjust insurance requirements to try to bring more competition into the current commercial vehicle market</p> | <p>By adjusting the current financial rating and cancellation notification requirements, FAS hopes to attract additional insurers to the Seattle market.</p> <p>The result of more insurers serving customers should help reduce commercial vehicle insurance rates for most owners/drivers. These rates can average upwards of \$500</p> |

| Change | Description |
|---|---|
| | per month. While the City has no control over <u>most</u> factors influencing these rates, regulators can adjust some requirements. |
| 9. Create a process for a medallion owner to temporarily deactivate a medallion for up to 12 months | In creating a temporary deactivation process, FAS hopes to give medallion owners some flexibility in managing their small business. A temporary deactivation may occur for any reason including an inoperable or unavailable vehicle, a temporary lack of affiliation with an agency, or owner convenience. |

Many of these proposed changes directly address the City Council’s work plan outlined in Resolution 31808 from March 2018. That work plan included a review of the administrative rules and regulations governing the for-hire industry, with the goal of improved customer service, and an examination of ways to ensure equal market access for all participants. The proposed changes also respond to parameters set by recently adopted state legislation (ESHB 2076).

The City maintains a cooperative agreement with the County to regulate the for-hire transportation industry. As such, FAS collaborated with its counterparts at the County’s Department of Executive Services (DES) on companion legislation for the County Council to deliberate. Our legislation reinforces the City/County partnership and success depends on continued coordination and cooperation.

The City and County must each adopt substantially similar legislation. With a common foundation in place, the taxicab and for-hire vehicle segments of the industry must then actively capitalize on a modernized regulatory structure to serve customers.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? Yes No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? Yes No

Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs? In the near term, changes to the municipal code and the suite of administrative rules affecting the for-hire transportation industry will necessitate changes to Accela, the enterprise permitting

system that FAS uses to keep records on vehicle medallions and for-hire driver's licenses and other parts of the regulatory program.

FAS will work with Seattle IT to estimate and manage these costs, which are currently unbudgeted and which FAS plans to fund through existing regulatory licensing fees. To the extent feasible, FAS will leverage Accela's existing functions to minimize the amount of new coding required for implementation. Nevertheless, Accela changes could possibly lead to increased ongoing operating and maintenance costs in the future. At this time, Seattle IT estimates a project costing approximately \$590,000 and requiring six to eight months to implement all system changes proposed by the legislation.

Is there financial cost or other impacts of *not* implementing the legislation? If taxicabs and for-hire vehicles leave altogether because they can no longer compete and succeed within the larger for-hire transportation market, then FAS could lose medallion, license, and other fee revenue from not implementing the legislation. Please also see Section 4e below.

4. OTHER IMPLICATIONS

- a. **Does this legislation affect any departments besides the originating department?** No; however, FAS partners with King County DES to jointly regulate the for-hire transportation industry.
- b. **Is a public hearing required for this legislation?** No.
- c. **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?** No.
- d. **Does this legislation affect a piece of property?** No.
- e. **Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?** Most taxicab and for-hire vehicle medallion owners and drivers are immigrants and/or refugees, speak a language other than English as their primary language, and are persons of color. FAS recognizes taxicab and for-hire vehicle owners and drivers face more extensive regulation than drivers affiliated with TNCs and their economic positions have generally worsened due to the COVID-19 pandemic.

FAS partnered with the Department of Neighborhoods' community liaison program to conduct extensive stakeholder outreach and engagement prior to finalizing the proposed legislation. This work included administering surveys, translated into four languages, and holding small focus groups, with interpretation provided in five languages.

f. Climate Change Implications

- 1. **Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?** This legislation does not contain any provisions to directly affect carbon emissions. Nevertheless, as owners of for-hire transportation vehicles consider options to

replace aging vehicles, the availability of electric vehicles (and access to charging infrastructure) and incentive programs (e.g., rebates) to purchase those vehicles could lead to decreased carbon emissions. Of the approximately 1,050 taxicabs and for-hire vehicles licensed in 2019, for example, 86% had hybrid engines (and 0% had electric engines).

2. **Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle’s resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.** No actions proposed by this legislation will increase or decrease Seattle’s resiliency (or ability to adapt) to climate change in a material way.
- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program’s desired goal(s).** This legislation does not expand the existing for-hire regulatory program but rather amends it with the intention of helping the taxicab and for-hire vehicle segments of the industry better compete and succeed within the for-hire transportation market. Success would be measured by the number of trips provided by taxicabs and for-hire vehicles, when compared to previous years, and by the number of taxicabs and for-hire vehicles actively working, when compared to previous years.

Summary Attachments:



SEATTLE CITY COUNCIL
CENTRAL STAFF

Council Bill 120653

Taxi & For-Hire Vehicle Regulations Ordinance

KARINA BULL

FINANCE AND HOUSING COMMITTEE

SEPTEMBER 14, 2023

For-Hire Transportation Regulations

- **CB 120652 – Transportation Network Company (TNC) Regulations Ordinance.**
Amend 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.**
Establish Seattle Municipal Code (SMC) 6.311 to regulate the taxicab and for-hire vehicle industry.
- **CB 120656 – For-Hire Interlocal Agreement.**
Authorize an updated agreement between the City and King County to jointly administer and enforce for-hire transportation regulations.

CB 120653 – Pre-introduction Changes (1/8)

| # | Topic | Pre-introduction change |
|---|---|--|
| 1 | Factors for Director to consider when adjusting maximum # of medallions. (p. 31) | <p>Require the Director to consider the impact of adding new medallions on a driver’s ability to earn a living wage when adjusting the maximum number of medallions.</p> <p>This requirement would task the Director with developing a framework for determining living wage criteria and considering whether adding more medallions could impact driver income (e.g., more drivers on the road could result in fewer trips per driver).</p> |

CB 120653 – Pre-introduction Changes (2/8)

| # | Topic | Pre-introduction change |
|---|--|--|
| 2 | Requirement for regional dispatch companies to remit fares. (p. 55) | <p>Clarify that dispatch agencies must remit the “full fare paid by the passenger,” minus permissible deductions.</p> <p>This is a technical correction to align language with SMC 6.311.370.C (see #3 on next slide).</p> |

CB 120653 – Pre-introduction Changes (3/8)

| # | Topic | Pre-introduction change |
|---|--|---|
| 3 | Fees charged by regional dispatch companies. (p. 59) | <p>Cap fees charged to drivers for dispatch services at ten percent of the fare paid by the passenger.</p> <p>Stakeholders report that at least one taxicab association is charging drivers between five and ten percent for dispatch services.</p> <p>This cap would prevent such charges from exceeding ten percent, protecting driver payments from unrestricted deductions and supporting a living wage.</p> |

CB 120653 – Pre-introduction Changes (4/8)

| # | Topic | Pre-introduction change |
|---|---|---|
| 4 | Requirement for regional dispatch agencies to develop written policies. (p. 59) | <ol style="list-style-type: none">a. Establish a due date for submission of the required policies for owners and drivers to the Director.b. Add provisions to the policy requirement, such as:<ul style="list-style-type: none">• Driver’s ability to work on any contracted accounts, and• Affiliation with the dispatch agency. |

CB 120653 – Pre-introduction Changes (5/8)

| # | Topic | Pre-introduction change |
|---|---|--|
| 5 | <p>Factors for Director to consider for new regional taximeter rates. (p. 61)</p> | <p>Authorize the Director to consider the impact of new taximeter rates on a driver’s ability to earn a living wage when adjusting taximeter rates.</p> <p>This change would add a <i>discretionary</i> factor for the Director to consider when adjusting taximeter rates. The factor would include consideration of the driver’s ability to earn a living wage after covering all operating costs.</p> |

CB 120653 – Pre-introduction Changes (6/8)

| # | Topic | Pre-introduction change |
|---|--|---|
| 6 | Reasons for Director to attach conditions to licensing emerging for-hire transportation models. (p. 66) | <p>Add consideration of “labor harmony” to the list of factors that could trigger the Director’s issuance of new conditions for licensing emerging for-hire transportation models.</p> <p>This change would not include a definition for “labor harmony.” The Director may define this term in rules.</p> |

CB 120653 – Pre-introduction Changes (7/8)

| # | Topic | Pre-introduction change |
|---|--|---|
| 7 | Effective dates for milestone requirements | <p>Change the effective dates for milestone requirements from March 31, 2025, to March 31, 2026.</p> <p>Extending these dates would allow companies and drivers more time to change systems and procedures related to the transition to regional dispatch agency and taxicab designations, and taxicab medallions, among other requirements.</p> <p>The extensions would not preclude licensees from meeting new requirements earlier.</p> |

CB 120653 – Pre-introduction Changes (8/8)

| # | Topic | Pre-introduction change |
|---|--|---|
| 8 | Effective date for licensing, temporary deactivation, and medallion provisions | <p>Change the effective date for licensing, temporary deactivation, and medallion provisions from the effective date of the ordinance to September 1, 2024.</p> <p>Extending these dates would allow FAS more time to develop software to process licenses and medallion transfers.</p> |

Issue ID – Coordinating with County Council’s Process

- City and County have developed substantially similar legislative packages for updating for-hire transportation regulations.
- City and County regulations must be nearly identical for joint administration of these regulations. If one jurisdiction amends the proposed regulations, the other jurisdiction should consider approving the same or similar amendments.
- County’s legislative package is awaiting sponsorship and review timeline is TBD.
- Two options
 1. City Council approves City’s legislative package **before** the County Council completes its deliberations. City Council would need to introduce *new* legislation to incorporate any County amendments (rather than amending current package).
 2. City Council waits until **after** the County Council’s deliberations to vote on the City’s legislative package, allowing time to consider any necessary amendments before a final vote (potentially on December 5).

Next Steps

- **September 15 (12 pm)** – Please contact Karina Bull on Central Staff with any amendment proposals.
- **September 20** – Committee will continue discussion of the proposed legislation, consider any amendments, and possibly vote on the legislative package.

Questions?

Amendment 1 Version 1 to CB 120653 – Taxicab and For-Hire Vehicle Regulations

Sponsor: Councilmember Mosqueda

Adopt a substitute version of the legislation.

Effect: This amendment would adopt a substitute version of Council Bill 120653 with the edits shown in Attachment 1. These edits are as follows:

1. Add recitals on the legislative intent for capping transitional dispatch agency and regional dispatch agency charges to drivers for dispatch services at ten percent of the fare paid by the passenger.
2. Remove the requirement for transitional regional dispatch agencies and regional dispatch agencies to provide the Director with a copy of the owner and driver policy required by SMC 6.311.370.D (e.g., policy on operating procedures, including the deactivations process) for the next annual license renewal date. The Director may require submission of this policy by rule.
3. Remove the following components from the required deactivations policy:
 - a. Driver has opportunity to be heard “with representation of their choice”; and
 - b. “Adjudication of disputes by a neutral third party under a just cause standard.”

Substitute version 2 of Council Bill 120653, incorporating the amendments shown in the attached version of Council Bill 120653, for Council Bill 120653 as introduced.

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

..title

AN ORDINANCE relating to taxicabs and for-hire vehicles; separating and amending taxicab and for-hire vehicle industry regulations; adding a new Chapter 6.311 to the Seattle Municipal Code; and amending Sections 11.14.235 and 15.17.005 of the Seattle Municipal Code.

..body

WHEREAS, Seattle desires to comprehensively regulate for-hire transportation, including taxicabs and for-hire vehicles; and

WHEREAS, the City has implemented new policies over the last few years to help the operators of taxicabs and for-hire vehicles navigate the loss of business during the COVID pandemic and subsequent economic recession; and

WHEREAS, industry participants have requested legislation to modernize licensing and operating requirements and align them with the City’s values of equity, fairness, shared prosperity, and transparency; and

WHEREAS, the City desires to allow for regional operation of all licensed taxicabs and for-hire vehicles, implement new taximeter technology, offer the option to apply for an enhanced for-hire driver’s license, and convert all for-hire vehicles into taxicabs; and

WHEREAS, requiring transitional regional dispatch agencies or regional dispatch agencies to implement new taximeter technology could result in increased deductions for dispatch services that negatively impact a driver’s ability to earn a living wage and capping such deductions at ten percent of the fare paid by the passenger could protect driver payments from unrestricted deductions for dispatch services and support a living wage; and

1 WHEREAS, the City is committed to ensuring that drivers benefit from new regulations and
2 experience equitable opportunities for compensation within the for-hire transportation
3 industry; and

4 WHEREAS, the City is a leader on establishing practices that support economic security, and
5 contribute to a fair, healthy, and vibrant economy; and

6 WHEREAS, the City partners with King County to regulate the larger for-hire transportation
7 industry and desires to maintain that partnership under common regulations in the future;
8 and

9 WHEREAS, due to changes in state law governing the regulation of transportation network
10 companies, establishing a new Seattle Municipal Code chapter to regulate taxicabs and
11 for-hire vehicle and modifying an existing Seattle Municipal Code chapter to regulate
12 transportation network companies best articulates the City's objectives for these
13 industries; NOW, THEREFORE,

14 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

15 Section 1. A new Chapter 6.311 is added to the Seattle Municipal Code as follows:

16 **CHAPTER 6.311 FOR-HIRE TRANSPORTATION – TAXICAB AND FOR-HIRE**
17 **VEHICLES AND DRIVERS**

18 **6.311.010 Purpose**

19 A. This Chapter 6.311 is an exercise of The City of Seattle's power to regulate the for-
20 hire transportation industry. That exercise includes the power to license and regulate taxicabs,
21 for-hire vehicles, taxicab and for-hire vehicle drivers, transitional regional dispatch agencies, and
22 regional dispatch agencies. Some of its regulatory purposes are to increase the safety, reliability,
23 cost-effectiveness, and economic viability and stability of privately operated for-hire vehicle and
24 taxicab services within Seattle.

1 B. The obligation of complying with this Chapter 6.311 belongs to the licensee or
2 applicant for a license within its scope. Neither a provision of, nor a term used in, this Chapter
3 6.311 is intended to impose any duty whatsoever upon the City or any of its officers or
4 employees, for whom the implementation or enforcement of this Chapter 6.311 shall be
5 discretionary and not mandatory.

6 C. This Chapter 6.311 is not intended to be and shall not be construed to create or form
7 the basis for any liability on the part of the City or its officers, employees, or agents, for any
8 injury or damage resulting from the failure of a licensee or applicant for license to comply with
9 this Chapter 6.311, or by reason or in consequence of any act or omission in connection with the
10 implementation or enforcement of this Chapter 6.311 on the part of the City by its officers,
11 employees, or agents.

12 D. This Chapter 6.311 is intended to reduce regulatory complexity, promote equity and
13 innovation, improve transportation and integration of the for-hire transportation industry, and
14 ensure consumer protection and public safety. To fulfill these purposes, The City of Seattle:

15 1. Establishes reciprocal licensing privileges for King County medallion owners
16 to operate within Seattle. This reciprocity authorizes medallion owners to operate in both Seattle
17 and King County;

18 2. Establishes regional operating privileges for taxicab and for-hire vehicle drivers
19 licensed by King County to operate within Seattle. This license allows the driver to operate in
20 both Seattle and King County;

21 3. Consolidates the regulatory classifications of taxicabs and for-hire vehicles into
22 a single taxicab standard. When a for-hire vehicle transitions to a taxicab, any reciprocal
23 operating privilege will follow the vehicle;

1 4. Consolidates the regulatory classifications of taxicab associations and for-hire
2 vehicle companies into a single, regional dispatch agency license that is subject to a common set
3 of operating rules and standards;

4 5. Establishes regional licensing privileges for taxicab associations and for-hire
5 vehicle companies licensed by King County to operate in Seattle. When a taxicab association or
6 for-hire vehicle company transitions to a regional dispatch agency, the regional license will
7 follow; and

8 6. Establishes a requirement for each regional dispatch agency to adopt a smart
9 taximeter system.

10 **6.311.020 Scope**

11 A. This Chapter 6.311 applies to taxicab associations, for-hire vehicle companies,
12 taxicabs, for-hire vehicles, and drivers of those vehicles. Chapter 6.310 applies to transportation
13 network companies, transportation network company drivers, and transportation network
14 company vehicles. References to transportation network companies, transportation network
15 company drivers, or transportation network company endorsed vehicles remain in Chapter 6.310
16 because RCW 46.72B.190 constrains The City of Seattle from amending ordinances or
17 regulations related to transportation network companies, transportation network company
18 drivers, or transportation network company endorsed vehicles after January 1, 2022. In the event
19 of a conflict between this Chapter 6.311 and Chapter 6.310, this Chapter 6.311 controls.

20 B. This Chapter 6.311 is not intended to regulate limousines and is consistent and
21 compliant with chapter 46.72A RCW.

22 C. This Chapter 6.311 is not a part of the New License Code (Subtitle IV of Title 6).

23 **6.311.030 Council approval of agreements**

1 The Director may enter into agreements with any other city, town, county, or port district for the
2 joint regulation of for-hire and taxicab drivers in a manner consistent with the provisions of this
3 Chapter 6.311; however, no such agreement shall be made without prior approval of the City
4 Council by ordinance. Agreements may provide for, but are not limited to, the granting,
5 revocation, and suspension of taxicab and for-hire driver licenses, or the sharing of enforcement
6 responsibilities.

7 **6.311.040 Definitions**

8 For the purposes of this Chapter 6.311 and unless the context plainly requires otherwise, the
9 following definitions apply:

10 "Abnormal disruption of the market" means any change in the market, whether actual or
11 imminently threatened, resulting from stress of weather, convulsion of nature, failure or shortage
12 of electric power or other source of energy, strike, civil disorder, war, military action, national or
13 local emergency, or any other cause.

14 "Application dispatch system" means technology that allows consumers, via the internet
15 using mobile interfaces such as, but not limited to, smartphone and tablet applications, either or
16 both, to:

- 17 1. Directly request dispatch of regional for-hire drivers for trips; and
- 18 2. Accept payments for those trips.

19 "Approved mechanic" means a mechanic or technician on a list maintained by the
20 Director. The list shall contain the name of each mechanic or technician that has been approved
21 by Director because they:

- 22 1. Have met all requirements of the National Institute for Automotive Service
23 Excellence;

1 2. Have been awarded a Certificate in Evidence of Competence satisfactory to the
2 Director; and

3 3. Do not own, lease, or drive a taxicab, for-hire vehicle, or transportation
4 network company endorsed vehicle.

5 "Automated driving system" means hardware and software that are collectively capable
6 of performing the entire dynamic driving task on a sustained basis, regardless of whether it is
7 limited to a specific operational design domain and regardless of the presence of a driver.

8 "Autonomous operation" means the performance of the entire dynamic driving task by an
9 automated driving system, beginning upon performance of the entire dynamic driving task by an
10 autonomous driving system and continuing until the autonomous driving system is disengaged.

11 "Autonomous vehicle" means a vehicle with a level 3, level 4, or level 5 automated
12 driving system as provided in the Society of Automotive Engineering International's J3016
13 standard.

14 "Certificate of safety" means a document from an approved mechanic certifying that a
15 particular vehicle meets all vehicle safety standards set forth in this Chapter 6.311, including the
16 vehicle safety inspection, and rules adopted by the Director in accordance with this Chapter
17 6.311.

18 "Citation" means an enforcement action taken by the Director that imposes monetary
19 penalties when a person violates a requirement of this Chapter 6.311.

20 "Commencement date" means a calendar date set by the Director for the purpose of
21 initiating certain processes pursuant to Section 6.311.415 and establishing timelines and
22 deadlines associated with them.

1 "Contract rate" means the rate specified in a written agreement signed by both parties
2 before the dispatch of a taxicab or for-hire vehicle for the services identified in the contract.

3 "Department" means the Department of Finance and Administrative Services of The City
4 of Seattle, or any department that succeeds the Department's duties under this Chapter 6.311.

5 "Director" means the Director of Finance and Administrative Services, or the Director's
6 authorized designee, or the director or authorized designee of any successor department.

7 "Disability" means the presence of a sensory, mental, or physical impairment that is
8 medically cognizable or diagnosable; exists as a record or history; or is perceived to exist
9 whether or not it exists in fact. A disability exists whether it is temporary or permanent, common
10 or uncommon, mitigated or unmitigated, whether or not it limits the ability to work generally or
11 work at a particular job, or whether or not it limits any other activity within the scope of this
12 Chapter 6.311. For purposes of this definition, "impairment" includes, but is not limited to:

13 1. Any physiological disorder, or condition, cosmetic disfigurement, or
14 anatomical loss affecting one or more of the following body systems: neurological,
15 musculoskeletal, special sense organs, respiratory, including speech organs, cardiovascular,
16 reproductive, digestive, genitor-urinary, hemic and lymphatic, skin, and endocrine; or

17 2. Any mental, developmental, traumatic, or psychological disorder, including,
18 but not limited to, cognitive limitation, organic brain syndrome, emotional or mental illness, and
19 specific learning disabilities.

20 "Dispatch system" means a system that allocates requests for trips to available drivers
21 and that facilitates communication between a dispatcher and driver. A dispatch system may be
22 integrated into a smart taximeter system.

1 "Driver coordinator" means an entity that hires, contracts with, or partners with for-hire
2 drivers for the purpose of assisting them with, or facilitating them in, providing for-hire services
3 to the public. For the purposes of this definition, "driver coordinator" includes but is not limited
4 to taxicab associations, for-hire vehicle companies, and transportation network companies.

5 "Egregious" means any moving violation that posed an immediate threat to the safety of
6 the driver, any passengers in the vehicle, or to others.

7 "Exclusive driver representative" (EDR) means a qualified driver representative, certified
8 by the Director to be the sole and exclusive representative of all for-hire drivers operating within
9 the City for a particular driver coordinator, and authorized to negotiate, obtain, and enter into a
10 contract that sets forth terms and conditions of work applicable to all of the for-hire drivers
11 employed by that driver coordinator.

12 "Fare" means anything of economic value that is provided, promised, or donated
13 primarily in exchange for services rendered.

14 "For-hire transportation services" means services provided by licensees under this
15 Chapter 6.311.

16 "For-hire vehicle" means any motor vehicle used for the transportation of passengers for
17 hire, and not operated exclusively over a fixed and definite route, except:

- 18 1. Taxicabs;
- 19 2. School buses operating exclusively under a contract to a school district;
- 20 3. Ride-sharing vehicles under chapter 46.74 RCW;
- 21 4. Limousine carriers licensed under chapter 46.72A RCW;
- 22 5. Vehicles used by nonprofit transportation providers solely for elderly or
23 handicapped persons and their attendants under chapter 81.66 RCW;

1 6. Vehicles used by auto transportation companies licensed under chapter 81.68
2 RCW;

3 7. Vehicles used to provide courtesy transportation at no charge to and from
4 parking lots, hotels, and rental offices;

5 8. Vehicles licensed under, and used to provide “charter party carrier” and
6 “excursion service carrier” services as defined in, and required by, chapter 81.70 RCW; and

7 9. Transportation network company endorsed vehicles as defined in Chapter 6.310
8 and transportation network company vehicles as defined in chapter 46.72B RCW.

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

11 "Lessee" means a person who has a regional for-hire driver’s license that leases a taxicab
12 or for-hire vehicle required to be licensed under this Chapter 6.311.

13 "Lessor" means a person who has leased a taxicab or for-hire vehicle to a lessee.

14 "License action" means an enforcement action taken by the Director against a licensee
15 that is a suspension, summary suspension, denial, or revocation of the license.

16 "Licensee" means any person required to be licensed under this Chapter 6.311.

17 "Medallion" means a license issued by the Director as a plate, decal, or other physical
18 representation, that is evidence that a taxicab or for-hire vehicle medallion is intangible property.

19 "Medallion owner" means a person who owns a taxicab medallion, a wheelchair
20 accessible taxicab medallion, or a for-hire vehicle medallion issued by the Director.

21 "Medallion reciprocity endorsement" means a designation on a medallion issued by King
22 County, or alternatively in the Director’s record of the medallion owner, which permits a vehicle
23 to operate in Seattle.

1 "Medallion system" means the system that deems a taxicab or for-hire vehicle medallion
2 to be intangible property that may be used as collateral to secure a loan from a bank or any other
3 financial institution.

4 "Motor vehicle" means every motorized vehicle by or upon which any person may be
5 transported or carried upon a public street, highway, or alley. Vehicles used exclusively upon
6 stationary rail tracks or propelled by use of overhead electric wires are not considered motor
7 vehicles for purposes of this Chapter 6.311.

8 "Operate" or "operating" means owning, leasing, advertising, driving, parking in a
9 taxicab zone, having a top light on, occupying, or otherwise being in control of a taxicab or for-
10 hire vehicle that is available to transport, en route to pick up a passenger, or transporting any
11 passenger for a fare from a point in Seattle. A taxicab association, for-hire vehicle company,
12 transitional regional dispatch agency, or regional dispatch agency is operating if it represents or
13 dispatches any taxicab or for-hire vehicle that at any time transports any passenger for a fare
14 from a point within Seattle.

15 "Person" means any individual, partnership, association, corporation, firm, institution, or
16 other entity, whether or not operated for profit. "Person" does not include:

- 17 1. A government entity of or within the United States;
- 18 2. An entity operating exclusively under contract with a government entity; or
- 19 3. That portion of an entity that is operating exclusively under contract with a
20 government entity.

21 "Qualifying driver" means a for-hire driver, who drives for a driver coordinator and who
22 satisfies the conditions established by the Director pursuant to Section 6.311.415. In establishing
23 such conditions, the Director shall consider factors such as the length, frequency, total number of

1 trips, and average number of trips per driver completed by all of the drivers who have performed
2 trips in each of the four calendar months immediately preceding the commencement date, for a
3 particular driver coordinator, any other factors that indicate that a driver's work for a driver
4 coordinator is significant enough to affect the safety and reliability of for-hire transportation, and
5 standards established by other jurisdictions for granting persons the right to vote to be
6 represented in negotiations pertaining to the terms and conditions of employment. A for-hire
7 driver may be a qualifying driver for more than one driver coordinator.

8 "Qualified driver representative" (QDR) means an entity that assists for-hire drivers
9 operating within the City for a particular driver coordinator in reaching consensus on desired
10 terms of work and negotiates those terms on their behalf with driver coordinators.

11 "Regional dispatch agency" means a person licensed under this Chapter 6.311 who
12 represents or owns taxicabs or for-hire vehicles licensed by the City that use the same trade name
13 and dispatch services.

14 "Regional dispatch agency representative" means a person who a regional dispatch
15 agency has authorized to:

- 16 1. File applications and other documents on behalf of the agency; and
- 17 2. Receive and accept all correspondence and notices from the Director pertaining
18 to the agency or its taxicabs, taxicab owners, for-hire vehicles, for-hire vehicle owners, or
19 regional for-hire drivers affiliated with the regional dispatch agency.

20 "Regional for-hire driver" means any person in physical control of a taxicab or for-hire
21 vehicle who is required to be licensed under this Chapter 6.311 and includes a lease driver,
22 owner/operator, or employee, who drives taxicabs or for-hire vehicles.

1 "Regional for-hire driver's license" means a license issued to an applicant for a regional
2 for-hire driver's license who meets all criteria under this Chapter 6.311 for a regional for-hire
3 driver's license.

4 "Regional for-hire driver's license wheelchair accessible vehicle endorsement" means an
5 endorsement applied to a regional for-hire driver's license that demonstrates that the driver has
6 successfully completed required training regarding the special needs of passengers in
7 wheelchairs, including, but not limited to, loading and tie-down procedures and door-to-door
8 service.

9 "Smart taximeter" means a system of hardware and software that integrates a taximeter
10 and other components together to perform functions required by this Chapter 6.311.

11 "Smart taximeter system" means the system a regional dispatch agency uses to dispatch
12 trips to, communicate with, and track the location of affiliated vehicles and drivers through the
13 smart taximeter. A smart taximeter system may include an application dispatch system.

14 "Taxicab" means every motor vehicle required to have a taxicab medallion to be used for
15 the transportation of passengers for a fare, where the route traveled or destination is controlled by
16 the passenger, and the fare is based on an amount recorded and indicated on a taximeter, smart
17 taximeter, or on an application dispatch system.

18 "Taxicab association" means a person that represents or owns taxicabs licensed by The
19 City of Seattle that use the same uniform color scheme, trade name, and dispatch services.

20 "Taximeter" means any instrument or device by which the fare for a trip provided in a
21 taxicab is measured or calculated either for the distance traveled by the taxicab or for waiting
22 time, or for both, and upon which such calculated charges shall be indicated by means of figures.

1 "Transitional regional dispatch agency" means taxicab associations and for-hire vehicle
2 companies, or other persons that meet the requirements of a transitional regional dispatch agency
3 in this Chapter 6.311, that do not have a regional dispatch agency license.

4 "Transparent" means the trip fare, the fare range, and other pricing variables are made
5 readily available to a passenger before the passenger commits to taking the trip.

6 "Transportation network company" means the same as it is defined in Chapter 6.310.

7 "Transportation network company endorsed vehicle" means the same as it is defined in
8 Chapter 6.310.

9 "Transportation network company vehicle endorsement" means the same as it is defined
10 in Chapter 6.310.

11 "Uniform color scheme" means the color or colors used by vehicles affiliated with a
12 transitional regional dispatch agency or regional dispatch agency, and approved by the Director
13 for exclusive use.

14 "Voluntarily converted wheelchair accessible vehicle" means a director-inspected and
15 approved taxicab or for-hire vehicle that is accessible to passengers in wheelchairs or other
16 mobility devices but that is not required to be so as a condition of the vehicle's medallion.

17 "Wheelchair accessible taxicab" means a taxicab that is required to be accessible to
18 passengers in wheelchairs or other mobility devices as a condition of its wheelchair accessible
19 taxicab medallion.

20 "Wheelchair accessible taxicab medallion" means a type of medallion issued by the
21 Director that requires the vehicle operated under the medallion to be accessible to passengers in
22 wheelchairs and other mobility devices.

"Wheelchair accessible vehicle" means a taxicab or for-hire vehicle that has been designed or modified to transport passengers in wheelchairs or other mobility devices, conforms to the accessibility requirements of the regulations of the Americans with Disabilities Act of 1990, as amended, and has been inspected and approved by the Director. "Wheelchair accessible vehicle" includes both voluntarily converted wheelchair accessible vehicles and wheelchair accessible taxicabs.

6.311.050 Fees

A. The following nonrefundable fees shall apply:

| 1. Taxicab or for-hire vehicle medallion and related fees | |
|---|--|
| a. Annual medallion fee | \$300 |
| b. Annual medallion reciprocity endorsement fee | \$300 |
| c. Annual wheelchair accessible vehicle medallion fee | Waived when determined eligible by the Director |
| d. Annual wheelchair accessible vehicle medallion reciprocity endorsement fee | Waived when determined eligible by the Director |
| e. Late medallion renewal and medallion reciprocity endorsement renewal fee | \$30 |
| f. Change of vehicle associated with a medallion fee | \$25 |
| g. Change or transfer of medallion owner corporation, limited liability company, or partnership members fee | \$25 |
| h. Replacement medallion plate or decal fee | \$25 |
| i. Wheelchair accessible vehicle and installed equipment inspection fee | \$0 |
| j. Special inspection fee (for tests and/or inspections conducted on vehicles without a medallion) | \$100 per hour (½ hour minimum) |
| k. Vehicle inspection rescheduling fee (for vehicles without a medallion) | \$25 |
| l. Taxicab or for-hire vehicle change of agency affiliation fee | \$25 |
| 2. Regional for-hire driver fees | |
| a. Annual regional for-hire driver's license fee* | \$25 |
| b. Late regional for-hire driver's license renewal fee | \$15 |
| c. Driving history report fee | Charged as determined by Director to cover costs |
| i. Driving abstract per RCW 46.52.130 | |
| ii. Third-party driving history report | |

| | |
|--|--|
| | Charged as determined by Director to cover costs |
| d. Fingerprinting fee | Charged as determined by Director to cover costs |
| e. Criminal background check fee | |
| i. Third-party background check (regional for-hire driver's license) | Charged as determined by Director to cover costs |
| ii. Fingerprint-based background check (enhanced regional for-hire driver's license)** | Charged as determined by Director to cover costs |
| f. Replacement license | Charged as determined by Director to cover costs |
| g. Rescheduling fee (training, testing) | Charged as determined by Director to cover costs |
| h. Training fees | Charged as determined by Director to cover costs |

3. Regional Dispatch Agency License or Transitional Regional Dispatch Agency Fees

| | |
|---|-------|
| a. Annual regional dispatch agency license fee* | |
| i. 50 or fewer affiliated vehicles | \$250 |
| ii. 51 or more affiliated vehicles | \$500 |
| b. Late regional dispatch agency license renewal fee | |
| i. 50 or fewer affiliated vehicles | \$25 |
| ii. 51 or more affiliated vehicles | \$50 |
| c. Annual transitional regional dispatch agency license fee* | |
| i. 50 or fewer affiliated vehicles | \$250 |
| ii. 51 or more affiliated vehicles | \$500 |
| d. Late transitional regional dispatch agency license renewal fee | |
| i. 50 or fewer affiliated vehicles | \$25 |
| ii. 51 or more affiliated vehicles | \$50 |
| e. Additional trade names registration fee | \$25 |

* The fee amount shown is the City's portion of the total amount charged (King County charges a separate fee). Together, the City of Seattle and King County fees comprise the total fee for each particular license type.

1 B. The Director may adjust any of the fees in this Section 6.311.050 following
 2 consideration of the following nonexclusive factors:

- 1 1. The projected costs and annual budget for regulatory and enforcement costs
- 2 related to taxicabs, for-hire vehicles, and regional for-hire drivers;
- 3 2. The need for increased enforcement activities; and
- 4 3. The total number of trips across taxicabs and for-hire vehicles.

5 The purpose of any adjustment is to ensure that the fees cover the Director's enforcement
6 and regulatory costs.

7 C. Annual medallion fees for wheelchair accessible vehicles may be waived by the
8 Director. To be eligible for this waiver, the licensee must demonstrate compliance with
9 additional standards established by rule, including, but not limited to, providing a minimum
10 number of trips annually to passengers in wheelchairs.

11 D. The Director may from time to time declare periods of amnesty in which the Director
12 may waive any penalty imposed under this Chapter 6.311 for delinquent payment of fees. Such
13 periods of amnesty and the terms thereof may be established by the Director upon a finding by
14 the Director that to do so would further the goals of the for-hire transportation industry and be in
15 the public interest. The Director may promulgate rules and procedures to implement the
16 provisions of this section.

17 E. Any late fee established in this Section 6.311.050 applies when an application for
18 medallion or license renewal is received later than one business day after the expiration date of
19 the prior medallion or license or a scheduled payment for a fee is overdue.

20 **6.311.060 Wheelchair Accessible Services Fund**

21 A. In addition to the fees specified in Section 6.311.050, as part of the license issuance or
22 renewal fee, taxicab and for-hire vehicle licensees shall pay a \$0.10 per ride surcharge for all
23 rides originating in Seattle for each vehicle. As part of the City's taxi, for-hire, and transportation

1 network company regulation, this surcharge shall be used to offset the higher operational costs of
2 wheelchair accessible taxi (WAT) services for owners and operators including, but not limited
3 to: vehicle costs associated with purchasing and retrofitting an accessible vehicle, extra fuel and
4 maintenance costs, and time involved in providing wheelchair accessible trips. Funds shall be
5 distributed by reimbursement for documented, itemized costs. The Director shall adopt by rule
6 the procedure for determining when and how to distribute funds to WAT owners and drivers,
7 including imposing conditions of reimbursement, imposing a maximum amount of
8 reimbursement, and considering timely distribution of reimbursement to WAT drivers and
9 owners. In determining the distribution of funds, the Director shall consider factors including,
10 but not limited to, actual consumer demand for WAT services, total number of WAT rides, total
11 number of WAT rides requested through a TNC application, total paid trips per WAT, and
12 average operating hours per WAT. A WAV is eligible for reimbursement from the Wheelchair
13 Accessible Services Fund as prescribed by the Director by rule.

14 B. Following the first year of collecting the \$0.10 per ride surcharge, the surcharge rate
15 may be adjusted by the Director based on, but not limited to, consideration of the following
16 factors: reimbursed costs for purchasing and retrofitting accessible vehicles, the actual need for
17 purchasing and retrofitting accessible vehicles in the upcoming year, total number of WAT rides,
18 and may consider any other factors that may affect the supply, demand, and financial viability
19 for WAT service within the City limits.

20 **6.311.070 Regional for-hire driver's license required**

21 A. It is unlawful for a person to operate a taxicab or for-hire vehicle without first having
22 obtained a valid regional for-hire driver's license. A regional for-hire driver's license shall expire

1 one year from the date of application. A regional for-hire driver's license is not transferable or
2 assignable.

3 B. As of the effective date of this ordinance, any valid for-hire driver's license previously
4 issued to a driver under Chapter 6.310, other than a for-hire driver's license that displays as a
5 "for-hire permit," shall become a regional for-hire driver's license and all references to for-hire
6 driver's licenses shall mean regional for-hire driver's licenses. As of the effective date of this
7 ordinance, for-hire drivers with a valid for-hire driver's license issued by King County shall be
8 deemed to also have a corresponding regional for-hire driver's license from The City of Seattle,
9 which shall be valid until the original expiration date.

10 C. Drivers with a for-hire driver's license that displays as a "for-hire permit" may
11 continue to operate a taxicab or for-hire vehicle until the first license expiration date after the
12 effective date of this ordinance, at which time, a regional for-hire driver's license or enhanced
13 regional for-hire driver's license issued under this Chapter 6.311 shall be required to operate a
14 taxicab or for-hire vehicle.

15 **6.311.080 Wheelchair accessible vehicle endorsement**

16 It is unlawful for a driver to operate a wheelchair accessible vehicle without a regional for-hire
17 driver's license wheelchair accessible vehicle endorsement. To obtain such an endorsement, a
18 driver shall submit proof the driver has successfully completed a director-approved training for
19 providing for-hire transportation services in wheelchair accessible vehicles. Wheelchair
20 accessible vehicle drivers must comply with Section 6.311.290, in addition to the requirements
21 of Sections 6.311.070 through 6.311.180. The Director may take enforcement action against a
22 regional for-hire driver's license wheelchair accessible vehicle endorsement, a regional for-hire
23 driver's license, or both, as consistent with this Chapter 6.311.

1 **6.311.090 Grant of license**

2 The Director shall issue a regional for-hire driver’s license to an applicant who:

3 A. Is at least 20 years old;

4 B. Possesses a valid driver’s license issued by a state or territory in the United States, and
5 has possessed such driver’s license, or driver’s licenses, for at least one year;

6 C. Completes driver training as approved by the Director before submitting an initial
7 application for a regional for-hire driver’s license. Training shall include, but is not limited to:

8 1. A general for-hire driver training course with information about use of
9 emergency procedures and equipment for the driver’s personal safety, risk factors for crimes
10 against for-hire drivers, and customer service;

11 2. A defensive driving course provided by the National Safety Council and
12 approved by the Director, or an alternative defensive driving course approved by the Director;
13 and

14 3. Any other courses if required by the Director after September 1, 2024.

15 D. Successfully completes a regional for-hire driver license examination or examinations
16 approved by the Director;

17 E. Submits a complete application, or consents to an application being submitted on the
18 applicant’s behalf, for a regional for-hire driver’s license annually on a form or format approved
19 by the Director;

20 F. Provides a certification of fitness as a regional for-hire driver on a form approved by
21 the Director. The Director may at any time require any applicant for, or holder of, a regional for-
22 hire driver’s license to be examined by a physician licensed to practice in the state of
23 Washington if it appears that the applicant or licensee has become physically or mentally

1 incapacitated so that the applicant or licensee is unfit as a regional for-hire driver. The Director
2 shall prescribe by rule the scope of the examination and provide a form for the physician to
3 complete. A United States Department of Transportation medical certification meets the
4 requirements of this subsection 6.311.090.F;

5 G. Consents to a background check, with ongoing monitoring if available, from an entity
6 that is approved by the Director. The Director shall require the third party to demonstrate
7 competency in providing accurate information prior to being approved by the Director, and shall
8 include local, state, and national databases, and access at least five years of database history
9 when performing background checks;

10 H. Successfully passes a criminal background check, including:

11 1. No convictions, bail forfeitures, or other final adverse findings, including in
12 civil suits or administrative hearings, pertaining to any of the following within the past five
13 years:

- 14 a. Attempting to elude the police;
- 15 b. Reckless driving;
- 16 c. Hit and run;
- 17 d. Any alcohol- or drug-related driving crime;
- 18 e. Any class A or B felony, as defined in Title 9A RCW;
- 19 f. Any violent offense, or serious violent offense, or most serious offense
20 as defined in chapter 9.94A RCW;

21 g. A crime involving physical violence, other than those crimes in
22 subsection 6.311.090.H.1.e, if the Director determines the circumstances of the crime make the
23 person unsafe to operate as a regional for-hire driver;

1 h. A crime that is directly related to the individual's honesty and integrity
2 including, but not limited to, theft, burglary, and extortion, if the Director determines the
3 circumstances of the crime make the person incompatible with the duties of a regional for-hire
4 driver; or

5 i. Any conviction for any offense committed in another jurisdiction that
6 includes the elements of any of the offenses listed in this subsection 6.311.090.H.1;

7 2. No convictions, bail forfeitures, or other final adverse findings, including in a
8 civil suit or administrative hearing, pertaining to any sex offense as defined in chapter 9.94A
9 RCW or convictions that include a special allegation of sexual motivation, including convictions
10 for any offense committed in another jurisdiction that includes the elements of a sex offense as
11 defined in chapter 9.94A RCW, within the past seven years;

12 3. Not being listed in the United States Department of Justice national sex
13 offender public website, and not required to register as a sex offender; and

14 4. No active arrest warrant for any crime.

15 I. Authorizes the Director to obtain the applicant's current driving history, and the results
16 of ongoing monitoring if available, from the Washington State Department of Licensing and
17 from an entity that is approved by the Director that provides a multistate driving abstract that
18 includes the state of Washington;

19 J. Successfully passes a check of the applicant's driving record, meaning: (1) the
20 applicant's driving record has no law violations that are egregious within the past five years, and
21 (2) the applicant's driving record leads the Director to reasonably conclude that the applicant will
22 operate a vehicle in a safe manner and comply with this Chapter 6.311;

1 K. Consents to the Director obtaining other information directly concerning the person’s
2 past conduct and general qualifications that shows the person’s ability and skill as a regional for-
3 hire driver and the person’s honesty and integrity for the purposes of determining whether the
4 person is suitable to operate as a regional for-hire driver;

5 L. Agrees to the affiliated transitional regional dispatch agency or regional dispatch
6 agency receiving, as official service, general correspondence, citations, license actions, and
7 notices of complaints from the Director, on the driver’s behalf; and

8 M. Meets the criteria necessary for obtaining a regional for-hire driver’s license from
9 King County and applies for a regional for-hire driver’s license from King County concurrently
10 with applying for a regional for-hire driver’s license from The City of Seattle.

11 **6.311.100 Inseparability of regional for-hire driver’s licenses**

12 A regional for-hire driver’s license issued by The City of Seattle and a regional for-hire driver’s
13 license issued by King County to the same individual shall display as a regional for-hire driver’s
14 license, and shall be considered one, inseparable license.

15 **6.311.110 Enhanced regional for-hire driver’s license**

16 Effective September 1, 2024, an enhanced regional for-hire driver’s license is a type of regional
17 for-hire driver’s license that, in addition to meeting the requirements in Section 6.311.090 for a
18 regional for-hire driver’s license, requires a driver to consent to and successfully pass a
19 fingerprint-based background check, with ongoing monitoring if available, from an entity that is
20 approved by the Director, consistent with the criteria in subsection 6.311.090.H.

21 **6.311.120 Inseparability of enhanced regional for-hire driver’s licenses**

1 An enhanced regional for-hire driver's license issued by The City of Seattle and an enhanced
2 regional for-hire driver's license issued by King County to the same individual shall display as
3 an enhanced regional for-hire driver's license, and shall be considered one, inseparable license.

4 **6.311.130 Temporary license**

5 Pending final action on a regional for-hire driver's license application, the Director may issue a
6 temporary regional for-hire driver's license when the review of an application is anticipated to be
7 longer than two days. A temporary regional for-hire driver's license shall be effective for a
8 period of up to 60 days unless extended by the Director.

9 **6.311.140 Other considerations**

10 In considering an application for a regional for-hire driver's license, the Director may consider
11 any other information that may lead the Director to reasonably conclude that the applicant will
12 not operate a vehicle in a safe manner or comply with this Chapter 6.311.

13 **6.311.150 Effect of application denial and license revocation**

14 A. An applicant whose application for a regional for-hire driver's license was denied
15 shall:

16 1. Be ineligible to reapply for a regional for-hire driver's license until the date
17 specified in the final notice of denial; and

18 2. Not reapply for a regional for-hire driver's license that was denied until
19 correction of the deficiency on which the denial was based is deemed acceptable by the Director.

20 B. A regional for-hire driver whose regional for-hire driver's license was revoked shall be
21 ineligible to reapply for a regional for-hire driver's license until the date specified in the final
22 notice of revocation.

23 **6.311.160 Regional for-hire driver operation – Requirements**

1 A regional for-hire driver shall:

2 A. Have in the driver's possession and available upon request of the Director at any time
3 the driver is operating a taxicab or for-hire vehicle:

4 1. A state-issued or United-States-territory-issued driver's license;

5 2. The vehicle's registration;

6 3. Proof of insurance as required by this Chapter 6.311; and

7 4. A valid regional for-hire driver's license, which shall also be posted in the
8 vehicle and visible to passengers as prescribed by the Director.

9 B. Ensure that the vehicle's medallion plate or decal is valid and is displayed as required;

10 C. Ensure the lights, brakes, tires, steering, seat belts, any system relied on for safe
11 operation, taximeter, and other vehicle equipment are working properly prior to each shift and
12 while operating;

13 D. Maintain the vehicle interior and exterior, including exterior markings, in clean and
14 good repair;

15 E. Allow the Director to inspect the vehicle without prior notice at any reasonable time or
16 place;

17 F. At all times while operating a taxicab or for-hire vehicle, be signed into at least one
18 dispatch system, smart taximeter system, or application dispatch system provided by the
19 affiliated transitional regional dispatch agency or regional dispatch agency;

20 G. Provide service to passengers in wheelchairs before any other passengers when
21 operating wheelchair accessible vehicles;

22 H. Activate the taximeter or smart taximeter at the beginning of each paid trip, whether
23 the fare is computed by the taximeter, smart taximeter, application dispatch system, contract, or

1 flat rate, and deactivate the taximeter or smart taximeter upon completion of the trip. The
2 beginning of a trip is the point where the passenger is seated, and any materials are stowed, and
3 the forward motion of the vehicle begins;

4 I. Ensure that the taximeter or smart taximeter display is visible to passengers at all times
5 while operating a taxicab;

6 J. If the fare for a trip is an upfront fare or a flat rate fare, confirm the fare with the
7 customer before beginning the trip;

8 K. Operate the taxicab or for-hire vehicle with due regard for the safety, comfort, and
9 convenience of passengers and always provide passengers with professional and courteous
10 service. The driver shall not use threatening behavior or offensive language, expressions, or
11 gestures to any person while operating;

12 L. If requested, be willing to assist a passenger entering or exiting the vehicle and placing
13 luggage or packages that are under 50 pounds in and out of the vehicle. Upon request for
14 assistance, a driver must so assist a passenger or otherwise ensure the passenger's request is
15 fulfilled;

16 M. Use the most direct or most expedient available route on all trips unless the passenger
17 specifically requests to change the route;

18 N. Record all trips, process all payments, and issue a receipt for all payments through a
19 dispatch or payment system provided by the transitional regional dispatch agency or regional
20 dispatch agency;

21 O. Be able to provide a reasonable and prudent amount of change, and, if correct change
22 is not available, no additional charge may be made to the passenger in attempting to secure the
23 change;

1 P. Accept payment of fares via cash payment for any trip dispatched through a
2 transportation network company's application dispatch system if allowed by the transportation
3 network company;

4 Q. At the end of each trip, check the vehicle for any article or articles that are left behind
5 by passenger or passengers and promptly secure the article or articles and report the found article
6 or articles to the transitional regional dispatch agency or regional dispatch agency;

7 R. Comply with any license action, citation, or Director order, and pay any penalties
8 issued under this Chapter 6.311 that are either not appealed or are upheld after review;

9 S. Immediately surrender the vehicle medallion plate or decal in a manner approved by
10 the Director when the vehicle medallion is temporarily deactivated or revoked;

11 T. Comply with policies and procedures established by the transitional regional dispatch
12 agency or regional dispatch agency to meet the requirements of this Chapter 6.311 and to ensure
13 customer satisfaction;

14 U. Comply with applicable business license requirements for any jurisdiction in which
15 the driver operates; and

16 V. Meet any other requirement as established by the Director by rule as authorized by this
17 Chapter 6.311.

18 **6.311.170 Regional for-hire driver operation – Prohibitions generally**

19 A regional for-hire driver shall not:

20 A. Transport more passengers than the number of seat belts available nor more luggage
21 than the vehicle capacity will safely and legally allow;

22 B. Operate a taxicab or for-hire vehicle that does not have the rate posted as prescribed
23 by the Director by rule;

1 C. Operate a taxicab or for-hire vehicle that is unaffiliated with a taxicab association, for-
2 hire vehicle company, transitional regional dispatch agency, or regional dispatch agency;

3 D. Use a personal electronic device while driving a motor vehicle on a public roadway,
4 unless consistent with RCW 46.61.672, as amended;

5 E. Operate a taxicab or for-hire vehicle under the influence of any alcohol, narcotics,
6 drugs, or prescription or over-the-counter medication that impairs the driver's ability to operate a
7 taxicab or for-hire vehicle or in any way jeopardizes the safety or security of passengers or the
8 public;

9 F. Knowingly possess illegal substances or open containers of alcohol while operating a
10 taxicab or for-hire vehicle as a regional for-hire driver;

11 G. Operate a taxicab or for-hire vehicle for more than 14 hours in any 24-hour period.
12 Thereafter, the regional for-hire driver shall not operate a taxicab or for-hire vehicle until eight
13 consecutive hours have elapsed. Stand-by time does not count towards the 14-hour limit. For the
14 purposes of this subsection 6.311.170.G, "stand-by time" includes any time the regional for-hire
15 driver is available for hire but is not physically in the vehicle;

16 H. Use the taxicab or for-hire vehicle, or allow the taxicab or for-hire vehicle to be used,
17 in the commission of any crime;

18 I. Refuse to transport in the taxicab or for-hire vehicle, cancel a dispatched call, or end a
19 trip in progress because of:

20 1. Any passenger's wheelchair or other mobility device that can be folded and
21 safely placed in either the passenger or trunk compartment of the vehicle;

22 2. A service animal as defined by Section 14.06.020; and

23 3. A passenger's groceries, packages, or luggage;

1 J. Refuse to transport any person except when:

2 1. The driver has already been dispatched on another call;

3 2. The passenger is acting in a disorderly, threatening or suspicious manner, or
4 otherwise causes the driver to reasonably believe that the driver's health or safety, or that of
5 others, may be endangered;

6 3. The passenger cannot, upon request, show ability to pay the fare;

7 4. The passenger refuses to state a specific destination upon entering the taxicab
8 or for-hire vehicle; or

9 5. The trip covers more than one hundred miles or includes traveling over a
10 mountain pass or on a ferry;

11 K. Smoke or allow passengers to smoke in the vehicle;

12 L. Ask, demand, or collect any rate or fare other than as specified on the taximeter, smart
13 taximeter, or application dispatch system;

14 M. Solicit passengers from anywhere other than the driver's seat or standing within direct
15 view of the taxicab or for-hire vehicle, and never solicit when the taxicab or for-hire vehicle is in
16 motion. The driver of a taxicab or for-hire vehicle shall not use any other person to solicit
17 passengers;

18 N. Park a taxicab or for-hire vehicle in a marked passenger load zone, truck load zone,
19 commercial load zone, or charter bus zone; except that a driver may drop off or pick up
20 passengers in a passenger load zone; and

21 O. Misstate or omit a material fact on any document provided to the Director, or alter any
22 document or record provided to or issued by the Director.

23 **6.311.180 Regional for-hire driver operation – Prohibitions in a taxicab zone**

1 A. Designated taxicab zones are for taxicabs only. A regional for-hire driver shall not do
2 any of the following in a taxicab zone:

- 3 1. Leave the taxicab unattended in a taxicab zone for more than 15 minutes;
- 4 2. Occupy a taxicab zone unless operating a taxicab that is available for hire;
- 5 3. Perform engine maintenance or repairs on the taxicab while in a taxicab zone;
- 6 4. Refuse a request for service because of the driver's position in line at a taxicab
7 zone; a passenger may select any taxicab in the line; or
- 8 5. Use a taxicab zone while under suspension from that taxicab zone.

9 B. A violation of this Section 6.311.180 may result in a suspension from one or more
10 taxicab zones, in addition to penalties as authorized in Section 6.311.430.

11 **6.311.190 Medallion system**

12 A. As of the effective date of this ordinance, every valid taxicab and for-hire vehicle
13 medallion issued by King County shall be issued a City medallion reciprocity endorsement. A
14 medallion reciprocity endorsement is subject to annual renewal. The medallion and medallion
15 reciprocity endorsement shall be inseparable. A medallion cannot be issued, renewed,
16 transferred, or temporarily deactivated separately from the medallion reciprocity endorsement.
17 Any restriction imposed on a medallion through a license action applies with equal force to the
18 corresponding medallion reciprocity endorsement. Any restriction imposed on a medallion
19 reciprocity endorsement through a license action applies with equal force to the corresponding
20 medallion.

21 B. Effective September 1, 2024, an existing medallion issued by the City and an existing
22 medallion issued by King County, which have been used with the same vehicle, may be

1 separated to be used with different vehicles or to be transferred. This provision applies to all
2 medallion types.

3 C. The owner of a taxicab or for-hire vehicle medallion may use the medallion as
4 collateral to secure a loan from a bank or any other financial institution. Medallion owners shall
5 file with the Director the name of any and all lienholders, on forms furnished by the Director.
6 The collateral shall be described as "City of Seattle taxicab medallion" or, until March 31, 2026,
7 "City of Seattle for-hire vehicle medallion," and shall include the medallion number. Within 30
8 days of the date of creation of the pledge, lien, or security interest, the party that holds the
9 pledge, lien, or security interest, shall record the same as required by State law and provide a
10 copy of the recording to the Director.

11 D. The interest of a medallion owner may be suspended or revoked for any reason
12 enumerated in this Chapter 6.311 for the suspension or revocation of a medallion.

13 E. Upon a final order of medallion revocation, where all appellate proceedings, if any,
14 have been concluded, the medallion may only be transferred as prescribed by this Section
15 6.311.190, Section 6.311.230, and as prescribed by the Director by rule.

16 F. In accepting a medallion, medallion owners waive any and all liability, claims, actions,
17 suits, loss, costs, expense judgments, attorneys' fees, or damages of every kind and description
18 resulting directly or indirectly from any act or omission of the City, its officials, officers,
19 employees, and agents regarding the valuation or devaluation of the medallion.

20 G. The City assumes no liability for any devaluation of the medallion, including, but not
21 limited to, any devaluation due to regulatory action or market forces.

22 H. Except for an owner awarded a new taxicab or for-hire vehicle medallion that is
23 required to meet the minimum operating requirements in subsection 6.311.200.G, a medallion

1 owner may voluntarily transfer or sell a medallion in accordance with this Section 6.311.190,
2 Section 6.311.230, and as prescribed by the Director by rule.

3 I. Medallion owners may lease an interest in the medallion as prescribed by Director's
4 rule. A leased medallion shall not be subleased to another party.

5 **6.311.200 Medallions – Allowable number**

6 A. Unless adjusted by the Director by rule, the maximum number of taxicab medallions is
7 1,300. Wheelchair accessible taxicab medallions do not count towards the maximum number.

8 B. On April 1, 2026, all for-hire vehicle medallions shall become taxicab medallions. The
9 medallion system for for-hire vehicles shall no longer be in effect after March 31, 2026.

10 C. The Director may issue new taxicab medallions only as specified by this Section
11 6.311.200.

12 D. The Director may adjust by rule the maximum number of taxicab medallions and shall
13 periodically determine the need for additional taxicab service. Factors to be considered to adjust
14 the maximum number of taxicab medallions or to issue new taxicab medallions include:

15 1. Coordination with King County to promote a regional licensing and regulatory
16 framework for for-hire transportation services;

17 2. Growth in population, tourists, and other visitors to the area;

18 3. The quality of existing taxicab service as indicated by customer satisfaction,
19 including wheelchair accessible vehicle service, if applicable;

20 4. A comparison of actual average taxicab response times to optimum average
21 taxicab response times established by the Director;

22 5. Availability and quality of for-hire transportation services in underserved
23 communities, including areas of lower population density;

1 6. Available data for medallions on the private market;

2 7. Analysis of drivers' ability to earn a living wage, including the impact of
3 adjusting the number of medallions on driver income; and

4 8. Other indications of market demand.

5 E.

6 1. If the Director determines that issuance of additional taxicab medallions is
7 warranted, such medallions shall be issued as follows:

8 a. A competitive request for proposals and award process under which
9 medallions will be issued to applicants whose proposals demonstrate that they are most able to
10 meet the needs of the public in providing taxicab service by meeting qualifications prepared by
11 the Director that are not in conflict with the general provisions of this Chapter 6.311;

12 b. A lottery of qualified applicants; or

13 c. A combination of both procedures as prescribed by the Director by rule.

14 2. Regardless of the method used, the Director shall consider an applicant's
15 driving record, driving experience, current or previous medallion ownership, and any additional
16 qualifications required by the Director.

17 3. If issuing a wheelchair accessible taxicab medallion, the Director may
18 additionally consider the applicant's qualifying experience transporting individuals with
19 disabilities who require any type of mobility device, including a manual or motorized
20 wheelchair, and any additional qualifications required by the Director.

21 F. Any new taxicab medallion shall only be issued to a person who is an individual. No
22 corporation, limited liability company, or partnership shall obtain any medallion held by an
23 individual until the expiration of three years following the original date of issuance to that

1 individual; however, new taxicab medallions may be issued to and be held by the following
2 business entities:

3 1. Corporations held by a single shareholder, except that the taxicab must be
4 personally operated by the single shareholder for a period of three years from the date of
5 issuance of the medallion and the ownership of the shares of the corporation cannot be changed
6 within the three-year period. Any change of ownership of shares of the corporation shall result in
7 revocation of the medallion; or

8 2. Limited liability companies comprised of a single member, except that the
9 taxicab must be personally operated by the single member for a period of three years from the
10 date of issuance of the medallion and no change of membership may take place within the three-
11 year period. Any change of membership of the limited liability company shall result in
12 revocation of the medallion.

13 G. For three years following the date of issuance of a new taxicab medallion or a new
14 wheelchair accessible taxicab medallion, the owner must personally drive the taxicab for at least
15 30 hours per week for a minimum of 40 weeks per year. If the medallion owner fails to fulfill
16 this minimum operating requirement in any one-year period within the three-year period
17 following the date of issuance, the medallion shall be revoked and shall not be eligible for
18 transfer by its original owner. The medallion shall be transferable upon the completion of the
19 three-year operating requirement.

20 H. A medallion plate, medallion decal, or other indicia issued to a medallion owner shall
21 remain the property of the Director.

22 I. A medallion owner may seek Director approval to permanently convert a medallion to
23 a wheelchair accessible taxicab medallion. Such a conversion shall be subject to conditions

1 prescribed by the Director by rule. Conversion of a taxicab medallion to a wheelchair accessible
2 taxicab medallion is not considered the issuance of a new medallion. A medallion that has been
3 operated for three or more years that is permanently converted to a wheelchair accessible taxicab
4 medallion shall be transferrable and not subject to a new three-year operating requirement.

5 J. As an alternative to the process outlined in subsection 6.311.200.E, the Director may
6 issue City of Seattle medallion reciprocity endorsements to applicants selected by King County
7 to be issued a King County taxicab medallion or a King County wheelchair accessible taxicab
8 medallion, as applicable.

9 **6.311.210 Temporary deactivation and retirement of a taxicab or for-hire vehicle medallion**

10 A. Effective September 1, 2024, any time a medallion is not operating for 60 days or
11 more, the medallion owner, or an authorized representative, shall file a notice of temporary
12 deactivation with the Director in a manner determined by the Director. A temporary deactivation
13 may be for any reason, including, but not limited to, an inoperable or unavailable vehicle, a
14 temporary lack of affiliation with an agency, an extended leave of absence, or owner
15 convenience.

16 B. When a notice of temporary deactivation is filed with the Director:

17 1. If the medallion is not expired, the deactivation period shall not exceed 12
18 consecutive months from the date the temporary deactivation notice is filed with the Director;

19 2. If the medallion is expired, the deactivation period shall not be more than 12
20 consecutive months from September 1, 2024 or from the date the medallion expired, whichever
21 is longer; and

22 3. If the medallion is expired or expires during the temporary deactivation period,
23 the medallion renewal process must be completed before the medallion can be reactivated.

1 C. The Director may initiate a temporary deactivation when the Director becomes aware
2 that a medallion has not been operating for 60 days or more.

3 D. For medallions revoked, relinquished, or otherwise held by the Director after January
4 31, 2015, and before September 1, 2024, the temporary deactivation period shall begin on
5 September 1, 2024. A medallion previously revoked, relinquished, or otherwise held by the
6 Director, must be renewed by September 1, 2025.

7 E. If a medallion owner fails to reactivate the medallion within 12 months from the
8 effective date of the temporary deactivation, the Director shall issue a notice of retirement to the
9 medallion owner. Within 60 days of the notice of retirement, the medallion owner may reactivate
10 or transfer the medallion. If the medallion is not reactivated or transferred within 60 days of the
11 notice of retirement, the medallion is retired and an order of retirement will be issued by the
12 Director. The medallion owner may appeal the order of retirement in accordance with Section
13 6.311.450. Failure to appeal means the order of retirement issued by the Director is final. The
14 taxicab or for-hire vehicle medallion plate or decal that has been retired shall be returned to the
15 Director within 15 days of the final order of retirement or, if the order is appealed and affirmed,
16 within 15 days after all appellate proceedings have concluded.

17 F. Medallions issued via a lottery or request for proposals shall not be transferrable until
18 the obligations under subsection 6.311.200.G have been met.

19 G. Vehicle insurance is not required if a medallion is temporarily deactivated. The
20 medallion owner must provide proof of vehicle insurance when reactivating the medallion.

21 **6.311.220 Taxicab and for-hire vehicle – Owner surrender of vehicle medallion**

1 It is unlawful to operate a taxicab or for-hire vehicle medallion that is suspended or revoked. The
2 operation of the taxicab or for-hire vehicle must cease, and the medallion owner shall
3 immediately surrender the medallion plate or medallion decal to the Director.

4 **6.311.230 Taxicab and for-hire vehicle medallion transfer**

5 Except for an owner subject to the minimum operating requirements in subsection 6.311.200.G,
6 a taxicab or for-hire vehicle medallion may be transferred subject to the following restrictions
7 and conditions:

8 A. The medallion and medallion reciprocity endorsement are inseparable and must be
9 transferred together;

10 B. There are no pending enforcement actions or penalties, fees, or surcharges owed, that
11 were issued under this Chapter 6.311, no unexpired vehicle lease agreements, and no unexpired
12 medallion lease agreements;

13 C. Transfers of medallions with liens filed with the Director will not be approved unless
14 the medallion owner provides proof that the lien is paid or the lienholder provides written
15 approval of the transfer. Only liens filed with the Director according to subsection 6.311.190.C
16 will be considered in the transfer review;

17 D. The medallion owner and proposed transferee shall submit a notice of transfer on a
18 form or in a format prescribed by the Director;

19 E. The proposed transferee shall meet all requirements in Section 6.311.260. A transfer
20 shall not become effective, and the proposed transferee may not operate the taxicab or for-hire
21 vehicle, until the proposed transferee receives the medallion plate or medallion decal; and

22 F. Upon the final order of revocation, where all appellate proceedings, if any, have been
23 concluded, a medallion owner shall immediately surrender the taxicab or for-hire vehicle

1 medallion plate or decal to the Director. Effective September 1, 2024, except for revocation
2 according to subsection 6.311.200.G, the medallion owner has 60 days from the final order of
3 revocation to transfer the medallion; however, medallions subject to a lien as evidenced by the
4 filing requirement in subsection 6.311.190.C cannot transfer unless the medallion owner
5 provides proof that the lien is paid or the lienholder provides written approval of the transfer. If
6 the medallion is not transferred within the 60 days, the medallion shall be deemed permanently
7 retired, the lien, if any, is removed, and the Director shall not reissue the medallion.

8 **6.311.240 Estate distribution of a taxicab or for-hire vehicle medallions**

9 A. When a taxicab or for-hire vehicle medallion or stock in a corporation owning such a
10 medallion is distributed from an estate to a beneficiary by a court of law, the transferee shall
11 submit to the Director the court order directing the City to transfer the medallion to the
12 beneficiary. The court order shall condition the transfer upon the transferee complying with this
13 Chapter 6.311.

14 B. An executor or administrator may continue the operation of a taxicab or for-hire
15 vehicle only with prior written approval of the Director. The executor or administrator shall
16 apply for such approval.

17 **6.311.250 Taxicab and for-hire vehicle – Medallion and medallion reciprocity**

18 **endorsement expiration and renewal**

19 All medallions and medallion reciprocity endorsements shall expire one year from the date of
20 issuance. Medallions and their associated medallion reciprocity endorsements are inseparable
21 and expire and renew concurrently. Unless an appeal is pending, no medallion may be renewed
22 unless all outstanding penalties owed under this Chapter 6.311 have been paid.

1 **6.311.260 Taxicab and for-hire vehicle initial and annual medallion application**
2 **requirements**

3 A. All for-hire vehicles must be operated as taxicabs using a smart taximeter system and
4 must be affiliated with a regional dispatch agency that has a valid regional dispatch agency
5 license by a date consistent with subsection 6.311.330.D.

6 B. It is unlawful to operate a taxicab or for-hire vehicle without first having obtained, for
7 each and every vehicle so used, a taxicab medallion or for-hire vehicle medallion issued in
8 accordance with this Section 6.311.260.

9 C. The taxicab or for-hire vehicle medallion application shall include the following:

10 1. Applicant type

11 a. If the applicant is an individual, the applicant's full name, business
12 address, primary telephone number, primary email address, and date of birth, which must be at
13 least 18 years before the date of application; or

14 b. If the applicant is a corporation, limited liability company, partnership,
15 or other entity:

16 1) The applicant's name, business address, telephone number,
17 email address, and state of incorporation or partnership registration; and

18 2) The full name, title, date of birth which must be at least 18 years
19 before the date of application, business address, and phone number for each individual
20 representative who is vested with authority to manage or direct the affairs of the legal entity or to
21 bind the legal entity in dealings with third parties;

22 2. Vehicle information including: the make; model; year, which shall be no more
23 than 15 model years before the application date unless otherwise adjusted by the Director by

1 rule; engine type; vehicle identification number; Washington state license plate number;
2 transitional regional dispatch agency or regional dispatch agency with which the vehicle is
3 affiliated; and vehicle number if previously assigned by the Director. The vehicle must be a
4 passenger car as defined in RCW 46.04.382;

5 3. Certificate or other proof of affiliation with a transitional regional dispatch
6 agency or regional dispatch agency;

7 4. Insurance policy as required by this Chapter 6.311;

8 5. A copy of the State of Washington vehicle registration or confirmation of
9 vehicle registration on a form or in a format accepted by the Director. The applicant does not
10 need to be the registered owner;

11 6. Certificate of safety based on a vehicle safety inspection conducted annually by
12 an approved mechanic; and

13 7. Any other information the Director may reasonably require to make a licensing
14 decision, take enforcement action, or perform any other duties of the Director authorized by this
15 Chapter 6.311.

16 D. The application and information required in this Section 6.311.260 must also be
17 completed and supplied during each annual medallion renewal. The Director will not process a
18 medallion application if any required information or documentation is missing or incomplete.
19 Completed applications and copies of required documentation shall be provided to the Director
20 by the medallion owner, or the transitional regional dispatch agency or regional dispatch agency
21 on behalf of the medallion owner.

22 E. If any of the information in the application changes, ceases to be true, or is superseded
23 in any way by new information, the applicant shall within seven days of the change:

1 1. Inform the Director; or

2 2. Inform the transitional regional dispatch agency or regional dispatch agency, if
3 the application was submitted on behalf of the applicant.

4 F. A medallion shall not be renewed if the medallion does not have an associated vehicle
5 or if the vehicle to which the medallion is associated is not affiliated with a transitional regional
6 dispatch agency or regional dispatch agency. In such cases, the owner of the medallion shall
7 initiate a temporary deactivation with the Director.

8 **6.311.270 Insurance requirements**

9 A. At all times while operating as a taxicab or for-hire vehicle, there must be valid
10 insurance as described in this Section 6.311.270. All insurance policies shall either comply with
11 chapter 46.72 RCW and have underinsured motorist coverage of at least \$100,000 per person and
12 \$300,000 per accident; or comply with the coverage amounts required by RCW 46.72B.180. All
13 insurance policies that cover a vehicle while operating as a taxicab or for-hire vehicle and for
14 which a medallion is required, shall be filed with the Director. The insurance policy shall:

15 1. Be issued by an admitted carrier in the state of Washington with an A.M. Best
16 Rating of not less than B- and be not less than A.M. Best Financial Size Category VII or show
17 evidence to the Director of surplus lines from an insurer with an A.M. Best Rating of not less
18 than B and be not less than A.M. Best Financial Size Category VII;

19 2. Name The City of Seattle, its officers, officials, agents, and employees as an
20 additional insured on the insurance policy;

21 3. Provide that the insurer will notify the Director, in writing, of cancellation for
22 nonpayment of premium no less than ten days before the cancellation takes effect, or of
23 cancellation for any other reason no less than 30 days before the cancellation or nonrenewal

1 takes effect. If an insurance policy is cancelled or not renewed, proof of a new policy must be
2 filed before the expiration of the policy. The taxicab or for-hire vehicle is automatically
3 suspended and cannot operate until coverage is secured;

4 4. Not include aggregate limits, named driver requirements or exclusions, or
5 radius restrictions. Other limitations or restrictions beyond standard insurance services office
6 business auto policy form are subject to approval by the Director; and

7 5. Be in effect at any time the taxicab or for-hire vehicle is operating.

8 B. When a taxicab or for-hire vehicle is dispatched by a transportation network company,
9 the taxicab's or for-hire vehicle's insurance covers that trip, unless the transportation network
10 company maintains an insurance policy that includes trips provided by a taxicab or for-hire
11 vehicle.

12 C. The Director may suspend or suspend and modify any requirements of this Section
13 6.311.270 when no other viable insurance options are available to the industry.

14 **6.311.280 Vehicle safety inspections**

15 A. The vehicle safety inspection and certificate of safety required by subsection
16 6.311.260.C.6 shall be provided by an approved mechanic and shall certify that the following
17 items on taxicab or for-hire vehicle are mechanically sound and fit for driving:

- 18 1. Foot brakes;
- 19 2. Emergency brakes;
- 20 3. Steering mechanism;
- 21 4. Windshield;
- 22 5. Rear window and other glass;
- 23 6. Windshield wipers;

- 1 7. Headlights;
- 2 8. Taillights;
- 3 9. Turn indicator lights;
- 4 10. Stop lights;
- 5 11. Front seat adjustment mechanism;
- 6 12. Doors, including that the doors properly open, close, and lock;
- 7 13. Horn;
- 8 14. Speedometer;
- 9 15. Bumpers;
- 10 16. Muffler and exhaust system, except for where vehicle propulsion systems emit
- 11 zero emissions such as in battery electric vehicles;
- 12 17. Condition of tires, including tread depth;
- 13 18. Interior rear view mirror and exterior side view mirrors;
- 14 19. Safety belts and air bags for driver and a passenger or passengers; and
- 15 20. Other items reasonably required by the Director.

16 B. If the vehicle is sold, the certificate of safety remains valid until the next medallion
17 renewal date.

18 C. An approved mechanic who performs vehicle safety inspections must not have a
19 conflict of interest as defined by the Director by rule. The Director may remove an approved
20 mechanic from the list maintained by the Director for a violation of this Chapter 6.311 or rules
21 prescribed by the Director and authorized by this Chapter 6.311 or due to substantiated
22 complaints from drivers.

1 D. Vehicles shall be maintained consistent with the service standards recommended by
2 the vehicle manufacturer. The vehicle owner and driver shall keep all maintenance and service
3 records for all vehicles owned and used for for-hire transportation services for three years.

4 E. The vehicle owner and driver shall remedy a vehicle defect in a manner consistent
5 with a vehicle safety recall notice issued by the vehicle manufacturer and/or the National
6 Highway Traffic Safety Administration, after being notified of the recall by the vehicle
7 manufacturer, the driver's affiliated agency or company, or the Director.

8 F. The vehicle owner and driver shall ensure that all requirements in this Section
9 6.311.280 are met and continually maintained.

10 G. A vehicle that has been in a collision and determined by the insurance adjuster to be a
11 total wreck or total loss shall not be placed back in service until an approved mechanic with a
12 current certification in structural analysis and damage repair or airbags has verified that there is
13 no damage to the vehicle frame and that the airbag system is working properly. The inspection is
14 separate from the vehicle safety inspection completed each year.

15 H. The Director shall summarily suspend a medallion and place a vehicle out of service if
16 the vehicle fails a vehicle safety inspection or the Director determines that a violation of this
17 Section 6.311.280 is an immediate safety hazard and it is necessary to prevent a clear,
18 substantial, and imminent hazard to life, safety, or property.

19 **6.311.290 Wheelchair accessible vehicles**

20 In addition to meeting all vehicle standards established in this Section 6.311.290, the following
21 requirements apply to wheelchair accessible vehicles:

1 A. The vehicle must conform to the vehicle accessibility requirements of the
2 regulations of the Americans with Disabilities Act of 1990, Title 49 C.F.R. Chapter 38,
3 Subpart B, as amended;

4 B. Taxicabs and for-hire vehicles may not convert to wheelchair accessible vehicles
5 without Director approval. The Director may approve applications for conversion consistent
6 with criteria prescribed by rule;

7 C. A vehicle operating with a wheelchair accessible taxicab medallion must be a
8 wheelchair accessible vehicle; and

9 D. Before being placed into service and annually thereafter, a separate inspection of the
10 vehicle and any installed accessibility equipment must occur. In addition to checking for
11 conformance with vehicle accessibility requirements in accordance with subsection
12 6.311.290.A, the vehicle driver or drivers may be required to pass a practical demonstration of
13 proper wheelchair securement techniques during this inspection. If a driver of the vehicle is
14 unable to demonstrate proper securement techniques during this inspection, the Director shall
15 suspend the driver's regional for-hire driver's license wheelchair accessible vehicle
16 endorsement and may require the driver to undergo additional training before returning to try
17 the practical demonstration again. A wheelchair accessible vehicle shall not pass the inspection
18 unless the driver is able to pass a practical demonstration of proper wheelchair securement
19 techniques. Upon passing the practical demonstration of proper wheelchair securement
20 techniques, the driver's regional for-hire driver's license wheelchair accessible vehicle
21 endorsement will no longer be suspended and is effective.

22 E. If prescribed by the Director by rule, affiliated wheelchair accessible vehicles shall
23 participate in a Director-approved dispatch system for wheelchair accessible trips.

1 **6.311.300 Electrification of taxicabs and for-hire vehicles**

2 A. The Director may establish a rule to determine the viability of electric vehicles for
3 taxicab and for-hire vehicle owners and regional for-hire drivers and, if viable, create
4 incentives to promote the use of electric vehicles. When determining electric vehicle viability
5 for for-hire transportation services, the Director shall consider, but not be limited to, the
6 following factors:

- 7 1. The price of new or used electric vehicles compared to new or used
8 nonelectric vehicles;
- 9 2. If the mileage range for new and used electric vehicles meets the needs of
10 full-time for-hire transportation services;
- 11 3. The availability of recharging infrastructure in locations and at times that are
12 convenient for regional for-hire drivers, and if recharging time conflicts with the regional for-
13 hire driver’s need to operate the vehicle; and
- 14 4. If the vehicle life cycle for existing and new electric vehicles creates an undue
15 burden for the vehicle owner or regional for-hire driver.

16 B. Nothing in this Chapter 6.311 shall be construed to require or restrict a regional for-
17 hire driver’s use of electric vehicles for for-hire transportation services.

18 **6.311.310 Taxicab and for-hire vehicle operation – Requirements**

19 A. A taxicab or for-hire vehicle with a valid medallion may operate if the taxicab or for-
20 hire vehicle:

- 21 1. Is operated by a driver with a valid regional for-hire driver’s license issued
22 under this Chapter 6.311;
- 23 2. Has insurance as required by this Chapter 6.311;

1 3. Displays, in a location specified by the Director, a current taxicab or for-hire
2 vehicle medallion plate or decal issued by the Director; however, a licensed taxicab or for-hire
3 vehicle does not require a transportation network company endorsement decal when dispatched
4 by a transportation network company;

5 4. Displays the vehicle medallion number and name of the affiliated transitional
6 regional dispatch agency or regional dispatch agency on the exterior of the vehicle and displays
7 any rates that apply to a trip not requested via an application dispatch system, as prescribed by
8 the Director by rule;

9 5. Is equipped to accept electronic payment of fares and issue receipts;

10 6. When operating with a taxicab medallion, is equipped with an approved and
11 properly functioning taximeter or smart taximeter and is connected to a mobile data terminal to
12 accept electronic payment of fares and issue receipts;

13 7. Displays any passenger information prescribed by the Director by rule;

14 8. Displays on or in the vehicle signs, including notices, announcements, pictures,
15 advertisements, or other messages, that do not create a visible distraction or safety hazard for the
16 driver of the vehicle or for other vehicles on the road. The Director may prescribe by rule the
17 manner in which the signs may be displayed, including, but not limited to, requirements
18 concerning the number of signs per vehicle, placement on or within vehicles, size limitations,
19 and devices or mechanisms used to display the signs;

20 9. Is equipped with a monitored duress alarm approved by the Director in
21 accordance with specifications prescribed by the Director by rule;

1 10. Is equipped with a monitored vehicle tracking system, which may be part of
2 an approved smart taximeter system or application dispatch system, in accordance with
3 specifications prescribed by the Director by rule;

4 11. Maintains a continuous connection between the taximeter and the dispatch
5 system or between the taximeter and the application dispatch system;

6 12. Operates on a dispatch system of the affiliated transitional regional dispatch
7 agency or regional dispatch agency and may also operate on one or more approved application
8 dispatch systems, including those operated by a licensed transportation network company;

9 13. Is affiliated with a transitional regional dispatch agency or regional dispatch
10 agency and adopts the uniform color scheme of that transitional regional dispatch agency or
11 regional dispatch agency unless otherwise authorized by the Director. The Director may
12 prescribe by rule any additional criteria for vehicle colors and markings;

13 14. Meets current taximeter standards and has installed and uses a smart taximeter
14 when a smart taximeter system is implemented by the affiliated regional dispatch agency;

15 15. Is compliant with policies and procedures established by the transitional
16 regional dispatch agency or regional dispatch agency to meet the requirements of this Chapter
17 6.311 and ensure customer satisfaction; and

18 16. Meets any other requirement as established by the Director by rule as
19 authorized by this Chapter 6.311.

20 B. To operate a taxicab or for-hire vehicle, the medallion owner or vehicle owner shall:

21 1. Not have any outstanding monetary penalties issued under this Chapter 6.311;

22 2. Inform the Director within five business days if the vehicle is no longer
23 operating; and

1 3. Inform the Director and prior transitional regional dispatch agency or regional
2 dispatch agency within five business days of the vehicle affiliating with a new transitional
3 regional dispatch agency or regional dispatch agency.

4 C. A citation, license action, or both issued for a violation of this Section 6.311.310 shall
5 be issued to the medallion owner, medallion lessee, person operating the vehicle, or any
6 combination thereof, as appropriate.

7 **6.311.320 Taxicab and for-hire vehicle – Vehicle lease requirements**

8 A. All lease agreements for taxicabs and for-hire vehicles shall be in writing, and the
9 lessor shall file the original lease agreement with the Director prior to the effective date of the
10 lease in a manner specified by rule adopted by the Director.

11 B. If a change of transitional regional dispatch agency or regional dispatch agency is
12 made, any existing vehicle lease must be filed with the new agency at the time of the change.

13 C. The lease amount charged to a lessee shall not exceed the maximum amount
14 established by rule adopted by the Director. In determining the maximum lease amount, if any,
15 the Director shall consider vehicle purchase prices, the cost of insurance premiums, fuel costs,
16 and variations in the U.S. Bureau of Labor Statistics Consumer Price Index for All Urban
17 Consumers (CPI-U), for the Seattle area, evaluated over a 24-month time period preceding the
18 determination of the lease amount, and may consider any other factors that may affect the market
19 for taxicab or for-hire vehicle leases or that may affect the provision of for-hire transportation
20 services. Costs already factored into the lease amount shall not be charged to the driver as an
21 additional amount.

22 D. A vehicle lessee shall not sublease a taxicab or for-hire vehicle.

1 **6.311.330 Transition of taxicab associations and for-hire vehicle companies to regional**
2 **dispatch agencies**

3 A. Taxicab associations and for-hire vehicle companies must transition to become
4 regional dispatch agencies by March 31, 2026.

5 B. As of the effective date of this ordinance, a valid City of Seattle taxicab association
6 license or for-hire vehicle company recognition shall automatically become a transitional
7 regional dispatch agency license and shall expire on March 31, 2024. As of the effective date of
8 this ordinance, every taxicab association with a valid license issued by King County and every
9 for-hire vehicle company registered by King County shall be issued a transitional regional
10 dispatch agency license by The City of Seattle and shall expire on March 31, 2024. A transitional
11 regional dispatch agency license or a regional dispatch agency license permits the licensee to
12 operate in Seattle and King County. New taxicab association licenses shall not be issued and new
13 for-hire vehicle companies shall not be recognized after the effective date of this ordinance.

14 C. Upon initial license renewal, a transitional regional dispatch agency shall submit for
15 Director approval a transition plan on a form provided by the Director for adopting a smart
16 taximeter system. The transition plan must include a clear process for adopting a smart taximeter
17 system by no later than March 31, 2026. The Director may grant an extension of the deadline for
18 implementing a smart taximeter system for up to 12 months based upon consideration of the
19 following nonexclusive factors:

- 20 1. Previous efforts of a transitional regional dispatch agency to implement a smart
21 taximeter system in its fleet of affiliated vehicles;
- 22 2. Costs and availability of a smart taximeter system; and
- 23 3. Economic viability of operating a taxicab.

1 D. Transitional regional dispatch agencies seeking to continue operating beyond March
2 31, 2026, shall apply for a regional dispatch agency license. Unless the Director approves an
3 extension for adopting a smart taximeter system, a valid regional dispatch agency license is
4 required to operate after March 31, 2026.

5 **6.311.340 Transitional regional dispatch agency or regional dispatch agency license**
6 **required**

7 A. It is unlawful for a person to operate as a regional dispatch agency without a valid
8 regional dispatch agency license. A regional dispatch agency license is valid for one year and is
9 not transferable. To be licensed as a regional dispatch agency, all regional dispatch agencies shall
10 meet the criteria necessary for obtaining a regional dispatch agency license from King County
11 and shall apply for a regional dispatch agency license from King County concurrently with
12 applying for a regional dispatch agency license from The City of Seattle, and shall:

- 13 1. Apply for a license on a form approved by the Director;
- 14 2. Have an identified representative authorized to make business decisions on
15 behalf of the agency or company;
- 16 3. Adopt a zero-tolerance policy for alcohol and drug use while operating a
17 taxicab or for-hire vehicle licensed under this Chapter 6.311;
- 18 4. Adopt a policy that prohibits the agency or company, including their affiliated
19 drivers, from discriminating against passengers or potential passengers on the basis of race;
20 color; national origin; religious belief or affiliation; sex; disability; age; use of a service animal;
21 sexual orientation; gender identity; or geographic beginning or endpoints of the ride, unless the
22 trip covers more than 100 or includes traveling over a mountain pass or on a ferry;
- 23 5. Have a process for receiving, tracking, and resolving passenger complaints;

1 6. Have and maintain a secure process for passengers to retrieve items left behind
2 in an affiliated vehicle as soon as possible but no longer than two calendar days following the
3 date of the trip. Such policy shall be in writing and readily accessible to passengers;

4 7. Have a system that enables each passenger to receive an electronic or paper
5 receipt upon payment of the fare. A receipt shall include at least the following information:

- 6 a. The date and time the trip began and ended;
- 7 b. The medallion number for a taxicab or for-hire vehicle trip;
- 8 c. The driver's regional for-hire driver's license number or unique driver
9 identification number;
- 10 d. The fare charged and any tip paid;
- 11 e. The transitional regional dispatch agency or regional dispatch agency
12 with which the vehicle is affiliated; and
- 13 f. A phone number, email address, or website to submit passenger
14 feedback and inquiries to the transitional regional dispatch agency or regional dispatch agency;

15 8. Have an approved smart taximeter system that includes the following functions:

- 16 a. Is capable of metering a trip using an onboard diagnostic connection to
17 the vehicle or the use of location tracking technology, or some combination of the two, to
18 measure time and distance traveled;
- 19 b. Has an integrated payment and receipting system that accepts credit
20 cards and other electronic payments such as electronic taxi scrip, promotional codes, and
21 alternative payment channels;
- 22 c. Has an integrated dispatch system that:

- 1) Supports two-way communication between the dispatcher and the driver;
 - 2) Is equipped with monitored vehicle tracking technology and be able to track vehicle location in real time;
 - 3) Does not exclusively dispatch calls by phone or radio; and
 - 4) Provides a duress alarm for the driver.
- d. Supports pricing based on static and dynamic market conditions;
 - e. Has the ability to calculate an upfront fare to present to a passenger before the passenger accepts the ride;
 - f. Is capable of notifying a passenger if a convenience fee for electronic payment, or other known fees, will be added to the fare;
 - g. Includes driver authentication and system security features;
 - h. Automates data collection and reporting;
 - i. Provides geographic location information;
 - j. Incorporates a Director-approved mobility data standard for on-demand for-hire vehicles to support external integration;
 - k. Can be used and configured for one or more regional dispatch agencies and can dispatch vehicles from one or more registered trade names;
 - l. If required by the Director by rule, is connected to a Director-approved external dispatch system for the purpose of dispatching wheelchair accessible vehicles; and
 - m. Meets any other requirement prescribed by the Director by rule; and
9. Have a driver training program, for for-hire drivers, approved by the Director.

1 B. Prior to obtaining a regional dispatch agency license, transitional regional dispatch
2 agencies shall comply with regional dispatch agency licensing and operating requirements in this
3 Section 6.311.340, except that:

4 1. A transitional regional dispatch agency shall not be required to have a smart
5 taximeter system; and

6 2. A transitional regional dispatch agency that is affiliated with taxicabs at the
7 time of being issued a transitional regional dispatch agency license that does not have a smart
8 taximeter system approved by the Director, shall provide a dispatch system integrated with the
9 vehicle's taximeter for all affiliated vehicles.

10 **6.311.350 Inseparable licenses**

11 A transitional regional dispatch agency license or regional dispatch agency license issued by The
12 City of Seattle and a corresponding regional dispatch agency license or transitional regional
13 dispatch agency license issued by King County shall be considered one inseparable license.

14 **6.311.360 Transitional regional dispatch agency or regional dispatch agency operation –**
15 **Requirements**

16 A. At all times, a transitional regional dispatch agency or regional dispatch agency shall:

17 1. Operate with a valid transitional regional dispatch agency or regional dispatch
18 agency license;

19 2. Ensure all information provided to the Director does not misstate or omit
20 material facts;

21 3. Inform the Director in writing within seven days if any of the information
22 provided in the transitional regional dispatch agency or regional dispatch agency license
23 application changes, ceases to be true, or is superseded in any way by new information;

1 4. Ensure any driver of an affiliated vehicle possesses a valid regional for-hire
2 driver's license, enhanced regional for-hire driver's license, or regional for-hire driver's license
3 wheelchair accessible vehicle endorsement, or any combination thereof, as applicable to either
4 the ride type or the vehicle type, or both;

5 5. Require affiliated vehicles to meet all requirements of this Chapter 6.311,
6 including, but not limited to, passing an annual vehicle safety inspection and being licensed,
7 endorsed, and insured;

8 6. Notify the Director in writing within seven days upon adding or removing an
9 affiliated vehicle;

10 7. Require affiliated vehicles to be fully equipped as required by this Chapter
11 6.311 whenever operating as a taxicab or for-hire vehicle;

12 8. Accept service of general correspondence, license actions, citations, and notices
13 of complaints on behalf of an affiliated driver or vehicle owner and forward such to the
14 respective affiliated driver or vehicle owner;

15 9. Prioritize dispatch services to passengers in wheelchairs or other mobility
16 devices when dispatching affiliated wheelchair accessible vehicles;

17 10. Allow passengers to indicate whether they require a wheelchair-accessible
18 vehicle and connect passengers to those services either directly or via a weblink, application, or
19 phone number, if no wheelchair accessible vehicles are available on the agency's application
20 dispatch system. The Director may suspend or alter this requirement by rule if a Director-
21 approved dispatch system is established for wheelchair accessible trips;

22 11. Maintain a phone number, mailing address, and email address for customer
23 service;

1 12. Record all trips, process all payments, and issue a receipt for all payments
2 through the dispatch system, a smart taximeter system, or an application dispatch system
3 provided to affiliated drivers;

4 13. Comply with the data reporting requirements established in this Chapter
5 6.311;

6 14. Operate only Director- approved application dispatch systems;

7 15. Require affiliated vehicles to comply with applicable rate structures defined in
8 this Chapter 6.311;

9 16. Have, maintain, and monitor, while one or more affiliated vehicles are active,
10 a duress alarm for the driver;

11 17. Establish and enforce operating standards for affiliated drivers and vehicles to
12 ensure code compliance and customer satisfaction;

13 18. Satisfy every request for service as long as there are affiliated taxicabs or for-
14 hire vehicles available; except that transitional regional dispatch agencies, regional dispatch
15 agencies, and regional for-hire drivers that refuse service within the meaning of subsection
16 6.311.170.I, shall not be subject to any penalties by the Director, and, in the case of regional for-
17 hire drivers, by the transitional regional dispatch agency or regional dispatch agency;

18 19. Require affiliated vehicles to use a uniform color scheme or any associated
19 graphics, or both, approved by the Director;

20 20. Provide a supervisor at a taxicab zone whenever such zone is used by
21 affiliated taxicabs if the Director determines that it is necessary due to complaints received from
22 passengers and adjacent property owners or improper use of nearby passenger load zones, truck
23 load zones, and charter bus zones. If the transitional regional dispatch agency or regional

1 dispatch agency fails to provide a supervisor as required by the Director, the Director may
2 prohibit all affiliated taxicabs from using the taxicab zone;

3 21. Require affiliated vehicles to operate on an approved taximeter, smart
4 taximeter system, or application dispatch system as required in this Chapter 6.311;

5 22. Remit fares made via electronic payment to regional for-hire drivers within
6 two business days after the ride was completed;

7 23. Remit fares made via electronic payment through the smart taximeter system
8 to regional for-hire drivers in amounts not less than the full fare paid by the passenger, excluding
9 deductions for fees agreed to in accordance with Section 6.311.370;

10 24. Comply with applicable business license requirements for any jurisdiction in
11 which the transitional regional dispatch agency or regional dispatch operates; and

12 25. Meet any other requirement as established by the Director by rule as
13 authorized by this Chapter 6.311.

14 B. A transitional regional dispatch agency that is not affiliated with taxicabs at the time of
15 being issued a transitional regional dispatch agency license does not need to:

16 1. Affiliate with taxicabs;

17 2. Have or operate a taximeter;

18 3. Comply with taximeter rates; or

19 4. Provide a supervisor at a taxicab zone because for-hire vehicles are not
20 permitted to operate at a taxicab zone.

21 C. Persons not previously licensed as a taxicab association or recognized as a for-hire
22 vehicle company may apply for a transitional regional dispatch agency license in a manner
23 determined by the Director.

1 D.

2 1. Transitional regional dispatch agencies and regional dispatch agencies shall
3 maintain accurate and complete operational records for all affiliated vehicles and shall submit
4 quarterly reports, in an electronic format approved by the Director.

5 2. Reports shall include the following:

- 6 a. A total count of rides per origination ZIP Code;
- 7 b. A total count of rides per destination ZIP Code;
- 8 c. A total count of unfulfilled ride requests by ZIP Code;
- 9 d. A total count of rides provided by a wheelchair accessible vehicle by
10 ZIP Code;
- 11 e. A total count of unfulfilled ride requests for a wheelchair accessible
12 vehicle by ZIP Code;
- 13 f. A list of vehicle collisions, including the vehicle medallion number,
14 regional for-hire driver's license number, and if known, whether the collision was the fault of the
15 regional for-hire driver; and whether the collision resulted in any injuries;
- 16 g. A list of crimes committed against drivers;
- 17 h. A list of passenger complaints; and
- 18 i. Any other data required by the Director to ensure compliance.

19 3. Transitional regional dispatch agencies and regional dispatch agencies shall
20 retain records related to the reports required under this subsection 6.311.360.D for the current
21 year and at least the two prior calendar years. Records may be maintained electronically.

1 4. If a public records request is made of the City for documents that have been
2 designated by a licensee as confidential or proprietary, the City may provide third party notice to
3 the providing party prior to disclosure.

4 E. A transitional regional dispatch agency and regional dispatch agency shall store, and
5 upon request permit the Director to review, all records required by this Chapter 6.311 for
6 affiliated drivers and vehicles including, but not limited to, copies of regional for-hire driver's
7 licenses, taxicab and for-hire vehicle medallions, lists of all affiliated drivers and their affiliated
8 vehicles, passenger feedback, new driver training records, dispatch records, and proof of vehicle
9 insurance and vehicle registration. In addition, the transitional regional dispatch agency or
10 regional dispatch agency shall:

11 1. Retain records, electronically or otherwise, for the current year and at least the
12 prior two calendar years;

13 2. Provide the Director with any other information the Director may reasonably
14 require upon request; and

15 3. Timely respond to the Director's request for information.

16 F. The Director may authorize a transitional regional dispatch agency or regional dispatch
17 agency to submit regional for-hire driver's license applications on behalf of its affiliated drivers,
18 in a manner approved by the Director.

19 G. A transitional regional dispatch agency or regional dispatch agency may maintain a
20 rating system for drivers and passengers to rate each other following a trip.

21 **6.311.370 Dispatch agency, vehicle owner, medallion owner, and regional for-hire driver**
22 **relations**

1 A. A transitional regional dispatch agency and regional dispatch agency shall put in
2 writing all policies that affect affiliated medallion owners, vehicle owners, and regional for-hire
3 drivers.

4 B. Prior to implementing or changing a policy, the transitional regional dispatch agency
5 or regional dispatch agency shall provide a copy of the draft policy to the affiliated medallion
6 owner, vehicle owner, or regional for-hire driver, or post a copy of the draft policy in the
7 transitional regional dispatch agency or regional dispatch agency office, and send via electronic
8 transmittal a copy of the draft policy to the affiliated medallion owners, vehicle owners and
9 regional for-hire drivers. Affiliated medallion owners, vehicle owners and regional for-hire
10 drivers shall have a minimum of 20 days to review and provide input on the draft policy before
11 the policy takes effect. Notwithstanding this 20-day timeline, a policy proposed for purposes of
12 addressing an emergent issue may be temporarily established for up to 30 days. After 30 days,
13 medallion owners, vehicle owners, and regional for-hire drivers shall be given an opportunity to
14 provide input before the policy may be permanently adopted.

15 C. A transitional regional dispatch agency and regional dispatch agency shall make
16 known to the regional for-hire driver the amount of the fare for each trip provided by that driver.
17 If the amount remitted to the driver is less than the full fare paid by the passenger, the remittance
18 to the driver shall include a description detailing the deductions made. With the exception of any
19 fees that are authorized in Section 6.311.380, a transitional regional dispatch agency or regional
20 dispatch agency may only make a deduction on trips dispatched by the agency, and the
21 maximum allowable amount of such deduction shall be ten percent of the fare paid by the
22 passenger.

1 D. A transitional regional dispatch agency or regional dispatch agency shall establish a
2 written policy governing an owner's or driver's access to the smart taximeter system, application
3 dispatch system, the ability to work on any contracted accounts, and affiliation with the dispatch
4 agency. The policy must include written notice of impending deactivation with sufficient
5 information for the driver to understand the reason for deactivation, an opportunity for the owner
6 or driver to be heard ~~with representation of their choice, the adjudication of disputes by a neutral~~
7 ~~third party under a just cause standard~~, and a period for the owner or driver to cure the violation
8 before deactivation begins, unless the deactivation is ordered by the Director or is an immediate
9 threat to public safety. ~~The transitional regional dispatch agency or regional dispatch agency~~
10 ~~shall submit the policy required by this subsection 6.311.370.D to the Director at the first annual~~
11 ~~license renewal after the effective date of this ordinance.~~

12 **6.311.380 Rates**

13 A. Regional taximeter rates are in this subsection 6.311.380.A.

14 1. Unless specified elsewhere in this Section 6.311.380 or prescribed by the
15 Director by rule, it shall be unlawful for anyone operating a taxicab licensed by The City of
16 Seattle to advertise, charge, demand, or receive any greater or lesser rate than the following
17 regional taximeter rates:

- 18 a. Drop charge: for passengers for first 1/9 mile: \$2.60;
- 19 b. Per mile: For each 1/9 mile or fraction thereof after the first 1/9 mile:
20 \$0.30;
- 21 c. For every one minute of waiting time: \$0.50, charged at \$0.30 per 36
22 seconds. Waiting time rates are charged when taxicab speed is less than 11 miles per hour or
23 when a taxicab driver is asked to wait for the customer; and

1 d. Additional per passenger charge for more than two persons, excluding
2 children under 12 years of age: \$0.50.

3 2. The Director may adjust or prescribe new regional taximeter rates and other
4 rates, such as minimum fares for trips, or both, by rule. In determining new regional taximeter
5 rates, the Director may consider, among other things, the following factors:

6 a. Operational data supplied by a regional dispatch agency or data
7 obtained by the Director through other sources, including, but not limited to, regional consumer
8 price index data;

9 b. The public's need for adequate for-hire transportation services at
10 reasonable rates consistent with the provision, maintenance, and continuation of such services;

11 c. The rates of other for-hire transportation providers operating in similar
12 areas;

13 d. Rates paid by passengers using other modes of transportation;

14 e. The ability of a driver to earn a living wage after covering all operating
15 costs incurred by the owner and driver;

16 f. Other regulatory, access, or similar fees paid by drivers to serve the
17 transportation needs of the region; and

18 g. Alignment with rates established by King County.

19 3. Regional taximeter rates are exclusive of any per-trip fee established by the
20 Port of Seattle and set forth in any operating agreement or tariff, a temporary fuel surcharge
21 authorized by the Director, a technology fee authorized by the Director, a convenience fee for
22 electronic payment of fares, or any toll or charge established for roads, bridges, tunnels, or
23 ferries.

1 4. A regional dispatch agency’s affiliated taxicabs shall have regional taximeter
2 rates programmed into its smart taximeter system. Variations from regional taximeter rates are
3 permitted, as follows:

4 a. Variations from regional taximeter rates may be applied to contract
5 trips, upfront fares, dynamic pricing, fare splitting, trip bidding, and unless prohibited by the
6 Director by rule, for flat-rate fares, minimum trip fares, or when operating on an application
7 dispatch system;

8 b. The Director may prescribe by rule variations from regional taximeter
9 rates;

10 c. Unless prescribed otherwise by the Director by rule, any variation from
11 regional taximeter rates shall be established by a regional dispatch agency and not by an
12 individual driver. A regional dispatch agency shall not vary a rate so that it results in a higher
13 dispatch fee or other fee to be paid by an affiliated driver;

14 d. Variations from regional taximeter rates shall be applied in a manner
15 that does not discriminate on the basis of a protected class within the scope of discrimination as
16 defined in Chapter 14.06.020, or on the basis of the ride’s geographic beginning or endpoints;

17 e. Unless a trip is dispatched via an application dispatch system, an
18 upfront fare shall be based on the estimated time and distance calculated by the smart taximeter
19 and multiplied by the regional taximeter rate. If the passenger rejects the upfront fare, the
20 regional taximeter rates apply; and

21 f. If a flat rate between two defined points has been established, the flat
22 rate shall be made available to the passenger prior to accepting a ride. Regional dispatch agencies

1 must maintain a list of all established flat rates, including their defined origin and destination
2 points, and make such list available for inspection upon request of the Director.

3 5. Contract rates shall be in writing, be retained by the regional dispatch agency,
4 and be available for inspection upon request of the Director.

5 6. Before a licensee may use a smart taximeter system that is integrated with an
6 application dispatch system, the Director must first determine the application dispatch system
7 rates are transparent under subsection 6.311.380.B.

8 B. Application dispatch system rates are in this subsection 6.311.380.B.

9 1. Before using an application dispatch system, or using a smart taximeter system
10 as an application dispatch system, the transitional regional dispatch agency or regional dispatch
11 agency shall provide to the Director either written documentation or a physical demonstration, or
12 both, that the application dispatch system rate structure is transparent to the passenger prior to
13 confirming the ride. Application dispatch system rates do not need to be filed with the Director
14 unless this Chapter 6.311 specifies otherwise. The Director shall determine that the rate structure
15 is transparent if:

16 a. One of the following methodologies is used:

17 1) The rate by either distance or time, or a combination of distance
18 and time, and the total fare or fare range is clearly displayed on the application dispatch system
19 to the passenger upon requesting a ride, but before confirming the ride; or

20 2) The fare for the ride is made clear to the passenger prior to
21 confirming the ride through an alternative method deemed acceptable by the Director; and

22 b. Any additional or higher charges such as tips, waiting time, tolls, or any
23 other charges not included in subsections 6.311.380.B.1.a.1 and 6.311.380.B.1.a.2 shall be

1 clearly identified by specific amount, if known, or by category, on the application dispatch
2 system before confirming a ride; and

3 c. The receipt showing all charges paid by the customer is available to the
4 regional for-hire driver in the application dispatch system.

5 2. During an abnormal disruption of the market, lasting for no longer than 12
6 consecutive hours in Seattle, a transitional regional dispatch agency or regional dispatch agency
7 shall not raise its normal range of fare more than two times the fare that would otherwise be
8 applicable.

9 C. For-hire vehicle rates are in this subsection 6.311.380.C.

10 1. For-hire vehicles must charge for service based on: a written contract; flat rate
11 per trip or by zone; or by an hourly rate with minimum increments of 30 minutes. Flat charges by
12 zone or hourly rate may vary by time of day. Zone boundaries shall be set by Director by rule
13 and shall be consistent across all for-hire vehicle operators.

14 2. Records of all for-hire vehicle rates in place prior to implementing a smart
15 taximeter system shall be maintained by the for-hire vehicle company and be made available for
16 inspection upon request by the Director. All rates and charges shall be conspicuously available in
17 the interior of the for-hire vehicle.

18 3. The for-hire vehicle rate structure shall remain in effect until the vehicle
19 transitions to a taxicab or March 31, 2026, whichever occurs sooner. After March 31, 2026, all
20 for-hire vehicles shall have transitioned to taxicabs and are subject to the regional taximeter rates
21 and application dispatch system rate requirements under this Chapter 6.311.

22 4. If using an application dispatch system, the Director must first determine that
23 the rates are transparent to the passenger under subsection 6.311.380.B.

1 D. If the Director establishes a minimum fare, or flat rate from one location to another
2 location, or based on the factors identified in subsection 6.311.380.A.2, such minimum fare or
3 flat rate shall apply whether the trip originated via a taximeter, a smart taximeter, or, if specified
4 by the Director, an application dispatch system.

5 E. Other rate and fare requirements are in this subsection 6.311.380.E.

6 1. It is unlawful to charge additional fees for carrying individuals with disabilities
7 and their equipment or to charge rates higher to passengers with a disability than are charged to
8 other persons. To promote equitable access to for-hire transportation for persons with disabilities,
9 and to ensure that wheelchair accessible vehicle service is reliably available at reasonable and
10 predictable rates, the Director may prescribe by rule fares for wheelchair accessible trips or other
11 conditions on the rates, fares, fees, and other surcharges, or both, for providing wheelchair
12 accessible transportation services to persons with disabilities.

13 2. The Director is authorized to establish a fuel surcharge to the regional taximeter
14 rate, or that can be added as an amount to the passenger's total fare, any time the price of fuel, as
15 published by the American Automobile Association for the local area, exceeds a fuel surcharge
16 trigger price established in accordance with a rule adopted by the Director. The surcharge shall
17 be an amount necessary to recoup the increased fuel costs.

18 3. A toll or charge established for roads, bridges, tunnels, or ferries while
19 passengers are being transported may be added to the passenger's total fare, if such charges are
20 not already included in the calculation of the fare.

21 4. Discriminatory charges are prohibited. For the purposes of this subsection
22 6.311.380.E.4, "discriminatory charges" means policies or practices that result in higher charges

1 or rates being applied to passengers belonging to a protected class within the scope of
2 discrimination as defined in Section 14.06.020 compared to other passengers.

3 5. The Director may establish by rule the process and criteria associated with the
4 Director's review and approval of a technology fee that is intended to help offset the cost of
5 implementing, operating, and maintaining a smart taximeter system and that may be added to the
6 fare for all trips subject to the regional taximeter rates in subsection 6.311.380.A.

7 **6.311.390 Emerging for-hire transportation models**

8 A. The Director may prescribe by rule the implementation of a discrete licensing program
9 for emerging for-hire transportation models that do not fit within the parameters of this Chapter
10 6.311 or Chapter 6.310.

11 B. The Director shall determine whether a proposed business activity is an emerging
12 business type or a nontraditional business activity that falls outside the parameters of any
13 existing license under this Chapter 6.311 or Chapter 6.310, and whether the proposed business
14 activity presents potential risks to the public health, safety, and welfare such that, for the
15 protection of the public, the activity must be regulated and licensed.

16 C. The Director may grant the applicant an emerging for-hire transportation license to
17 operate in the proposed business activity on a pilot basis.

18 D. The emerging for-hire transportation license shall be renewed annually for a
19 maximum of two years, after which the license shall expire. The emerging for-hire transportation
20 license shall be a personal privilege and not property. The emerging for-hire transportation
21 license shall not be transferrable to another location, person, or business entity.

22 E. The Director may attach conditions to the emerging for-hire transportation license as
23 are reasonably required to protect the public health, safety, labor harmony, and welfare from

1 risks including, but not limited to: adverse impact on public health; public safety; increased
2 demand on government services; increased environmental impacts; or increased traffic or
3 congestion in the public way. The Director may attach any such conditions when the emerging
4 for-hire transportation license is issued, or the Director may attach, remove, or modify conditions
5 at any time during the term of the permit, upon reasonable notice to the licensee.

6 F. The Director may determine at any time during the term of the emerging for-hire
7 transportation license that the licensed business activity as conducted presents an unreasonable
8 risk to public health and safety that cannot be mitigated, and may revoke the license, with or
9 without prior notice. If a license is revoked, the licensee shall be given the opportunity to appear
10 before the Director for an informal hearing to introduce any evidence to appeal the revocation
11 before the revocation is effective or no later than ten days after the revocation is effective. The
12 Director shall render a decision affirming or reversing the revocation within three business days
13 after conclusion of the hearing. The decision of the Director is final.

14 G. If the Director determines that a type of emerging business model that has been issued
15 an emerging for-hire transportation license should be regulated by ordinance, the Director shall
16 convey the determination to the City Council prior to the expiration of the license. The license
17 shall not be extended beyond two years unless an ordinance regulating the emerging business
18 model is effective and the emerging business has obtained any necessary license under that
19 ordinance.

20 **6.311.400 Consumer feedback**

21 The Director may establish, in conjunction with King County and the Port of Seattle, a shared
22 process to receive and, when appropriate, resolve consumer feedback and may communicate the
23 process to consumers.

1 **6.311.410 For-hire transportation services complaint process**

2 A. Upon receiving a written complaint involving the conduct of a licensee, where the
3 conduct may be a violation of this Chapter 6.311, the Director shall review the complaint, and if
4 appropriate:

5 1. Issue a notice of complaint to the licensee, and if applicable, the affiliated
6 transitional regional dispatch agency or regional dispatch agency, advising them of the
7 allegations or allegations made in the complaint;

8 2. Require the licensee, and if applicable, the affiliated transitional regional
9 dispatch agency or regional dispatch agency, to respond in writing or by contacting the issuing
10 inspector to provide a response to the allegations or allegations in the notice of complaint within
11 15 calendar days from the date the notice of complaint was issued;

12 3. Investigate the allegations in the written complaint and the response submitted
13 by the licensee and if applicable, the response submitted by the transitional regional dispatch
14 agency or regional dispatch agency representative; and

15 4. Make a finding as to the validity of the allegations in the written complaint. If
16 the complaint is found to be valid, the Director may take enforcement action consistent with this
17 Chapter 6.311.

18 B. Failure to respond to a notice of complaint, either in writing or by contacting the
19 issuing inspector, within 15 calendar days shall constitute a waiver of the licensee's and, if
20 applicable, the affiliated agency's right to respond to the allegations in the written complaint and
21 shall be prima facie evidence that the allegations are valid.

22 **6.311.415 Exclusive driver representatives**

23 A. The Director shall promulgate a commencement date no later than January 17, 2017.

1 B. The process of designating a QDR shall be prescribed by Director's rule. The
2 designation of a QDR shall be based on, but not limited to, consideration of the following
3 factors:

- 4 1. Registration with the Washington Secretary of State as a not-for-profit entity;
- 5 2. Organizational bylaws that give drivers the right to be members of the
6 organization and participate in the democratic control of the organization; and
- 7 3. Experience in and/or a demonstrated commitment to assisting stakeholders in
8 reaching consensus agreements with, or related to, employers and contractors.

9 C. An entity wishing to be considered as a QDR for for-hire drivers operating within the
10 City must submit a request to the Director within 30 days of the commencement date or at a later
11 date as provided in subsection 6.311.415.G. Within 14 days of the receipt of such a request, the
12 Director will notify the applicant in writing of the determination. Applicants who dispute the
13 Director's determination may appeal to the Hearing Examiner within ten days of receiving the
14 determination. The Director shall provide a list of all QDRs to all driver coordinators.

15 1. An entity that has been designated as a QDR shall be required to establish
16 annually that it continues to satisfy the requirements for designation as a QDR.

17 2. An entity that has been designated as a QDR and that seeks to represent the
18 drivers of a driver coordinator shall notify the driver coordinator of its intent to represent those
19 drivers within 14 days of its designation as a QDR. That notice may be provided by any means
20 reasonably calculated to reach the driver coordinator, including by written notice mailed or
21 delivered to a transportation network company or taxicab association representative at the
22 mailing address listed with the City.

1 D. Driver coordinators who have hired, contracted with, partnered with, or maintained a
2 contractual relationship or partnership with, 50 or more for-hire drivers in the 30 days prior to
3 the commencement date, other than in the context of an employer-employee relationship, must,
4 within 75 days of the commencement date, provide all QDRs that have given the notice specified
5 in subsection 6.311.415.C.2 the names, addresses, email addresses (if available), and phone
6 number (if available) of all qualifying drivers they hire, contract with, or partner with.

7 E. QDRs shall use driver contact information for the sole purpose of contacting drivers to
8 solicit their interest in being represented by the QDR. The QDR may not sell, publish, or
9 otherwise disseminate the driver contact information outside the entity/organization.

10 F. The Director shall certify a QDR as the EDR for all drivers contracted with a particular
11 driver coordinator, according to the following:

12 1. Within 120 days of receiving the driver contact information, a QDR will submit
13 statements of interest to the Director from a majority of qualifying drivers from the list described
14 in subsection 6.311.415.D. Each statement of interest shall be signed, dated, and clearly state that
15 the driver wants to be represented by the QDR for the purpose of negotiations with the driver
16 coordinator. A qualifying driver's signature may be provided by electronic signature or other
17 electronic means. The Director shall determine by rule the standards and procedures for
18 submitting and verifying statements of interest by qualifying drivers choosing an EDR.

19 a. The methods for submitting and verifying statements of interest by
20 qualifying drivers choosing an EDR may include, but not be limited to, signature verification,
21 unique personal identification number verification, statistical methods, or third party verification.

22 2. Within 30 days of receiving such statements of interest, the Director shall
23 determine if they are sufficient to designate the QDR as the EDR for all drivers for that particular

1 driver coordinator, and if so, shall so designate the QDR to be the EDR, except that, if more than
2 one QDR establishes that a majority of qualifying drivers have expressed interest in being
3 represented by that QDR, the Director shall designate the QDR that received the largest number
4 of verified affirmative statements of interest to be the EDR.

5 3. Within 30 days of receiving submissions from all QDRs for a particular driver
6 coordinator, the Director shall either certify one to be the EDR or announce that no QDR met the
7 majority threshold for certification.

8 G. If no EDR is certified for a driver coordinator, the Director shall, upon the written
9 request from a designated QDR or from an entity that seeks to be designated as a QDR,
10 promulgate a new commencement date applicable to that driver coordinator that is no later than
11 90 days after the request, provided that no driver coordinator shall be subject to the requirements
12 of this Section 6.311.415 more than once in any 12-month period. The QDR, any other entity
13 that seeks to be designated as a QDR, and the driver coordinator shall then repeat the processes
14 in subsections 6.311.415.C, 6.311.415.D, and 6.311.415.F.

15 H.

16 1. Upon certification of the EDR by the Director, the driver coordinator and the
17 EDR shall meet and negotiate in good faith certain subjects to be specified in rules or regulations
18 promulgated by the Director, including, but not limited to, best practices regarding vehicle
19 equipment standards; safe driving practices; the manner in which the driver coordinator will
20 conduct criminal background checks of all prospective drivers; minimum hours of work,
21 conditions of work, and applicable rules. The subjects to be specified in rules or regulations
22 promulgated by the Director shall not include the nature or amount of payments to be made by,
23 or withheld from, a driver coordinator to or by its drivers. If the driver coordinator and the EDR

1 reach agreement on terms, their agreement shall be reduced to a written agreement. The term of
2 such an agreement shall be agreed upon by the EDR and the driver coordinator, but in no case
3 shall the term of such an agreement exceed four years.

4 2. After reaching agreement, the parties shall transmit the written agreement to the
5 Director. The Director shall review the agreement for compliance with the provisions of Chapter
6 6.311, and to ensure that the substance of the agreement promotes the provision of safe, reliable,
7 and economical for-hire transportation services and otherwise advance the public policy goals set
8 forth in this Chapter 6.311 and in the Preamble to and Section 1 of Ordinance 124968. In
9 conducting that review, the record shall not be limited to the submissions of the EDR and driver
10 coordinator nor to the terms of the proposed agreement. The Director shall have the right to
11 gather and consider any necessary additional evidence, including by conducting public hearings
12 and requesting additional information from the EDR and driver coordinator. Following this
13 review, the Director shall notify the parties of the determination in writing, and shall include in
14 the notification a written explanation of all conclusions. Absent good cause, the Director shall
15 issue the determination of compliance within 60 days of the receipt of an agreement.

16 a. If the Director finds the agreement compliant, the agreement is final and
17 binding on all parties.

18 b. If the Director finds it fails to comply, the Director shall remand it to
19 the parties with a written explanation of the failure(s) and, at the Director's discretion,
20 recommendations to remedy the failure(s).

21 c. The agreement shall not go into effect until the Director affirmatively
22 determines its adherence to the provisions of Chapter 6.311 and that the agreement furthers the

1 provision of safe, reliable, and economical for-hire transportation services and the public policy
2 goals set forth in the Preamble to and Section 1 of Ordinance 124968.

3 3. Unless the EDR has been decertified pursuant to subsection 6.311.415.L or has
4 lost its designation as a QDR, the EDR and the driver coordinator shall, at least 90 days before
5 the expiration of an existing agreement approved pursuant to subsections 6.311.415.H.2.c or
6 6.311.415.I.4.c, meet to negotiate a successor agreement. Any such agreement shall be subject to
7 approval by the Director pursuant to subsection 6.311.415.H.2. If the parties are unable to reach
8 agreement on a successor agreement within 90 days after the expiration of an existing agreement,
9 either party must submit to interest arbitration upon the request of the other pursuant to
10 subsection 6.311.415.I, and the interest arbitrator's proposed successor agreement shall be
11 subject to review by the Director pursuant to subsections 6.311.415.I.3 and 6.311.415.I.4.

12 4. Nothing in this Section 6.311.415 shall require or preclude a driver coordinator
13 from making an agreement with an EDR to require membership of for-hire drivers in the EDR's
14 entity/organization within 14 days of being hired, contracted with, or partnered with by the driver
15 coordinator to provide for-hire transportation services to the public.

16 I. If a driver coordinator and the EDR fail to reach an agreement within 90 days of the
17 certification of the EDR by the Director, either party must submit to interest arbitration upon the
18 request of the other.

19 1. The interest arbitrator may be selected by mutual agreement of the parties. If
20 the parties cannot agree, then the arbitrator shall be determined as follows: from a list of seven
21 arbitrators with experience in labor disputes and/or interest arbitration designated by the
22 American Arbitration Association, the party requesting arbitration shall strike a name. Thereafter

1 the other party shall strike a name. The process will continue until one name remains, who shall
2 be the arbitrator. The cost of the interest arbitration shall be divided equally between the parties.

3 2. The interest arbitrator shall propose the most fair and reasonable agreement
4 concerning subjects specified in rules or regulations promulgated by the Director as set forth in
5 subsection 6.311.415.H.1 that furthers the provision of safe, reliable, and economical for-hire
6 transportation services and the public policy goals set forth in the Preamble to and Section 1 of
7 Ordinance 124968. The term of any agreement proposed by the interest arbitrator shall not
8 exceed two years. In proposing that agreement, the interest arbitrator shall consider the following
9 criteria:

- 10 a. Any stipulations of the parties;
- 11 b. The cost of expenses incurred by drivers (e.g., fuel, wear and tear on
12 vehicles, and insurance);
- 13 c. The safety and equipment standards and rules applicable to other
14 persons, whether employees or independent contractors, employed as for-hire or taxicab drivers
15 in Seattle and its environs, as well as other comparably sized urban areas;
- 16 d. The hours and conditions of employment of other persons, whether
17 employees or independent contractors, employed as for-hire or taxicab drivers in Seattle and its
18 environs, as well as other comparably sized urban areas;
- 19 e. If raised by the driver coordinator, the driver coordinator's financial
20 condition and need to ensure a reasonable return on investment and/or profit;
- 21 f. Any other factors that are normally or traditionally taken into
22 consideration in the determination of hours, safety and equipment standards, rules, and
23 conditions of employment; and

1 g. The City's interest in promoting the provision of safe, reliable, and
2 economical for-hire transportation services and otherwise advancing the public policy goals set
3 forth in Chapter 6.311 and in the Preamble to and Section 1 of Ordinance 124968.

4 3. The arbitrator shall transmit the proposed agreement to the Director for review
5 in accordance with the procedures and standards set forth in subsection 6.311.415.H.2. With the
6 proposed agreement, the arbitrator shall transmit a report that sets forth the basis for the
7 arbitrator's resolution of any disputed issues. The Director shall review the agreement as
8 provided in subsection 6.311.415.H.2.

9 4. In addition to the review provided for in subsection 6.311.415.I.3, a driver
10 coordinator or EDR may challenge the proposed agreement on the following grounds: that the
11 interest arbitrator was biased, that the interest arbitrator exceeded the authority granted by
12 subsection 6.311.415.H and this subsection 6.311.415.I, and/or that a provision of the proposed
13 agreement is arbitrary and capricious. In the event of such a challenge, the Director will provide
14 notice to the driver coordinator and the EDR, allow the driver coordinator and the EDR the
15 opportunity to be heard, and make a determination as to whether any of the challenges asserted
16 should be sustained.

17 a. If the Director finds the agreement fulfills the requirements of
18 subsection 6.311.415.H.2, and that no challenges raised under this subsection 6.311.415.I.4
19 should be sustained, the Director will provide written notice of that finding to the parties and the
20 agreement will be deemed final and binding on all parties.

21 b. If the Director finds that the agreement fails to fulfill the requirements
22 of subsection 6.311.415.H.2, or that any challenge asserted under this subsection 6.311.415.I.4
23 should be sustained, the Director shall remand the agreement to the interest arbitrator with a

1 written explanation of the failure(s) and, at the Director's discretion, recommendations to remedy
2 the failure(s).

3 c. The agreement shall not go into effect until the Director affirmatively
4 deems the agreement final and binding pursuant to subsections 6.311.415.I.3 and 6.311.415.I.4.a.

5 d. A driver coordinator or EDR may obtain judicial review of the
6 Director's final determination rendered pursuant to this subsection 6.311.415.I.4 by applying for
7 a Writ of Review in the King County Superior Court within 14 days from the date of the
8 Director's determination, in accordance with the procedure set forth in chapter 7.16 RCW, other
9 applicable law, and court rules. The Director's final determination shall not be stayed pending
10 judicial review unless a stay is ordered by the court. If review is not sought in compliance with
11 this subsection 6.311.415.I.4.d, the determination of the Director shall be final and conclusive.

12 5. If either party refuses to enter interest arbitration, upon the request of the other,
13 either party may pursue all available judicial remedies.

14 J. During the term of an agreement approved by the Director under subsection
15 6.311.415.H or 6.311.415.I, the parties may discuss additional terms and, if agreement on any
16 amendments to the agreement are reached, shall submit proposed amendments to the Director,
17 who shall consider the proposed amendment in accordance with the procedures and standards in
18 subsection 6.311.415.H.2. Any proposed amendment shall not go into effect until the Director
19 affirmatively determines its adherence to the provisions of Chapter 6.311 and that it furthers the
20 provision of safe, reliable and economical for-hire transportation services and the public policy
21 goals set forth in the Preamble to and Section 1 of Ordinance 124968.

22 1. During the term of an agreement approved by the Director under subsection
23 6.311.415.H or 6.311.415.I, the Director shall have the authority to withdraw approval of the

1 agreement if the Director determines that the agreement no longer adheres to the provisions of
2 Chapter 6.311 or that it no longer promotes the provision of safe, reliable, and economical for-
3 hire transportation services and the public policy goals set forth in the Preamble to and Section 1
4 of Ordinance 124968. The Director shall withdraw such approval only after providing the parties
5 with written notice of the proposed withdrawal of approval and the grounds therefor and an
6 opportunity to be heard regarding the proposed withdrawal. The Director's withdrawal of
7 approval shall be effective only upon the issuance of a written explanation of the reasons why the
8 agreement no longer adheres to the provisions of Chapter 6.311 or no longer furthers the
9 provision of safe, reliable, and economical for-hire transportation services or the public policy
10 goals set forth in the Preamble to and Section 1 of Ordinance 124968.

11 2. The Director shall have the authority to gather and consider any necessary
12 evidence in exercising the authority provided by this subsection 6.311.415.J.

13 3. A driver coordinator shall not make changes to subjects set forth in subsection
14 6.311.415.H or specified in rules or regulations promulgated by the Director without meeting and
15 discussing those changes in good faith with the EDR, even if the driver coordinator and EDR
16 have not included terms concerning such subjects in their agreement.

17 K. A driver coordinator shall not retaliate against any for-hire driver for exercising the
18 right to participate in the representative process provided by this Section 6.311.415, or provide or
19 offer to provide money or anything of value to any for-hire driver with the intent of encouraging
20 the for-hire driver to exercise, or to refrain from exercising, that right. It shall be a violation for a
21 driver coordinator or its agent, designee, employee, or any person or group of persons acting
22 directly or indirectly in the interest of the driver coordinator in relation to the for-hire driver to:

1 1. Interfere with, restrain, or deny the exercise of, or the attempt to exercise, any
2 right protected under this Section 6.311.415; or

3 2. Take adverse action, including, but not limited to, threatening, harassing,
4 penalizing, or in any other manner discriminating or retaliating against a driver, because the
5 driver has exercised the rights protected under this Section 6.311.415.

6 L. Decertification. An Exclusive Driver Representative may be decertified according to
7 the following:

8 1. The Director receives a petition to decertify an EDR no more than 30 days
9 before the expiration of an agreement reached pursuant to this Section 6.311.415 or no less than
10 three years after the agreement's effective date, whichever is earlier.

11 a. A decertification petition must be signed by ten or more qualifying
12 drivers. The Director shall determine by rule the standards and procedures for submitting the
13 decertification petition.

14 2. Once a petition has been accepted by the Director, the Director shall issue
15 notice to the driver coordinator and the EDR of the decertification petition and promulgate a
16 decertification date.

17 3. The driver coordinator shall have 14 days from the decertification date to
18 transmit the list of qualifying drivers to the petitioners and the EDR.

19 4. Within 120 days of receiving the driver contact information, petitioners for a
20 decertification will submit to the Director statements of interest from a majority of qualifying
21 drivers from the list described in subsection 6.311.415.K.3. The statements of interest shall be
22 signed and dated and shall clearly indicate that the driver no longer wants to be represented by
23 the EDR for the purpose of collective bargaining with the driver coordinator. The Director shall

1 determine by rule the standards and procedures for submitting and verifying the statements of
2 interest of qualifying drivers.

3 5. Within 30 days of receiving such statements of interest, the Director shall
4 determine if they are sufficient to decertify the EDR for that particular driver coordinator. The
5 Director shall either decertify the EDR, or declare that the decertification petition did not meet
6 the majority threshold and reaffirm that the EDR shall continue representing all drivers for that
7 particular driver coordinator.

8 a. If an EDR is decertified for a particular driver coordinator, the process
9 of selecting a new EDR may start according to the process outlined in subsection 6.311.415.G.

10 M. Enforcement

11 1. Powers and duties of Director

12 a. The Director is authorized to enforce and administer this Section
13 6.311.415. The Director shall exercise all responsibilities under this Section 6.311.415 pursuant
14 to rules and regulations developed under Chapter 3.02. The Director is authorized to promulgate,
15 revise, or rescind rules and regulations deemed necessary, appropriate, or convenient to
16 administer the provisions of this Section 6.311.415, providing affected entities with due process
17 of law and in conformity with the intent and purpose of this Section 6.311.415.

18 b. The Director shall investigate alleged violations of subsections
19 6.311.415.D and 6.311.415.H.1, and if the Director determines that a violation has occurred, the
20 Director shall issue a written notice of the violation. The Director may investigate alleged
21 violations of other subsections of this Section 6.311.415, and if the Director determines that a
22 violation has occurred, the Director shall issue a written notice of the violation. The notice shall:

1 6.311.415. A plaintiff who prevails in any action against a private party to enforce this section
2 6.311.415 may be awarded reasonable attorney's fees and costs.

3 4. Contractual remedies. Nothing in this Section 6.311.415 shall be construed as
4 preventing the parties to an agreement approved by the Director from pursuing otherwise
5 available remedies for violation of such agreement.

6 **6.311.420 Violations and penalties – Generally**

7 A. It is a violation for any person to not meet or maintain compliance with any
8 requirement of this Chapter 6.311 or rule issued by the Director. If the Director determines that
9 any of this Chapter 6.311's requirements or rules have been violated, the Director may issue:

- 10 1. A citation;
11 2. A license action; or
12 3. A citation and a license action.

13 B. The Director shall reject a license or medallion application if it has any material
14 misstatement or omission.

15 C. In determining a monetary penalty, the Director shall consider the gravity of the
16 violation; the number of past violations committed; the size of the business of the violator; the
17 deterrent effect of monetary penalties; and the good faith of the violator in attempting to achieve
18 compliance after notification of the violation.

19 D. A person shall pay all fees, surcharges, and monetary penalties that are owed under
20 this Chapter 6.311. If the person cited fails to pay a monetary penalty imposed under this Chapter
21 6.311, the monetary penalty may be referred to a collection agency. The cost to the Director for
22 the collection services will be added to the penalty. Alternatively, the Director may pursue
23 collection in any other manner allowed by law. The Director shall refuse to issue a license,

1 endorsement, or medallion at the time of renewal if the person has outstanding fees, surcharges,
2 or monetary penalties issued under this Chapter 6.311.

3 E. Each day a person violates or fails to comply with one of the requirements of this
4 Chapter 6.311 may be considered a separate violation for which a citation may be issued.

5 F. It is a misdemeanor for any person to violate the operating standards established in this
6 Chapter 6.311 if the violation demonstrates a habitual disregard for the standards in this Chapter
7 6.311. The Director may refer such a person for prosecution as an alternative to the citation and
8 license action procedures outlined in this Chapter 6.311.

9 G. The Director may seek legal or equitable relief to enjoin any acts or practices when
10 necessary to achieve compliance.

11 H. Nothing in this Section 6.311.420 limits or precludes any action or proceeding to
12 enforce this Chapter 6.311, and nothing obligates or requires the Director to issue a citation or
13 license action prior to the imposition of criminal penalties.

14 **6.311.430 Violations and penalties**

15 Except where otherwise noted in this Chapter 6.311, the following shall be assessed for
16 violations of the listed sections or subsections.

17 A. The Director shall assess a Class A penalty, which is a \$35 civil penalty for a first
18 offense, a \$70 civil penalty for a second offense, or a \$120 civil penalty for a third or subsequent
19 offense:

20 1. 6.311.160.A, B, D, L, N, Q, and U;

21 2. 6.311.170.B, M, and N;

22 3. 6.311.180.A.1, 2, and 3;

23 4. 6.311.280.D, E, and F; and

1 5. 6.311.310.A.4, 5, 6, 7, and 8;

2 B. The Director shall assess a Class B penalty, which is a \$70 civil penalty for a first
3 offense, a \$175 civil penalty for a second offense, or a \$300 civil penalty for a third or
4 subsequent offense:

5 1. 6.311.160.C, E, F, G, H, I, J, K, and M;

6 2. 6.311.170.A, D, G, I, J, K, and L;

7 3. 6.311.180.A.4 and 5;

8 4. 6.311.310.A.3, 9, 10, 11, 12, 13, 14, and 15; and

9 5. 6.311.310.B.2 and 3;

10 C. The Director shall assess a Class C penalty, which is a \$1,000 civil penalty for an
11 offense:

12 1. 6.311.170.F;

13 2. 6.311.360.A.1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21,
14 22, and 23; and

15 3. 6.311.370.A, B, C, and D;

16 D. The Director shall assess a \$1,000 civil penalty for the first offense and suspend the
17 license or medallion for the second and subsequent offenses:

18 1. 6.311.320.A and C;

19 2. 6.311.360.D and E; and

20 3. 6.311.380.A.4;

21 E. The Director shall assess a \$1,000 civil penalty for each offense. It is a criminal
22 misdemeanor for the second and subsequent offenses, which the Director may refer for
23 prosecution:

- 1 1. 6.311.070.A;
- 2 2. 6.311.220; and
- 3 3. 6.311.260.B;

4 F. The Director shall act as listed on a license or medallion for offenses violating the
5 following:

- 6 1. 6.311.090.A, B, C, D, E, F, G, H, I, J, K, L, and M, denial;
- 7 2. 6.311.160.O, R, and S, revocation;
- 8 3. 6.311.170.C, E, and H, suspension;
- 9 4. 6.311.200.G, revocation;
- 10 5. 6.311.230.E, denial;
- 11 6. 6.311.260.A, revocation;
- 12 7. 6.311.260.C, denial;
- 13 8. 6.311.280.A, G, and H, summary suspension;
- 14 9. 6.311.290.C, suspension;
- 15 10. 6.311.290.D, suspension of the regional for-hire driver's license wheelchair
16 accessible vehicle endorsement;
- 17 11. 6.311.310.A.1 and 2, summary suspension;
- 18 12. 6.311.330.A, revocation;
- 19 13. 6.311.340.A, denial; and
- 20 14. 6.311.360.A.24, suspension;

21 G. The Director shall suspend a license or medallion, or shall deny a license or medallion
22 application at renewal:

- 23 1. 6.311.260.E;

1 2. 6.311.270.A;

2 3. 6.311.310.B.1; and

3 4. 6.311.360.A.2;

4 H. The Director shall assess a \$70 civil penalty for the first offense and a \$1,000 civil
5 penalty for the second and subsequent offenses of Section 6.311.080;

6 I. The Director shall revoke a license or deny a license application at renewal for an
7 offense of subsection 6.311.170.O;

8 J. For rules promulgated in accordance with subsections 6.311.160.V, 6.311.310.A.16,
9 and 6.311.360.A.25, the Director shall specify any applicable civil penalty or license action in
10 the rule itself; and

11 K. Any violation not enumerated in this Section 6.311.430 that does not pose a threat or
12 hazard to life, safety, or property shall have a civil penalty of up to \$120. Any violation not
13 enumerated in this Section 6.311.430 that poses a threat or hazard to life, safety, or property shall
14 have a civil penalty of up to \$300.

15 **6.311.440 Citations and license actions**

16 A. The Director may issue citations and suspend, summarily suspend, deny, or revoke
17 any license, endorsement, or medallion of any person for violating or failing to comply with any
18 applicable provision of this Chapter 6.311.

19 B. Notwithstanding any other provision of this Chapter 6.311, the Director may
20 summarily suspend a license, endorsement, or medallion issued under this Chapter 6.311, with
21 the suspension to take effect immediately by order of the Director prior to any hearing upon
22 finding that:

1 1. There is reasonable cause to believe that the licensee has engaged in activity
2 that causes or will cause a clear, substantial, and imminent hazard to life, safety, property, or
3 privacy of the driver, passenger, or public, or any combination thereof; or

4 2. There is a lapse in coverage or the coverage of any surety bond or public
5 liability insurance policy required to be filed with the Director is less than the minimum
6 requirements of Section 6.311.270.

7 C. The following applies to license actions:

8 1.

9 a. Whenever any license, endorsement, or medallion is revoked or
10 summarily suspended the revocation or summary suspension is effective upon issuance of the
11 notice. Such notice may be appealed in accordance with the procedures of Section 6.311.450. If a
12 timely appeal is not filed by the licensee, the notice of revocation or summary suspension shall
13 be final.

14 b. A final order of revocation shall extend for 12 months, except for a final
15 medallion revocation. Upon the final order of revocation of a medallion, where all appellate
16 proceedings, if any, have been concluded, a medallion owner shall immediately surrender the
17 taxicab or for-hire vehicle medallion plate or decal to the Director and has 60 days to transfer the
18 medallion as prescribed by Section 6.311.230.

19 c. A final order of summary suspension shall extend until the license,
20 endorsement, or medallion expires or until evidence satisfactory to the Director is produced
21 showing that the violation is cured, whichever occurs first;

22 2. If the licensee does not file a timely appeal in accordance with Section
23 6.311.450, the notice of suspension shall be final. Suspensions are effective upon the date

1 included in the notice of suspension or if timely appealed under Section 6.311.450, when an
2 order on appeal affirming such notice becomes final. Suspensions shall extend until the license
3 or endorsement expires or until evidence satisfactory to the Director is produced showing that the
4 violation is cured, whichever occurs first; and

5 3. Except in the case of revocation or summary suspension, whenever a timely
6 appeal is filed in accordance with Section 6.311.450, a licensee may continue to operate pending
7 a final decision on appeal; however, an applicant not licensed in the preceding license year may
8 not engage in the activity for which the license is required pending a final decision on appeal.

9 **6.311.450 Notice and hearing for citations, denials, suspensions, summary suspensions, and**
10 **revocations**

11 A. A citation or license action shall include the following:

- 12 1. The name and address of the person to whom the citation or license action is
13 issued;
- 14 2. The address of the location, if relevant, where the violation occurred;
- 15 3. A separate statement of each provision violated;
- 16 4. The date of the violation;
- 17 5. The applicable monetary penalty;
- 18 6. A statement that the person cited must respond to the citation or license action
19 within 24 calendar days after service;
- 20 7. A statement that a response must be sent to the Hearing Examiner and received
21 not later than 4:30 p.m. on the day the response is due;
- 22 8. Contact information for where the citation or license action is to be filed;

1 9. A statement that the citation or license action represents a determination that a
2 violation has been committed by the person named in the citation or license action and that the
3 determination shall be final unless appealed in accordance with this Chapter 6.311; and

4 10. A statement certified under penalty of perjury by the Director’s representative
5 issuing the citation or license action setting forth facts supporting issuance of the citation or
6 license action.

7 B. The citation or license action shall be addressed to the person allegedly responsible for
8 the violation, and be served by first-class mail, electronically, or in person. Service by first-class
9 mail shall be deemed complete three days after the mailing. If a citation or license action sent
10 electronically or by first class mail is returned as undeliverable, the citation or license action may
11 be served in person. The Director shall respond to inquiries concerning the facts and process of
12 the decision and requests for any files that detail the facts on which the Director based the ruling.

13 C. A person cited must respond to a citation in one of the following ways:

14 1. Pay the amount of the monetary penalty specified in the citation within 30
15 calendar days of issuance, in which case the record shall show a finding that the person cited
16 committed the violation;

17 2. Timely request in writing a hearing to mitigate, by explaining the
18 circumstances surrounding the commission of the violation, and providing an address to which
19 notice of the hearing may be sent; or

20 3. Timely request in writing a hearing to appeal, by disputing the commission of
21 the violation, and providing an address to which notice of the hearing may be sent.

1 D. The Director's license action is final unless the person cited timely requests in writing
2 a hearing to appeal the license action and provides an address to which notice of such hearing
3 may be sent.

4 E. If requesting a hearing, a response to a citation or license action must be received by
5 the Hearing Examiner no later than 24 calendar days after the date the citation is served. When
6 the last day of the appeal period so computed is a Saturday, Sunday, or holiday, the period shall
7 run until 4:30 p.m. on the next business day. If a person fails to respond to a citation or license
8 action within 24 calendar days of service, the citation and monetary penalty or license action
9 shall become the final order of the Director and is unreviewable by the Hearing Examiner.

10 F. Appeals of license actions shall be heard by the Hearing Examiner of the jurisdiction
11 issuing the license action. The presiding Hearing Examiner shall decide the appeal under the
12 applicable portions of both the Seattle Municipal Code and the King County Code. The City
13 Hearing Examiner is bound by any interpretation of the applicable King County Code by the
14 King County Hearing Examiner in a license action appeal. The City Hearing Examiner shall
15 forward all decisions made under this subsection F to the King County Hearing Examiner within
16 ten business days of issuing the decision. Appeals of citations shall be heard by the Hearing
17 Examiner of the jurisdiction issuing the citation, and the City Hearing Examiner shall decide the
18 appeal under the Seattle Municipal Code. The hearing for either a license action or a citation
19 shall be held within 45 calendar days after written response is received by the Hearing Examiner,
20 except that hearings for summary suspension shall be held within ten business days of the
21 request, unless a later date is agreed to by the person issued the license action. With the
22 exception of summary suspension hearings, notice of the time, place, and date of the hearing

1 shall be sent to the address specified in the request for hearing not less than ten calendar days
2 before the hearing.

3 G. Hearings to appeal the citation or license action shall be conducted in accordance with
4 the procedures and rules of the Hearing Examiner. The issues heard at the hearing shall be
5 limited to those that are raised in writing in the response to the citation or license action and that
6 are within the jurisdiction of the Hearing Examiner. The Hearing Examiner may issue subpoenas
7 for the attendance of witnesses and the production of documents. The Director shall have the
8 burden of proving by a preponderance of the evidence both that the violation occurred and the
9 appropriateness of the remedy the Director has imposed.

10 H. A citation or license action shall not be deemed insufficient for failure to contain a
11 detailed statement of the facts constituting the specific violation that the person is alleged to have
12 committed or by reason of defects or imperfections, but only if the lack of detail, or the defects
13 or imperfections, do not prejudice substantial rights of the person. A citation or license action
14 may be amended before the conclusion of the hearing to conform to the evidence presented if
15 substantial rights of the affected person are not thereby prejudiced.

16 I. The certified statement or declaration authorized by chapter 5.50 RCW shall be prima
17 facie evidence that a violation occurred and that the person listed on the citation or license action
18 is responsible. The certified statement or declaration authorized under penalty of perjury and any
19 other evidence accompanying the report shall be admissible without further evidentiary
20 foundation. In cases where the person seeks to mitigate the citation, the person may explain the
21 circumstances surrounding the commission of the violation. In cases where the person disputes
22 the citation or license action, the person may rebut the Director's evidence and establish that the

1 violation or violations preceding the citation or license action did not occur or that the person
2 appealing the citation or license action is not responsible for the violation.

3 J. In a mitigation hearing, the Hearing Examiner shall determine whether the person's
4 explanation justifies reduction of the monetary penalty. However, the monetary penalty may not
5 be reduced unless the Director affirms or certifies that the violation has been corrected prior to
6 the mitigation hearing. Factors that may be considered in whether to reduce the penalty include:
7 whether the violation was caused by the act, neglect, or abuse of another; or whether correction
8 of the violation was commenced before the issuance of the citation but full compliance was
9 prevented by a condition or circumstance beyond the control of the person cited. The Hearing
10 Examiner shall enter an order finding that the person cited committed the violation and assess a
11 monetary penalty.

12 K. If the citation or license action is sustained at the hearing, the Hearing Examiner shall
13 enter an order finding that the person committed the violation and impose the applicable
14 monetary penalty or enter an order affirming the license action. The Hearing Examiner may
15 reduce the monetary penalty of a citation in accordance with subsection 6.311.450.J. If the
16 Hearing Examiner determines that the violation did not occur, the Hearing Examiner shall enter
17 an order dismissing the citation or denying the license action.

18 L. Failure to appear for a requested hearing will result in the Hearing Examiner entering
19 an order finding that the person committed the violation and assessing the penalty specified in
20 the citation or finding that the person committed the violation and affirming the license action.
21 For good cause shown and upon terms the Hearing Examiner deems just, the Hearing Examiner
22 may set aside an order entered upon a failure to appear and schedule a new hearing date.

1 M. If a license action involving a vehicle is upheld, and the vehicle is to be temporarily or
2 permanently placed out of service, the Director shall initiate the temporary deactivation process
3 authorized under this Chapter 6.311 and the licensee shall immediately surrender all applicable
4 vehicle medallion plates or decals to the Director.

5 N. The decision of the Hearing Examiner shall be final and conclusive unless judicial
6 review is timely filed with the appropriate court.

7 O. The Hearing Examiner may affirm, modify, or reverse the decisions of the Director.

8 P. The Director may contract with a third party to serve as the Hearing Examiner for
9 purposes of this Chapter 6.311, if done in conjunction with King County.

10 **6.311.460 Director's reports**

11 The Director shall issue a joint annual report with King County on the state of for-hire
12 transportation in the region on or before April 30 of each year, and the Director shall make the
13 annual report, for the previous calendar year, publicly available on the Director's website. The
14 report may include but is not limited to the following:

15 A. The number of licensed vehicles providing for-hire transportation services in Seattle
16 and King County during the reporting period and during the preceding year;

17 B. The number of licensed regional for-hire drivers in Seattle and King County during the
18 reporting period and during the preceding year;

19 C. The numbers and nature of complaints;

20 D. The results of any survey of taxicab response times and any changes in response times
21 from the previous year;

22 E. What, if any, organizations have been authorized to operate as an emerging for-hire
23 transportation model; and

1 F. Any other information or recommendations deemed appropriate by the Director.

2 **6.311.470 Rulemaking authority**

3 A. The Director is authorized to implement, enforce, and administer this Chapter 6.311.
4 The Director is authorized to adopt, revise, or rescind rules, and regulations deemed necessary,
5 appropriate, convenient, or efficient to implement, enforce, and administer the provisions of this
6 Chapter 6.311, providing affected entities with due process of law and in conformity with the
7 intent and purpose of this Chapter 6.311. Rules shall be adopted in accordance with Chapter
8 3.02.

9 B. The Director may suspend or suspend and modify requirements of this Chapter 6.311
10 by rule related to licensing and operating standards, fees, and rates. In suspending or suspending
11 and modifying requirements of this Chapter 6.311, the Director shall analyze one or more of the
12 following nonexclusive factors:

13 1. Whether the action would serve the public interest, including the public's need
14 for safe, reliable, and effective for-hire transportation;

15 2. Whether technology has changed such that the requirements are no longer
16 necessary;

17 3. Whether such action would improve the economic viability for drivers and
18 vehicle owners; and

19 4. Whether such action would encourage and enable companies and agencies to
20 innovate and improve customer service and increase access to for-hire transportation options.

21 C. The Director may establish rules either for taxicabs or for-hire vehicles or for both to
22 operate when equipped with an automated driving system and may establish associated penalties.

1 Unless granted such authority by the Director by rule, an autonomous vehicle providing for-hire
2 transportation services is prohibited from autonomous operation.

3 **6.311.480 Additional remedies**

4 Notwithstanding the existence or use of any other remedy, the City Attorney may seek legal or
5 equitable relief to enjoin an act or practice that constitutes or will constitute a violation of this
6 Chapter 6.311 or an applicable rule adopted under this Chapter 6.311.

7 Section 2. Section 11.14.235 of the Seattle Municipal Code, enacted by Ordinance
8 108200, is amended as follows:

9 **11.14.235 For-hire car**

10 "For-hire car" means for-hire vehicles as defined by ~~((the Seattle License Code))~~ Chapter 6.311.

11 Section 3. Section 15.17.005 of the Seattle Municipal Code, last amended by Ordinance
12 126732, is amended as follows:

13 **15.17.005 Authorized vending in the public place**

14 No person shall vend in a public place unless authorized as described below:

15 A. The vending activity occurs in an area that is permitted for that type of an activity, for
16 example: as part of a Street Use temporary activation permit which authorizes vending; Chapter
17 11.25, parade permits; Chapter 15.08, areaways; Chapter 15.16, cafe Street Use permits; street
18 areas within the Pike Place Market Historical District Chapter 25.24) that are being administered
19 by the Pike Place Market Preservation and Development Authority; Chapter 15.35, filming
20 permits; Chapter 15.52, Special Event permits; ~~((or))~~ Chapter 6.310~~((Taxicabs and For Hire
21 Vehicles)); or Chapter 6.311.~~

22 * * *

1 Section 4. After any transition to a new type of entity or driver has been completed, the
2 Director may notify the Code Reviser regarding that transition and which portions of Seattle
3 Municipal Code Chapter 6.311 will no longer have any application to future situations. After
4 receiving and verifying that information, the Code Reviser shall decodify those obsolete portions
5 pursuant to Seattle Municipal Code subsection 1.03.030.J. Reuse of those obsolete portions'
6 Seattle Municipal Code section or subsection numbers has no legal relevance in interpreting
7 those obsolete portions.

1 Section 5. This ordinance shall take effect and be in force 30 days after its approval by
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

4 Passed by the City Council the _____ day of _____, 2023,
5 and signed by me in open session in authentication of its passage this _____ day of
6 _____, 2023.

7 _____
8 President _____ of the City Council

9 Approved / returned unsigned / vetoed this _____ day of _____, 2023.

10 _____
11 Bruce A. Harrell, Mayor

12 Filed by me this _____ day of _____, 2023.

13 _____
14 Scheereen Dedman, City Clerk

15 (Seal)

Amendment 1 Version 1 to CB 120653 – Taxicab and For-Hire Vehicle Regulations

Sponsor: Councilmember Pedersen

Establish conditions for Director rules permitting autonomous operation of autonomous vehicles providing for-hire transportation services.

Effect: This amendment would require the Director of the Department of Finance and Administrative Services (Director) to meet certain conditions before granting authority for the autonomous operation of autonomous vehicles providing for-hire transportation services:

1. The Director would be required to obtain written concurrence from other Department Directors before granting such authority by rule; and
2. The Director would be required to establish safety and regulatory requirements for autonomous operation of an autonomous vehicle providing for-hire transportation services.

Amend Section 1 of CB 120653 as follows:

6.311.470 Rulemaking authority

* * *

C. The Director may establish rules either for taxicabs or for-hire vehicles or for both to operate when equipped with an automated driving system and may establish associated penalties. Unless granted such authority by the Director by rule, an autonomous vehicle providing for-hire transportation services is prohibited from autonomous operation. A Director's rule granting such authority is subject to the following conditions:

1. The Director must obtain written concurrence in advance from the Directors of the Community Safety and Communications Center (CSCC), Seattle Department of Transportation (SDOT), Seattle Fire Department (SFD), and Seattle Police Department (SPD) to authorize autonomous operation of an autonomous vehicle providing for-hire transportation services; and

2. The Director must establish safety and regulatory requirements for autonomous operation of an autonomous vehicle providing for-hire transportation services, including but not limited to requiring the following items before deployment: advanced notification of deployment; notice of contact information and public outreach events; first responder interaction information with CSCC, SFD, and SPD; proof of insurance acceptable to the City; indemnification acceptable to the City; notification of collisions, moving violations, or other reportable events as required by state law; and demonstrated compliance with Washington State Department of Licensing requirements, including but not limited to self-certification; and any other requirements from state law.

September 11, 2023

MEMORANDUM

To: Finance and Housing Committee
From: Karina Bull, Analyst
Subject: For-Hire Transportation Regulations

On September 14, the Finance and Housing Committee (Committee) will discuss 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 Seattle Municipal Code (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 to jointly administer and enforce for-hire transportation regulations.

This memo provides background on the City's regulation of the for-hire transportation industry, summarizes key policy changes in proposed legislation, describes pre-introduction changes in CB 120653, identifies an issue related to coordinating with the County Council's process, and provides next steps.

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.

In 2022, the Washington State Legislature passed [Engrossed Substitute House Bill \(ESHB\) 2076](#), establishing statewide regulatory requirements for TNCs and drivers, and preempting the field of TNC regulations as of January 1, 2023. Under a narrow exception, ESHB 2076 allows the City and County to continue regulating the licensing and processing of applications, examinations, and background checks of TNCs and drivers per existing requirements. However, any amendments to these requirements must conform to state law, codified as Revised Code of Washington (RCW) 46.72.

In response to these statewide changes and growing interest in modernizing for-hire transportation services at the local level, the City partnered with the County to develop companion bills to comprehensively update for-hire transportation regulations. To continue joint implementation of these regulations, the companion bills propose substantially similar provisions (and must be adopted as such). The updates seek to 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.

CB 120652 – TNC Regulations Ordinance, SMC 6.310

CB 120652 would amend SMC 6.310 to (1) conform with state regulations established by RCW 46.72 that apply to TNCs and their affiliated vehicles and drivers, (2) make technical changes, and (3) remove provisions specific to taxicabs and for-hire vehicles.

The legislation would amend SMC 6.310 to align with state regulations for TNCs as follows:

1. Raise the maximum model age for a TNC vehicle from 10 years to 15 years;
2. Lower the minimum TNC driver and vehicle endorsement holder age from 21 years to 20 years;
3. Cap the maximum number of hours that a driver can provide network services to 14 consecutive hours in any 24-hour period;
4. Update the citation for TNC insurance requirements from RCW 48.177 to RCW 46.72B.180;
5. Modify language that prohibits additional charges for transporting persons with disabilities by replacing a reference to the federal Americans with Disabilities Act with a reference to RCW 46.72.B.112; and
6. Remove references to Washington state when referring to driver's licenses or vehicle registrations.

The County has developed companion legislation that would amend KCC 6.64 to conform with the state regulations and remove provisions specific to taxicabs and for-hire vehicles.

CB 120653 – Taxi and For-Hire Vehicle Regulations Ordinance, SMC 6.311

CB 120653 would establish SMC 6.311 as a new chapter regulating taxicab and for-hire segments of the for-hire transportation industry. The legislation would separate the City's regulation of taxicabs and for-hire vehicles from TNCs and propose new regulations to promote equity and innovation; integrate for-hire transportation options and services; and ensure consumer protection and public safety.

The legislation would propose new regulations for taxicab and for-hire vehicles as follows:

1. Allow vehicles with a taxicab or for-hire vehicle medallion to operate throughout the City and King County without the geographic restrictions of the current medallion system;
2. Require taxicab associations and for-hire vehicle companies to transition to “regional dispatch agencies,” subject to standardized licensing and operating requirements;¹
3. Require for-hire vehicles to transition to taxicabs and affiliate with a regional dispatch agency;²
4. Require taxicabs across all regional dispatch agencies to adopt “smart taximeter” technology to use geographic positioning system technology to meter trips, program different rates, and record more extensive trip data than analog taximeters;
5. Establish a regional taximeter rate but allow regional dispatch agencies to vary from the rate based on certain factors, such as customer demand or time of day;
6. Create an option for an enhanced regional for-hire driver’s license that would add fingerprint-based background checks required by certain organizations that partner with regional dispatch agencies to provide transportation for vulnerable populations;
7. Simplify the penalty structure by removing types of violations and streamlining the process for adjudicating enforcement actions;
8. Authorize the FAS Director to regulate emerging for-hire transportation models by attaching new conditions to licensing requirements;
9. Adjust insurance requirements for financial rating and cancellation notification to attract additional insurers to the Seattle market; and
10. Allow medallion owners to temporarily deactivate a medallion for up to 12 months to provide owners with more flexibility in managing their small business.

The County has developed companion legislation that would establish KCC 6.65 as a new chapter regulating taxicab and for-hire segments of the for-hire transportation industry and propose substantially similar regulations.

CB 120656 – For-Hire Interlocal Agreement

CB 120656 would authorize the execution of an interlocal agreement between the City and County to jointly administer and enforce regulations of for-hire transportation services. The agreement would restate the broad division of responsibilities between jurisdictions, reflect updates in state and local regulations, and establish a streamlined enforcement and appeals process utilizing City and County hearing examiners rather than the County Board of Appeals.

¹ Currently, the City licenses nine taxicab associations and four for-hire vehicle companies but does not standardize responsibilities and privileges between these entities. Requiring these entities to become “regional dispatch agencies” (i.e., adopt a change in name and status) aims to eliminate customer confusion between types of vehicles and services, and standardize licensing and operating requirements.

² For-hire vehicle rate structures could remain in effect until March 31, 2026, and then would transition to regional taximeter rates. Drivers could charge flat rates at the discretion of their affiliated regional dispatch agency.

The City would remain the County’s non-exclusive agent for administering vehicle medallions, vehicle endorsements, and regional dispatch agency licenses. The County would remain the City’s non-exclusive agent for administering for-hire driver’s licenses and permits, and TNC licenses.

The County has developed companion legislation that would authorize the execution of the interlocal agreement.

Racial Equity Impacts

Most taxicab and for-hire vehicle medallion owners and drivers are immigrants and/or refugees, speak a language other than English as their primary language, and are persons of color.³ The proposed regulations in CB 120653 reflect recognition that taxicab and for-hire drivers have faced more extensive regulations than TNC drivers and aim to create more equitable opportunities for drivers to successfully compete within the for-hire transportation industry.

The impact of the proposed regulations on the cost of for-hire transportation, which could affect customer use and driver income, is unclear. While the legislation requires regional dispatch agencies to adopt smart taximeter technology by March 31, 2026, the option to use this technology for dynamic pricing is discretionary. For example, a regional dispatch agency could charge dynamic rates similar to TNCs or flat rates.

Financial Impacts

The Executive estimates that implementing CB 120652 (TNC Regulations Ordinance, SMC 6.310) and CB 120656 (For-Hire Interlocal Agreement) and conducting outreach on new regulations would not incur additional costs. The Executive states that outreach could include partnering with other departments, such as working with the Department of Neighborhoods Community Liaison program.

The Executive estimates that developing software to implement CB 120653 (Taxi and For-Hire Vehicle Regulations Ordinance, SMC 6.311) would incur additional costs. Seattle Information Technology forecasts that updating Accela, the software FAS uses to keep records on vehicle medallions, for-hire driver’s licenses, and other parts of the regulatory program, would cost about \$600,000 and require up to nine months for implementation. The Executive states that additional appropriations for this expense, supported by projected regulatory fee revenues, will be reflected in the 2024 Proposed Budget.

³ A 2020 City-commissioned report describing results from the three-year 2016-8 American Community Survey’s counting of “taxi drivers” in King County found that drivers were more likely to identify as foreign-born and persons of color: 72 percent of drivers identified as foreign born and 73 percent identified as Black, Hispanic, Asian, or other (27 percent identified as White non-Hispanic). While many of these drivers were likely affiliated with TNCs, the results provide insight into the demographics of taxi and for-hire vehicle drivers. Parrott, James and Reich, Michael. [A Minimum Compensation Standard for TNC Drivers: Report for the City of Seattle](#). Center for New York City Affairs, Center for Wage and Employment Dynamics. July 2020.

Pre-Introduction Changes

CB 120653 reflects technical and substantive pre-introduction changes sponsored by Councilmember Mosqueda. For more information, see the following attachments:

- A. CB 120653 – Chart with pre-introduction changes, and
- B. CB 120653 – Legislation with pre-introduction changes.

Coordinating with County Council's Process

The City and County have developed substantially similar legislative packages to update and modernize for-hire transportation regulations. Since the City and County plan to jointly administer these regulations, the legislative packages approved by both jurisdictions should remain nearly identical. Therefore, if one jurisdiction amends the proposed regulations, the other jurisdiction should consider approving the same or similar amendments.

Currently, the County's legislative package is awaiting sponsorship and may not be reviewed until October or November. County staff are identifying technical edits that could be proposed or considered during the County Council's deliberations. To synchronize the legislative packages, it is likely that Council will need to consider amendments to the City's proposed legislative package after the County Council has completed its review this fall.

If the Council approves the City's legislative package before the County completes their deliberations, the Council would need to introduce *new* legislation to incorporate any County amendments rather than amending the current package.

As an alternative, the Council could consider delaying a final vote on the City's legislative package until after County deliberations. If the County completes their review of legislation in November, delaying the Council vote until December 5 would likely provide sufficient time for Central Staff to prepare any amendments to synchronize the regulations. Notably, if the County makes extensive changes, the Council may want to consider amendments in committee before a Council vote.

Next Steps

The Committee will continue discussion of the proposed legislation, consider any amendments, and possibly vote on the legislative package at the next meeting on September 20. If Councilmembers would like to propose any amendments, please contact me by 12 pm on September 15.

Attachments:

- A. CB 120653 – Chart with pre-introduction changes
- B. CB 120653 – Legislation with pre-introduction changes

cc: Esther Handy, Director
Aly Pennucci, Deputy Director
Yolanda Ho, Supervising Analyst

Attachment A: CB 120653 – Chart with pre-introduction changes
SMC 6.311 Taxi and For-Hire Vehicle Regulations Ordinance

| # | Topic | Pre-introduction change |
|---|--|--|
| 1 | Factors for Director to consider when adjusting maximum # of medallions. (p. 31) | Require the Director to consider the impact of adding new medallions on a driver’s ability to earn a living wage when adjusting the maximum number of medallions. This requirement would task the Director with developing a framework for determining living wage criteria and considering whether adding more medallions could impact driver income (e.g., more drivers on the road could result in fewer trips per driver). |
| 2 | Requirement for regional dispatch companies to remit fares. (p. 55) | Clarify that dispatch agencies must remit the “full fare paid by the passenger,” minus permissible deductions. This is a technical change to align language with SMC 6.311.370.C. |
| 3 | Fees charged by regional dispatch companies. (p. 59) | Cap fees charged to drivers for dispatch services at ten percent. Stakeholders report that at least one taxicab association is currently charging drivers between five and ten percent for dispatch services. This cap would prevent such charges from exceeding ten percent, protecting driver payments from unrestricted deductions. |
| 4 | Requirement for regional dispatch agencies to develop written policies. (p. 59) | <p>a. Establish the next annual license renewal date as the due date to submit the required policies for owners and drivers to the Director.</p> <p>b. Expand this policy requirement to include the driver’s ability to work on any contracted accounts and add specific provisions (e.g., transparency, just cause standard) to the existing requirement to define a deactivations process.</p> <p>Requiring these types of policies could increase transparency for owners and drivers and promote fair, consistent operations and procedures.</p> <p>The additional requirements for the deactivations policy aim to ensure a stronger framework for driver deactivations that moves in the direction of TNC driver protections but ultimately is less prescriptive. Dispatch companies could look to models for guidance (e.g., private arbitration, TNC deactivations protections, app-based worker deactivation protections) but would not be required to adopt a particular model.</p> <p>Notably, FAS is not currently structured to enforce deactivations policies in the same manner as the state’s Driver Resource Center or the City’s Office of Labor Standards would enforce TNC or app-based worker deactivation protections. Further, the penalty for failing to develop this policy would be a \$1,000 fine payable to the City; the legislation would not establish a penalty payable to drivers.</p> |

| # | Topic | Pre-introduction change |
|---|--|---|
| 5 | Factors for Director to consider for new regional taximeter rates. (p. 61) | Authorize the Director to consider the impact of new taximeter rates on a driver’s ability to earn a living wage when adjusting taximeter rates. This change would add a <i>discretionary</i> factor for the Director to consider when adjusting taximeter rates. The factor would include consideration of the driver’s ability to earn a living wage after covering all operating costs. |
| 6 | Reasons for Director to attach conditions to licensing emerging for-hire transportation models. (p. 66) | Add consideration of “labor harmony” to the list of factors that could trigger the Director’s issuance of new conditions for licensing emerging for-hire transportation models. This change would not include a definition for “labor harmony.” The Director could potentially define this term in rules. |
| 7 | Effective dates for milestone requirements | Change the effective dates for milestone requirements from March 31, 2025, to March 31, 2026. Extending these dates by 12 months would allow regional dispatch companies and drivers more time to change systems and procedures. Changing the dates would not preclude licensees from meeting new requirements earlier. Requirements impacted by this extension would include: <ol style="list-style-type: none"> 1. Date that taxicab associations and for-hire vehicle companies must become regional dispatch agencies, 2. Date that transitional regional dispatch agencies must submit a transitional plan to the Director for adopting smart taximeter technology, 3. Date that a valid regional dispatch agency license is required to operate (unless the Director approves an extension for adopting a smart taximeter system), 4. Date that all for-hire vehicles will transition to taxicabs and will be subject to the regional taximeter rates and application dispatch system rate requirements under SMC 6.311, and 5. Date that for-hire vehicle medallions will become taxicab medallions. |
| 8 | Effective date for licensing, temporary deactivation, and medallion provisions | Change the effective date for licensing, temporary deactivation, and medallion provisions from the effective date of the ordinance to September 1, 2024. Extending these dates would allow FAS time to develop software to process licenses and medallion transfers. Provisions impacted by this extension include those related to: <ol style="list-style-type: none"> 1. Grant of license, 2. Enhanced regional for-hire driver’s license, 3. Temporary deactivations 4. Ability to separate medallions and use with different vehicles or transfer, and 5. Taxicab and for-hire vehicle medallion transfers. |

***Council Bill 120653 as Introduced with
pre-introduction changes***

Matthew Eng and Karina Bull
FAS 6.311 Taxicab and For-Hire Vehicle ORD
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CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

..title

AN ORDINANCE relating to taxicabs and for-hire vehicles; separating and amending taxicab and for-hire vehicle industry regulations; adding a new Chapter 6.311 to the Seattle Municipal Code; and amending Sections 11.14.235 and 15.17.005 of the Seattle Municipal Code.

..body

WHEREAS, Seattle desires to comprehensively regulate for-hire transportation, including taxicabs and for-hire vehicles; and

WHEREAS, the City has implemented new policies over the last few years to help the operators of taxicabs and for-hire vehicles navigate the loss of business during the COVID pandemic and subsequent economic recession; and

WHEREAS, industry participants have requested legislation to modernize licensing and operating requirements and align them with the City's values of equity, fairness, shared prosperity, and transparency; and

WHEREAS, the City desires to allow for regional operation of all licensed taxicabs and for-hire vehicles, implement new taximeter technology, offer the option to apply for an enhanced for-hire driver's license, and convert all for-hire vehicles into taxicabs; and

WHEREAS, the City partners with King County to regulate the larger for-hire transportation industry and desires to maintain that partnership under common regulations in the future; and

WHEREAS, due to changes in state law governing the regulation of transportation network companies, establishing a new Seattle Municipal Code chapter to regulate taxicabs and for-hire vehicle and modifying an existing Seattle Municipal Code chapter to regulate

1 transportation network companies best articulates the City's objectives for these
2 industries; NOW, THEREFORE,

3 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

4 Section 1. A new Chapter 6.311 is added to the Seattle Municipal Code as follows:

5 **CHAPTER 6.311 FOR-HIRE TRANSPORTATION – TAXICAB AND FOR-HIRE**
6 **VEHICLES AND DRIVERS**

7 **6.311.010 Purpose**

8 A. This Chapter 6.311 is an exercise of The City of Seattle's power to regulate the for-
9 hire transportation industry. That exercise includes the power to license and regulate taxicabs,
10 for-hire vehicles, taxicab and for-hire vehicle drivers, transitional regional dispatch agencies, and
11 regional dispatch agencies. Some of its regulatory purposes are to increase the safety, reliability,
12 cost-effectiveness, and economic viability and stability of privately operated for-hire vehicle and
13 taxicab services within Seattle.

14 B. The obligation of complying with this Chapter 6.311 belongs to the licensee or
15 applicant for a license within its scope. Neither a provision of, nor a term used in, this Chapter
16 6.311 is intended to impose any duty whatsoever upon the City or any of its officers or
17 employees, for whom the implementation or enforcement of this Chapter 6.311 shall be
18 discretionary and not mandatory.

19 C. This Chapter 6.311 is not intended to be and shall not be construed to create or form
20 the basis for any liability on the part of the City or its officers, employees, or agents, for any
21 injury or damage resulting from the failure of a licensee or applicant for license to comply with
22 this Chapter 6.311, or by reason or in consequence of any act or omission in connection with the
23 implementation or enforcement of this Chapter 6.311 on the part of the City by its officers,
24 employees, or agents.

1 D. This Chapter 6.311 is intended to reduce regulatory complexity, promote equity and
2 innovation, improve transportation and integration of the for-hire transportation industry, and
3 ensure consumer protection and public safety. To fulfill these purposes, The City of Seattle:

4 1. Establishes reciprocal licensing privileges for King County medallion owners
5 to operate within Seattle. This reciprocity authorizes medallion owners to operate in both Seattle
6 and King County;

7 2. Establishes regional operating privileges for taxicab and for-hire vehicle drivers
8 licensed by King County to operate within Seattle. This license allows the driver to operate in
9 both Seattle and King County;

10 3. Consolidates the regulatory classifications of taxicabs and for-hire vehicles into
11 a single taxicab standard. When a for-hire vehicle transitions to a taxicab, any reciprocal
12 operating privilege will follow the vehicle;

13 4. Consolidates the regulatory classifications of taxicab associations and for-hire
14 vehicle companies into a single, regional dispatch agency license that is subject to a common set
15 of operating rules and standards;

16 5. Establishes regional licensing privileges for taxicab associations and for-hire
17 vehicle companies licensed by King County to operate in Seattle. When a taxicab association or
18 for-hire vehicle company transitions to a regional dispatch agency, the regional license will
19 follow; and

20 6. Establishes a requirement for each regional dispatch agency to adopt a smart
21 taximeter system.

22 **6.311.020 Scope**

1 A. This Chapter 6.311 applies to taxicab associations, for-hire vehicle companies,
2 taxicabs, for-hire vehicles, and drivers of those vehicles. Chapter 6.310 applies to transportation
3 network companies, transportation network company drivers, and transportation network
4 company vehicles. References to transportation network companies, transportation network
5 company drivers, or transportation network company endorsed vehicles remain in Chapter 6.310
6 because RCW 46.72B.190 constrains The City of Seattle from amending ordinances or
7 regulations related to transportation network companies, transportation network company
8 drivers, or transportation network company endorsed vehicles after January 1, 2022. In the event
9 of a conflict between this Chapter 6.311 and Chapter 6.310, this Chapter 6.311 controls.

10 B. This Chapter 6.311 is not intended to regulate limousines and is consistent and
11 compliant with chapter 46.72A RCW.

12 C. This Chapter 6.311 is not a part of the New License Code (Subtitle IV of Title 6).

13 **6.311.030 Council approval of agreements**

14 The Director may enter into agreements with any other city, town, county, or port district for the
15 joint regulation of for-hire and taxicab drivers in a manner consistent with the provisions of this
16 Chapter 6.311; however, no such agreement shall be made without prior approval of the City
17 Council by ordinance. Agreements may provide for, but are not limited to, the granting,
18 revocation, and suspension of taxicab and for-hire driver licenses, or the sharing of enforcement
19 responsibilities.

20 **6.311.040 Definitions**

21 For the purposes of this Chapter 6.311 and unless the context plainly requires otherwise, the
22 following definitions apply:

1 "Abnormal disruption of the market" means any change in the market, whether actual or
2 imminently threatened, resulting from stress of weather, convulsion of nature, failure or shortage
3 of electric power or other source of energy, strike, civil disorder, war, military action, national or
4 local emergency, or any other cause.

5 "Application dispatch system" means technology that allows consumers, via the internet
6 using mobile interfaces such as, but not limited to, smartphone and tablet applications, either or
7 both, to:

- 8 1. Directly request dispatch of regional for-hire drivers for trips; and
- 9 2. Accept payments for those trips.

10 "Approved mechanic" means a mechanic or technician on a list maintained by the
11 Director. The list shall contain the name of each mechanic or technician that has been approved
12 by Director because they:

- 13 1. Have met all requirements of the National Institute for Automotive Service
14 Excellence;
- 15 2. Have been awarded a Certificate in Evidence of Competence satisfactory to the
16 Director; and
- 17 3. Do not own, lease, or drive a taxicab, for-hire vehicle, or transportation
18 network company endorsed vehicle.

19 "Automated driving system" means hardware and software that are collectively capable
20 of performing the entire dynamic driving task on a sustained basis, regardless of whether it is
21 limited to a specific operational design domain and regardless of the presence of a driver.

1 "Autonomous operation" means the performance of the entire dynamic driving task by an
2 automated driving system, beginning upon performance of the entire dynamic driving task by an
3 autonomous driving system and continuing until the autonomous driving system is disengaged.

4 "Autonomous vehicle" means a vehicle with a level 3, level 4, or level 5 automated
5 driving system as provided in the Society of Automotive Engineering International's J3016
6 standard.

7 "Certificate of safety" means a document from an approved mechanic certifying that a
8 particular vehicle meets all vehicle safety standards set forth in this Chapter 6.311, including the
9 vehicle safety inspection, and rules adopted by the Director in accordance with this Chapter
10 6.311.

11 "Citation" means an enforcement action taken by the Director that imposes monetary
12 penalties when a person violates a requirement of this Chapter 6.311.

13 "Commencement date" means a calendar date set by the Director for the purpose of
14 initiating certain processes pursuant to Section 6.311.415 and establishing timelines and
15 deadlines associated with them.

16 "Contract rate" means the rate specified in a written agreement signed by both parties
17 before the dispatch of a taxicab or for-hire vehicle for the services identified in the contract.

18 "Department" means the Department of Finance and Administrative Services of The City
19 of Seattle, or any department that succeeds the Department's duties under this Chapter 6.311.

20 "Director" means the Director of Finance and Administrative Services, or the Director's
21 authorized designee, or the director or authorized designee of any successor department.

22 "Disability" means the presence of a sensory, mental, or physical impairment that is
23 medically cognizable or diagnosable; exists as a record or history; or is perceived to exist

1 whether or not it exists in fact. A disability exists whether it is temporary or permanent, common
2 or uncommon, mitigated or unmitigated, whether or not it limits the ability to work generally or
3 work at a particular job, or whether or not it limits any other activity within the scope of this
4 Chapter 6.311. For purposes of this definition, "impairment" includes, but is not limited to:

5 1. Any physiological disorder, or condition, cosmetic disfigurement, or
6 anatomical loss affecting one or more of the following body systems: neurological,
7 musculoskeletal, special sense organs, respiratory, including speech organs, cardiovascular,
8 reproductive, digestive, genitor-urinary, hemic and lymphatic, skin, and endocrine; or

9 2. Any mental, developmental, traumatic, or psychological disorder, including,
10 but not limited to, cognitive limitation, organic brain syndrome, emotional or mental illness, and
11 specific learning disabilities.

12 "Dispatch system" means a system that allocates requests for trips to available drivers
13 and that facilitates communication between a dispatcher and driver. A dispatch system may be
14 integrated into a smart taximeter system.

15 "Driver coordinator" means an entity that hires, contracts with, or partners with for-hire
16 drivers for the purpose of assisting them with, or facilitating them in, providing for-hire services
17 to the public. For the purposes of this definition, "driver coordinator" includes but is not limited
18 to taxicab associations, for-hire vehicle companies, and transportation network companies.

19 "Egregious" means any moving violation that posed an immediate threat to the safety of
20 the driver, any passengers in the vehicle, or to others.

21 "Exclusive driver representative" (EDR) means a qualified driver representative, certified
22 by the Director to be the sole and exclusive representative of all for-hire drivers operating within
23 the City for a particular driver coordinator, and authorized to negotiate, obtain, and enter into a

1 contract that sets forth terms and conditions of work applicable to all of the for-hire drivers
2 employed by that driver coordinator.

3 "Fare" means anything of economic value that is provided, promised, or donated
4 primarily in exchange for services rendered.

5 "For-hire transportation services" means services provided by licensees under this
6 Chapter 6.311.

7 "For-hire vehicle" means any motor vehicle used for the transportation of passengers for
8 hire, and not operated exclusively over a fixed and definite route, except:

- 9 1. Taxicabs;
- 10 2. School buses operating exclusively under a contract to a school district;
- 11 3. Ride-sharing vehicles under chapter 46.74 RCW;
- 12 4. Limousine carriers licensed under chapter 46.72A RCW;
- 13 5. Vehicles used by nonprofit transportation providers solely for elderly or
14 handicapped persons and their attendants under chapter 81.66 RCW;
- 15 6. Vehicles used by auto transportation companies licensed under chapter 81.68
16 RCW;
- 17 7. Vehicles used to provide courtesy transportation at no charge to and from
18 parking lots, hotels, and rental offices;
- 19 8. Vehicles licensed under, and used to provide "charter party carrier" and
20 "excursion service carrier" services as defined in, and required by, chapter 81.70 RCW; and
- 21 9. Transportation network company endorsed vehicles as defined in Chapter 6.310
22 and transportation network company vehicles as defined in chapter 46.72B RCW.

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

3 "Lessee" means a person who has a regional for-hire driver's license that leases a taxicab
4 or for-hire vehicle required to be licensed under this Chapter 6.311.

5 "Lessor" means a person who has leased a taxicab or for-hire vehicle to a lessee.

6 "License action" means an enforcement action taken by the Director against a licensee
7 that is a suspension, summary suspension, denial, or revocation of the license.

8 "Licensee" means any person required to be licensed under this Chapter 6.311.

9 "Medallion" means a license issued by the Director as a plate, decal, or other physical
10 representation, that is evidence that a taxicab or for-hire vehicle medallion is intangible property.

11 "Medallion owner" means a person who owns a taxicab medallion, a wheelchair
12 accessible taxicab medallion, or a for-hire vehicle medallion issued by the Director.

13 "Medallion reciprocity endorsement" means a designation on a medallion issued by King
14 County, or alternatively in the Director's record of the medallion owner, which permits a vehicle
15 to operate in Seattle.

16 "Medallion system" means the system that deems a taxicab or for-hire vehicle medallion
17 to be intangible property that may be used as collateral to secure a loan from a bank or any other
18 financial institution.

19 "Motor vehicle" means every motorized vehicle by or upon which any person may be
20 transported or carried upon a public street, highway, or alley. Vehicles used exclusively upon
21 stationary rail tracks or propelled by use of overhead electric wires are not considered motor
22 vehicles for purposes of this Chapter 6.311.

1 "Operate" or "operating" means owning, leasing, advertising, driving, parking in a
2 taxicab zone, having a top light on, occupying, or otherwise being in control of a taxicab or for-
3 hire vehicle that is available to transport, en route to pick up a passenger, or transporting any
4 passenger for a fare from a point in Seattle. A taxicab association, for-hire vehicle company,
5 transitional regional dispatch agency, or regional dispatch agency is operating if it represents or
6 dispatches any taxicab or for-hire vehicle that at any time transports any passenger for a fare
7 from a point within Seattle.

8 "Person" means any individual, partnership, association, corporation, firm, institution, or
9 other entity, whether or not operated for profit. "Person" does not include:

- 10 1. A government entity of or within the United States;
- 11 2. An entity operating exclusively under contract with a government entity; or
- 12 3. That portion of an entity that is operating exclusively under contract with a
13 government entity.

14 "Qualifying driver" means a for-hire driver, who drives for a driver coordinator and who
15 satisfies the conditions established by the Director pursuant to Section 6.311.415. In establishing
16 such conditions, the Director shall consider factors such as the length, frequency, total number of
17 trips, and average number of trips per driver completed by all of the drivers who have performed
18 trips in each of the four calendar months immediately preceding the commencement date, for a
19 particular driver coordinator, any other factors that indicate that a driver's work for a driver
20 coordinator is significant enough to affect the safety and reliability of for-hire transportation, and
21 standards established by other jurisdictions for granting persons the right to vote to be
22 represented in negotiations pertaining to the terms and conditions of employment. A for-hire
23 driver may be a qualifying driver for more than one driver coordinator.

1 "Qualified driver representative" (QDR) means an entity that assists for-hire drivers
2 operating within the City for a particular driver coordinator in reaching consensus on desired
3 terms of work and negotiates those terms on their behalf with driver coordinators.

4 "Regional dispatch agency" means a person licensed under this Chapter 6.311 who
5 represents or owns taxicabs or for-hire vehicles licensed by the City that use the same trade name
6 and dispatch services.

7 "Regional dispatch agency representative" means a person who a regional dispatch
8 agency has authorized to:

- 9 1. File applications and other documents on behalf of the agency; and
- 10 2. Receive and accept all correspondence and notices from the Director pertaining
11 to the agency or its taxicabs, taxicab owners, for-hire vehicles, for-hire vehicle owners, or
12 regional for-hire drivers affiliated with the regional dispatch agency.

13 "Regional for-hire driver" means any person in physical control of a taxicab or for-hire
14 vehicle who is required to be licensed under this Chapter 6.311 and includes a lease driver,
15 owner/operator, or employee, who drives taxicabs or for-hire vehicles.

16 "Regional for-hire driver's license" means a license issued to an applicant for a regional
17 for-hire driver's license who meets all criteria under this Chapter 6.311 for a regional for-hire
18 driver's license.

19 "Regional for-hire driver's license wheelchair accessible vehicle endorsement" means an
20 endorsement applied to a regional for-hire driver's license that demonstrates that the driver has
21 successfully completed required training regarding the special needs of passengers in
22 wheelchairs, including, but not limited to, loading and tie-down procedures and door-to-door
23 service.

1 "Smart taximeter" means a system of hardware and software that integrates a taximeter
2 and other components together to perform functions required by this Chapter 6.311.

3 "Smart taximeter system" means the system a regional dispatch agency uses to dispatch
4 trips to, communicate with, and track the location of affiliated vehicles and drivers through the
5 smart taximeter. A smart taximeter system may include an application dispatch system.

6 "Taxicab" means every motor vehicle required to have a taxicab medallion to be used for
7 the transportation of passengers for a fare, where the route traveled or destination is controlled by
8 the passenger, and the fare is based on an amount recorded and indicated on a taximeter, smart
9 taximeter, or on an application dispatch system.

10 "Taxicab association" means a person that represents or owns taxicabs licensed by The
11 City of Seattle that use the same uniform color scheme, trade name, and dispatch services.

12 "Taximeter" means any instrument or device by which the fare for a trip provided in a
13 taxicab is measured or calculated either for the distance traveled by the taxicab or for waiting
14 time, or for both, and upon which such calculated charges shall be indicated by means of figures.

15 "Transitional regional dispatch agency" means taxicab associations and for-hire vehicle
16 companies, or other persons that meet the requirements of a transitional regional dispatch agency
17 in this Chapter 6.311, that do not have a regional dispatch agency license.

18 "Transparent" means the trip fare, the fare range, and other pricing variables are made
19 readily available to a passenger before the passenger commits to taking the trip.

20 "Transportation network company" means the same as it is defined in Chapter 6.310.

21 "Transportation network company endorsed vehicle" means the same as it is defined in
22 Chapter 6.310.

1 "Transportation network company vehicle endorsement" means the same as it is defined
2 in Chapter 6.310.

3 "Uniform color scheme" means the color or colors used by vehicles affiliated with a
4 transitional regional dispatch agency or regional dispatch agency, and approved by the Director
5 for exclusive use.

6 "Voluntarily converted wheelchair accessible vehicle" means a director-inspected and
7 approved taxicab or for-hire vehicle that is accessible to passengers in wheelchairs or other
8 mobility devices but that is not required to be so as a condition of the vehicle's medallion.

9 "Wheelchair accessible taxicab" means a taxicab that is required to be accessible to
10 passengers in wheelchairs or other mobility devices as a condition of its wheelchair accessible
11 taxicab medallion.

12 "Wheelchair accessible taxicab medallion" means a type of medallion issued by the
13 Director that requires the vehicle operated under the medallion to be accessible to passengers in
14 wheelchairs and other mobility devices.

15 "Wheelchair accessible vehicle" means a taxicab or for-hire vehicle that has been
16 designed or modified to transport passengers in wheelchairs or other mobility devices, conforms
17 to the accessibility requirements of the regulations of the Americans with Disabilities Act of
18 1990, as amended, and has been inspected and approved by the Director. "Wheelchair accessible
19 vehicle" includes both voluntarily converted wheelchair accessible vehicles and wheelchair
20 accessible taxicabs.

21 **6.311.050 Fees**

22 A. The following nonrefundable fees shall apply:

| | |
|--|-------|
| 1. Taxicab or for-hire vehicle medallion and related fees | |
| a. Annual medallion fee | \$300 |

| | |
|--|--|
| b. Annual medallion reciprocity endorsement fee | \$300 |
| c. Annual wheelchair accessible vehicle medallion fee | Waived when determined eligible by the Director |
| d. Annual wheelchair accessible vehicle medallion reciprocity endorsement fee | Waived when determined eligible by the Director |
| e. Late medallion renewal and medallion reciprocity endorsement renewal fee | \$30 |
| f. Change of vehicle associated with a medallion fee | \$25 |
| g. Change or transfer of medallion owner corporation, limited liability company, or partnership members fee | \$25 |
| h. Replacement medallion plate or decal fee | \$25 |
| i. Wheelchair accessible vehicle and installed equipment inspection fee | \$0 |
| j. Special inspection fee (for tests and/or inspections conducted on vehicles without a medallion) | \$100 per hour (½ hour minimum) |
| k. Vehicle inspection rescheduling fee (for vehicles without a medallion) | \$25 |
| l. Taxicab or for-hire vehicle change of agency affiliation fee | \$25 |
| 2. Regional for-hire driver fees | |
| a. Annual regional for-hire driver's license fee* | \$25 |
| b. Late regional for-hire driver's license renewal fee | \$15 |
| c. Driving history report fee i. Driving abstract per RCW 46.52.130 ii. Third-party driving history report | Charged as determined by Director to cover costs Charged as determined by Director to cover costs |
| d. Fingerprinting fee | Charged as determined by Director to cover costs |
| e. Criminal background check fee i. Third-party background check (regional for-hire driver's license) ii. Fingerprint-based background check (enhanced regional for-hire driver's license)** | Charged as determined by Director to cover costs Charged as determined by Director to cover costs |
| f. Replacement license | Charged as determined by Director to cover costs |
| g. Rescheduling fee (training, testing) | Charged as determined by Director to cover costs |

| | |
|--|--|
| h. Training fees | Charged as determined by Director to cover costs |
| 3. Regional Dispatch Agency License or Transitional Regional Dispatch Agency Fees | |
| a. Annual regional dispatch agency license fee* | |
| i. 50 or fewer affiliated vehicles | \$250 |
| ii. 51 or more affiliated vehicles | \$500 |
| b. Late regional dispatch agency license renewal fee | |
| i. 50 or fewer affiliated vehicles | \$25 |
| ii. 51 or more affiliated vehicles | \$50 |
| c. Annual transitional regional dispatch agency license fee* | |
| i. 50 or fewer affiliated vehicles | \$250 |
| ii. 51 or more affiliated vehicles | \$500 |
| d. Late transitional regional dispatch agency license renewal fee | |
| i. 50 or fewer affiliated vehicles | \$25 |
| ii. 51 or more affiliated vehicles | \$50 |
| e. Additional trade names registration fee | \$25 |
| * The fee amount shown is the City's portion of the total amount charged (King County charges a separate fee). Together, the City of Seattle and King County fees comprise the total fee for each particular license type. | |

1 B. The Director may adjust any of the fees in this Section 6.311.050 following
 2 consideration of the following nonexclusive factors:
 3 1. The projected costs and annual budget for regulatory and enforcement costs
 4 related to taxicabs, for-hire vehicles, and regional for-hire drivers;
 5 2. The need for increased enforcement activities; and
 6 3. The total number of trips across taxicabs and for-hire vehicles.
 7 The purpose of any adjustment is to ensure that the fees cover the Director's enforcement
 8 and regulatory costs.

9 C. Annual medallion fees for wheelchair accessible vehicles may be waived by the
 10 Director. To be eligible for this waiver, the licensee must demonstrate compliance with
 11 additional standards established by rule, including, but not limited to, providing a minimum
 12 number of trips annually to passengers in wheelchairs.

1 D. The Director may from time to time declare periods of amnesty in which the Director
2 may waive any penalty imposed under this Chapter 6.311 for delinquent payment of fees. Such
3 periods of amnesty and the terms thereof may be established by the Director upon a finding by
4 the Director that to do so would further the goals of the for-hire transportation industry and be in
5 the public interest. The Director may promulgate rules and procedures to implement the
6 provisions of this section.

7 E. Any late fee established in this Section 6.311.050 applies when an application for
8 medallion or license renewal is received later than one business day after the expiration date of
9 the prior medallion or license or a scheduled payment for a fee is overdue.

10 **6.311.060 Wheelchair Accessible Services Fund**

11 A. In addition to the fees specified in Section 6.311.050, as part of the license issuance or
12 renewal fee, taxicab and for-hire vehicle licensees shall pay a \$0.10 per ride surcharge for all
13 rides originating in Seattle for each vehicle. As part of the City's taxi, for-hire, and transportation
14 network company regulation, this surcharge shall be used to offset the higher operational costs of
15 wheelchair accessible taxi (WAT) services for owners and operators including, but not limited
16 to: vehicle costs associated with purchasing and retrofitting an accessible vehicle, extra fuel and
17 maintenance costs, and time involved in providing wheelchair accessible trips. Funds shall be
18 distributed by reimbursement for documented, itemized costs. The Director shall adopt by rule
19 the procedure for determining when and how to distribute funds to WAT owners and drivers,
20 including imposing conditions of reimbursement, imposing a maximum amount of
21 reimbursement, and considering timely distribution of reimbursement to WAT drivers and
22 owners. In determining the distribution of funds, the Director shall consider factors including,
23 but not limited to, actual consumer demand for WAT services, total number of WAT rides, total

1 number of WAT rides requested through a TNC application, total paid trips per WAT, and
2 average operating hours per WAT. A WAV is eligible for reimbursement from the Wheelchair
3 Accessible Services Fund as prescribed by the Director by rule.

4 B. Following the first year of collecting the \$0.10 per ride surcharge, the surcharge rate
5 may be adjusted by the Director based on, but not limited to, consideration of the following
6 factors: reimbursed costs for purchasing and retrofitting accessible vehicles, the actual need for
7 purchasing and retrofitting accessible vehicles in the upcoming year, total number of WAT rides,
8 and may consider any other factors that may affect the supply, demand, and financial viability
9 for WAT service within the City limits.

10 **6.311.070 Regional for-hire driver’s license required**

11 A. It is unlawful for a person to operate a taxicab or for-hire vehicle without first having
12 obtained a valid regional for-hire driver's license. A regional for-hire driver's license shall expire
13 one year from the date of application. A regional for-hire driver's license is not transferable or
14 assignable.

15 B. As of the effective date of this ordinance, any valid for-hire driver’s license previously
16 issued to a driver under Chapter 6.310, other than a for-hire driver’s license that displays as a
17 “for-hire permit,” shall become a regional for-hire driver’s license and all references to for-hire
18 driver’s licenses shall mean regional for-hire driver’s licenses. As of the effective date of this
19 ordinance, for-hire drivers with a valid for-hire driver’s license issued by King County shall be
20 deemed to also have a corresponding regional for-hire driver’s license from The City of Seattle,
21 which shall be valid until the original expiration date.

22 C. Drivers with a for-hire driver’s license that displays as a “for-hire permit” may
23 continue to operate a taxicab or for-hire vehicle until the first license expiration date after the

1 effective date of this ordinance, at which time, a regional for-hire driver's license or enhanced
2 regional for-hire driver's license issued under this Chapter 6.311 shall be required to operate a
3 taxicab or for-hire vehicle.

4 **6.311.080 Wheelchair accessible vehicle endorsement**

5 It is unlawful for a driver to operate a wheelchair accessible vehicle without a regional for-hire
6 driver's license wheelchair accessible vehicle endorsement. To obtain such an endorsement, a
7 driver shall submit proof the driver has successfully completed a director-approved training for
8 providing for-hire transportation services in wheelchair accessible vehicles. Wheelchair
9 accessible vehicle drivers must comply with Section 6.311.290, in addition to the requirements
10 of Sections 6.311.070 through 6.311.180. The Director may take enforcement action against a
11 regional for-hire driver's license wheelchair accessible vehicle endorsement, a regional for-hire
12 driver's license, or both, as consistent with this Chapter 6.311.

13 **6.311.090 Grant of license**

14 The Director shall issue a regional for-hire driver's license to an applicant who:

15 A. Is at least 20 years old;

16 B. Possesses a valid driver's license issued by a state or territory in the United States, and
17 has possessed such driver's license, or driver's licenses, for at least one year;

18 C. Completes driver training as approved by the Director before submitting an initial
19 application for a regional for-hire driver's license. Training shall include, but is not limited to:

20 1. A general for-hire driver training course with information about use of
21 emergency procedures and equipment for the driver's personal safety, risk factors for crimes
22 against for-hire drivers, and customer service;

1 2. A defensive driving course provided by the National Safety Council and
2 approved by the Director, or an alternative defensive driving course approved by the Director;
3 and

4 3. Any other courses if required by the Director after September 1, 2024.

5 D. Successfully completes a regional for-hire driver license examination or examinations
6 approved by the Director;

7 E. Submits a complete application, or consents to an application being submitted on the
8 applicant's behalf, for a regional for-hire driver's license annually on a form or format approved
9 by the Director;

10 F. Provides a certification of fitness as a regional for-hire driver on a form approved by
11 the Director. The Director may at any time require any applicant for, or holder of, a regional for-
12 hire driver's license to be examined by a physician licensed to practice in the state of
13 Washington if it appears that the applicant or licensee has become physically or mentally
14 incapacitated so that the applicant or licensee is unfit as a regional for-hire driver. The Director
15 shall prescribe by rule the scope of the examination and provide a form for the physician to
16 complete. A United States Department of Transportation medical certification meets the
17 requirements of this subsection 6.311.090.F;

18 G. Consents to a background check, with ongoing monitoring if available, from an entity
19 that is approved by the Director. The Director shall require the third party to demonstrate
20 competency in providing accurate information prior to being approved by the Director, and shall
21 include local, state, and national databases, and access at least five years of database history
22 when performing background checks;

23 H. Successfully passes a criminal background check, including:

1 1. No convictions, bail forfeitures, or other final adverse findings, including in
2 civil suits or administrative hearings, pertaining to any of the following within the past five
3 years:

4 a. Attempting to elude the police;

5 b. Reckless driving;

6 c. Hit and run;

7 d. Any alcohol- or drug-related driving crime;

8 e. Any class A or B felony, as defined in Title 9A RCW;

9 f. Any violent offense, or serious violent offense, or most serious offense
10 as defined in chapter 9.94A RCW;

11 g. A crime involving physical violence, other than those crimes in
12 subsection 6.311.090.H.1.e, if the Director determines the circumstances of the crime make the
13 person unsafe to operate as a regional for-hire driver;

14 h. A crime that is directly related to the individual's honesty and integrity
15 including, but not limited to, theft, burglary, and extortion, if the Director determines the
16 circumstances of the crime make the person incompatible with the duties of a regional for-hire
17 driver; or

18 i. Any conviction for any offense committed in another jurisdiction that
19 includes the elements of any of the offenses listed in this subsection 6.311.090.H.1;

20 2. No convictions, bail forfeitures, or other final adverse findings, including in a
21 civil suit or administrative hearing, pertaining to any sex offense as defined in chapter 9.94A
22 RCW or convictions that include a special allegation of sexual motivation, including convictions

1 for any offense committed in another jurisdiction that includes the elements of a sex offense as
2 defined in chapter 9.94A RCW, within the past seven years;

3 3. Not being listed in the United States Department of Justice national sex
4 offender public website, and not required to register as a sex offender; and

5 4. No active arrest warrant for any crime.

6 I. Authorizes the Director to obtain the applicant's current driving history, and the results
7 of ongoing monitoring if available, from the Washington State Department of Licensing and
8 from an entity that is approved by the Director that provides a multistate driving abstract that
9 includes the state of Washington;

10 J. Successfully passes a check of the applicant's driving record, meaning: (1) the
11 applicant's driving record has no law violations that are egregious within the past five years, and
12 (2) the applicant's driving record leads the Director to reasonably conclude that the applicant will
13 operate a vehicle in a safe manner and comply with this Chapter 6.311;

14 K. Consents to the Director obtaining other information directly concerning the person's
15 past conduct and general qualifications that shows the person's ability and skill as a regional for-
16 hire driver and the person's honesty and integrity for the purposes of determining whether the
17 person is suitable to operate as a regional for-hire driver;

18 L. Agrees to the affiliated transitional regional dispatch agency or regional dispatch
19 agency receiving, as official service, general correspondence, citations, license actions, and
20 notices of complaints from the Director, on the driver's behalf; and

21 M. Meets the criteria necessary for obtaining a regional for-hire driver's license from
22 King County and applies for a regional for-hire driver's license from King County concurrently
23 with applying for a regional for-hire driver's license from The City of Seattle.

1 **6.311.100 Inseparability of regional for-hire driver’s licenses**

2 A regional for-hire driver’s license issued by The City of Seattle and a regional for-hire driver’s
3 license issued by King County to the same individual shall display as a regional for-hire driver’s
4 license, and shall be considered one, inseparable license.

5 **6.311.110 Enhanced regional for-hire driver’s license**

6 Effective September 1, 2024, an~~An~~ enhanced regional for-hire driver’s license is a type of
7 regional for-hire driver’s license that, in addition to meeting the requirements in Section
8 6.311.090 for a regional for-hire driver’s license, requires a driver to consent to and successfully
9 pass a fingerprint-based background check, with ongoing monitoring if available, from an entity
10 that is approved by the Director, consistent with the criteria in subsection 6.311.090.H.

11 **6.311.120 Inseparability of enhanced regional for-hire driver’s licenses**

12 An enhanced regional for-hire driver’s license issued by The City of Seattle and an enhanced
13 regional for-hire driver’s license issued by King County to the same individual shall display as
14 an enhanced regional for-hire driver’s license, and shall be considered one, inseparable license.

15 **6.311.130 Temporary license**

16 Pending final action on a regional for-hire driver’s license application, the Director may issue a
17 temporary regional for-hire driver’s license when the review of an application is anticipated to be
18 longer than two days. A temporary regional for-hire driver’s license shall be effective for a
19 period of up to 60 days unless extended by the Director.

20 **6.311.140 Other considerations**

21 In considering an application for a regional for-hire driver’s license, the Director may consider
22 any other information that may lead the Director to reasonably conclude that the applicant will
23 not operate a vehicle in a safe manner or comply with this Chapter 6.311.

1 **6.311.150 Effect of application denial and license revocation**

2 A. An applicant whose application for a regional for-hire driver's license was denied
3 shall:

4 1. Be ineligible to reapply for a regional for-hire driver's license until the date
5 specified in the final notice of denial; and

6 2. Not reapply for a regional for-hire driver's license that was denied until
7 correction of the deficiency on which the denial was based is deemed acceptable by the Director.

8 B. A regional for-hire driver whose regional for-hire driver's license was revoked shall be
9 ineligible to reapply for a regional for-hire driver's license until the date specified in the final
10 notice of revocation.

11 **6.311.160 Regional for-hire driver operation – Requirements**

12 A regional for-hire driver shall:

13 A. Have in the driver's possession and available upon request of the Director at any time
14 the driver is operating a taxicab or for-hire vehicle:

15 1. A state-issued or United-States-territory-issued driver's license;

16 2. The vehicle's registration;

17 3. Proof of insurance as required by this Chapter 6.311; and

18 4. A valid regional for-hire driver's license, which shall also be posted in the
19 vehicle and visible to passengers as prescribed by the Director.

20 B. Ensure that the vehicle's medallion plate or decal is valid and is displayed as required;

21 C. Ensure the lights, brakes, tires, steering, seat belts, any system relied on for safe
22 operation, taximeter, and other vehicle equipment are working properly prior to each shift and
23 while operating;

1 D. Maintain the vehicle interior and exterior, including exterior markings, in clean and
2 good repair;

3 E. Allow the Director to inspect the vehicle without prior notice at any reasonable time or
4 place;

5 F. At all times while operating a taxicab or for-hire vehicle, be signed into at least one
6 dispatch system, smart taximeter system, or application dispatch system provided by the
7 affiliated transitional regional dispatch agency or regional dispatch agency;

8 G. Provide service to passengers in wheelchairs before any other passengers when
9 operating wheelchair accessible vehicles;

10 H. Activate the taximeter or smart taximeter at the beginning of each paid trip, whether
11 the fare is computed by the taximeter, smart taximeter, application dispatch system, contract, or
12 flat rate, and deactivate the taximeter or smart taximeter upon completion of the trip. The
13 beginning of a trip is the point where the passenger is seated, and any materials are stowed, and
14 the forward motion of the vehicle begins;

15 I. Ensure that the taximeter or smart taximeter display is visible to passengers at all times
16 while operating a taxicab;

17 J. If the fare for a trip is an upfront fare or a flat rate fare, confirm the fare with the
18 customer before beginning the trip;

19 K. Operate the taxicab or for-hire vehicle with due regard for the safety, comfort, and
20 convenience of passengers and always provide passengers with professional and courteous
21 service. The driver shall not use threatening behavior or offensive language, expressions, or
22 gestures to any person while operating;

1 L. If requested, be willing to assist a passenger entering or exiting the vehicle and placing
2 luggage or packages that are under 50 pounds in and out of the vehicle. Upon request for
3 assistance, a driver must so assist a passenger or otherwise ensure the passenger's request is
4 fulfilled;

5 M. Use the most direct or most expedient available route on all trips unless the passenger
6 specifically requests to change the route;

7 N. Record all trips, process all payments, and issue a receipt for all payments through a
8 dispatch or payment system provided by the transitional regional dispatch agency or regional
9 dispatch agency;

10 O. Be able to provide a reasonable and prudent amount of change, and, if correct change
11 is not available, no additional charge may be made to the passenger in attempting to secure the
12 change;

13 P. Accept payment of fares via cash payment for any trip dispatched through a
14 transportation network company's application dispatch system if allowed by the transportation
15 network company;

16 Q. At the end of each trip, check the vehicle for any article or articles that are left behind
17 by passenger or passengers and promptly secure the article or articles and report the found article
18 or articles to the transitional regional dispatch agency or regional dispatch agency;

19 R. Comply with any license action, citation, or Director order, and pay any penalties
20 issued under this Chapter 6.311 that are either not appealed or are upheld after review;

21 S. Immediately surrender the vehicle medallion plate or decal in a manner approved by
22 the Director when the vehicle medallion is temporarily deactivated or revoked;

1 T. Comply with policies and procedures established by the transitional regional dispatch
2 agency or regional dispatch agency to meet the requirements of this Chapter 6.311 and to ensure
3 customer satisfaction;

4 U. Comply with applicable business license requirements for any jurisdiction in which
5 the driver operates; and

6 V. Meet any other requirement as established by the Director by rule as authorized by this
7 Chapter 6.311.

8 **6.311.170 Regional for-hire driver operation – Prohibitions generally**

9 A regional for-hire driver shall not:

10 A. Transport more passengers than the number of seat belts available nor more luggage
11 than the vehicle capacity will safely and legally allow;

12 B. Operate a taxicab or for-hire vehicle that does not have the rate posted as prescribed
13 by the Director by rule;

14 C. Operate a taxicab or for-hire vehicle that is unaffiliated with a taxicab association, for-
15 hire vehicle company, transitional regional dispatch agency, or regional dispatch agency;

16 D. Use a personal electronic device while driving a motor vehicle on a public roadway,
17 unless consistent with RCW 46.61.672, as amended;

18 E. Operate a taxicab or for-hire vehicle under the influence of any alcohol, narcotics,
19 drugs, or prescription or over-the-counter medication that impairs the driver's ability to operate a
20 taxicab or for-hire vehicle or in any way jeopardizes the safety or security of passengers or the
21 public;

22 F. Knowingly possess illegal substances or open containers of alcohol while operating a
23 taxicab or for-hire vehicle as a regional for-hire driver;

1 G. Operate a taxicab or for-hire vehicle for more than 14 hours in any 24-hour period.

2 Thereafter, the regional for-hire driver shall not operate a taxicab or for-hire vehicle until eight
3 consecutive hours have elapsed. Stand-by time does not count towards the 14-hour limit. For the
4 purposes of this subsection 6.311.170.G, “stand-by time” includes any time the regional for-hire
5 driver is available for hire but is not physically in the vehicle;

6 H. Use the taxicab or for-hire vehicle, or allow the taxicab or for-hire vehicle to be used,
7 in the commission of any crime;

8 I. Refuse to transport in the taxicab or for-hire vehicle, cancel a dispatched call, or end a
9 trip in progress because of:

10 1. Any passenger's wheelchair or other mobility device that can be folded and
11 safely placed in either the passenger or trunk compartment of the vehicle;

12 2. A service animal as defined by Section 14.06.020; and

13 3. A passenger's groceries, packages, or luggage;

14 J. Refuse to transport any person except when:

15 1. The driver has already been dispatched on another call;

16 2. The passenger is acting in a disorderly, threatening or suspicious manner, or
17 otherwise causes the driver to reasonably believe that the driver's health or safety, or that of
18 others, may be endangered;

19 3. The passenger cannot, upon request, show ability to pay the fare;

20 4. The passenger refuses to state a specific destination upon entering the taxicab
21 or for-hire vehicle; or

22 5. The trip covers more than one hundred miles or includes traveling over a
23 mountain pass or on a ferry;

1 K. Smoke or allow passengers to smoke in the vehicle;

2 L. Ask, demand, or collect any rate or fare other than as specified on the taximeter, smart
3 taximeter, or application dispatch system;

4 M. Solicit passengers from anywhere other than the driver's seat or standing within direct
5 view of the taxicab or for-hire vehicle, and never solicit when the taxicab or for-hire vehicle is in
6 motion. The driver of a taxicab or for-hire vehicle shall not use any other person to solicit
7 passengers;

8 N. Park a taxicab or for-hire vehicle in a marked passenger load zone, truck load zone,
9 commercial load zone, or charter bus zone; except that a driver may drop off or pick up
10 passengers in a passenger load zone; and

11 O. Misstate or omit a material fact on any document provided to the Director, or alter any
12 document or record provided to or issued by the Director.

13 **6.311.180 Regional for-hire driver operation – Prohibitions in a taxicab zone**

14 A. Designated taxicab zones are for taxicabs only. A regional for-hire driver shall not do
15 any of the following in a taxicab zone:

- 16 1. Leave the taxicab unattended in a taxicab zone for more than 15 minutes;
- 17 2. Occupy a taxicab zone unless operating a taxicab that is available for hire;
- 18 3. Perform engine maintenance or repairs on the taxicab while in a taxicab zone;
- 19 4. Refuse a request for service because of the driver's position in line at a taxicab
20 zone; a passenger may select any taxicab in the line; or
- 21 5. Use a taxicab zone while under suspension from that taxicab zone.

22 B. A violation of this Section 6.311.180 may result in a suspension from one or more
23 taxicab zones, in addition to penalties as authorized in Section 6.311.430.

1 **6.311.190 Medallion system**

2 A. As of the effective date of this ordinance, every valid taxicab and for-hire vehicle
3 medallion issued by King County shall be issued a City medallion reciprocity endorsement. A
4 medallion reciprocity endorsement is subject to annual renewal. The medallion and medallion
5 reciprocity endorsement shall be inseparable. A medallion cannot be issued, renewed,
6 transferred, or temporarily deactivated separately from the medallion reciprocity endorsement.
7 Any restriction imposed on a medallion through a license action applies with equal force to the
8 corresponding medallion reciprocity endorsement. Any restriction imposed on a medallion
9 reciprocity endorsement through a license action applies with equal force to the corresponding
10 medallion.

11 B. ~~As of the effective date of this ordinance~~ Effective September 1, 2024, an existing
12 medallion issued by the City and an existing medallion issued by King County, which have been
13 used with the same vehicle, may be separated to be used with different vehicles or to be
14 transferred. This provision applies to all medallion types.

15 C. The owner of a taxicab or for-hire vehicle medallion may use the medallion as
16 collateral to secure a loan from a bank or any other financial institution. Medallion owners shall
17 file with the Director the name of any and all lienholders, on forms furnished by the Director.
18 The collateral shall be described as "City of Seattle taxicab medallion" or, until March 31,
19 ~~2025~~2026, "City of Seattle for-hire vehicle medallion," and shall include the medallion number.
20 Within 30 days of the date of creation of the pledge, lien, or security interest, the party that holds
21 the pledge, lien, or security interest, shall record the same as required by State law and provide a
22 copy of the recording to the Director.

1 D. The interest of a medallion owner may be suspended or revoked for any reason
2 enumerated in this Chapter 6.311 for the suspension or revocation of a medallion.

3 E. Upon a final order of medallion revocation, where all appellate proceedings, if any,
4 have been concluded, the medallion may only be transferred as prescribed by this Section
5 6.311.190, Section 6.311.230, and as prescribed by the Director by rule.

6 F. In accepting a medallion, medallion owners waive any and all liability, claims, actions,
7 suits, loss, costs, expense judgments, attorneys' fees, or damages of every kind and description
8 resulting directly or indirectly from any act or omission of the City, its officials, officers,
9 employees, and agents regarding the valuation or devaluation of the medallion.

10 G. The City assumes no liability for any devaluation of the medallion, including, but not
11 limited to, any devaluation due to regulatory action or market forces.

12 H. Except for an owner awarded a new taxicab or for-hire vehicle medallion that is
13 required to meet the minimum operating requirements in subsection 6.311.200.G, a medallion
14 owner may voluntarily transfer or sell a medallion in accordance with this Section 6.311.190,
15 Section 6.311.230, and as prescribed by the Director by rule.

16 I. Medallion owners may lease an interest in the medallion as prescribed by Director's
17 rule. A leased medallion shall not be subleased to another party.

18 **6.311.200 Medallions – Allowable number**

19 A. Unless adjusted by the Director by rule, the maximum number of taxicab medallions is
20 1,300. Wheelchair accessible taxicab medallions do not count towards the maximum number.

21 B. On April 1, ~~2025~~2026, all for-hire vehicle medallions shall become taxicab
22 medallions. The medallion system for for-hire vehicles shall no longer be in effect after March
23 31, ~~2025~~2026.

1 C. The Director may issue new taxicab medallions only as specified by this Section
2 6.311.200.

3 D. The Director may adjust by rule the maximum number of taxicab medallions and shall
4 periodically determine the need for additional taxicab service. Factors to be considered to adjust
5 the maximum number of taxicab medallions or to issue new taxicab medallions include:

6 1. Coordination with King County to promote a regional licensing and regulatory
7 framework for for-hire transportation services;

8 2. Growth in population, tourists, and other visitors to the area;

9 3. The quality of existing taxicab service as indicated by customer satisfaction,
10 including wheelchair accessible vehicle service, if applicable;

11 4. A comparison of actual average taxicab response times to optimum average
12 taxicab response times established by the Director;

13 5. Availability and quality of for-hire transportation services in underserved
14 communities, including areas of lower population density;

15 6. Available data for medallions on the private market; ~~and~~

16 7. Analysis of drivers' ability to earn a living wage, including the impact of
17 adjusting the number of medallions on driver income; and

18 8. Other indications of market demand.

19 E.

20 1. If the Director determines that issuance of additional taxicab medallions is
21 warranted, such medallions shall be issued as follows:

22 a. A competitive request for proposals and award process under which
23 medallions will be issued to applicants whose proposals demonstrate that they are most able to

1 meet the needs of the public in providing taxicab service by meeting qualifications prepared by
2 the Director that are not in conflict with the general provisions of this Chapter 6.311;

3 b. A lottery of qualified applicants; or

4 c. A combination of both procedures as prescribed by the Director by rule.

5 2. Regardless of the method used, the Director shall consider an applicant's
6 driving record, driving experience, current or previous medallion ownership, and any additional
7 qualifications required by the Director.

8 3. If issuing a wheelchair accessible taxicab medallion, the Director may
9 additionally consider the applicant's qualifying experience transporting individuals with
10 disabilities who require any type of mobility device, including a manual or motorized
11 wheelchair, and any additional qualifications required by the Director.

12 F. Any new taxicab medallion shall only be issued to a person who is an individual. No
13 corporation, limited liability company, or partnership shall obtain any medallion held by an
14 individual until the expiration of three years following the original date of issuance to that
15 individual; however, new taxicab medallions may be issued to and be held by the following
16 business entities:

17 1. Corporations held by a single shareholder, except that the taxicab must be
18 personally operated by the single shareholder for a period of three years from the date of
19 issuance of the medallion and the ownership of the shares of the corporation cannot be changed
20 within the three-year period. Any change of ownership of shares of the corporation shall result in
21 revocation of the medallion; or

22 2. Limited liability companies comprised of a single member, except that the
23 taxicab must be personally operated by the single member for a period of three years from the

1 date of issuance of the medallion and no change of membership may take place within the three-
2 year period. Any change of membership of the limited liability company shall result in
3 revocation of the medallion.

4 G. For three years following the date of issuance of a new taxicab medallion or a new
5 wheelchair accessible taxicab medallion, the owner must personally drive the taxicab for at least
6 30 hours per week for a minimum of 40 weeks per year. If the medallion owner fails to fulfill
7 this minimum operating requirement in any one-year period within the three-year period
8 following the date of issuance, the medallion shall be revoked and shall not be eligible for
9 transfer by its original owner. The medallion shall be transferable upon the completion of the
10 three-year operating requirement.

11 H. A medallion plate, medallion decal, or other indicia issued to a medallion owner shall
12 remain the property of the Director.

13 I. A medallion owner may seek Director approval to permanently convert a medallion to
14 a wheelchair accessible taxicab medallion. Such a conversion shall be subject to conditions
15 prescribed by the Director by rule. Conversion of a taxicab medallion to a wheelchair accessible
16 taxicab medallion is not considered the issuance of a new medallion. A medallion that has been
17 operated for three or more years that is permanently converted to a wheelchair accessible taxicab
18 medallion shall be transferrable and not subject to a new three-year operating requirement.

19 J. As an alternative to the process outlined in subsection 6.311.200.E, the Director may
20 issue City of Seattle medallion reciprocity endorsements to applicants selected by King County
21 to be issued a King County taxicab medallion or a King County wheelchair accessible taxicab
22 medallion, as applicable.

23 **6.311.210 Temporary deactivation and retirement of a taxicab or for-hire vehicle medallion**

1 A. ~~Effective September 1, 2024, a~~Any time a medallion is not operating for 60 days or
2 more, the medallion owner, or an authorized representative, shall file a notice of temporary
3 deactivation with the Director in a manner determined by the Director. A temporary deactivation
4 may be for any reason, including, but not limited to, an inoperable or unavailable vehicle, a
5 temporary lack of affiliation with an agency, an extended leave of absence, or owner
6 convenience.

7 B. When a notice of temporary deactivation is filed with the Director:

8 1. If the medallion is not expired, the deactivation period shall not exceed 12
9 consecutive months from the date the temporary deactivation notice is filed with the Director;

10 2. If the medallion is expired, the deactivation period shall not be more than 12
11 consecutive months from ~~the effective date of this ordinance~~September 1, 2024 or from the date
12 the medallion expired, whichever is longer; and

13 3. If the medallion is expired or expires during the temporary deactivation period,
14 the medallion renewal process must be completed before the medallion can be reactivated.

15 C. The Director may initiate a temporary deactivation when the Director becomes aware
16 that a medallion has not been operating for 60 days or more.

17 D. For medallions revoked, relinquished, or otherwise held by the Director after January
18 31, 2015, and before ~~the effective date of this ordinance~~September 1, 2024, the temporary
19 deactivation period shall begin on ~~the effective date of this ordinance~~September 1, 2024. A
20 medallion previously revoked, relinquished, or otherwise held by the Director, must be renewed
21 ~~within 12 months of the effective date of this ordinance~~by September 1, 2025.

22 E. If a medallion owner fails to reactivate the medallion within 12 months from the
23 effective date of the temporary deactivation, the Director shall issue a notice of retirement to the

1 medallion owner. Within 60 days of the notice of retirement, the medallion owner may reactivate
2 or transfer the medallion. If the medallion is not reactivated or transferred within 60 days of the
3 notice of retirement, the medallion is retired and an order of retirement will be issued by the
4 Director. The medallion owner may appeal the order of retirement in accordance with Section
5 6.311.450. Failure to appeal means the order of retirement issued by the Director is final. The
6 taxicab or for-hire vehicle medallion plate or decal that has been retired shall be returned to the
7 Director within 15 days of the final order of retirement or, if the order is appealed and affirmed,
8 within 15 days after all appellate proceedings have concluded.

9 F. Medallions issued via a lottery or request for proposals shall not be transferrable until
10 the obligations under subsection 6.311.200.G have been met.

11 G. Vehicle insurance is not required if a medallion is temporarily deactivated. The
12 medallion owner must provide proof of vehicle insurance when reactivating the medallion.

13 **6.311.220 Taxicab and for-hire vehicle – Owner surrender of vehicle medallion**

14 It is unlawful to operate a taxicab or for-hire vehicle medallion that is suspended or revoked. The
15 operation of the taxicab or for-hire vehicle must cease, and the medallion owner shall
16 immediately surrender the medallion plate or medallion decal to the Director.

17 **6.311.230 Taxicab and for-hire vehicle medallion transfer**

18 Except for an owner subject to the minimum operating requirements in subsection 6.311.200.G,
19 a taxicab or for-hire vehicle medallion may be transferred subject to the following restrictions
20 and conditions:

21 A. The medallion and medallion reciprocity endorsement are inseparable and must be
22 transferred together;

1 B. There are no pending enforcement actions or penalties, fees, or surcharges owed, that
2 were issued under this Chapter 6.311, no unexpired vehicle lease agreements, and no unexpired
3 medallion lease agreements;

4 C. Transfers of medallions with liens filed with the Director will not be approved unless
5 the medallion owner provides proof that the lien is paid or the lienholder provides written
6 approval of the transfer. Only liens filed with the Director according to subsection 6.311.190.C
7 will be considered in the transfer review;

8 D. The medallion owner and proposed transferee shall submit a notice of transfer on a
9 form or in a format prescribed by the Director;

10 E. The proposed transferee shall meet all requirements in Section 6.311.260. A transfer
11 shall not become effective, and the proposed transferee may not operate the taxicab or for-hire
12 vehicle, until the proposed transferee receives the medallion plate or medallion decal; and

13 F. Upon the final order of revocation, where all appellate proceedings, if any, have been
14 concluded, a medallion owner shall immediately surrender the taxicab or for-hire vehicle
15 medallion plate or decal to the Director. Effective September 1, 2024, e~~E~~xcept for revocation
16 according to subsection 6.311.200.G, the medallion owner has 60 days from the final order of
17 revocation to transfer the medallion; however, medallions subject to a lien as evidenced by the
18 filing requirement in subsection 6.311.190.C cannot transfer unless the medallion owner
19 provides proof that the lien is paid or the lienholder provides written approval of the transfer. If
20 the medallion is not transferred within the 60 days, the medallion shall be deemed permanently
21 retired, the lien, if any, is removed, and the Director shall not reissue the medallion.

22 **6.311.240 Estate distribution of a taxicab or for-hire vehicle medallions**

1 A. When a taxicab or for-hire vehicle medallion or stock in a corporation owning such a
2 medallion is distributed from an estate to a beneficiary by a court of law, the transferee shall
3 submit to the Director the court order directing the City to transfer the medallion to the
4 beneficiary. The court order shall condition the transfer upon the transferee complying with this
5 Chapter 6.311.

6 B. An executor or administrator may continue the operation of a taxicab or for-hire
7 vehicle only with prior written approval of the Director. The executor or administrator shall
8 apply for such approval.

9 **6.311.250 Taxicab and for-hire vehicle – Medallion and medallion reciprocity**
10 **endorsement expiration and renewal**

11 All medallions and medallion reciprocity endorsements shall expire one year from the date of
12 issuance. Medallions and their associated medallion reciprocity endorsements are inseparable
13 and expire and renew concurrently. Unless an appeal is pending, no medallion may be renewed
14 unless all outstanding penalties owed under this Chapter 6.311 have been paid.

15 **6.311.260 Taxicab and for-hire vehicle initial and annual medallion application**
16 **requirements**

17 A. All for-hire vehicles must be operated as taxicabs using a smart taximeter system and
18 must be affiliated with a regional dispatch agency that has a valid regional dispatch agency
19 license by a date consistent with subsection 6.311.330.D.

20 B. It is unlawful to operate a taxicab or for-hire vehicle without first having obtained, for
21 each and every vehicle so used, a taxicab medallion or for-hire vehicle medallion issued in
22 accordance with this Section 6.311.260.

23 C. The taxicab or for-hire vehicle medallion application shall include the following:

1 1. Applicant type

2 a. If the applicant is an individual, the applicant’s full name, business
3 address, primary telephone number, primary email address, and date of birth, which must be at
4 least 18 years before the date of application; or

5 b. If the applicant is a corporation, limited liability company, partnership,
6 or other entity:

7 1) The applicant’s name, business address, telephone number,
8 email address, and state of incorporation or partnership registration; and

9 2) The full name, title, date of birth which must be at least 18 years
10 before the date of application, business address, and phone number for each individual
11 representative who is vested with authority to manage or direct the affairs of the legal entity or to
12 bind the legal entity in dealings with third parties;

13 2. Vehicle information including: the make; model; year, which shall be no more
14 than 15 model years before the application date unless otherwise adjusted by the Director by
15 rule; engine type; vehicle identification number; Washington state license plate number;
16 transitional regional dispatch agency or regional dispatch agency with which the vehicle is
17 affiliated; and vehicle number if previously assigned by the Director. The vehicle must be a
18 passenger car as defined in RCW 46.04.382;

19 3. Certificate or other proof of affiliation with a transitional regional dispatch
20 agency or regional dispatch agency;

21 4. Insurance policy as required by this Chapter 6.311;

1 5. A copy of the State of Washington vehicle registration or confirmation of
2 vehicle registration on a form or in a format accepted by the Director. The applicant does not
3 need to be the registered owner;

4 6. Certificate of safety based on a vehicle safety inspection conducted annually by
5 an approved mechanic; and

6 7. Any other information the Director may reasonably require to make a licensing
7 decision, take enforcement action, or perform any other duties of the Director authorized by this
8 Chapter 6.311.

9 D. The application and information required in this Section 6.311.260 must also be
10 completed and supplied during each annual medallion renewal. The Director will not process a
11 medallion application if any required information or documentation is missing or incomplete.
12 Completed applications and copies of required documentation shall be provided to the Director
13 by the medallion owner, or the transitional regional dispatch agency or regional dispatch agency
14 on behalf of the medallion owner.

15 E. If any of the information in the application changes, ceases to be true, or is superseded
16 in any way by new information, the applicant shall within seven days of the change:

17 1. Inform the Director; or

18 2. Inform the transitional regional dispatch agency or regional dispatch agency, if
19 the application was submitted on behalf of the applicant.

20 F. A medallion shall not be renewed if the medallion does not have an associated vehicle
21 or if the vehicle to which the medallion is associated is not affiliated with a transitional regional
22 dispatch agency or regional dispatch agency. In such cases, the owner of the medallion shall
23 initiate a temporary deactivation with the Director.

1 **6.311.270 Insurance requirements**

2 A. At all times while operating as a taxicab or for-hire vehicle, there must be valid
3 insurance as described in this Section 6.311.270. All insurance policies shall either comply with
4 chapter 46.72 RCW and have underinsured motorist coverage of at least \$100,000 per person and
5 \$300,000 per accident; or comply with the coverage amounts required by RCW 46.72B.180. All
6 insurance policies that cover a vehicle while operating as a taxicab or for-hire vehicle and for
7 which a medallion is required, shall be filed with the Director. The insurance policy shall:

8 1. Be issued by an admitted carrier in the state of Washington with an A.M. Best
9 Rating of not less than B- and be not less than A.M. Best Financial Size Category VII or show
10 evidence to the Director of surplus lines from an insurer with an A.M. Best Rating of not less
11 than B and be not less than A.M. Best Financial Size Category VII;

12 2. Name The City of Seattle, its officers, officials, agents, and employees as an
13 additional insured on the insurance policy;

14 3. Provide that the insurer will notify the Director, in writing, of cancellation for
15 nonpayment of premium no less than ten days before the cancellation takes effect, or of
16 cancellation for any other reason no less than 30 days before the cancellation or nonrenewal
17 takes effect. If an insurance policy is cancelled or not renewed, proof of a new policy must be
18 filed before the expiration of the policy. The taxicab or for-hire vehicle is automatically
19 suspended and cannot operate until coverage is secured;

20 4. Not include aggregate limits, named driver requirements or exclusions, or
21 radius restrictions. Other limitations or restrictions beyond standard insurance services office
22 business auto policy form are subject to approval by the Director; and

23 5. Be in effect at any time the taxicab or for-hire vehicle is operating.

1 B. When a taxicab or for-hire vehicle is dispatched by a transportation network company,
2 the taxicab's or for-hire vehicle's insurance covers that trip, unless the transportation network
3 company maintains an insurance policy that includes trips provided by a taxicab or for-hire
4 vehicle.

5 C. The Director may suspend or suspend and modify any requirements of this Section
6 6.311.270 when no other viable insurance options are available to the industry.

7 **6.311.280 Vehicle safety inspections**

8 A. The vehicle safety inspection and certificate of safety required by subsection
9 6.311.260.C.6 shall be provided by an approved mechanic and shall certify that the following
10 items on taxicab or for-hire vehicle are mechanically sound and fit for driving:

- 11 1. Foot brakes;
- 12 2. Emergency brakes;
- 13 3. Steering mechanism;
- 14 4. Windshield;
- 15 5. Rear window and other glass;
- 16 6. Windshield wipers;
- 17 7. Headlights;
- 18 8. Taillights;
- 19 9. Turn indicator lights;
- 20 10. Stop lights;
- 21 11. Front seat adjustment mechanism;
- 22 12. Doors, including that the doors properly open, close, and lock;
- 23 13. Horn;

1 14. Speedometer;

2 15. Bumpers;

3 16. Muffler and exhaust system, except for where vehicle propulsion systems emit
4 zero emissions such as in battery electric vehicles;

5 17. Condition of tires, including tread depth;

6 18. Interior rear view mirror and exterior side view mirrors;

7 19. Safety belts and air bags for driver and a passenger or passengers; and

8 20. Other items reasonably required by the Director.

9 B. If the vehicle is sold, the certificate of safety remains valid until the next medallion
10 renewal date.

11 C. An approved mechanic who performs vehicle safety inspections must not have a
12 conflict of interest as defined by the Director by rule. The Director may remove an approved
13 mechanic from the list maintained by the Director for a violation of this Chapter 6.311 or rules
14 prescribed by the Director and authorized by this Chapter 6.311 or due to substantiated
15 complaints from drivers.

16 D. Vehicles shall be maintained consistent with the service standards recommended by
17 the vehicle manufacturer. The vehicle owner and driver shall keep all maintenance and service
18 records for all vehicles owned and used for for-hire transportation services for three years.

19 E. The vehicle owner and driver shall remedy a vehicle defect in a manner consistent
20 with a vehicle safety recall notice issued by the vehicle manufacturer and/or the National
21 Highway Traffic Safety Administration, after being notified of the recall by the vehicle
22 manufacturer, the driver's affiliated agency or company, or the Director.

1 F. The vehicle owner and driver shall ensure that all requirements in this Section
2 6.311.280 are met and continually maintained.

3 G. A vehicle that has been in a collision and determined by the insurance adjuster to be a
4 total wreck or total loss shall not be placed back in service until an approved mechanic with a
5 current certification in structural analysis and damage repair or airbags has verified that there is
6 no damage to the vehicle frame and that the airbag system is working properly. The inspection is
7 separate from the vehicle safety inspection completed each year.

8 H. The Director shall summarily suspend a medallion and place a vehicle out of service if
9 the vehicle fails a vehicle safety inspection or the Director determines that a violation of this
10 Section 6.311.280 is an immediate safety hazard and it is necessary to prevent a clear,
11 substantial, and imminent hazard to life, safety, or property.

12 **6.311.290 Wheelchair accessible vehicles**

13 In addition to meeting all vehicle standards established in this Section 6.311.290, the following
14 requirements apply to wheelchair accessible vehicles:

15 A. The vehicle must conform to the vehicle accessibility requirements of the
16 regulations of the Americans with Disabilities Act of 1990, Title 49 C.F.R. Chapter 38,
17 Subpart B, as amended;

18 B. Taxicabs and for-hire vehicles may not convert to wheelchair accessible vehicles
19 without Director approval. The Director may approve applications for conversion consistent
20 with criteria prescribed by rule;

21 C. A vehicle operating with a wheelchair accessible taxicab medallion must be a
22 wheelchair accessible vehicle; and

1 D. Before being placed into service and annually thereafter, a separate inspection of the
2 vehicle and any installed accessibility equipment must occur. In addition to checking for
3 conformance with vehicle accessibility requirements in accordance with subsection
4 6.311.290.A, the vehicle driver or drivers may be required to pass a practical demonstration of
5 proper wheelchair securement techniques during this inspection. If a driver of the vehicle is
6 unable to demonstrate proper securement techniques during this inspection, the Director shall
7 suspend the driver's regional for-hire driver's license wheelchair accessible vehicle
8 endorsement and may require the driver to undergo additional training before returning to try
9 the practical demonstration again. A wheelchair accessible vehicle shall not pass the inspection
10 unless the driver is able to pass a practical demonstration of proper wheelchair securement
11 techniques. Upon passing the practical demonstration of proper wheelchair securement
12 techniques, the driver's regional for-hire driver's license wheelchair accessible vehicle
13 endorsement will no longer be suspended and is effective.

14 E. If prescribed by the Director by rule, affiliated wheelchair accessible vehicles shall
15 participate in a Director-approved dispatch system for wheelchair accessible trips.

16 **6.311.300 Electrification of taxicabs and for-hire vehicles**

17 A. The Director may establish a rule to determine the viability of electric vehicles for
18 taxicab and for-hire vehicle owners and regional for-hire drivers and, if viable, create
19 incentives to promote the use of electric vehicles. When determining electric vehicle viability
20 for for-hire transportation services, the Director shall consider, but not be limited to, the
21 following factors:

22 1. The price of new or used electric vehicles compared to new or used
23 nonelectric vehicles;

1 2. If the mileage range for new and used electric vehicles meets the needs of
2 full-time for-hire transportation services;

3 3. The availability of recharging infrastructure in locations and at times that are
4 convenient for regional for-hire drivers, and if recharging time conflicts with the regional for-
5 hire driver's need to operate the vehicle; and

6 4. If the vehicle life cycle for existing and new electric vehicles creates an undue
7 burden for the vehicle owner or regional for-hire driver.

8 B. Nothing in this Chapter 6.311 shall be construed to require or restrict a regional for-
9 hire driver's use of electric vehicles for for-hire transportation services.

10 **6.311.310 Taxicab and for-hire vehicle operation – Requirements**

11 A. A taxicab or for-hire vehicle with a valid medallion may operate if the taxicab or for-
12 hire vehicle:

13 1. Is operated by a driver with a valid regional for-hire driver's license issued
14 under this Chapter 6.311;

15 2. Has insurance as required by this Chapter 6.311;

16 3. Displays, in a location specified by the Director, a current taxicab or for-hire
17 vehicle medallion plate or decal issued by the Director; however, a licensed taxicab or for-hire
18 vehicle does not require a transportation network company endorsement decal when dispatched
19 by a transportation network company;

20 4. Displays the vehicle medallion number and name of the affiliated transitional
21 regional dispatch agency or regional dispatch agency on the exterior of the vehicle and displays
22 any rates that apply to a trip not requested via an application dispatch system, as prescribed by
23 the Director by rule;

1 5. Is equipped to accept electronic payment of fares and issue receipts;

2 6. When operating with a taxicab medallion, is equipped with an approved and
3 properly functioning taximeter or smart taximeter and is connected to a mobile data terminal to
4 accept electronic payment of fares and issue receipts;

5 7. Displays any passenger information prescribed by the Director by rule;

6 8. Displays on or in the vehicle signs, including notices, announcements, pictures,
7 advertisements, or other messages, that do not create a visible distraction or safety hazard for the
8 driver of the vehicle or for other vehicles on the road. The Director may prescribe by rule the
9 manner in which the signs may be displayed, including, but not limited to, requirements
10 concerning the number of signs per vehicle, placement on or within vehicles, size limitations,
11 and devices or mechanisms used to display the signs;

12 9. Is equipped with a monitored duress alarm approved by the Director in
13 accordance with specifications prescribed by the Director by rule;

14 10. Is equipped with a monitored vehicle tracking system, which may be part of
15 an approved smart taximeter system or application dispatch system, in accordance with
16 specifications prescribed by the Director by rule;

17 11. Maintains a continuous connection between the taximeter and the dispatch
18 system or between the taximeter and the application dispatch system;

19 12. Operates on a dispatch system of the affiliated transitional regional dispatch
20 agency or regional dispatch agency and may also operate on one or more approved application
21 dispatch systems, including those operated by a licensed transportation network company;

22 13. Is affiliated with a transitional regional dispatch agency or regional dispatch
23 agency and adopts the uniform color scheme of that transitional regional dispatch agency or

1 regional dispatch agency unless otherwise authorized by the Director. The Director may
2 prescribe by rule any additional criteria for vehicle colors and markings;

3 14. Meets current taximeter standards and has installed and uses a smart taximeter
4 when a smart taximeter system is implemented by the affiliated regional dispatch agency;

5 15. Is compliant with policies and procedures established by the transitional
6 regional dispatch agency or regional dispatch agency to meet the requirements of this Chapter
7 6.311 and ensure customer satisfaction; and

8 16. Meets any other requirement as established by the Director by rule as
9 authorized by this Chapter 6.311.

10 B. To operate a taxicab or for-hire vehicle, the medallion owner or vehicle owner shall:

11 1. Not have any outstanding monetary penalties issued under this Chapter 6.311;

12 2. Inform the Director within five business days if the vehicle is no longer
13 operating; and

14 3. Inform the Director and prior transitional regional dispatch agency or regional
15 dispatch agency within five business days of the vehicle affiliating with a new transitional
16 regional dispatch agency or regional dispatch agency.

17 C. A citation, license action, or both issued for a violation of this Section 6.311.310 shall
18 be issued to the medallion owner, medallion lessee, person operating the vehicle, or any
19 combination thereof, as appropriate.

20 **6.311.320 Taxicab and for-hire vehicle – Vehicle lease requirements**

21 A. All lease agreements for taxicabs and for-hire vehicles shall be in writing, and the
22 lessor shall file the original lease agreement with the Director prior to the effective date of the
23 lease in a manner specified by rule adopted by the Director.

1 B. If a change of transitional regional dispatch agency or regional dispatch agency is
2 made, any existing vehicle lease must be filed with the new agency at the time of the change.

3 C. The lease amount charged to a lessee shall not exceed the maximum amount
4 established by rule adopted by the Director. In determining the maximum lease amount, if any,
5 the Director shall consider vehicle purchase prices, the cost of insurance premiums, fuel costs,
6 and variations in the U.S. Bureau of Labor Statistics Consumer Price Index for All Urban
7 Consumers (CPI-U), for the Seattle area, evaluated over a 24-month time period preceding the
8 determination of the lease amount, and may consider any other factors that may affect the market
9 for taxicab or for-hire vehicle leases or that may affect the provision of for-hire transportation
10 services. Costs already factored into the lease amount shall not be charged to the driver as an
11 additional amount.

12 D. A vehicle lessee shall not sublease a taxicab or for-hire vehicle.

13 **6.311.330 Transition of taxicab associations and for-hire vehicle companies to regional**
14 **dispatch agencies**

15 A. Taxicab associations and for-hire vehicle companies must transition to become
16 regional dispatch agencies by March 31, ~~2025~~2026.

17 B. As of the effective date of this ordinance, a valid City of Seattle taxicab association
18 license or for-hire vehicle company recognition shall automatically become a transitional
19 regional dispatch agency license and shall expire on March 31, 2024. As of the effective date of
20 this ordinance, every taxicab association with a valid license issued by King County and every
21 for-hire vehicle company registered by King County shall be issued a transitional regional
22 dispatch agency license by The City of Seattle and shall expire on March 31, 2024. A transitional
23 regional dispatch agency license or a regional dispatch agency license permits the licensee to

1 operate in Seattle and King County. New taxicab association licenses shall not be issued and new
2 for-hire vehicle companies shall not be recognized after the effective date of this ordinance.

3 C. Upon initial license renewal, a transitional regional dispatch agency shall submit for
4 Director approval a transition plan on a form provided by the Director for adopting a smart
5 taximeter system. The transition plan must include a clear process for adopting a smart taximeter
6 system by no later than March 31, ~~2025~~2026. The Director may grant an extension of the
7 deadline for implementing a smart taximeter system for up to 12 months based upon
8 consideration of the following nonexclusive factors:

- 9 1. Previous efforts of a transitional regional dispatch agency to implement a smart
10 taximeter system in its fleet of affiliated vehicles;
- 11 2. Costs and availability of a smart taximeter system; and
- 12 3. Economic viability of operating a taxicab.

13 D. Transitional regional dispatch agencies seeking to continue operating beyond March
14 31, ~~2025~~2026, shall apply for a regional dispatch agency license. Unless the Director approves
15 an extension for adopting a smart taximeter system, a valid regional dispatch agency license is
16 required to operate after March 31, ~~2025~~2026.

17 **6.311.340 Transitional regional dispatch agency or regional dispatch agency license**

18 **required**

19 A. It is unlawful for a person to operate as a regional dispatch agency without a valid
20 regional dispatch agency license. A regional dispatch agency license is valid for one year and is
21 not transferable. To be licensed as a regional dispatch agency, all regional dispatch agencies shall
22 meet the criteria necessary for obtaining a regional dispatch agency license from King County

1 and shall apply for a regional dispatch agency license from King County concurrently with
2 applying for a regional dispatch agency license from The City of Seattle, and shall:

- 3 1. Apply for a license on a form approved by the Director;
- 4 2. Have an identified representative authorized to make business decisions on
5 behalf of the agency or company;
- 6 3. Adopt a zero-tolerance policy for alcohol and drug use while operating a
7 taxicab or for-hire vehicle licensed under this Chapter 6.311;
- 8 4. Adopt a policy that prohibits the agency or company, including their affiliated
9 drivers, from discriminating against passengers or potential passengers on the basis of race;
10 color; national origin; religious belief or affiliation; sex; disability; age; use of a service animal;
11 sexual orientation; gender identity; or geographic beginning or endpoints of the ride, unless the
12 trip covers more than 100 or includes traveling over a mountain pass or on a ferry;
- 13 5. Have a process for receiving, tracking, and resolving passenger complaints;
- 14 6. Have and maintain a secure process for passengers to retrieve items left behind
15 in an affiliated vehicle as soon as possible but no longer than two calendar days following the
16 date of the trip. Such policy shall be in writing and readily accessible to passengers;
- 17 7. Have a system that enables each passenger to receive an electronic or paper
18 receipt upon payment of the fare. A receipt shall include at least the following information:
 - 19 a. The date and time the trip began and ended;
 - 20 b. The medallion number for a taxicab or for-hire vehicle trip;
 - 21 c. The driver's regional for-hire driver's license number or unique driver
22 identification number;
 - 23 d. The fare charged and any tip paid;

1 e. The transitional regional dispatch agency or regional dispatch agency
2 with which the vehicle is affiliated; and

3 f. A phone number, email address, or website to submit passenger
4 feedback and inquiries to the transitional regional dispatch agency or regional dispatch agency;

5 8. Have an approved smart taximeter system that includes the following functions:

6 a. Is capable of metering a trip using an onboard diagnostic connection to
7 the vehicle or the use of location tracking technology, or some combination of the two, to
8 measure time and distance traveled;

9 b. Has an integrated payment and receipting system that accepts credit
10 cards and other electronic payments such as electronic taxi scrip, promotional codes, and
11 alternative payment channels;

12 c. Has an integrated dispatch system that:

13 1) Supports two-way communication between the dispatcher and
14 the driver;

15 2) Is equipped with monitored vehicle tracking technology and be
16 able to track vehicle location in real time;

17 3) Does not exclusively dispatch calls by phone or radio; and

18 4) Provides a duress alarm for the driver.

19 d. Supports pricing based on static and dynamic market conditions;

20 e. Has the ability to calculate an upfront fare to present to a passenger
21 before the passenger accepts the ride;

22 f. Is capable of notifying a passenger if a convenience fee for electronic
23 payment, or other known fees, will be added to the fare;

1 g. Includes driver authentication and system security features;

2 h. Automates data collection and reporting;

3 i. Provides geographic location information;

4 j. Incorporates a Director-approved mobility data standard for on-demand
5 for-hire vehicles to support external integration;

6 k. Can be used and configured for one or more regional dispatch agencies
7 and can dispatch vehicles from one or more registered trade names;

8 l. If required by the Director by rule, is connected to a Director-approved
9 external dispatch system for the purpose of dispatching wheelchair accessible vehicles; and

10 m. Meets any other requirement prescribed by the Director by rule; and

11 9. Have a driver training program, for for-hire drivers, approved by the Director.

12 B. Prior to obtaining a regional dispatch agency license, transitional regional dispatch
13 agencies shall comply with regional dispatch agency licensing and operating requirements in this
14 Section 6.311.340, except that:

15 1. A transitional regional dispatch agency shall not be required to have a smart
16 taximeter system; and

17 2. A transitional regional dispatch agency that is affiliated with taxicabs at the
18 time of being issued a transitional regional dispatch agency license that does not have a smart
19 taximeter system approved by the Director, shall provide a dispatch system integrated with the
20 vehicle's taximeter for all affiliated vehicles.

21 **6.311.350 Inseparable licenses**

1 A transitional regional dispatch agency license or regional dispatch agency license issued by The
2 City of Seattle and a corresponding regional dispatch agency license or transitional regional
3 dispatch agency license issued by King County shall be considered one inseparable license.

4 **6.311.360 Transitional regional dispatch agency or regional dispatch agency operation –**
5 **Requirements**

6 A. At all times, a transitional regional dispatch agency or regional dispatch agency shall:

7 1. Operate with a valid transitional regional dispatch agency or regional dispatch
8 agency license;

9 2. Ensure all information provided to the Director does not misstate or omit
10 material facts;

11 3. Inform the Director in writing within seven days if any of the information
12 provided in the transitional regional dispatch agency or regional dispatch agency license
13 application changes, ceases to be true, or is superseded in any way by new information;

14 4. Ensure any driver of an affiliated vehicle possesses a valid regional for-hire
15 driver's license, enhanced regional for-hire driver's license, or regional for-hire driver's license
16 wheelchair accessible vehicle endorsement, or any combination thereof, as applicable to either
17 the ride type or the vehicle type, or both;

18 5. Require affiliated vehicles to meet all requirements of this Chapter 6.311,
19 including, but not limited to, passing an annual vehicle safety inspection and being licensed,
20 endorsed, and insured;

21 6. Notify the Director in writing within seven days upon adding or removing an
22 affiliated vehicle;

1 7. Require affiliated vehicles to be fully equipped as required by this Chapter
2 6.311 whenever operating as a taxicab or for-hire vehicle;

3 8. Accept service of general correspondence, license actions, citations, and notices
4 of complaints on behalf of an affiliated driver or vehicle owner and forward such to the
5 respective affiliated driver or vehicle owner;

6 9. Prioritize dispatch services to passengers in wheelchairs or other mobility
7 devices when dispatching affiliated wheelchair accessible vehicles;

8 10. Allow passengers to indicate whether they require a wheelchair-accessible
9 vehicle and connect passengers to those services either directly or via a weblink, application, or
10 phone number, if no wheelchair accessible vehicles are available on the agency's application
11 dispatch system. The Director may suspend or alter this requirement by rule if a Director-
12 approved dispatch system is established for wheelchair accessible trips;

13 11. Maintain a phone number, mailing address, and email address for customer
14 service;

15 12. Record all trips, process all payments, and issue a receipt for all payments
16 through the dispatch system, a smart taximeter system, or an application dispatch system
17 provided to affiliated drivers;

18 13. Comply with the data reporting requirements established in this Chapter
19 6.311;

20 14. Operate only Director- approved application dispatch systems;

21 15. Require affiliated vehicles to comply with applicable rate structures defined in
22 this Chapter 6.311;

1 16. Have, maintain, and monitor, while one or more affiliated vehicles are active,
2 a duress alarm for the driver;

3 17. Establish and enforce operating standards for affiliated drivers and vehicles to
4 ensure code compliance and customer satisfaction;

5 18. Satisfy every request for service as long as there are affiliated taxicabs or for-
6 hire vehicles available; except that transitional regional dispatch agencies, regional dispatch
7 agencies, and regional for-hire drivers that refuse service within the meaning of subsection
8 6.311.170.I, shall not be subject to any penalties by the Director, and, in the case of regional for-
9 hire drivers, by the transitional regional dispatch agency or regional dispatch agency;

10 19. Require affiliated vehicles to use a uniform color scheme or any associated
11 graphics, or both, approved by the Director;

12 20. Provide a supervisor at a taxicab zone whenever such zone is used by
13 affiliated taxicabs if the Director determines that it is necessary due to complaints received from
14 passengers and adjacent property owners or improper use of nearby passenger load zones, truck
15 load zones, and charter bus zones. If the transitional regional dispatch agency or regional
16 dispatch agency fails to provide a supervisor as required by the Director, the Director may
17 prohibit all affiliated taxicabs from using the taxicab zone;

18 21. Require affiliated vehicles to operate on an approved taximeter, smart
19 taximeter system, or application dispatch system as required in this Chapter 6.311;

20 22. Remit fares made via electronic payment to regional for-hire drivers within
21 two business days after the ride was completed;

22 23. Remit fares made via electronic payment through the smart taximeter system
23 to regional for-hire drivers in amounts not less than the full fare paid by the passenger~~the amount~~

1 ~~received by the transitional regional dispatch agency or regional dispatch agency for each~~
2 ~~transaction~~, excluding deductions for fees agreed to in accordance with Section 6.311.370;

3 24. Comply with applicable business license requirements for any jurisdiction in
4 which the transitional regional dispatch agency or regional dispatch operates; and

5 25. Meet any other requirement as established by the Director by rule as
6 authorized by this Chapter 6.311.

7 B. A transitional regional dispatch agency that is not affiliated with taxicabs at the time of
8 being issued a transitional regional dispatch agency license does not need to:

- 9 1. Affiliate with taxicabs;
10 2. Have or operate a taximeter;
11 3. Comply with taximeter rates; or
12 4. Provide a supervisor at a taxicab zone because for-hire vehicles are not
13 permitted to operate at a taxicab zone.

14 C. Persons not previously licensed as a taxicab association or recognized as a for-hire
15 vehicle company may apply for a transitional regional dispatch agency license in a manner
16 determined by the Director.

17 D.

18 1. Transitional regional dispatch agencies and regional dispatch agencies shall
19 maintain accurate and complete operational records for all affiliated vehicles and shall submit
20 quarterly reports, in an electronic format approved by the Director.

21 2. Reports shall include the following:

- 22 a. A total count of rides per origination ZIP Code;
23 b. A total count of rides per destination ZIP Code;

1 c. A total count of unfulfilled ride requests by ZIP Code;

2 d. A total count of rides provided by a wheelchair accessible vehicle by
3 ZIP Code;

4 e. A total count of unfulfilled ride requests for a wheelchair accessible
5 vehicle by ZIP Code;

6 f. A list of vehicle collisions, including the vehicle medallion number,
7 regional for-hire driver's license number, and if known, whether the collision was the fault of the
8 regional for-hire driver; and whether the collision resulted in any injuries;

9 g. A list of crimes committed against drivers;

10 h. A list of passenger complaints; and

11 i. Any other data required by the Director to ensure compliance.

12 3. Transitional regional dispatch agencies and regional dispatch agencies shall
13 retain records related to the reports required under this subsection 6.311.360.D for the current
14 year and at least the two prior calendar years. Records may be maintained electronically.

15 4. If a public records request is made of the City for documents that have been
16 designated by a licensee as confidential or proprietary, the City may provide third party notice to
17 the providing party prior to disclosure.

18 E. A transitional regional dispatch agency and regional dispatch agency shall store, and
19 upon request permit the Director to review, all records required by this Chapter 6.311 for
20 affiliated drivers and vehicles including, but not limited to, copies of regional for-hire driver's
21 licenses, taxicab and for-hire vehicle medallions, lists of all affiliated drivers and their affiliated
22 vehicles, passenger feedback, new driver training records, dispatch records, and proof of vehicle

1 insurance and vehicle registration. In addition, the transitional regional dispatch agency or
2 regional dispatch agency shall:

3 1. Retain records, electronically or otherwise, for the current year and at least the
4 prior two calendar years;

5 2. Provide the Director with any other information the Director may reasonably
6 require upon request; and

7 3. Timely respond to the Director's request for information.

8 F. The Director may authorize a transitional regional dispatch agency or regional dispatch
9 agency to submit regional for-hire driver's license applications on behalf of its affiliated drivers,
10 in a manner approved by the Director.

11 G. A transitional regional dispatch agency or regional dispatch agency may maintain a
12 rating system for drivers and passengers to rate each other following a trip.

13 **6.311.370 Dispatch agency, vehicle owner, medallion owner, and regional for-hire driver**
14 **relations**

15 A. A transitional regional dispatch agency and regional dispatch agency shall put in
16 writing all policies that affect affiliated medallion owners, vehicle owners, and regional for-hire
17 drivers.

18 B. Prior to implementing or changing a policy, the transitional regional dispatch agency
19 or regional dispatch agency shall provide a copy of the draft policy to the affiliated medallion
20 owner, vehicle owner, or regional for-hire driver, or post a copy of the draft policy in the
21 transitional regional dispatch agency or regional dispatch agency office, and send via electronic
22 transmittal a copy of the draft policy to the affiliated medallion owners, vehicle owners and
23 regional for-hire drivers. Affiliated medallion owners, vehicle owners and regional for-hire

1 drivers shall have a minimum of 20 days to review and provide input on the draft policy before
2 the policy takes effect. Notwithstanding this 20-day timeline, a policy proposed for purposes of
3 addressing an emergent issue may be temporarily established for up to 30 days. After 30 days,
4 medallion owners, vehicle owners, and regional for-hire drivers shall be given an opportunity to
5 provide input before the policy may be permanently adopted.

6 C. A transitional regional dispatch agency and regional dispatch agency shall make
7 known to the regional for-hire driver the amount of the fare for each trip provided by that driver.
8 If the amount remitted to the driver is less than the full fare paid by the passenger, the remittance
9 to the driver shall include a description detailing the deductions made. With the exception of any
10 fees that are authorized in Section 6.311.380, a transitional regional dispatch agency or regional
11 dispatch agency may only make a deduction on trips dispatched by the agency, and the
12 maximum allowable amount of such deduction shall be ten percent of the fare paid by the
13 passenger.

14 D. A transitional regional dispatch agency or regional dispatch agency shall establish a
15 written policy governing an owner's or driver's access to the smart taximeter system, ~~or~~
16 application dispatch system, the ability to work on any contracted accounts, and affiliation with
17 the dispatch agency. The policy must include written notice of impending deactivation with
18 sufficient information for the driver to understand the reason for deactivation, an opportunity for
19 the owner or driver to be heard with representation of their choice, the adjudication of disputes
20 by a neutral third party under a just cause standard, and a period for the owner or driver to cure
21 the violation before deactivation begins, unless the deactivation is ordered by the Director or is
22 an immediate threat to public safety. The transitional regional dispatch agency or regional

1 dispatch agency shall submit the policy required by this subsection 6.311.370.D to the Director
2 at the first annual license renewal after the effective date of this ordinance.

3 **6.311.380 Rates**

4 A. Regional taximeter rates are in this subsection 6.311.380.A.

5 1. Unless specified elsewhere in this Section 6.311.380 or prescribed by the
6 Director by rule, it shall be unlawful for anyone operating a taxicab licensed by The City of
7 Seattle to advertise, charge, demand, or receive any greater or lesser rate than the following
8 regional taximeter rates:

9 a. Drop charge: for passengers for first 1/9 mile: \$2.60;

10 b. Per mile: For each 1/9 mile or fraction thereof after the first 1/9 mile:
11 \$0.30;

12 c. For every one minute of waiting time: \$0.50, charged at \$0.30 per 36
13 seconds. Waiting time rates are charged when taxicab speed is less than 11 miles per hour or
14 when a taxicab driver is asked to wait for the customer; and

15 d. Additional per passenger charge for more than two persons, excluding
16 children under 12 years of age: \$0.50.

17 2. The Director may adjust or prescribe new regional taximeter rates and other
18 rates, such as minimum fares for trips, or both, by rule. In determining new regional taximeter
19 rates, the Director may consider, among other things, the following factors:

20 a. Operational data supplied by a regional dispatch agency or data
21 obtained by the Director through other sources, including, but not limited to, regional consumer
22 price index data;

1 b. The public's need for adequate for-hire transportation services at
2 reasonable rates consistent with the provision, maintenance, and continuation of such services;

3 c. The rates of other for-hire transportation providers operating in similar
4 areas;

5 d. Rates paid by passengers using other modes of transportation;

6 e. The ~~need to cover~~ability of a driver to earn a living wage after covering
7 all operating costs incurred by the owner and driver;

8 f. Other regulatory, access, or similar fees paid by drivers to serve the
9 transportation needs of the region; and

10 g. Alignment with rates established by King County.

11 3. Regional taximeter rates are exclusive of any per-trip fee established by the
12 Port of Seattle and set forth in any operating agreement or tariff, a temporary fuel surcharge
13 authorized by the Director, a technology fee authorized by the Director, a convenience fee for
14 electronic payment of fares, or any toll or charge established for roads, bridges, tunnels, or
15 ferries.

16 4. A regional dispatch agency's affiliated taxicabs shall have regional taximeter
17 rates programmed into its smart taximeter system. Variations from regional taximeter rates are
18 permitted, as follows:

19 a. Variations from regional taximeter rates may be applied to contract
20 trips, upfront fares, dynamic pricing, fare splitting, trip bidding, and unless prohibited by the
21 Director by rule, for flat-rate fares, minimum trip fares, or when operating on an application
22 dispatch system;

1 b. The Director may prescribe by rule variations from regional taximeter
2 rates;

3 c. Unless prescribed otherwise by the Director by rule, any variation from
4 regional taximeter rates shall be established by a regional dispatch agency and not by an
5 individual driver. A regional dispatch agency shall not vary a rate so that it results in a higher
6 dispatch fee or other fee to be paid by an affiliated driver;

7 d. Variations from regional taximeter rates shall be applied in a manner
8 that does not discriminate on the basis of a protected class within the scope of discrimination as
9 defined in Chapter 14.06.020, or on the basis of the ride's geographic beginning or endpoints;

10 e. Unless a trip is dispatched via an application dispatch system, an
11 upfront fare shall be based on the estimated time and distance calculated by the smart taximeter
12 and multiplied by the regional taximeter rate. If the passenger rejects the upfront fare, the
13 regional taximeter rates apply; and

14 f. If a flat rate between two defined points has been established, the flat
15 rate shall be made available to the passenger prior to accepting a ride. Regional dispatch agencies
16 must maintain a list of all established flat rates, including their defined origin and destination
17 points, and make such list available for inspection upon request of the Director.

18 5. Contract rates shall be in writing, be retained by the regional dispatch agency,
19 and be available for inspection upon request of the Director.

20 6. Before a licensee may use a smart taximeter system that is integrated with an
21 application dispatch system, the Director must first determine the application dispatch system
22 rates are transparent under subsection 6.311.380.B.

23 B. Application dispatch system rates are in this subsection 6.311.380.B.

1 1. Before using an application dispatch system, or using a smart taximeter system
2 as an application dispatch system, the transitional regional dispatch agency or regional dispatch
3 agency shall provide to the Director either written documentation or a physical demonstration, or
4 both, that the application dispatch system rate structure is transparent to the passenger prior to
5 confirming the ride. Application dispatch system rates do not need to be filed with the Director
6 unless this Chapter 6.311 specifies otherwise. The Director shall determine that the rate structure
7 is transparent if:

8 a. One of the following methodologies is used:

9 1) The rate by either distance or time, or a combination of distance
10 and time, and the total fare or fare range is clearly displayed on the application dispatch system
11 to the passenger upon requesting a ride, but before confirming the ride; or

12 2) The fare for the ride is made clear to the passenger prior to
13 confirming the ride through an alternative method deemed acceptable by the Director; and

14 b. Any additional or higher charges such as tips, waiting time, tolls, or any
15 other charges not included in subsections 6.311.380.B.1.a.1 and 6.311.380.B.1.a.2 shall be
16 clearly identified by specific amount, if known, or by category, on the application dispatch
17 system before confirming a ride; and

18 c. The receipt showing all charges paid by the customer is available to the
19 regional for-hire driver in the application dispatch system.

20 2. During an abnormal disruption of the market, lasting for no longer than 12
21 consecutive hours in Seattle, a transitional regional dispatch agency or regional dispatch agency
22 shall not raise its normal range of fare more than two times the fare that would otherwise be
23 applicable.

1 C. For-hire vehicle rates are in this subsection 6.311.380.C.

2 1. For-hire vehicles must charge for service based on: a written contract; flat rate
3 per trip or by zone; or by an hourly rate with minimum increments of 30 minutes. Flat charges by
4 zone or hourly rate may vary by time of day. Zone boundaries shall be set by Director by rule
5 and shall be consistent across all for-hire vehicle operators.

6 2. Records of all for-hire vehicle rates in place prior to implementing a smart
7 taximeter system shall be maintained by the for-hire vehicle company and be made available for
8 inspection upon request by the Director. All rates and charges shall be conspicuously available in
9 the interior of the for-hire vehicle.

10 3. The for-hire vehicle rate structure shall remain in effect until the vehicle
11 transitions to a taxicab or March 31, ~~2025~~2026, whichever occurs sooner. After March 31,
12 ~~2025~~2026, all for-hire vehicles shall have transitioned to taxicabs and are subject to the regional
13 taximeter rates and application dispatch system rate requirements under this Chapter 6.311.

14 4. If using an application dispatch system, the Director must first determine that
15 the rates are transparent to the passenger under subsection 6.311.380.B.

16 D. If the Director establishes a minimum fare, or flat rate from one location to another
17 location, or based on the factors identified in subsection 6.311.380.A.2, such minimum fare or
18 flat rate shall apply whether the trip originated via a taximeter, a smart taximeter, or, if specified
19 by the Director, an application dispatch system.

20 E. Other rate and fare requirements are in this subsection 6.311.380.E.

21 1. It is unlawful to charge additional fees for carrying individuals with disabilities
22 and their equipment or to charge rates higher to passengers with a disability than are charged to
23 other persons. To promote equitable access to for-hire transportation for persons with disabilities,

1 and to ensure that wheelchair accessible vehicle service is reliably available at reasonable and
2 predictable rates, the Director may prescribe by rule fares for wheelchair accessible trips or other
3 conditions on the rates, fares, fees, and other surcharges, or both, for providing wheelchair
4 accessible transportation services to persons with disabilities.

5 2. The Director is authorized to establish a fuel surcharge to the regional taximeter
6 rate, or that can be added as an amount to the passenger's total fare, any time the price of fuel, as
7 published by the American Automobile Association for the local area, exceeds a fuel surcharge
8 trigger price established in accordance with a rule adopted by the Director. The surcharge shall
9 be an amount necessary to recoup the increased fuel costs.

10 3. A toll or charge established for roads, bridges, tunnels, or ferries while
11 passengers are being transported may be added to the passenger's total fare, if such charges are
12 not already included in the calculation of the fare.

13 4. Discriminatory charges are prohibited. For the purposes of this subsection
14 6.311.380.E.4, "discriminatory charges" means policies or practices that result in higher charges
15 or rates being applied to passengers belonging to a protected class within the scope of
16 discrimination as defined in Section 14.06.020 compared to other passengers.

17 5. The Director may establish by rule the process and criteria associated with the
18 Director's review and approval of a technology fee that is intended to help offset the cost of
19 implementing, operating, and maintaining a smart taximeter system and that may be added to the
20 fare for all trips subject to the regional taximeter rates in subsection 6.311.380.A.

21 **6.311.390 Emerging for-hire transportation models**

1 A. The Director may prescribe by rule the implementation of a discrete licensing program
2 for emerging for-hire transportation models that do not fit within the parameters of this Chapter
3 6.311 or Chapter 6.310.

4 B. The Director shall determine whether a proposed business activity is an emerging
5 business type or a nontraditional business activity that falls outside the parameters of any
6 existing license under this Chapter 6.311 or Chapter 6.310, and whether the proposed business
7 activity presents potential risks to the public health, safety, and welfare such that, for the
8 protection of the public, the activity must be regulated and licensed.

9 C. The Director may grant the applicant an emerging for-hire transportation license to
10 operate in the proposed business activity on a pilot basis.

11 D. The emerging for-hire transportation license shall be renewed annually for a
12 maximum of two years, after which the license shall expire. The emerging for-hire transportation
13 license shall be a personal privilege and not property. The emerging for-hire transportation
14 license shall not be transferrable to another location, person, or business entity.

15 E. The Director may attach conditions to the emerging for-hire transportation license as
16 are reasonably required to protect the public health, safety, labor harmony, and welfare from
17 risks including, but not limited to: adverse impact on public health; public safety; increased
18 demand on government services; increased environmental impacts; or increased traffic or
19 congestion in the public way. The Director may attach any such conditions when the emerging
20 for-hire transportation license is issued, or the Director may attach, remove, or modify conditions
21 at any time during the term of the permit, upon reasonable notice to the licensee.

22 F. The Director may determine at any time during the term of the emerging for-hire
23 transportation license that the licensed business activity as conducted presents an unreasonable

1 risk to public health and safety that cannot be mitigated, and may revoke the license, with or
2 without prior notice. If a license is revoked, the licensee shall be given the opportunity to appear
3 before the Director for an informal hearing to introduce any evidence to appeal the revocation
4 before the revocation is effective or no later than ten days after the revocation is effective. The
5 Director shall render a decision affirming or reversing the revocation within three business days
6 after conclusion of the hearing. The decision of the Director is final.

7 G. If the Director determines that a type of emerging business model that has been issued
8 an emerging for-hire transportation license should be regulated by ordinance, the Director shall
9 convey the determination to the City Council prior to the expiration of the license. The license
10 shall not be extended beyond two years unless an ordinance regulating the emerging business
11 model is effective and the emerging business has obtained any necessary license under that
12 ordinance.

13 **6.311.400 Consumer feedback**

14 The Director may establish, in conjunction with King County and the Port of Seattle, a shared
15 process to receive and, when appropriate, resolve consumer feedback and may communicate the
16 process to consumers.

17 **6.311.410 For-hire transportation services complaint process**

18 A. Upon receiving a written complaint involving the conduct of a licensee, where the
19 conduct may be a violation of this Chapter 6.311, the Director shall review the complaint, and if
20 appropriate:

21 1. Issue a notice of complaint to the licensee, and if applicable, the affiliated
22 transitional regional dispatch agency or regional dispatch agency, advising them of the
23 allegations or allegations made in the complaint;

1 2. Require the licensee, and if applicable, the affiliated transitional regional
2 dispatch agency or regional dispatch agency, to respond in writing or by contacting the issuing
3 inspector to provide a response to the allegations or allegations in the notice of complaint within
4 15 calendar days from the date the notice of complaint was issued;

5 3. Investigate the allegations in the written complaint and the response submitted
6 by the licensee and if applicable, the response submitted by the transitional regional dispatch
7 agency or regional dispatch agency representative; and

8 4. Make a finding as to the validity of the allegations in the written complaint. If
9 the complaint is found to be valid, the Director may take enforcement action consistent with this
10 Chapter 6.311.

11 B. Failure to respond to a notice of complaint, either in writing or by contacting the
12 issuing inspector, within 15 calendar days shall constitute a waiver of the licensee's and, if
13 applicable, the affiliated agency's right to respond to the allegations in the written complaint and
14 shall be prima facie evidence that the allegations are valid.

15 **6.311.415 Exclusive driver representatives**

16 A. The Director shall promulgate a commencement date no later than January 17, 2017.

17 B. The process of designating a QDR shall be prescribed by Director's rule. The
18 designation of a QDR shall be based on, but not limited to, consideration of the following
19 factors:

- 20 1. Registration with the Washington Secretary of State as a not-for-profit entity;
21 2. Organizational bylaws that give drivers the right to be members of the
22 organization and participate in the democratic control of the organization; and

1 3. Experience in and/or a demonstrated commitment to assisting stakeholders in
2 reaching consensus agreements with, or related to, employers and contractors.

3 C. An entity wishing to be considered as a QDR for for-hire drivers operating within the
4 City must submit a request to the Director within 30 days of the commencement date or at a later
5 date as provided in subsection 6.311.415.G. Within 14 days of the receipt of such a request, the
6 Director will notify the applicant in writing of the determination. Applicants who dispute the
7 Director's determination may appeal to the Hearing Examiner within ten days of receiving the
8 determination. The Director shall provide a list of all QDRs to all driver coordinators.

9 1. An entity that has been designated as a QDR shall be required to establish
10 annually that it continues to satisfy the requirements for designation as a QDR.

11 2. An entity that has been designated as a QDR and that seeks to represent the
12 drivers of a driver coordinator shall notify the driver coordinator of its intent to represent those
13 drivers within 14 days of its designation as a QDR. That notice may be provided by any means
14 reasonably calculated to reach the driver coordinator, including by written notice mailed or
15 delivered to a transportation network company or taxicab association representative at the
16 mailing address listed with the City.

17 D. Driver coordinators who have hired, contracted with, partnered with, or maintained a
18 contractual relationship or partnership with, 50 or more for-hire drivers in the 30 days prior to
19 the commencement date, other than in the context of an employer-employee relationship, must,
20 within 75 days of the commencement date, provide all QDRs that have given the notice specified
21 in subsection 6.311.415.C.2 the names, addresses, email addresses (if available), and phone
22 number (if available) of all qualifying drivers they hire, contract with, or partner with.

1 E. QDRs shall use driver contact information for the sole purpose of contacting drivers to
2 solicit their interest in being represented by the QDR. The QDR may not sell, publish, or
3 otherwise disseminate the driver contact information outside the entity/organization.

4 F. The Director shall certify a QDR as the EDR for all drivers contracted with a particular
5 driver coordinator, according to the following:

6 1. Within 120 days of receiving the driver contact information, a QDR will submit
7 statements of interest to the Director from a majority of qualifying drivers from the list described
8 in subsection 6.311.415.D. Each statement of interest shall be signed, dated, and clearly state that
9 the driver wants to be represented by the QDR for the purpose of negotiations with the driver
10 coordinator. A qualifying driver's signature may be provided by electronic signature or other
11 electronic means. The Director shall determine by rule the standards and procedures for
12 submitting and verifying statements of interest by qualifying drivers choosing an EDR.

13 a. The methods for submitting and verifying statements of interest by
14 qualifying drivers choosing an EDR may include, but not be limited to, signature verification,
15 unique personal identification number verification, statistical methods, or third party verification.

16 2. Within 30 days of receiving such statements of interest, the Director shall
17 determine if they are sufficient to designate the QDR as the EDR for all drivers for that particular
18 driver coordinator, and if so, shall so designate the QDR to be the EDR, except that, if more than
19 one QDR establishes that a majority of qualifying drivers have expressed interest in being
20 represented by that QDR, the Director shall designate the QDR that received the largest number
21 of verified affirmative statements of interest to be the EDR.

1 3. Within 30 days of receiving submissions from all QDRs for a particular driver
2 coordinator, the Director shall either certify one to be the EDR or announce that no QDR met the
3 majority threshold for certification.

4 G. If no EDR is certified for a driver coordinator, the Director shall, upon the written
5 request from a designated QDR or from an entity that seeks to be designated as a QDR,
6 promulgate a new commencement date applicable to that driver coordinator that is no later than
7 90 days after the request, provided that no driver coordinator shall be subject to the requirements
8 of this Section 6.311.415 more than once in any 12-month period. The QDR, any other entity
9 that seeks to be designated as a QDR, and the driver coordinator shall then repeat the processes
10 in subsections 6.311.415.C, 6.311.415.D, and 6.311.415.F.

11 H.

12 1. Upon certification of the EDR by the Director, the driver coordinator and the
13 EDR shall meet and negotiate in good faith certain subjects to be specified in rules or regulations
14 promulgated by the Director, including, but not limited to, best practices regarding vehicle
15 equipment standards; safe driving practices; the manner in which the driver coordinator will
16 conduct criminal background checks of all prospective drivers; minimum hours of work,
17 conditions of work, and applicable rules. The subjects to be specified in rules or regulations
18 promulgated by the Director shall not include the nature or amount of payments to be made by,
19 or withheld from, a driver coordinator to or by its drivers. If the driver coordinator and the EDR
20 reach agreement on terms, their agreement shall be reduced to a written agreement. The term of
21 such an agreement shall be agreed upon by the EDR and the driver coordinator, but in no case
22 shall the term of such an agreement exceed four years.

1 2. After reaching agreement, the parties shall transmit the written agreement to the
2 Director. The Director shall review the agreement for compliance with the provisions of Chapter
3 6.311, and to ensure that the substance of the agreement promotes the provision of safe, reliable,
4 and economical for-hire transportation services and otherwise advance the public policy goals set
5 forth in this Chapter 6.311 and in the Preamble to and Section 1 of Ordinance 124968. In
6 conducting that review, the record shall not be limited to the submissions of the EDR and driver
7 coordinator nor to the terms of the proposed agreement. The Director shall have the right to
8 gather and consider any necessary additional evidence, including by conducting public hearings
9 and requesting additional information from the EDR and driver coordinator. Following this
10 review, the Director shall notify the parties of the determination in writing, and shall include in
11 the notification a written explanation of all conclusions. Absent good cause, the Director shall
12 issue the determination of compliance within 60 days of the receipt of an agreement.

13 a. If the Director finds the agreement compliant, the agreement is final and
14 binding on all parties.

15 b. If the Director finds it fails to comply, the Director shall remand it to
16 the parties with a written explanation of the failure(s) and, at the Director's discretion,
17 recommendations to remedy the failure(s).

18 c. The agreement shall not go into effect until the Director affirmatively
19 determines its adherence to the provisions of Chapter 6.311 and that the agreement furthers the
20 provision of safe, reliable, and economical for-hire transportation services and the public policy
21 goals set forth in the Preamble to and Section 1 of Ordinance 124968.

22 3. Unless the EDR has been decertified pursuant to subsection 6.311.415.L or has
23 lost its designation as a QDR, the EDR and the driver coordinator shall, at least 90 days before

1 the expiration of an existing agreement approved pursuant to subsections 6.311.415.H.2.c or
2 6.311.415.I.4.c, meet to negotiate a successor agreement. Any such agreement shall be subject to
3 approval by the Director pursuant to subsection 6.311.415.H.2. If the parties are unable to reach
4 agreement on a successor agreement within 90 days after the expiration of an existing agreement,
5 either party must submit to interest arbitration upon the request of the other pursuant to
6 subsection 6.311.415.I, and the interest arbitrator's proposed successor agreement shall be
7 subject to review by the Director pursuant to subsections 6.311.415.I.3 and 6.311.415.I.4.

8 4. Nothing in this Section 6.311.415 shall require or preclude a driver coordinator
9 from making an agreement with an EDR to require membership of for-hire drivers in the EDR's
10 entity/organization within 14 days of being hired, contracted with, or partnered with by the driver
11 coordinator to provide for-hire transportation services to the public.

12 I. If a driver coordinator and the EDR fail to reach an agreement within 90 days of the
13 certification of the EDR by the Director, either party must submit to interest arbitration upon the
14 request of the other.

15 1. The interest arbitrator may be selected by mutual agreement of the parties. If
16 the parties cannot agree, then the arbitrator shall be determined as follows: from a list of seven
17 arbitrators with experience in labor disputes and/or interest arbitration designated by the
18 American Arbitration Association, the party requesting arbitration shall strike a name. Thereafter
19 the other party shall strike a name. The process will continue until one name remains, who shall
20 be the arbitrator. The cost of the interest arbitration shall be divided equally between the parties.

21 2. The interest arbitrator shall propose the most fair and reasonable agreement
22 concerning subjects specified in rules or regulations promulgated by the Director as set forth in
23 subsection 6.311.415.H.1 that furthers the provision of safe, reliable, and economical for-hire

1 transportation services and the public policy goals set forth in the Preamble to and Section 1 of
2 Ordinance 124968. The term of any agreement proposed by the interest arbitrator shall not
3 exceed two years. In proposing that agreement, the interest arbitrator shall consider the following
4 criteria:

- 5 a. Any stipulations of the parties;
- 6 b. The cost of expenses incurred by drivers (e.g., fuel, wear and tear on
7 vehicles, and insurance);
- 8 c. The safety and equipment standards and rules applicable to other
9 persons, whether employees or independent contractors, employed as for-hire or taxicab drivers
10 in Seattle and its environs, as well as other comparably sized urban areas;
- 11 d. The hours and conditions of employment of other persons, whether
12 employees or independent contractors, employed as for-hire or taxicab drivers in Seattle and its
13 environs, as well as other comparably sized urban areas;
- 14 e. If raised by the driver coordinator, the driver coordinator's financial
15 condition and need to ensure a reasonable return on investment and/or profit;
- 16 f. Any other factors that are normally or traditionally taken into
17 consideration in the determination of hours, safety and equipment standards, rules, and
18 conditions of employment; and
- 19 g. The City's interest in promoting the provision of safe, reliable, and
20 economical for-hire transportation services and otherwise advancing the public policy goals set
21 forth in Chapter 6.311 and in the Preamble to and Section 1 of Ordinance 124968.

22 3. The arbitrator shall transmit the proposed agreement to the Director for review
23 in accordance with the procedures and standards set forth in subsection 6.311.415.H.2. With the

1 proposed agreement, the arbitrator shall transmit a report that sets forth the basis for the
2 arbitrator's resolution of any disputed issues. The Director shall review the agreement as
3 provided in subsection 6.311.415.H.2.

4 4. In addition to the review provided for in subsection 6.311.415.I.3, a driver
5 coordinator or EDR may challenge the proposed agreement on the following grounds: that the
6 interest arbitrator was biased, that the interest arbitrator exceeded the authority granted by
7 subsection 6.311.415.H and this subsection 6.311.415.I, and/or that a provision of the proposed
8 agreement is arbitrary and capricious. In the event of such a challenge, the Director will provide
9 notice to the driver coordinator and the EDR, allow the driver coordinator and the EDR the
10 opportunity to be heard, and make a determination as to whether any of the challenges asserted
11 should be sustained.

12 a. If the Director finds the agreement fulfills the requirements of
13 subsection 6.311.415.H.2, and that no challenges raised under this subsection 6.311.415.I.4
14 should be sustained, the Director will provide written notice of that finding to the parties and the
15 agreement will be deemed final and binding on all parties.

16 b. If the Director finds that the agreement fails to fulfill the requirements
17 of subsection 6.311.415.H.2, or that any challenge asserted under this subsection 6.311.415.I.4
18 should be sustained, the Director shall remand the agreement to the interest arbitrator with a
19 written explanation of the failure(s) and, at the Director's discretion, recommendations to remedy
20 the failure(s).

21 c. The agreement shall not go into effect until the Director affirmatively
22 deems the agreement final and binding pursuant to subsections 6.311.415.I.3 and 6.311.415.I.4.a.

1 d. A driver coordinator or EDR may obtain judicial review of the
2 Director's final determination rendered pursuant to this subsection 6.311.415.I.4 by applying for
3 a Writ of Review in the King County Superior Court within 14 days from the date of the
4 Director's determination, in accordance with the procedure set forth in chapter 7.16 RCW, other
5 applicable law, and court rules. The Director's final determination shall not be stayed pending
6 judicial review unless a stay is ordered by the court. If review is not sought in compliance with
7 this subsection 6.311.415.I.4.d, the determination of the Director shall be final and conclusive.

8 5. If either party refuses to enter interest arbitration, upon the request of the other,
9 either party may pursue all available judicial remedies.

10 J. During the term of an agreement approved by the Director under subsection
11 6.311.415.H or 6.311.415.I, the parties may discuss additional terms and, if agreement on any
12 amendments to the agreement are reached, shall submit proposed amendments to the Director,
13 who shall consider the proposed amendment in accordance with the procedures and standards in
14 subsection 6.311.415.H.2. Any proposed amendment shall not go into effect until the Director
15 affirmatively determines its adherence to the provisions of Chapter 6.311 and that it furthers the
16 provision of safe, reliable and economical for-hire transportation services and the public policy
17 goals set forth in the Preamble to and Section 1 of Ordinance 124968.

18 1. During the term of an agreement approved by the Director under subsection
19 6.311.415.H or 6.311.415.I, the Director shall have the authority to withdraw approval of the
20 agreement if the Director determines that the agreement no longer adheres to the provisions of
21 Chapter 6.311 or that it no longer promotes the provision of safe, reliable, and economical for-
22 hire transportation services and the public policy goals set forth in the Preamble to and Section 1
23 of Ordinance 124968. The Director shall withdraw such approval only after providing the parties

1 with written notice of the proposed withdrawal of approval and the grounds therefor and an
2 opportunity to be heard regarding the proposed withdrawal. The Director's withdrawal of
3 approval shall be effective only upon the issuance of a written explanation of the reasons why the
4 agreement no longer adheres to the provisions of Chapter 6.311 or no longer furthers the
5 provision of safe, reliable, and economical for-hire transportation services or the public policy
6 goals set forth in the Preamble to and Section 1 of Ordinance 124968.

7 2. The Director shall have the authority to gather and consider any necessary
8 evidence in exercising the authority provided by this subsection 6.311.415.J.

9 3. A driver coordinator shall not make changes to subjects set forth in subsection
10 6.311.415.H or specified in rules or regulations promulgated by the Director without meeting and
11 discussing those changes in good faith with the EDR, even if the driver coordinator and EDR
12 have not included terms concerning such subjects in their agreement.

13 K. A driver coordinator shall not retaliate against any for-hire driver for exercising the
14 right to participate in the representative process provided by this Section 6.311.415, or provide or
15 offer to provide money or anything of value to any for-hire driver with the intent of encouraging
16 the for-hire driver to exercise, or to refrain from exercising, that right. It shall be a violation for a
17 driver coordinator or its agent, designee, employee, or any person or group of persons acting
18 directly or indirectly in the interest of the driver coordinator in relation to the for-hire driver to:

19 1. Interfere with, restrain, or deny the exercise of, or the attempt to exercise, any
20 right protected under this Section 6.311.415; or

21 2. Take adverse action, including, but not limited to, threatening, harassing,
22 penalizing, or in any other manner discriminating or retaliating against a driver, because the
23 driver has exercised the rights protected under this Section 6.311.415.

1 L. Decertification. An Exclusive Driver Representative may be decertified according to
2 the following:

3 1. The Director receives a petition to decertify an EDR no more than 30 days
4 before the expiration of an agreement reached pursuant to this Section 6.311.415 or no less than
5 three years after the agreement's effective date, whichever is earlier.

6 a. A decertification petition must be signed by ten or more qualifying
7 drivers. The Director shall determine by rule the standards and procedures for submitting the
8 decertification petition.

9 2. Once a petition has been accepted by the Director, the Director shall issue
10 notice to the driver coordinator and the EDR of the decertification petition and promulgate a
11 decertification date.

12 3. The driver coordinator shall have 14 days from the decertification date to
13 transmit the list of qualifying drivers to the petitioners and the EDR.

14 4. Within 120 days of receiving the driver contact information, petitioners for a
15 decertification will submit to the Director statements of interest from a majority of qualifying
16 drivers from the list described in subsection 6.311.415.K.3. The statements of interest shall be
17 signed and dated and shall clearly indicate that the driver no longer wants to be represented by
18 the EDR for the purpose of collective bargaining with the driver coordinator. The Director shall
19 determine by rule the standards and procedures for submitting and verifying the statements of
20 interest of qualifying drivers.

21 5. Within 30 days of receiving such statements of interest, the Director shall
22 determine if they are sufficient to decertify the EDR for that particular driver coordinator. The
23 Director shall either decertify the EDR, or declare that the decertification petition did not meet

1 the majority threshold and reaffirm that the EDR shall continue representing all drivers for that
2 particular driver coordinator.

3 a. If an EDR is decertified for a particular driver coordinator, the process
4 of selecting a new EDR may start according to the process outlined in subsection 6.311.415.G.

5 M. Enforcement

6 1. Powers and duties of Director

7 a. The Director is authorized to enforce and administer this Section
8 6.311.415. The Director shall exercise all responsibilities under this Section 6.311.415 pursuant
9 to rules and regulations developed under Chapter 3.02. The Director is authorized to promulgate,
10 revise, or rescind rules and regulations deemed necessary, appropriate, or convenient to
11 administer the provisions of this Section 6.311.415, providing affected entities with due process
12 of law and in conformity with the intent and purpose of this Section 6.311.415.

13 b. The Director shall investigate alleged violations of subsections
14 6.311.415.D and 6.311.415.H.1, and if the Director determines that a violation has occurred, the
15 Director shall issue a written notice of the violation. The Director may investigate alleged
16 violations of other subsections of this Section 6.311.415, and if the Director determines that a
17 violation has occurred, the Director shall issue a written notice of the violation. The notice shall:

18 1) Require the person or entity in violation to comply with the
19 requirement;

20 2) Include notice that the person or entity in violation is entitled to
21 a hearing before the Hearing Examiner to respond to the notice and introduce any evidence to
22 refute or mitigate the violation, in accordance with Chapter 3.02; and

1 3) Inform the person or entity in violation that a daily penalty of up
2 to \$10,000 for every day the violator fails to cure the violation will accrue if the violation is
3 uncontested or found committed.

4 c. The person or entity named on the notice of violation must file with the
5 Hearing Examiner's Office the request for a hearing within ten calendar days after the date of the
6 notice of violation. The Hearing Examiner may affirm, modify, or reverse the Director's notice of
7 violation.

8 d. If the person or entity named on the notice of violation fails to timely
9 request a hearing, the notice of violation shall be final and the daily penalty of up to \$10,000 will
10 accrue until the violation is cured.

11 e. Nothing in this Section 6.311.415 shall be construed as creating liability
12 or imposing liability on the City for any non-compliance with this Section 6.311.415.

13 2. Judicial review. After receipt of the decision of the Hearing Examiner, an
14 aggrieved party may pursue all available judicial remedies.

15 3. Private right of action. Subsections 6.311.415.D, 6.311.415.E, 6.311.415.H,
16 and 6.311.415.K may be enforced through a private right of action. Any aggrieved party,
17 including, but not limited to, an EDR, may bring an action in court, and shall be entitled to all
18 remedies available at law or in equity appropriate to remedy any violation of this Section
19 6.311.415. A plaintiff who prevails in any action against a private party to enforce this section
20 6.311.415 may be awarded reasonable attorney's fees and costs.

21 4. Contractual remedies. Nothing in this Section 6.311.415 shall be construed as
22 preventing the parties to an agreement approved by the Director from pursuing otherwise
23 available remedies for violation of such agreement.

1 **6.311.420 Violations and penalties – Generally**

2 A. It is a violation for any person to not meet or maintain compliance with any
3 requirement of this Chapter 6.311 or rule issued by the Director. If the Director determines that
4 any of this Chapter 6.311’s requirements or rules have been violated, the Director may issue:

- 5 1. A citation;
- 6 2. A license action; or
- 7 3. A citation and a license action.

8 B. The Director shall reject a license or medallion application if it has any material
9 misstatement or omission.

10 C. In determining a monetary penalty, the Director shall consider the gravity of the
11 violation; the number of past violations committed; the size of the business of the violator; the
12 deterrent effect of monetary penalties; and the good faith of the violator in attempting to achieve
13 compliance after notification of the violation.

14 D. A person shall pay all fees, surcharges, and monetary penalties that are owed under
15 this Chapter 6.311. If the person cited fails to pay a monetary penalty imposed under this Chapter
16 6.311, the monetary penalty may be referred to a collection agency. The cost to the Director for
17 the collection services will be added to the penalty. Alternatively, the Director may pursue
18 collection in any other manner allowed by law. The Director shall refuse to issue a license,
19 endorsement, or medallion at the time of renewal if the person has outstanding fees, surcharges,
20 or monetary penalties issued under this Chapter 6.311.

21 E. Each day a person violates or fails to comply with one of the requirements of this
22 Chapter 6.311 may be considered a separate violation for which a citation may be issued.

1 F. It is a misdemeanor for any person to violate the operating standards established in this
2 Chapter 6.311 if the violation demonstrates a habitual disregard for the standards in this Chapter
3 6.311. The Director may refer such a person for prosecution as an alternative to the citation and
4 license action procedures outlined in this Chapter 6.311.

5 G. The Director may seek legal or equitable relief to enjoin any acts or practices when
6 necessary to achieve compliance.

7 H. Nothing in this Section 6.311.420 limits or precludes any action or proceeding to
8 enforce this Chapter 6.311, and nothing obligates or requires the Director to issue a citation or
9 license action prior to the imposition of criminal penalties.

10 **6.311.430 Violations and penalties**

11 Except where otherwise noted in this Chapter 6.311, the following shall be assessed for
12 violations of the listed sections or subsections.

13 A. The Director shall assess a Class A penalty, which is a \$35 civil penalty for a first
14 offense, a \$70 civil penalty for a second offense, or a \$120 civil penalty for a third or subsequent
15 offense:

- 16 1. 6.311.160.A, B, D, L, N, Q, and U;
- 17 2. 6.311.170.B, M, and N;
- 18 3. 6.311.180.A.1, 2, and 3;
- 19 4. 6.311.280.D, E, and F; and
- 20 5. 6.311.310.A.4, 5, 6, 7, and 8;

21 B. The Director shall assess a Class B penalty, which is a \$70 civil penalty for a first
22 offense, a \$175 civil penalty for a second offense, or a \$300 civil penalty for a third or
23 subsequent offense:

1 1. 6.311.160.C, E, F, G, H, I, J, K, and M;

2 2. 6.311.170.A, D, G, I, J, K, and L;

3 3. 6.311.180.A.4 and 5;

4 4. 6.311.310.A.3, 9, 10, 11, 12, 13, 14, and 15; and

5 5. 6.311.310.B.2 and 3;

6 C. The Director shall assess a Class C penalty, which is a \$1,000 civil penalty for an
7 offense:

8 1. 6.311.170.F;

9 2. 6.311.360.A.1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21,
10 22, and 23; and

11 3. 6.311.370.A, B, C, and D;

12 D. The Director shall assess a \$1,000 civil penalty for the first offense and suspend the
13 license or medallion for the second and subsequent offenses:

14 1. 6.311.320.A and C;

15 2. 6.311.360.D and E; and

16 3. 6.311.380.A.4;

17 E. The Director shall assess a \$1,000 civil penalty for each offense. It is a criminal
18 misdemeanor for the second and subsequent offenses, which the Director may refer for
19 prosecution:

20 1. 6.311.070.A;

21 2. 6.311.220; and

22 3. 6.311.260.B;

1 F. The Director shall act as listed on a license or medallion for offenses violating the
2 following:

- 3 1. 6.311.090.A, B, C, D, E, F, G, H, I, J, K, L, and M, denial;
- 4 2. 6.311.160.O, R, and S, revocation;
- 5 3. 6.311.170.C, E, and H, suspension;
- 6 4. 6.311.200.G, revocation;
- 7 5. 6.311.230.E, denial;
- 8 6. 6.311.260.A, revocation;
- 9 7. 6.311.260.C, denial;
- 10 8. 6.311.280.A, G, and H, summary suspension;
- 11 9. 6.311.290.C, suspension;
- 12 10. 6.311.290.D, suspension of the regional for-hire driver's license wheelchair
13 accessible vehicle endorsement;
- 14 11. 6.311.310.A.1 and 2, summary suspension;
- 15 12. 6.311.330.A, revocation;
- 16 13. 6.311.340.A, denial; and
- 17 14. 6.311.360.A.24, suspension;

18 G. The Director shall suspend a license or medallion, or shall deny a license or medallion
19 application at renewal:

- 20 1. 6.311.260.E;
- 21 2. 6.311.270.A;
- 22 3. 6.311.310.B.1; and
- 23 4. 6.311.360.A.2;

1 H. The Director shall assess a \$70 civil penalty for the first offense and a \$1,000 civil
2 penalty for the second and subsequent offenses of Section 6.311.080;

3 I. The Director shall revoke a license or deny a license application at renewal for an
4 offense of subsection 6.311.170.O;

5 J. For rules promulgated in accordance with subsections 6.311.160.V, 6.311.310.A.16,
6 and 6.311.360.A.25, the Director shall specify any applicable civil penalty or license action in
7 the rule itself; and

8 K. Any violation not enumerated in this Section 6.311.430 that does not pose a threat or
9 hazard to life, safety, or property shall have a civil penalty of up to \$120. Any violation not
10 enumerated in this Section 6.311.430 that poses a threat or hazard to life, safety, or property shall
11 have a civil penalty of up to \$300.

12 **6.311.440 Citations and license actions**

13 A. The Director may issue citations and suspend, summarily suspend, deny, or revoke
14 any license, endorsement, or medallion of any person for violating or failing to comply with any
15 applicable provision of this Chapter 6.311.

16 B. Notwithstanding any other provision of this Chapter 6.311, the Director may
17 summarily suspend a license, endorsement, or medallion issued under this Chapter 6.311, with
18 the suspension to take effect immediately by order of the Director prior to any hearing upon
19 finding that:

20 1. There is reasonable cause to believe that the licensee has engaged in activity
21 that causes or will cause a clear, substantial, and imminent hazard to life, safety, property, or
22 privacy of the driver, passenger, or public, or any combination thereof; or

1 2. There is a lapse in coverage or the coverage of any surety bond or public
2 liability insurance policy required to be filed with the Director is less than the minimum
3 requirements of Section 6.311.270.

4 C. The following applies to license actions:

5 1.

6 a. Whenever any license, endorsement, or medallion is revoked or
7 summarily suspended the revocation or summary suspension is effective upon issuance of the
8 notice. Such notice may be appealed in accordance with the procedures of Section 6.311.450. If a
9 timely appeal is not filed by the licensee, the notice of revocation or summary suspension shall
10 be final.

11 b. A final order of revocation shall extend for 12 months, except for a final
12 medallion revocation. Upon the final order of revocation of a medallion, where all appellate
13 proceedings, if any, have been concluded, a medallion owner shall immediately surrender the
14 taxicab or for-hire vehicle medallion plate or decal to the Director and has 60 days to transfer the
15 medallion as prescribed by Section 6.311.230.

16 c. A final order of summary suspension shall extend until the license,
17 endorsement, or medallion expires or until evidence satisfactory to the Director is produced
18 showing that the violation is cured, whichever occurs first;

19 2. If the licensee does not file a timely appeal in accordance with Section
20 6.311.450, the notice of suspension shall be final. Suspensions are effective upon the date
21 included in the notice of suspension or if timely appealed under Section 6.311.450, when an
22 order on appeal affirming such notice becomes final. Suspensions shall extend until the license

1 or endorsement expires or until evidence satisfactory to the Director is produced showing that the
2 violation is cured, whichever occurs first; and

3 3. Except in the case of revocation or summary suspension, whenever a timely
4 appeal is filed in accordance with Section 6.311.450, a licensee may continue to operate pending
5 a final decision on appeal; however, an applicant not licensed in the preceding license year may
6 not engage in the activity for which the license is required pending a final decision on appeal.

7 **6.311.450 Notice and hearing for citations, denials, suspensions, summary suspensions, and**
8 **revocations**

9 A. A citation or license action shall include the following:

10 1. The name and address of the person to whom the citation or license action is
11 issued;

12 2. The address of the location, if relevant, where the violation occurred;

13 3. A separate statement of each provision violated;

14 4. The date of the violation;

15 5. The applicable monetary penalty;

16 6. A statement that the person cited must respond to the citation or license action
17 within 24 calendar days after service;

18 7. A statement that a response must be sent to the Hearing Examiner and received
19 not later than 4:30 p.m. on the day the response is due;

20 8. Contact information for where the citation or license action is to be filed;

21 9. A statement that the citation or license action represents a determination that a
22 violation has been committed by the person named in the citation or license action and that the
23 determination shall be final unless appealed in accordance with this Chapter 6.311; and

1 10. A statement certified under penalty of perjury by the Director’s representative
2 issuing the citation or license action setting forth facts supporting issuance of the citation or
3 license action.

4 B. The citation or license action shall be addressed to the person allegedly responsible for
5 the violation, and be served by first-class mail, electronically, or in person. Service by first-class
6 mail shall be deemed complete three days after the mailing. If a citation or license action sent
7 electronically or by first class mail is returned as undeliverable, the citation or license action may
8 be served in person. The Director shall respond to inquiries concerning the facts and process of
9 the decision and requests for any files that detail the facts on which the Director based the ruling.

10 C. A person cited must respond to a citation in one of the following ways:

11 1. Pay the amount of the monetary penalty specified in the citation within 30
12 calendar days of issuance, in which case the record shall show a finding that the person cited
13 committed the violation;

14 2. Timely request in writing a hearing to mitigate, by explaining the
15 circumstances surrounding the commission of the violation, and providing an address to which
16 notice of the hearing may be sent; or

17 3. Timely request in writing a hearing to appeal, by disputing the commission of
18 the violation, and providing an address to which notice of the hearing may be sent.

19 D. The Director’s license action is final unless the person cited timely requests in writing
20 a hearing to appeal the license action and provides an address to which notice of such hearing
21 may be sent.

22 E. If requesting a hearing, a response to a citation or license action must be received by
23 the Hearing Examiner no later than 24 calendar days after the date the citation is served. When

1 the last day of the appeal period so computed is a Saturday, Sunday, or holiday, the period shall
2 run until 4:30 p.m. on the next business day. If a person fails to respond to a citation or license
3 action within 24 calendar days of service, the citation and monetary penalty or license action
4 shall become the final order of the Director and is unreviewable by the Hearing Examiner.

5 F. Appeals of license actions shall be heard by the Hearing Examiner of the jurisdiction
6 issuing the license action. The presiding Hearing Examiner shall decide the appeal under the
7 applicable portions of both the Seattle Municipal Code and the King County Code. The City
8 Hearing Examiner is bound by any interpretation of the applicable King County Code by the
9 King County Hearing Examiner in a license action appeal. The City Hearing Examiner shall
10 forward all decisions made under this subsection F to the King County Hearing Examiner within
11 ten business days of issuing the decision. Appeals of citations shall be heard by the Hearing
12 Examiner of the jurisdiction issuing the citation, and the City Hearing Examiner shall decide the
13 appeal under the Seattle Municipal Code. The hearing for either a license action or a citation
14 shall be held within 45 calendar days after written response is received by the Hearing Examiner,
15 except that hearings for summary suspension shall be held within ten business days of the
16 request, unless a later date is agreed to by the person issued the license action. With the
17 exception of summary suspension hearings, notice of the time, place, and date of the hearing
18 shall be sent to the address specified in the request for hearing not less than ten calendar days
19 before the hearing.

20 G. Hearings to appeal the citation or license action shall be conducted in accordance with
21 the procedures and rules of the Hearing Examiner. The issues heard at the hearing shall be
22 limited to those that are raised in writing in the response to the citation or license action and that
23 are within the jurisdiction of the Hearing Examiner. The Hearing Examiner may issue subpoenas

1 for the attendance of witnesses and the production of documents. The Director shall have the
2 burden of proving by a preponderance of the evidence both that the violation occurred and the
3 appropriateness of the remedy the Director has imposed.

4 H. A citation or license action shall not be deemed insufficient for failure to contain a
5 detailed statement of the facts constituting the specific violation that the person is alleged to have
6 committed or by reason of defects or imperfections, but only if the lack of detail, or the defects
7 or imperfections, do not prejudice substantial rights of the person. A citation or license action
8 may be amended before the conclusion of the hearing to conform to the evidence presented if
9 substantial rights of the affected person are not thereby prejudiced.

10 I. The certified statement or declaration authorized by chapter 5.50 RCW shall be prima
11 facie evidence that a violation occurred and that the person listed on the citation or license action
12 is responsible. The certified statement or declaration authorized under penalty of perjury and any
13 other evidence accompanying the report shall be admissible without further evidentiary
14 foundation. In cases where the person seeks to mitigate the citation, the person may explain the
15 circumstances surrounding the commission of the violation. In cases where the person disputes
16 the citation or license action, the person may rebut the Director's evidence and establish that the
17 violation or violations preceding the citation or license action did not occur or that the person
18 appealing the citation or license action is not responsible for the violation.

19 J. In a mitigation hearing, the Hearing Examiner shall determine whether the person's
20 explanation justifies reduction of the monetary penalty. However, the monetary penalty may not
21 be reduced unless the Director affirms or certifies that the violation has been corrected prior to
22 the mitigation hearing. Factors that may be considered in whether to reduce the penalty include:
23 whether the violation was caused by the act, neglect, or abuse of another; or whether correction

1 of the violation was commenced before the issuance of the citation but full compliance was
2 prevented by a condition or circumstance beyond the control of the person cited. The Hearing
3 Examiner shall enter an order finding that the person cited committed the violation and assess a
4 monetary penalty.

5 K. If the citation or license action is sustained at the hearing, the Hearing Examiner shall
6 enter an order finding that the person committed the violation and impose the applicable
7 monetary penalty or enter an order affirming the license action. The Hearing Examiner may
8 reduce the monetary penalty of a citation in accordance with subsection 6.311.450.J. If the
9 Hearing Examiner determines that the violation did not occur, the Hearing Examiner shall enter
10 an order dismissing the citation or denying the license action.

11 L. Failure to appear for a requested hearing will result in the Hearing Examiner entering
12 an order finding that the person committed the violation and assessing the penalty specified in
13 the citation or finding that the person committed the violation and affirming the license action.
14 For good cause shown and upon terms the Hearing Examiner deems just, the Hearing Examiner
15 may set aside an order entered upon a failure to appear and schedule a new hearing date.

16 M. If a license action involving a vehicle is upheld, and the vehicle is to be temporarily or
17 permanently placed out of service, the Director shall initiate the temporary deactivation process
18 authorized under this Chapter 6.311 and the licensee shall immediately surrender all applicable
19 vehicle medallion plates or decals to the Director.

20 N. The decision of the Hearing Examiner shall be final and conclusive unless judicial
21 review is timely filed with the appropriate court.

22 O. The Hearing Examiner may affirm, modify, or reverse the decisions of the Director.

1 P. The Director may contract with a third party to serve as the Hearing Examiner for
2 purposes of this Chapter 6.311, if done in conjunction with King County.

3 **6.311.460 Director's reports**

4 The Director shall issue a joint annual report with King County on the state of for-hire
5 transportation in the region on or before April 30 of each year, and the Director shall make the
6 annual report, for the previous calendar year, publicly available on the Director's website. The
7 report may include but is not limited to the following:

8 A. The number of licensed vehicles providing for-hire transportation services in Seattle
9 and King County during the reporting period and during the preceding year;

10 B. The number of licensed regional for-hire drivers in Seattle and King County during the
11 reporting period and during the preceding year;

12 C. The numbers and nature of complaints;

13 D. The results of any survey of taxicab response times and any changes in response times
14 from the previous year;

15 E. What, if any, organizations have been authorized to operate as an emerging for-hire
16 transportation model; and

17 F. Any other information or recommendations deemed appropriate by the Director.

18 **6.311.470 Rulemaking authority**

19 A. The Director is authorized to implement, enforce, and administer this Chapter 6.311.
20 The Director is authorized to adopt, revise, or rescind rules, and regulations deemed necessary,
21 appropriate, convenient, or efficient to implement, enforce, and administer the provisions of this
22 Chapter 6.311, providing affected entities with due process of law and in conformity with the

1 intent and purpose of this Chapter 6.311. Rules shall be adopted in accordance with Chapter
2 3.02.

3 B. The Director may suspend or suspend and modify requirements of this Chapter 6.311
4 by rule related to licensing and operating standards, fees, and rates. In suspending or suspending
5 and modifying requirements of this Chapter 6.311, the Director shall analyze one or more of the
6 following nonexclusive factors:

7 1. Whether the action would serve the public interest, including the public's need
8 for safe, reliable, and effective for-hire transportation;

9 2. Whether technology has changed such that the requirements are no longer
10 necessary;

11 3. Whether such action would improve the economic viability for drivers and
12 vehicle owners; and

13 4. Whether such action would encourage and enable companies and agencies to
14 innovate and improve customer service and increase access to for-hire transportation options.

15 C. The Director may establish rules either for taxicabs or for-hire vehicles or for both to
16 operate when equipped with an automated driving system and may establish associated penalties.
17 Unless granted such authority by the Director by rule, an autonomous vehicle providing for-hire
18 transportation services is prohibited from autonomous operation.

19 **6.311.480 Additional remedies**

20 Notwithstanding the existence or use of any other remedy, the City Attorney may seek legal or
21 equitable relief to enjoin an act or practice that constitutes or will constitute a violation of this
22 Chapter 6.311 or an applicable rule adopted under this Chapter 6.311.

1 Section 2. Section 11.14.235 of the Seattle Municipal Code, enacted by Ordinance
2 108200, is amended as follows:

3 **11.14.235 For-hire car**

4 "For-hire car" means for-hire vehicles as defined by ~~((the Seattle License Code))~~ Chapter 6.311.

5 Section 3. Section 15.17.005 of the Seattle Municipal Code, last amended by Ordinance
6 126732, is amended as follows:

7 **15.17.005 Authorized vending in the public place**

8 No person shall vend in a public place unless authorized as described below:

9 A. The vending activity occurs in an area that is permitted for that type of an activity, for
10 example: as part of a Street Use temporary activation permit which authorizes vending; Chapter
11 11.25, parade permits; Chapter 15.08, areaways; Chapter 15.16, cafe Street Use permits; street
12 areas within the Pike Place Market Historical District Chapter 25.24) that are being administered
13 by the Pike Place Market Preservation and Development Authority; Chapter 15.35, filming
14 permits; Chapter 15.52, Special Event permits; ~~((or))~~ Chapter 6.310~~((, Taxicabs and For-Hire
15 Vehicles))~~; or Chapter 6.311.

16 * * *

17 Section 4. After any transition to a new type of entity or driver has been completed, the
18 Director may notify the Code Reviser regarding that transition and which portions of Seattle
19 Municipal Code Chapter 6.311 will no longer have any application to future situations. After
20 receiving and verifying that information, the Code Reviser shall decodify those obsolete portions
21 pursuant to Seattle Municipal Code subsection 1.03.030.J. Reuse of those obsolete portions'
22 Seattle Municipal Code section or subsection numbers has no legal relevance in interpreting
23 those obsolete portions.

1 Section 5. This ordinance shall take effect and be in force 30 days after its approval by
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

4 Passed by the City Council the _____ day of _____, 2023,
5 and signed by me in open session in authentication of its passage this _____ day of
6 _____, 2023.

7 _____
8 President _____ of the City Council

9 Approved / returned unsigned / vetoed this _____ day of _____, 2023.

10 _____
11 Bruce A. Harrell, Mayor

12 Filed by me this _____ day of _____, 2023.

13 _____
14 Scheeren Dedman, City Clerk

15 (Seal)



Legislation Text

File #: CB 120656, **Version:** 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to the Department of Finance and Administrative Services; authorizing the Director of Finance and Administrative Services or designee to execute an interlocal agreement with King County to regulate for-hire transportation.

WHEREAS, due to changes in state law governing the regulation of transportation network companies, modifying an existing Seattle Municipal Code chapter to regulate transportation network companies and establishing a new Seattle Municipal Code chapter to regulate taxicabs and for-hire vehicles best articulates the City’s objectives for these industries; and

WHEREAS, the City partners with King County through an interlocal agreement to regulate the for-hire transportation industry and desires to maintain that partnership under common regulations in the future; and

WHEREAS, the City and County last updated the interlocal agreement concerning for-hire transportation in August 1995; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The Director of the Department of Finance and Administrative Services, or designee, is authorized to execute the Interlocal Agreement for For-Hire Transportation with King County, attached to this ordinance as Attachment 1.

Section 2. 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.

Passed by the City Council the _____ day of _____, 2023, and signed by
me in open session in authentication of its passage this _____ day of _____, 2023.

President _____ of the City Council

Approved / returned unsigned / vetoed this _____ day of _____, 2023.

Bruce A. Harrell, Mayor

Filed by me this _____ day of _____, 2023.

Scheereen Dedman, City Clerk

(Seal)

Attachments:

Attachment 1 - Interlocal Agreement Between The City of Seattle and King County: For-Hire Transportation

**INTERLOCAL AGREEMENT BETWEEN THE CITY OF SEATTLE AND KING COUNTY
FOR-HIRE TRANSPORTATION
APRIL 7, 2023**

THIS AGREEMENT is made by and between THE CITY OF SEATTLE, acting through its Department of Finance and Administrative Services, hereinafter referred to as "Seattle," and KING COUNTY, acting through its Department of Executive Services, hereinafter referred to as "King County."

WHEREAS King County and Seattle both have jurisdiction to license and regulate for-hire transportation services including vehicle medallions, vehicle endorsements (TNC-endorsed vehicles), for-hire driver's licenses and for hire driver's permits, transportation network company licenses (company licenses), and transitional regional dispatch agency and regional dispatch agency licenses (agency licenses), and the enforcement of laws and regulations concerning the same; and

WHEREAS King County and Seattle both have established code to comprehensively regulate for-hire transportation and its various components within the framework of State code; and

WHEREAS King County and Seattle desire to simplify and facilitate the ease of obtaining vehicle medallions and endorsements, for-hire driver's licenses and permits, and company and agency licenses from a single source; and

WHEREAS Seattle desires to appoint King County as its non-exclusive agent to have joint authority to regulate and enforce Seattle Municipal Code 6.310 and 6.311, as now or hereafter amended, within the City of Seattle's boundaries; and

WHEREAS King County desires to appoint Seattle as its non-exclusive agent to have joint authority to regulate and enforce King County Code 6.64 and 6.65, as now or hereafter amended, within King County's boundaries; and

WHEREAS the Parties to this Agreement have determined it to be in the public's best interest to execute this Agreement to allocate and delineate responsibility for licensing and regulating vehicle medallions and endorsements, for-hire driver licenses and permits, company and agency licenses, and the enforcement of the same; and

NOW, THEREFORE, pursuant to and consistent with the provisions of Chapter 46.72 RCW, Chapter 46.72B RCW, Chapter 81.72 RCW, Chapter 39.34 RCW, King County Code, as now or hereafter amended, and Seattle Municipal Code, as now or hereafter amended, the Parties hereto agree as follows:

SECTION 1. TERM OF AGREEMENT

This Agreement shall be effective upon its execution by both Parties hereto, and shall automatically renew on the 1st day of August of each succeeding year unless otherwise modified or terminated pursuant to the provisions hereof.

SECTION 2. GENERAL RESPONSIBILITIES

- A. King County hereby appoints Seattle (through its Director of the Department of Finance and Administrative Services or its successor department), as its non-exclusive agent to

jointly, with King County, enforce the provisions of King County Code Chapters 6.64 and 6.65, as now or hereafter amended.

- B. Seattle hereby appoints King County (through its Director of the King County Records and Licensing Services Division or its successor division), as its non-exclusive agent to jointly, with Seattle, enforce the provisions of Seattle Municipal Code Chapters 6.310 and 6.311, as now or hereafter amended.
- C. Any fees charged by King County on behalf of Seattle, or any fees charged by Seattle on behalf of King County, shall be pursuant to the code of the respective party, as now or hereafter amended. Such fees collected by either party on behalf of the other party shall be remitted to the respective party at agreed upon intervals.

SECTION 3. KING COUNTY RESPONSIBILITIES

Seattle hereby appoints King County as its non-exclusive agent for determining eligibility for for-hire driver's licenses and permits, and company licenses issued under the terms of the Seattle Municipal Code, as now or hereafter amended.

SECTION 4. SEATTLE RESPONSIBILITIES

King County hereby appoints Seattle as its non-exclusive agent for determining eligibility for vehicle medallions and endorsements, and agency licenses, issued under the terms of the King County Code, as now or hereafter amended.

SECTION 5. ENFORCEMENT ACTIONS AND APPEALS PURSUANT TO SEATTLE MUNICIPAL CODE CHAPTER 6.310 AND KING COUNTY CODE CHAPTER 6.64

- A. King County hereby appoints Seattle as its non-exclusive agent to jointly, with King County, enforce provisions of King County Code Chapter 6.64, as now or hereafter amended, including the power to deny, suspend, or revoke vehicle endorsements issued thereunder and to take enforcement action as allowed by the King County Code.
- B. Any enforcement actions by Seattle concerning King County's vehicle endorsements and company licenses that result in suspensions, revocations, denials, or other administrative actions will be subject to the review power of the King County Hearing Examiner. Following any of the above enumerated enforcement actions, Seattle shall provide written notice to the applicant or licensee that their right to appeal shall be to the King County Hearing Examiner pursuant to the King County Code, as now or hereafter amended.
- C. Criminal citations regarding vehicle endorsements or company licenses issued by Seattle, as agent for King County, will be filed with the King County District Court on citation forms provided by King County.
- D. Seattle hereby appoints King County as its non-exclusive agent to jointly, with Seattle, enforce provisions of Seattle Municipal Code Chapter 6.310 pursuant to the Seattle Municipal Code, as now or hereafter amended, including the power to deny, suspend, or revoke for-hire driver's licenses and permits and company licenses issued thereunder and to take enforcement action as allowed by the Seattle Municipal Code.

- E. Any enforcement actions by King County concerning Seattle's for-hire driver's licenses and permits and company licenses that result in suspensions, revocations, denials, or other administrative actions will be subject to the review power of the City of Seattle Hearing Examiner. Following any of the above enumerated enforcement actions, King County shall provide written notice to the applicant or licensee that their right to appeal shall be to the City of Seattle Hearing Examiner pursuant to the Seattle Municipal Code.
- F. Criminal citations regarding for-hire driver's licenses or permits or company licenses issued by King County, as agent for Seattle, will be filed with the Seattle Municipal Court on citation forms provided by Seattle.
- G. This Section 5 aligns with Chapter 46.72B RCW, which constrains Seattle and King County from amending ordinances or regulations related to transportation network companies, transportation network company drivers, or transportation network company endorsed vehicles after January 1, 2022. If Seattle Municipal Code Chapter 6.310 and King County Code Chapter 6.64 are amended to align with Seattle Municipal Code Chapter 6.311 and King County Code Chapter 6.65, the enforcement action and appeals process c in Section 6 shall apply for affected drivers, vehicles, and companies.

SECTION 6. ENFORCEMENT ACTIONS AND APPEALS PURSUANT TO SEATTLE MUNICIPAL CODE CHAPTER 6.311 AND KING COUNTY CODE CHAPTER 6.65

- A. Pursuant to Seattle Municipal Code chapter 6.311 and King County Code chapter 6.65, as now or hereafter amended, any enforcement actions by King County concerning Seattle's for-hire transportation licensing and enforcement ordinance(s), will be subject to the review power of the King County Hearing Examiner. Following such enforcement action, King County shall provide written notice to the applicant or licensee that their right to appeal shall be to the King County Hearing Examiner pursuant to the King County Code and the Seattle Municipal Code.
- B. Pursuant to King County Code chapter 6.65 and Seattle Municipal Code chapter 6.311, as now or hereafter amended, any enforcement actions by Seattle concerning King County's for-hire transportation licensing and enforcement ordinance(s), will be subject to the review power of the Seattle Hearing Examiner. Following such enforcement action, Seattle shall provide written notice to the applicant or licensee that their right to appeal shall be to the Seattle Hearing Examiner pursuant to the King County Code and the Seattle Municipal Code.

SECTION 7. APPLICABLE STANDARDS, PROCEDURES

- A. The Parties will review the amounts of license fees collected and operational and enforcement costs via their biennial budget processes, and may seek to adjust fees accordingly.
- B. The Parties will periodically meet to review joint enforcement policies, issues, operations, emerging for-hire transportation models, and administration of this Agreement to adjust practices to promote efficiency.
- C. Any enforcement action, including but not limited to citations, notices, license actions, and monetary penalties shall be filed on the forms applicable to each jurisdiction. Where possible, these forms shall be similar in content.

SECTION 8. COSTS

Each party will bear the operating costs for which it has responsibility under this Agreement and will support such operating costs to the extent of their respective authority under each party's codes and ordinances.

SECTION 9. TERMINATION

A. For Default.

In the event either party fails to comply with any provision of this Agreement ("Default"), which Default shall not have been cured by the defaulting party within thirty (30) days after receiving from the non-defaulting party notice specifying such Default, then the non-defaulting party may immediately terminate this Agreement by delivering written notice of such termination to the defaulting party.

B. Without Cause.

This Agreement may be terminated without cause, in whole or in part, prior to the expiration date of this Agreement by either party's providing to the other ninety (90) days' prior written notice of such termination.

C. Notwithstanding the above, if either party desires to terminate this Agreement, the two parties shall meet to determine a transition plan and timeline that does not interrupt either party's ongoing operations, or responsibilities under this Agreement.

SECTION 10. INDEMNIFICATION

A. It is agreed that this Agreement is solely for the benefit of the Parties hereto and confers no right on any other person or entity.

B. To the maximum extent permitted by law, including, but not limited to, RCW 35.32A.090, each party hereto agrees to be responsible and assumes liability for any act or omission of any of its employees while performing work pursuant to this Agreement and agrees to save, indemnify, defend, and hold the other party harmless from any such liability. In the case of negligence, or other basis for liability of both Parties, any damages allowed shall be assessed in proportion to the percentage of negligence or other basis of liability attributable to each party, and each Party shall have the right to seek contribution from the other party in proportion to the percentage of negligence or other basis of liability attributable to the other party.

C. Each party shall promptly notify the other party of every claim subject to indemnification hereunder and a party who is or may be entitled to indemnification shall not pay, settle or otherwise compromise such claim without prior written consent of the indemnifying party, which shall not be unreasonably withheld.

SECTION 11. AMENDMENTS

No modification or amendment of the provisions hereof shall be effective unless in writing and

signed by an authorized representative of each of the Parties hereto. The Parties hereto expressly reserve the right to modify this Agreement by mutual agreement.

SECTION 12. EXECUTORY AGREEMENT

This agreement will not be considered valid until executed for Seattle by the Director of the Department of Finance and Administrative Services, or successor department, and for King County by the Director of the Department of Executive Services, or successor department.

SECTION 13. INVALIDITY OF PARTICULAR PROVISIONS

A judicial determination that any term provision, condition or other portion of this Agreement or its application is inoperative, invalid or unenforceable shall not affect the remaining portions of this Agreement.

SECTION 14. DISPUTE RESOLUTION

In the event of an unresolved dispute between the Parties as to respective discretionary decisions and/or actions taken, the dispute shall be submitted for review to a three-member panel composed of a City of Seattle representative, a King County representative, and a third member of their choosing who shall not be an officer or employee of either King County or Seattle. A decision or determination agreed upon by a majority of the panel shall be final and conclusive in all respects between the Parties.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the dates indicated below:

THE CITY OF SEATTLE

KING COUNTY

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

SUMMARY and FISCAL NOTE*

| Department: | Dept. Contact: | CBO Contact: |
|-------------------------------------|-----------------------|---------------------|
| Finance and Administrative Services | Matthew Eng | Lorine Cheung |

** 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 relating to the Department of Finance and Administrative Services; authorizing the Director of Finance and Administrative Services or designee to execute an interlocal agreement with King County to regulate for-hire transportation.

Summary and background of the Legislation: This legislation directs execution of an interlocal agreement between the City of Seattle and King County concerning the regulation of for-hire transportation. The City and County last updated the interlocal agreement in 1995.

In response to amendments to Seattle Municipal Code (SMC) Chapter 6.310 and the creation of SMC Chapter 6.311, City staff wish to continue their partnership with King County to comprehensively regulate transportation network companies, taxicab associations, and for-hire vehicle companies and their affiliated drivers and vehicles.

The agreement restates the broad division of responsibilities between the City and County. The City retains its role as the County’s non-exclusive agent for determining eligibility for vehicle medallions and endorsements and licenses granted to regional dispatch agencies (the successor to taxicab associations and for-hire vehicle companies).

The agreement acknowledges a new streamlined enforcement and appeals process whereby the City’s Hearing Examiner has review power for enforcement actions taken by the City under King County’s for-hire transportation licensing and enforcement ordinance(s). King County’s Hearing Examiner has the same review power for enforcement actions taken by the County under Seattle’s for-hire transportation licensing and enforcement ordinance(s).

The City expects neither increased costs nor increased revenues from execution of the agreement.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ___ Yes No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ___ Yes No

Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs? No; this legislation does not have any material effect on the costs incurred to regulate the for-hire transportation industry operating in the city of Seattle.

Is there financial cost or other impacts of *not* implementing the legislation? King County will transmit similar legislation to adopt the interlocal agreement. The agreement will not take effect if either jurisdiction does not act to formally adopt and execute it. Under such a scenario, the agreement from 1995 will continue to establish terms for the City and County partnership.

4. OTHER IMPLICATIONS

- a. **Does this legislation affect any departments besides the originating department?** No.
- b. **Is a public hearing required for this legislation?** No.
- c. **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?** No.
- d. **Does this legislation affect a piece of property?** No.
- e. **Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?** Many for-hire drivers are immigrants and/or refugees, speak a language other than English as their primary language, and are persons of color. FAS recognizes drivers faced reduced economic opportunities due to the COVID-19 pandemic. The interlocal agreement will support implementation of modernized regulations designed to help drivers and others successfully compete in the marketplace.
- f. **Climate Change Implications**
 1. **Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?** No. However, as owners of transportation network company affiliated vehicles, taxicabs, and for-hire vehicles consider options to replace aging vehicles, the availability of electric vehicles (and access to charging infrastructure) and incentive programs (e.g., rebates) to purchase those vehicles could lead to decreased carbon emissions.
 2. **Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.** No actions proposed by this legislation will increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way.

- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).** This legislation does not expand the City's existing for-hire regulatory program. Success would be measured by ensuring key parts of City and County regulations are aligned and staff partner to effectively regulate licensees.

September 11, 2023

MEMORANDUM

To: Finance and Housing Committee
From: Karina Bull, Analyst
Subject: For-Hire Transportation Regulations

On September 14, the Finance and Housing Committee (Committee) will discuss 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 Seattle Municipal Code (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 to jointly administer and enforce for-hire transportation regulations.

This memo provides background on the City's regulation of the for-hire transportation industry, summarizes key policy changes in proposed legislation, describes pre-introduction changes in CB 120653, identifies an issue related to coordinating with the County Council's process, and provides next steps.

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.

In 2022, the Washington State Legislature passed [Engrossed Substitute House Bill \(ESHB\) 2076](#), establishing statewide regulatory requirements for TNCs and drivers, and preempting the field of TNC regulations as of January 1, 2023. Under a narrow exception, ESHB 2076 allows the City and County to continue regulating the licensing and processing of applications, examinations, and background checks of TNCs and drivers per existing requirements. However, any amendments to these requirements must conform to state law, codified as Revised Code of Washington (RCW) 46.72.

In response to these statewide changes and growing interest in modernizing for-hire transportation services at the local level, the City partnered with the County to develop companion bills to comprehensively update for-hire transportation regulations. To continue joint implementation of these regulations, the companion bills propose substantially similar provisions (and must be adopted as such). The updates seek to 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.

CB 120652 – TNC Regulations Ordinance, SMC 6.310

CB 120652 would amend SMC 6.310 to (1) conform with state regulations established by RCW 46.72 that apply to TNCs and their affiliated vehicles and drivers, (2) make technical changes, and (3) remove provisions specific to taxicabs and for-hire vehicles.

The legislation would amend SMC 6.310 to align with state regulations for TNCs as follows:

1. Raise the maximum model age for a TNC vehicle from 10 years to 15 years;
2. Lower the minimum TNC driver and vehicle endorsement holder age from 21 years to 20 years;
3. Cap the maximum number of hours that a driver can provide network services to 14 consecutive hours in any 24-hour period;
4. Update the citation for TNC insurance requirements from RCW 48.177 to RCW 46.72B.180;
5. Modify language that prohibits additional charges for transporting persons with disabilities by replacing a reference to the federal Americans with Disabilities Act with a reference to RCW 46.72.B.112; and
6. Remove references to Washington state when referring to driver's licenses or vehicle registrations.

The County has developed companion legislation that would amend KCC 6.64 to conform with the state regulations and remove provisions specific to taxicabs and for-hire vehicles.

CB 120653 – Taxi and For-Hire Vehicle Regulations Ordinance, SMC 6.311

CB 120653 would establish SMC 6.311 as a new chapter regulating taxicab and for-hire segments of the for-hire transportation industry. The legislation would separate the City's regulation of taxicabs and for-hire vehicles from TNCs and propose new regulations to promote equity and innovation; integrate for-hire transportation options and services; and ensure consumer protection and public safety.

The legislation would propose new regulations for taxicab and for-hire vehicles as follows:

1. Allow vehicles with a taxicab or for-hire vehicle medallion to operate throughout the City and King County without the geographic restrictions of the current medallion system;
2. Require taxicab associations and for-hire vehicle companies to transition to “regional dispatch agencies,” subject to standardized licensing and operating requirements;¹
3. Require for-hire vehicles to transition to taxicabs and affiliate with a regional dispatch agency;²
4. Require taxicabs across all regional dispatch agencies to adopt “smart taximeter” technology to use geographic positioning system technology to meter trips, program different rates, and record more extensive trip data than analog taximeters;
5. Establish a regional taximeter rate but allow regional dispatch agencies to vary from the rate based on certain factors, such as customer demand or time of day;
6. Create an option for an enhanced regional for-hire driver’s license that would add fingerprint-based background checks required by certain organizations that partner with regional dispatch agencies to provide transportation for vulnerable populations;
7. Simplify the penalty structure by removing types of violations and streamlining the process for adjudicating enforcement actions;
8. Authorize the FAS Director to regulate emerging for-hire transportation models by attaching new conditions to licensing requirements;
9. Adjust insurance requirements for financial rating and cancellation notification to attract additional insurers to the Seattle market; and
10. Allow medallion owners to temporarily deactivate a medallion for up to 12 months to provide owners with more flexibility in managing their small business.

The County has developed companion legislation that would establish KCC 6.65 as a new chapter regulating taxicab and for-hire segments of the for-hire transportation industry and propose substantially similar regulations.

CB 120656 – For-Hire Interlocal Agreement

CB 120656 would authorize the execution of an interlocal agreement between the City and County to jointly administer and enforce regulations of for-hire transportation services. The agreement would restate the broad division of responsibilities between jurisdictions, reflect updates in state and local regulations, and establish a streamlined enforcement and appeals process utilizing City and County hearing examiners rather than the County Board of Appeals.

¹ Currently, the City licenses nine taxicab associations and four for-hire vehicle companies but does not standardize responsibilities and privileges between these entities. Requiring these entities to become “regional dispatch agencies” (i.e., adopt a change in name and status) aims to eliminate customer confusion between types of vehicles and services, and standardize licensing and operating requirements.

² For-hire vehicle rate structures could remain in effect until March 31, 2026, and then would transition to regional taximeter rates. Drivers could charge flat rates at the discretion of their affiliated regional dispatch agency.

The City would remain the County’s non-exclusive agent for administering vehicle medallions, vehicle endorsements, and regional dispatch agency licenses. The County would remain the City’s non-exclusive agent for administering for-hire driver’s licenses and permits, and TNC licenses.

The County has developed companion legislation that would authorize the execution of the interlocal agreement.

Racial Equity Impacts

Most taxicab and for-hire vehicle medallion owners and drivers are immigrants and/or refugees, speak a language other than English as their primary language, and are persons of color.³ The proposed regulations in CB 120653 reflect recognition that taxicab and for-hire drivers have faced more extensive regulations than TNC drivers and aim to create more equitable opportunities for drivers to successfully compete within the for-hire transportation industry.

The impact of the proposed regulations on the cost of for-hire transportation, which could affect customer use and driver income, is unclear. While the legislation requires regional dispatch agencies to adopt smart taximeter technology by March 31, 2026, the option to use this technology for dynamic pricing is discretionary. For example, a regional dispatch agency could charge dynamic rates similar to TNCs or flat rates.

Financial Impacts

The Executive estimates that implementing CB 120652 (TNC Regulations Ordinance, SMC 6.310) and CB 120656 (For-Hire Interlocal Agreement) and conducting outreach on new regulations would not incur additional costs. The Executive states that outreach could include partnering with other departments, such as working with the Department of Neighborhoods Community Liaison program.

The Executive estimates that developing software to implement CB 120653 (Taxi and For-Hire Vehicle Regulations Ordinance, SMC 6.311) would incur additional costs. Seattle Information Technology forecasts that updating Accela, the software FAS uses to keep records on vehicle medallions, for-hire driver’s licenses, and other parts of the regulatory program, would cost about \$600,000 and require up to nine months for implementation. The Executive states that additional appropriations for this expense, supported by projected regulatory fee revenues, will be reflected in the 2024 Proposed Budget.

³ A 2020 City-commissioned report describing results from the three-year 2016-8 American Community Survey’s counting of “taxi drivers” in King County found that drivers were more likely to identify as foreign-born and persons of color: 72 percent of drivers identified as foreign born and 73 percent identified as Black, Hispanic, Asian, or other (27 percent identified as White non-Hispanic). While many of these drivers were likely affiliated with TNCs, the results provide insight into the demographics of taxi and for-hire vehicle drivers. Parrott, James and Reich, Michael. [A Minimum Compensation Standard for TNC Drivers: Report for the City of Seattle](#). Center for New York City Affairs, Center for Wage and Employment Dynamics. July 2020.

Pre-Introduction Changes

CB 120653 reflects technical and substantive pre-introduction changes sponsored by Councilmember Mosqueda. For more information, see the following attachments:

- A. CB 120653 – Chart with pre-introduction changes, and
- B. CB 120653 – Legislation with pre-introduction changes.

Coordinating with County Council's Process

The City and County have developed substantially similar legislative packages to update and modernize for-hire transportation regulations. Since the City and County plan to jointly administer these regulations, the legislative packages approved by both jurisdictions should remain nearly identical. Therefore, if one jurisdiction amends the proposed regulations, the other jurisdiction should consider approving the same or similar amendments.

Currently, the County's legislative package is awaiting sponsorship and may not be reviewed until October or November. County staff are identifying technical edits that could be proposed or considered during the County Council's deliberations. To synchronize the legislative packages, it is likely that Council will need to consider amendments to the City's proposed legislative package after the County Council has completed its review this fall.

If the Council approves the City's legislative package before the County completes their deliberations, the Council would need to introduce *new* legislation to incorporate any County amendments rather than amending the current package.

As an alternative, the Council could consider delaying a final vote on the City's legislative package until after County deliberations. If the County completes their review of legislation in November, delaying the Council vote until December 5 would likely provide sufficient time for Central Staff to prepare any amendments to synchronize the regulations. Notably, if the County makes extensive changes, the Council may want to consider amendments in committee before a Council vote.

Next Steps

The Committee will continue discussion of the proposed legislation, consider any amendments, and possibly vote on the legislative package at the next meeting on September 20. If Councilmembers would like to propose any amendments, please contact me by 12 pm on September 15.

Attachments:

- A. CB 120653 – Chart with pre-introduction changes
- B. CB 120653 – Legislation with pre-introduction changes

cc: Esther Handy, Director
Aly Pennucci, Deputy Director
Yolanda Ho, Supervising Analyst



Legislation Text

File #: CB 120659, **Version:** 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to the transfer of City real property for housing development; declaring the property located at 6109 Phinney Avenue N (“Property”) surplus to the City’s needs; authorizing transfer of the Phinney Ridge Property to Homestead Community Land Trust or its designee; authorizing the Director of the Office of Housing or the Director’s designee to execute and deliver a contract for transfer of land, deed, and related documents; and ratifying and confirming certain prior acts.

WHEREAS, in Ordinance 125960, The City of Seattle (“City”) declared the Property (described below)

surplus, and transferred jurisdiction of the Property to the Office of Housing for the purpose of developing permanently affordable home ownership for low-income households at or below 80 percent of the median income; and

WHEREAS, the Office of Housing conducted a competitive process and selected Homestead Community Land Trust as the developer for permanently affordable homeownership on the Property based upon its plan to develop 19 units of affordable housing at the site; and

WHEREAS, Homestead Community Land Trust has since acquired, at the organization’s expense, an adjacent property to assemble a larger site to create an easier to develop site with additional street frontage; and

WHEREAS, Homestead Community Land Trust has conducted due diligence and pre-development activities, applied for permits, has incurred substantial pre-development expenses and now proposes to develop a multifamily residential development including 30 condominium units, with 19 that will be affordable to households earning less than 80 percent of the area median income; and

WHEREAS, upon transfer of title to the Property, the Office of Housing shall require the transferee to accept the Property “as-is, where-is, with all faults” and to release, indemnify, and hold the City harmless from

any future claims regarding the condition of the Property, including but not limited to any and all claims related to environmental conditions; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The Property is located at 6109 Phinney Avenue N, Seattle, Washington 98117, King County Tax Parcel No. 952310-1290, and is legally described below:

LOTS 7, 8, 9 AND 10, BLOCK 81, SUPPLEMENTAL PLAT OF WOODLAND PARK, ADDITION TO THE CITY OF SEATTLE, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 5 OF PLATS, PAGE 19, IN KING COUNTY, WASHINGTON; EXCEPT THE NORTH 5 FEET OF LOT 7 AS CONVEYED BY DEED RECORDED UNDER RECORDING NO. 4291156; EXCEPT THE SOUTH 20 FEET OF THE EAST 50 FEET OF LOT 7; AND EXCEPT THE EAST 50 FEET OF LOTS 8 AND 9, ALL CONVEYED BY DEED RECORDED UNDER RECORDING NO. 4306574.

Section 2. The Director of the Office of Housing or the Director’s designee (“Director”) is authorized to negotiate a property transfer agreement (“Agreement”) and any ancillary documents to accomplish the transfer of ownership of the Property to Homestead Community Land Trust (“Homestead CLT”), a Washington nonprofit corporation, or with a designee or assignee of Homestead CLT approved by the Director, on the terms and subject to the conditions authorized in this ordinance. The Director is also authorized to make amendments to the legal description in Section 1 of this ordinance as may be necessary to correct scrivener’s errors or to conform the legal description to the precise boundaries of the Property.

Section 3. The Agreement shall reflect the provisions included in the Term Sheet attached to this ordinance as Attachment A, with such revisions and additions as the Director may determine are reasonably necessary to carry out the intent of this ordinance.

Section 4. The improvements to be developed on the Property are to include at least 19 condominium units, to be sold to households with incomes at or below 80 percent of median income at prices deemed to be affordable by the Director. The condominium units, together with any additional improvements to be developed on the Property with the approval of the Director and all necessary regulatory approvals, are referred to in this ordinance as the “Project.”

Section 5. The Director is authorized to execute and deliver such additional documents, which may include amendments to the Agreement and related covenants, and to take such other actions as may be necessary or appropriate to implement the intent of this ordinance and development of the Project, and to administer and enforce the Agreement, covenants, and any other such documents that the Director deems appropriate to implement the intent of this ordinance and development of the Project. The authority given to the Director in this ordinance may be delegated to and exercised by the Director’s designee.

Section 6. Upon transfer of title to the Property, the Director shall require the transferee to accept the Property “as-is, where-is, with all faults” and to release, indemnify, and hold the City harmless from any future claims regarding the condition of the Property, including but not limited to any and all claims related to environmental conditions.

Section 7. Any act consistent with the authority of this ordinance taken after its passage and prior to its effective date is ratified and confirmed.

Section 8. 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.

Passed by the City Council the _____ day of _____, 2023, and signed by me in open session in authentication of its passage this _____ day of _____, 2023.

President _____ of the City Council

Approved / returned unsigned / vetoed this _____ day of _____, 2023.

Bruce A. Harrell, Mayor

Filed by me this _____ day of _____, 2023.

Scheereen Dedman, City Clerk

(Seal)

Attachments:

Attachment A - Term Sheet: Transfer of Property from The City of Seattle (“City”) to Homestead Community Land Trust or Its Designee or Assignee (“Transferee”)

Attachment 1: Term Sheet

TRANSFER OF PROPERTY FROM THE CITY OF SEATTLE (“City”) TO HOMESTEAD COMMUNITY LAND TRUST OR ITS DESIGNEE OR ASSIGNEE (“Transferee”)

This term sheet describes the basic terms of the proposed transfer of property between Transferee and City. The Agreement will include the following terms:

1. Transfer. Any transfer of the property shall be by Quit Claim Deed.
2. Consideration. In consideration for the City transferring the Property to Transferee, Transferee shall agree to construct or cause to be constructed at the Property or adjacent property improvements substantially as described in those plans and specifications submitted by Homestead Community Land Trust to the Office of Housing which improvements shall be a condominium building which includes 19 units to be for sale and affordable to households with incomes at the time of sale of 80% or less of the area median income (AMI), as defined by the City of Seattle’s Office of Housing.
3. Conditions precedent to the City’s obligation to transfer the property:
 - a. Transferee shall have obtained approval from the Director of the Office of Housing (Director) of the final plan set and development budget including projected sales prices.
 - b. Transferee shall have obtained permits for the development of the Property consistent with the designs approved by the Office of Housing.
 - c. Transferee shall have provided evidence satisfactory to the Office of Housing that Transferee has secured all necessary construction financing to fund the construction of the Project.
4. Other conditions.
 - a. The Agreement may contain other conditions determined by the Director to be necessary to provide the desired outcomes.
 - b. Upon transfer of title to the property, the Office of Housing shall require the transferee to accept the property “as-is, where-is, with all faults” and to release, indemnify, and hold the City harmless from any future claims regarding the condition of the property, including but not limited to any and all claims related to environmental conditions.
 - c. Transferee to convey to the City at least a 50-year covenant preserving the 19 condominium units built on the Property as resale-restricted affordable homes. As such, all home sales shall only be to households with incomes at or below 80% of AMI at affordable prices for a period of no less than 50 years.

SUMMARY and FISCAL NOTE*

| Department: | Dept. Contact: | CBO Contact: |
|--------------------|-----------------------|---------------------|
| Office of Housing | Erika Malone | Nick Tucker |

** 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 relating to the transfer of City real property for housing development; declaring the property located at 6109 Phinney Avenue N (“Property”) surplus to the City’s needs; authorizing transfer of the Phinney Ridge Property to Homestead Community Land Trust or its designee; authorizing the Director of the Office of Housing or the Director’s designee to execute and deliver a contract for transfer of land, deed, and related documents; and ratifying and confirming certain prior acts.

Summary and Background of the Legislation: Supporting the development of affordable homeownership has long been a City strategy to promote social justice, economic stability and opportunity, to address displacement, and to help reverse racial and wealth inequities caused by decades of discriminatory real estate and lending practices. However, affordable homeownership has become increasingly difficult to implement as home prices and construction costs rise. To help address this difficulty, City of Seattle Resolution 31837 prioritizes the use of surplus City property for development of affordable housing.

This legislation authorizes the Office of Housing to make the Property available to Homestead Community Land Trust at no cost, in exchange for the development of 19 permanently affordable homes.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? Yes No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? Yes No

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?
The Office of Housing will loan approximately \$2,050,000 of MHA Funds as a development subsidy for the 19 affordable, resale-restricted homes. City of Seattle will be granted a 50-year affordability covenant by the developer and the Office of Housing will monitor compliance with the 50-year affordability term. These funds have already been awarded as part of the award of land that resulted from the RFP process.

Are there financial costs or other impacts of *not* implementing the legislation?
Not implementing the legislation will delay construction of 19 affordable homes and negatively impact Homestead Community Land Trust which has spent significant time and financial resources in permitting and due diligence for this project.

4. OTHER IMPLICATIONS

- a. Does this legislation affect any departments besides the originating department?**
No
- b. Is a public hearing required for this legislation?**
No
- c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No
- d. Does this legislation affect a piece of property?**
Yes. Maps of the property showing the property and surrounding area is provided as Attachment 1 to this Summary and Fiscal Note.
- e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**
The Request for Proposals (RFP) articulated, in the evaluation criteria, that “the successful proposal will be submitted by an organization(s) that has demonstrated success in reaching traditionally underserved populations, including people of diverse ethnic and cultural background and people with disabilities.”

The chosen developer, Homestead Community Land Trust, has a history of demonstrated success in this regard. They have a very strong track-record of successfully conducting affirmative marketing, affirmatively furthering fair housing and serving households of color. They will conduct affirmative marketing for this project as well.
- f. Climate Change Implications**
 - 1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**
Creating affordable housing in the City of Seattle, close to public transit, jobs, schools and services reduces the carbon footprint of the residents of that housing by reducing their need to live far away from those amenities in order to find affordable housing. Additionally, the energy usage of these new homes will be significantly less than that used by most of the existing housing stock.

2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle’s resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.

The proposed action is not anticipated to increase or decrease Seattle’s resiliency (or ability to adapt) to climate change in a material way on its own; however, locating affordable housing near transit and services should contribute to Seattle’s overall efforts to reduce transit-related emissions and create a more walkable community. The affordable housing that will result from this legislation will, however, significantly increase the resiliency of the low-income homebuyers who will benefit from homeownership here. These newly constructed homes will be built with highly efficient design and systems to create a comfortable and healthy indoor environment that will use much less energy than a typical home.

g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program’s desired goal(s)?

This legislation is a continuation of the Homebuyer Assistance Program as contemplated under the Development Subsidy section and will increase the number of permanently affordable homes in the City of Seattle

Summary Attachments:

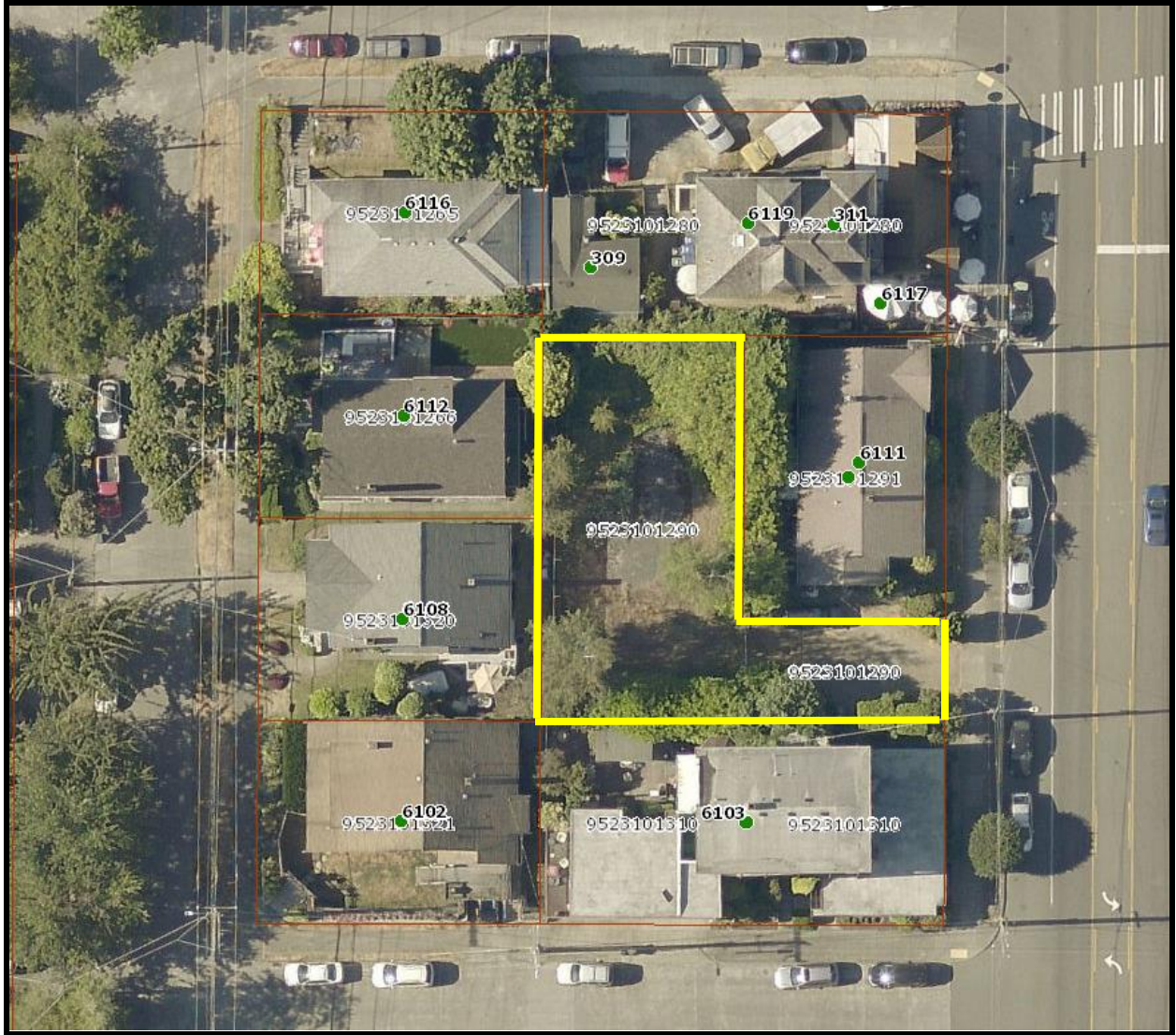
Summary Attachment 1 - Maps of Property

6109 Phinney Ave North

Parcel Map



Aerial Map



Topography



Land Transfer Legislation for Development of Permanently Affordable Homeownership

Presentation to City Council Finance & Housing Committee

Office of Housing
September 20, 2023

09/20/2023

Seattle Office of Housing



City of Seattle

Introduction and Overview

- Building on a strong track record of developing affordable homeownership on city-owned, surplus land
- Will result in nearly 100 new permanently affordable homes in neighborhoods throughout Seattle
- A mix of housing sizes and types affordable for 80% AMI households
- New development partners



Legislative Action(s) Requested

- Authorize the Office of Housing (OH) Director to finalize transfer details and enter into transfer agreements
 1. 6109 Phinney Ave N to Homestead CLT
 2. 7 sites of the Rainier Valley Affordable Homeownership Initiative to three different recipient entities
- Council already approved prior actions for these properties



1. Phinney Property - Background

- 2017 – Property declared excess by process established by Council Resolution 31424
- 2018 – OH published Request for Interest (RFI) to determine affordable housing and developer interest
- 2019 – OH published Request for Proposals (RFP)
 - Awarded to Homestead CLT
 - Council declared the property as surplus and transferred jurisdiction to OH



Phinney property transfer to Homestead Community Land Trust

- 6109 Phinney Avenue N
- 30 condominium homes
 - 19 affordable for homebuyers earning up to 80% AMI and resale-restricted for ongoing affordability
- OH capital investment of \$2.05 million

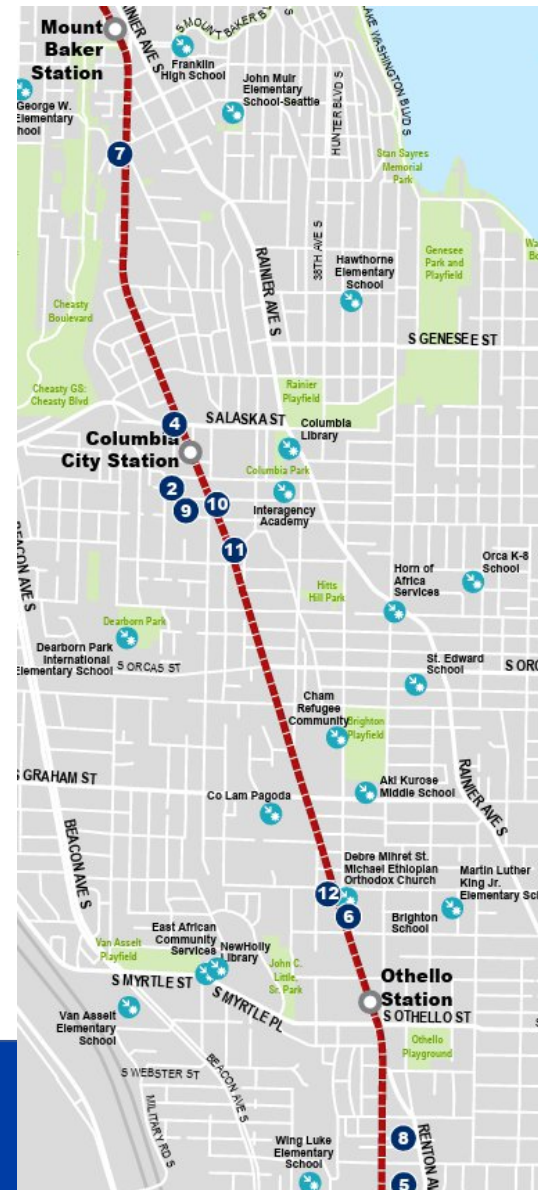


Rainier Valley Affordable Homeownership Initiative



2. Rainier Valley Affordable Homeownership Initiative

- May 2021 – Council passed Ordinance 126331 which agreed to accept 10 development sites from Sound Transit
- October 2021 – Sites transferred to City under the jurisdiction of OH
- Competitive processes in 2022-2023 to select developer entities



Overview of Legislative Action - RVAHI

- Authorize the Office of Housing (OH) Director to finalize transfer agreement details.
 - Transfer agreements for seven of the Rainier Valley Affordable Homeownership Initiative sites (known as "Sites 5-11")
 - Three recipient entities
 - Homestead Community Land Trust
 - Habitat for Humanity Seattle King and Kittitas Counties
 - A partnership between Habitat for Humanity Seattle King and Kittitas Counties and African Community & Housing Development



Rainier Valley Affordable Homeownership

- Seven sites on MLK Jr Way South
- 80 permanently affordable homes for households earning up to 80% AMI
 - 61 have 2+ bedrooms
 - 18 have 3+ bedrooms
- OH capital investment of \$8.44 million



ACHD/Habitat for Humanity – Site 6 concept

Site locations and housing development

| Address | Site # | Developer | Production |
|-------------------|--------|---|--|
| 7908 MLK Jr Way S | 5 | Homestead CLT | 8 three-bedroom townhomes |
| 6740 MLK Jr Way S | 6 | Habitat for Humanity and African Community & Housing Development (ACHD) | 31 one and two-bedroom condominium homes |
| 3601 MLK Jr Way S | 7 | Habitat for Humanity and ACHD | 31 one and two-bedroom condominium homes |
| 7869 MLK Jr Way S | 8 | Habitat for Humanity | 3 three-bedroom townhomes |
| 4865 MLK Jr Way S | 9 | Habitat for Humanity and ACHD | 3 four-bedroom townhomes |
| 4912 MLK Jr Way S | 10 | Habitat for Humanity | 3 three-bedroom townhomes |
| 5042 MLK Jr Way S | 11 | Habitat for Humanity | 1 five-bedroom townhome |

Requested Council Action

Adopt Council Bill 120659 authorizing Office of Housing Director to transfer the Phinney Property to Homestead Community Land Trust.

Adopt Council Bill 120660 authorizing OH Director to transfer RVAHI Site #5 to Homestead CLT, sites #6,#7 and #9 to Habitat and ACHD and sites #8, #10 and #11 to Habitat.





Legislation Text

File #: CB 120660, Version: 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to the transfer of City real property for housing development; transferring properties collectively known as “Sites 5-11” to selected developers or their designees; authorizing the Director of the Office of Housing or the Director’s designee to execute and deliver agreements for transfer of land, deeds, and related documents; and ratifying and confirming certain prior acts.

WHEREAS, in Ordinance 126331, The City of Seattle (“City”) authorized the Director to enter into an agreement and to accept the transfer of ten sites of real property along Martin Luther King Jr. Way in Southeast Seattle from the Central Puget Sound Regional Transit Authority (“Sound Transit”) for the purpose of developing permanently affordable home ownership for low-income households at or below 80 percent of the area median income; and

WHEREAS, as a condition of the property transfers, Sound Transit recorded covenants that require the properties be used for housing affordable to households with incomes at or below 80 percent area median income, in accordance with Revised Code of Washington (RCW) 81.112.350; and

WHEREAS, seven of the ten sites accepted from Sound Transit are proposed to be transferred for housing development to selected developers or their designees as laid out below, including the properties located at 4203 South Kenyon Street and 7908 Martin Luther King Jr. Way South (“Site 5”), 6740 Martin Luther King Jr. Way South (“Site 6”), 3601 Martin Luther King Jr. Way South (“Site 7”), 7860 Martin Luther King Jr. Way South (“Site 8”), 4865 Martin Luther King Jr. Way South and 3112 South Ferdinand Street (“Site 9”), 3201 South Ferdinand Street, a.k.a. 4912 Martin Luther King Jr. Way South (“Site 10”), and 5042 Martin Luther King Jr. Way South (“Site 11”), collectively known as “Sites 5-11”;

and

WHEREAS, the Office of Housing released a Request for Proposals for Sites 8, 10, and 11 on April 22, 2022, conducted a competitive selection process and selected Habitat for Humanity Seattle-King and Kittitas Counties (“Habitat”) as the developer for permanently affordable homeownership on Sites 8, 10, and 11; and

WHEREAS, Habitat proposes to develop seven homes on Sites 8, 10, and 11 to be affordable to households earning less than 80 percent of the area median income; and

WHEREAS, the Office of Housing released a Request for Proposals for Sites 5, 6, 7, and 9 on March 24, 2023, conducted a competitive selection process and selected Habitat in partnership with African Community Housing & Development as the developer for permanently affordable homeownership on Sites 6, 7, and 9, and selected Homestead Community Land Trust as the developer for permanently affordable homeownership on Site 5; and

WHEREAS, Habitat in partnership with African Community Housing & Development proposes to develop 64 homes on Sites 6, 7, and 9 and Homestead Community Land Trust proposes to develop eight homes on Site 5 to be affordable to households earning less than 80 percent of the area median income; and

WHEREAS, upon transfer of title of each of Sites 5-11, the Office of Housing shall require the transferee to accept the Property “as-is, where-is, with all faults” and to release, indemnify, and hold the City harmless from any future claims regarding the condition of the Property, including but not limited to any and all claims related to environmental conditions; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Sites 5-11 are described as follows:

A. Site 5:

4203 South Kenyon Street, Seattle 98118 and 7908 Martin Luther King Jr. Way South, Seattle 98118; Tax Parcels 4006000319-00 and 4006000322-00, legally described as follows:

THE NORTH 56.58 FEET OF THE WEST HALF OF LOT 16 OF LAKE DELL, ACCORDING TO

PLAT RECORDED IN VOLUME 4 OF PLATS AT PAGE(S) 17, IN KING COUNTY, WASHINGTON;

EXCEPT THE EAST 150 FEET THEREOF;

AND EXCEPT THAT PORTION THEREOF CONDEMNED IN KING COUNTY SUPERIOR COURT CAUSE NO. 216919 FOR EMPIRE WAY, PURSUANT TO CITY OF SEATTLE ORDINANCE NO. 55314;

TOGETHER WITH THE PROPERTY DESCRIBED IN THE DEED FOR STREET PURPOSES RECORDED UNDER RECORDING NO. 20110526000998, BUT RESERVING TO THE CITY THE STREET AND UTILITIES EASEMENT DESCRIBED THEREIN.

AND

THE SOUTH 73 FEET OF THE NORTH 129.58 FEET OF THE WEST HALF OF TRACT 16 OF LAKE DELL, ACCORDING TO PLAT RECORDED IN VOLUME 4 OF PLATS AT PAGE(S) 17, IN KING COUNTY, WASHINGTON;

EXCEPT THE EAST 150 FEET THEREOF;

AND EXCEPT THAT PORTION CONDEMNED IN KING COUNTY SUPERIOR COURT CAUSE NO. 216599 FOR EMPIRE WAY, AS PROVIDED BY CITY OF SEATTLE ORDINANCE NO. 53314;

TOGETHER WITH THE PROPERTY DESCRIBED IN THE DEED FOR STREET PURPOSES RECORDED UNDER RECORDING NO. 20110526000997, BUT RESERVING TO THE CITY THE STREET AND UTILITIES EASEMENT DESCRIBED THEREIN.

B. Site 6:

6740 Martin Luther King Jr. Way South, Seattle 98118; Tax Parcel Number 3333002640-00, legally described as follows:

THAT PORTION OF LOT 5 IN BLOCK 13 OF HILLMAN CITY ADDITION TO THE CITY OF SEATTLE, DIVISION NO. 6, ACCORDING TO PLAT RECORDED IN VOLUME 11 OF PLATS AT PAGE(S) 23, IN KING COUNTY, WASHINGTON, LYING EASTERLY OF EMPIRE WAY SOUTH, KNOW KNOWN AS MARTIN LUTHER KING WAY;

TOGETHER WITH THE PROPERTY DESCRIBED IN THE DEED FOR STREET PURPOSES RECORDED UNDER RECORDING NO. 20101208001109, CORRECTED BY RECORDING NOS. 20210903001208 AND 20210909001079, BUT RESERVING TO THE CITY THE STREET AND UTILITIES EASEMENT DESCRIBED THEREIN.

C. Site 7:

3601 Martin Luther King Jr. Way South, Seattle, 98144; Tax Parcel Number 1426300125-00

LOTS 3 THROUGH 6; THE NORTH 10 FEET OF LOT 7, THE NORTH 11 FEET OF THE EAST 27 FEET OF LOT 34, AND ALL OF LOTS 35 AND 36 IN BLOCK 2 OF CASCADE VIEW ADDITION

TO THE CITY OF SEATTLE, ACCORDING TO PLAT RECORDED IN VOLUME 15 OF PLATS AT PAGE(S) 75, IN KING COUNTY, WASHINGTON;

EXCEPT THE WEST 75 FEET OF SAID LOT 35;

ALSO EXCEPT THE WEST 3 FEET OF SAID LOT 36;

ALSO EXCEPT THAT PORTION OF SAID LOTS 4 THROUGH 7 CONDEMNED IN KING COUNTY SUPERIOR COURT CAUSE NO. 98096 FOR EMPIRE WAY SOUTH, PURSUANT TO ORDINANCE NO. 30673;

TOGETHER WITH THE PROPERTY DESCRIBED IN THE DEED FOR STREET PURPOSES RECORDED UNDER RECORDING NO. 20100217000919, BUT RESERVING TO THE CITY THE STREET AND UTILITIES EASEMENT DESCRIBED THEREIN;

TOGETHER WITH THAT PORTION OF VACATED ALLEY ADJOINING, WHICH, UPON VACATION ATTACHES TO SAID PROPERTY BY OPERATION OF LAW.

D. Site 8:

7860 Martin Luther King Jr. Way South, Seattle, 98118; Tax Parcel Number 4281400385-00, legally described as follows:

THE SOUTH 11 FEET OF LOTS 1 AND 2 AND LOTS 35 THROUGH 38, INCLUSIVE IN BLOCK 5 OF LESTER ADDITION, ACCORDING TO PLAT RECORDED IN VOLUME 19 OF PLATS AT PAGE(S) 39, IN KING COUNTY, WASHINGTON;

EXCEPT THE SOUTH 53 FEET THEREOF;

ALSO EXCEPT THE EAST 15 FEET OF SAID LOT 35;

TOGETHER WITH THAT PORTION DESCRIBED IN THE DEED FOR STREET PURPOSES RECORDED UNDER RECORDING NO. 20110526000999, BUT RESERVING TO THE CITY THE STREET AND UTILITIES EASEMENT DESCRIBED THEREIN.

E. Site 9:

4865 Martin Luther King Jr. Way South, Seattle 98108 and 3112 South Ferdinand Street, Seattle 98108; Tax Parcel Numbers 1756700110-06 and 1756700120-04, legally described as follows:

ALL OF LOT 25 AND THE NORTH 36 FEET OF LOT 26 OF CORLISS ADDITION TO COLUMBIA, ACCORDING TO PLAT RECORDED IN VOLUME 15 OF PLATS AT PAGE(S) 27, IN KING COUNTY, WASHINGTON;

EXCEPT THAT PORTION OF SAID LOT 26 CONDEMNED IN KING COUNTY SUPERIOR COURT CAUSE NO. 98096 FOR EMPIRE WAY, PURSUANT TO ORDINANCE NO. 30673;

TOGETHER WITH THAT PROPERTY DESCRIBED IN THE DEED FOR STREET PURPOSES BY DEED RECORDED UNDER RECORDING NO. 20091112002409, BUT RESERVING TO THE CITY

THE STREET AND UTILITIES EASEMENT DESCRIBED THEREIN;

AND

LOTS 26 AND 27 OF CORLISS ADDITION TO COLUMBIA, ACCORDING TO PLAT RECORDED IN VOLUME 15 OF PLATS AT PAGE(S) 27, IN KING COUNTY, WASHINGTON;

EXCEPT THE NORTH 36 FEET OF LOT 26;

AND EXCEPT THAT PORTION OF SAID LOTS 26 AND 27 CONDEMNED IN KING COUNTY SUPERIOR COURT CAUSE NO. 98096 FOR EMPIRE WAY, PURSUANT TO ORDINANCE NO. 30673;

TOGETHER WITH THAT PROPERTY DESCRIBED IN THE DEED FOR STREET PURPOSES RECORDED UNDER RECORDING NO. 20091112002406, BUT RESERVING TO THE CITY THE STREET AND UTILITIES EASEMENT DESCRIBED THEREIN.

F. Site 10:

3201 South Ferdinand Street, Seattle 98108, a.k.a. 4912 Martin Luther King Jr. Way South, Seattle, 98108; Tax Parcel Number 1703400990-00; legally described as follows:

LOTS 1664 AND 1665 IN BLOCK 61 OF COLUMBIA SUPPLEMENTAL NUMBER 1, ACCORDING TO PLAT RECORDED IN VOLUME 8 OF PLATS AT PAGE(S) 12, IN KING COUNTY, WASHINGTON;

EXCEPT THAT PORTION THEREOF CONDEMNED IN KING COUNTY SUPERIOR CAUSE NUMBER 98096 FOR STREET PURPOSES AS PROVIDED BY ORDINANCE NUMBER 30673 OF THE CITY OF SEATTLE;

TOGETHER WITH THE PROPERTY DESCRIBED IN THE DEED FOR STREET PURPOSES RECORDED UNDER RECORDING NO. 20090720000113, BUT RESERVING TO THE CITY THE STREET AND UTILITIES EASEMENT DESCRIBED THEREIN.

G. Site 11:

5042 Martin Luther King Jr. Way South, Seattle 98118; Tax Parcel Number 2660500259-00, legally described as follows:

THAT PORTION OF THE SOUTH 50 FEET OF TRACT 5 OF FRYE'S ADDITION TO COLUMBIA, ACCORDING TO PLAT RECORDED IN VOLUME 9 OF PLATS AT PAGE(S) 87, IN KING COUNTY, WASHINGTON, LYING EAST OF EMPIRE WAY;

EXCEPT THE EAST 88 FEET THEREOF;

TOGETHER WITH THE PROPERTY DESCRIBED IN THE DEED FOR STREET PURPOSES RECORDED UNDER RECORDING NO. 20090720000143, BUT RESERVING TO THE CITY THE STREET AND UTILITIES EASEMENT DESCRIBED THEREIN.

Section 2. The Director of the Office of Housing (“Director”) or the Director’s designee is authorized to negotiate property transfer agreements (“Agreements”) and any ancillary documents to accomplish the transfer of ownership of Sites 5-11, to the selected developers or their designees or assignees, if approved by the Director, on the terms and subject to the conditions authorized in this ordinance. The Director is also authorized to make amendments to the legal descriptions in Section 1 of this ordinance as may be necessary to correct scrivener’s errors or to conform the legal description to the precise boundaries of each property.

Section 3. The Agreements shall reflect the provisions included in the Term Sheet attached to this ordinance as Attachment A, with such revisions and additions as the Director may determine are reasonably necessary to carry out the intent of this ordinance.

Section 4. Improvements to be developed on Sites 5-11 are to include at least the number of residential units as described in the Term Sheet to the extent practicable as determined by the Director, to be sold to households with incomes at or below 80 percent of median income at prices deemed to be affordable by the Director. The homes, together with any additional improvements to be developed on Sites 5-11 with the approval of the Director and all necessary regulatory approvals, are referred to in this ordinance as the “Projects.”

Section 5. The Director is authorized to execute and deliver such additional documents, which may include amendments to the Agreements and related covenants, and to take such other actions, as may be necessary or appropriate to implement the intent of this ordinance and development of the Projects, and to administer and enforce the Agreements, covenants, and any other such documents that the Director deems appropriate to implement the intent of this ordinance and development of the Projects. The authority given to the Director in this ordinance may be delegated to and exercised by the Director’s designee.

Section 6. Upon transfer of title for each of Sites 5-11, the Director shall require the transferee to accept such site “as-is, where-is, with all faults” and to release, indemnify, and hold the City harmless from any future claims regarding the condition of such sites, including but not limited to any and all claims related to

environmental conditions.

Section 7. Any act consistent with the authority of this ordinance taken after its passage and prior to its effective date is ratified and confirmed.

Section 8. 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.

Passed by the City Council the _____ day of _____, 2023, and signed by me in open session in authentication of its passage this _____ day of _____, 2023.

President _____ of the City Council

Approved / returned unsigned / vetoed this _____ day of _____, 2023.

Bruce A. Harrell, Mayor

Filed by me this _____ day of _____, 2023.

Scheereen Dedman, City Clerk

(Seal)

Attachments:

Attachment A - Term Sheet: Transfer of Sites 5-11 from The City of Seattle (“City”) to Each Selected Developer or Its Designee or Assignee (“Transferee”)

Attachment 1: Term Sheet

TRANSFER OF SITES 5–11 FROM THE CITY OF SEATTLE (“City”) TO EACH SELECTED DEVELOPER OR ITS DESIGNEE OR ASSIGNEE (“Transferee”)

This term sheet describes the basic terms of the proposed transfer of property between Transferee and City. Each Agreement will include the following terms:

1. **Transfer.** Any transfer of the property shall be by Quit Claim Deed.
2. **Consideration.** In consideration for the City transferring a site to Transferee, Transferee shall agree to construct or cause to be constructed within the Property improvements substantially as described in those plans and specifications submitted by the Selected Developer which improvements shall be residential units to be for sale to households with incomes at the time of sale of 80% or less of the area median income (AMI), as defined by the City of Seattle’s Office of Housing.
3. **Conditions precedent to the City’s obligation to transfer the property:**
 - a. Transferee shall have obtained approval from the Director of the Office of Housing (Director) of the final plan set and development budget including projected sales prices.
 - b. Transferee shall have obtained permits for the development of the property consistent with the designs approved by the Office of Housing.
 - c. Transferee shall have provided evidence satisfactory to the Office of Housing that Transferee has secured all necessary construction financing to fund the construction of the project.
4. **Other conditions.**
 - a. The Agreement may contain other conditions determined by the Director to be necessary to provide the desired outcomes.
 - b. Upon transfer of title to the property, the Office of Housing shall require the transferee to accept the property “as-is, where-is, with all faults” and to release, indemnify, and hold the City harmless from any future claims regarding the condition of the property, including but not limited to any and all claims related to environmental conditions.
 - c. Transferee to convey to the City at least a 50-year covenant preserving the units built on the property as resale-restricted affordable homes. As such, all home sales shall only be to households with incomes at or below 80% of AMI at affordable prices for a period of no less than 50 years.
5. **Affordable Units anticipated by Site.** The precise number of units will depend upon permitting and financing requirements but should include at least the number of units below to the extent practicable, as determined by the Director.

| | Awardee | Number of Units | Number of Bedrooms | | | | |
|----------------|------------------|-----------------|--------------------|-----------|----------|----------|----------|
| | | | 1-bdrm | 2-bdrm | 3-bdrm | 4-bdrm | 5-bdrm |
| Site 5 | Homestead CLT | 8 | | | 8 | | |
| Site 6 | ACHD and Habitat | 30 | 10 | 20 | | | |
| Site 7 | ACHD and Habitat | 31 | 9 | 22 | | | |
| Site 8 | Habitat | 3 | | | | | |
| Site 9 | ACHD and Habitat | 3 | | | | 3 | |
| Site 10 | Habitat | 3 | | | | | |
| Site 11 | Habitat | 1 | | | | | 1 |
| TOTAL | | 79 | 19 | 42 | 8 | 3 | 1 |

SUMMARY and FISCAL NOTE*

| Department: | Dept. Contact: | CBO Contact: |
|--------------------|-----------------------|---------------------|
| Office of Housing | Erika Malone | Nick Tucker |

** 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 relating to the transfer of City real property for housing development; transferring properties collectively known as Sites 5–11 to selected developers or their designees; authorizing the Director of the Office of Housing or the Director’s designee to execute and deliver agreements for transfer of land, deeds, and related documents; and ratifying and confirming certain prior acts.

Summary and background of the Legislation: Supporting the development of affordable homeownership has long been a City strategy to promote social justice, economic stability, address displacement risks, and help reverse racial and wealth inequities caused by decades of discriminatory real estate and lending practices. However, affordable homeownership development has become increasingly difficult to implement as home prices and construction costs rise. To help address this difficulty, City of Seattle Resolution 31837 prioritizes the use of surplus City property for development of affordable housing.

Additionally, in May of 2022 the council passed ordinance 126331 authorizing the Director of the Office of Housing to enter into a transfer agreement and to accepting the transfer of 10 sites from the Central Puget Sound Transit Authority (“Sound Transit”) at no cost but in consideration for the purposes of developing affordable homeownership. The transfer agreement with Sound Transit anticipates that at least 100 units of affordable homes will be developed across the 10 sites, and the Office of Housing committed a minimum of \$10 million for affordable homeownership development. This ordinance authorizes the transfer of 7 of those 10 sites in accordance with the Sound Transit transfer agreement.

This legislation authorizes the Director of the Office of Housing, or her designee (Director) to make the Property available to Habitat for Humanity/African Community Housing & Development and Homestead Community Land Trust at no cost, in exchange for the development of permanently affordable homes.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ___ Yes X No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ___ Yes X No

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

The City allocated no less than \$10 million to fund the development of affordable homeownership as part of the Rainier Valley Affordable Homeownership Initiative. Along with the transfer of property at no cost, OH will award an estimated \$8.44 million in development subsidy to effectuate the construction of permanently affordable homes.

Are there financial costs or other impacts of *not* implementing the legislation?

Not implementing the legislation at this time will result in delays to development of affordable housing which will likely increase the costs of development and will result in additional holding costs for the land.

4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

No

b. Is a public hearing required for this legislation?

No

c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No

d. Does this legislation affect a piece of property?

Yes. A map of the properties identifying the properties by site number and surrounding area is provided as Attachment 1 to this Summary and Fiscal Note.

e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?

High level objectives of the Rainier Valley Affordable Homeownership Initiative of which these awards are a part include the goals to “mitigate displacement of current Rainier Valley residents who are being priced out of this transit-rich area, and encourage opportunities for displaced Rainier Valley residents to return to the area and to conduct affirmative marketing to communities least likely to apply, including Black, Indigenous, and other households of color who historically have been systematically and disproportionately excluded from homeownership opportunities”. Additionally, the various Request for Proposals (RFP) articulated, in the evaluation criteria, that “Competitive proposals will have a strong affirmative marketing component and will consider whether to utilize community-preference to conduct outreach to income-eligible community members who have been displaced or are at risk of displacement from the neighborhood.”

Both selected developers, Habitat for Humanity, and Homestead CLT have a history of demonstrated success in this regard. They each have a very strong track-record of successfully conducting affirmative marketing, affirmatively furthering fair housing and

reducing barriers for households of color. Especially in partnership with African Community Housing & Development and Rainier Beach Action Coalition, respectively, we anticipate strong and successful affirmative outreach.

f. Climate Change Implications

1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?

Creating affordable housing in the City of Seattle, close to public transit, jobs, schools and services creates walkable communities that promotes human health while reducing transportation related emissions of air pollutants and carbon dioxide. Additionally, the energy usage of these new homes will be significantly less than that used by most of the existing housing stock.

2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle’s resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.

The proposed action is not anticipated to increase or decrease Seattle’s resiliency (or ability to adapt) to climate change in a material way on its own; however, locating affordable housing near transit and services should contribute to Seattle’s overall efforts to reduce transit-related emissions and create a more walkable community. The affordable housing that will result from this legislation will, however, significantly increase the resiliency of the low-income homebuyers who will benefit from homeownership here. These newly constructed homes will be built with highly efficient design and systems to create a comfortable and healthy indoor environment that will use much less energy than a typical home.

g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program’s desired goal(s)?

This legislation is needed to fulfill the goals of the Rainier Valley Affordable Homeownership Initiative. These sites will accommodate 79 of the required 100 homes as spelled out in the transfer agreement governing the transfer of these properties from Sound Transit to OH.

Summary Attachments:

Summary Attachment 1 - Maps of Property

Maps of Properties

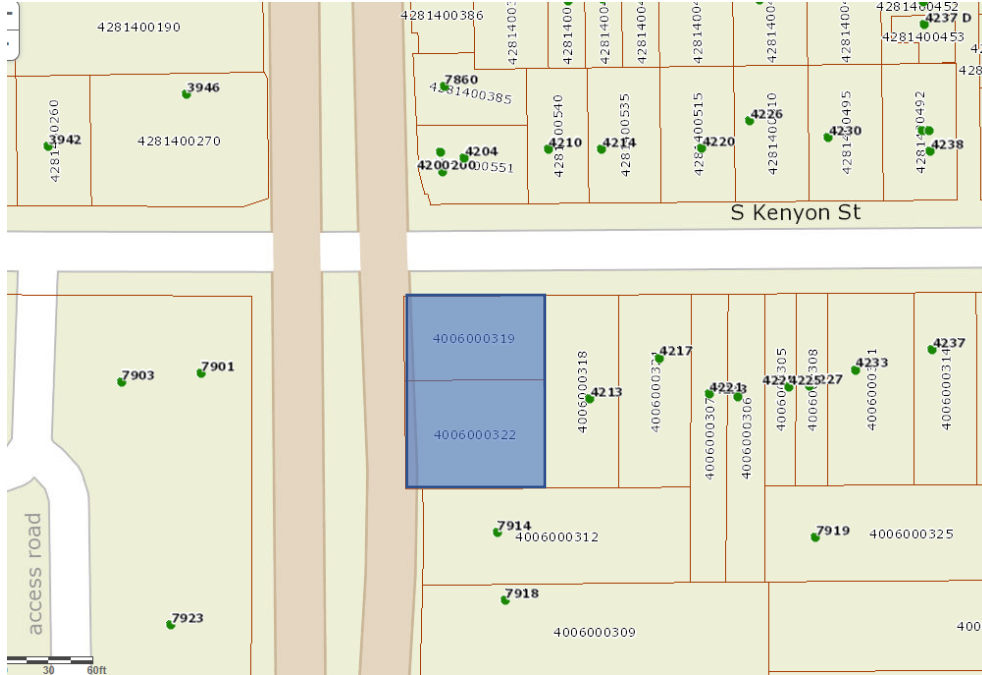
Property overview (all RVAHI sites included)



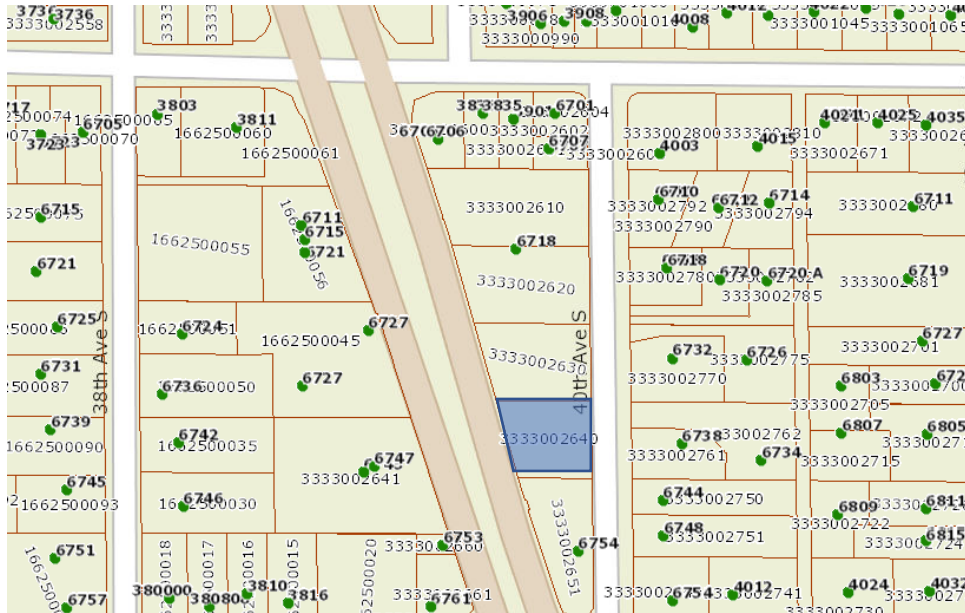
This map is accompanied by no warranties.

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Site #5



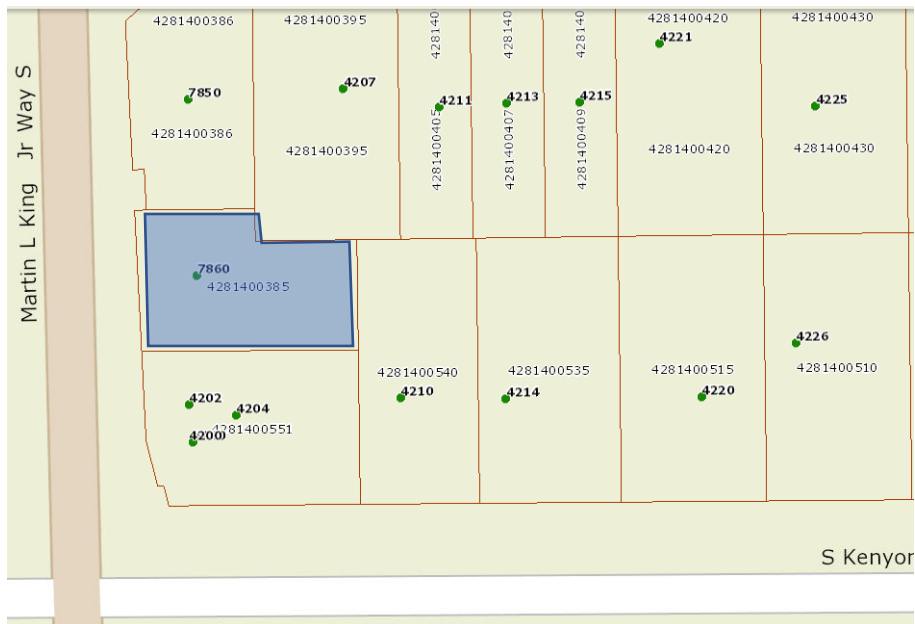
Site #6



Site #7



Site #8



Site #11





Legislation Text

File #: Inf 2322, **Version:** 1

Staggered Elections

September 11, 2023

MEMORANDUM

To: Finance and Housing Committee
From: Lish Whitson, Analyst
Subject: Resolution to place Amendments to the City Charter to change Council Terms on the November 2024 ballot

On September 14, 2023, the Finance and Housing Committee will receive a briefing on a Resolution proposed by Councilmember Mosqueda (Attachment 1). This Resolution would place a measure in front of the City’s voters to change the terms of some City Council seats, and to authorize the Council to amend the terms of service of all City elected officials by ordinance if the State authorizes such a change. The Resolution would place the Charter Amendment on the November 2024 ballot. Attachment 2 is the legislation’s Summary and Fiscal Note.

This memo briefly describes the proposed changes included in the Resolution.

Resolution to Adjust Council Terms

Revised Code of Washington (RCW) [29A.04.330](#) requires that City, town and district elections occur in odd years and City Charter [Article XIX, Section 3](#) states that “The Terms of the Mayor, the City Attorney, and of Councilmembers shall be four years.”

The specific years when Councilmembers are elected was determined in 2013 under Charter Amendment 19, enacted in City Charter [Article IV, Section 2](#). Under that section of the Charter, District Council seats (positions 1 through 7) are up for election in 2023, and will be on the ballot in 2027, 2031 and 2035. The two Citywide Council seats (positions 8 and 9) were last elected in 2021, and will be on the ballot in 2025, 2029, and 2033. The result of this system is that seven of the nine City Councilmembers are up for election every four years, resulting in the possibility of significant turnover in those years.

The proposed Resolution would place a charter amendment on the November 2024 ballot that would, if approved by the voters, reduce the terms of four Council seats (Districts 2, 4, and 6, and Citywide seat 9) to two years for one term only. The effect of the change would be to have all even Council seats on the ballot in 2029 and 2033, and all odd Council seats on the ballot in 2027, 2031 and 2035. Attachment 3 provides tables showing how elections would change under the proposed charter amendment.

District 2 is the most diverse Council District, and the only majority Black, Indigenous, People of Color (BIPOC) district in Seattle.¹ District 6 is the least racially diverse Council district. The Councilmember elected in 2027 to each of these positions would serve for a two-year term, alongside the Councilmember representing District 4. The Councilmember elected to Citywide Position 9 in 2025 would also have a two-year term. These positions would have elections three times over seven years, rather than three times over nine years. Campaign costs would increase in these districts over this period, and these districts may have less stable representation on the Council over this period.

While having even and odd Council positions have their elections occur at the same time makes intuitive sense, there are a wide range of combinations of positions could be shifted to meet the goal of reducing the number of Council seats up for election at one time. For example, shifting the elections of any two district Council seats to be on the ballot in 2029 would result in four Council races that year, and five Council races in 2031.

The charter amendment placed on the ballot under the proposed Resolution would also authorize the Council to amend Council terms by Ordinance if the State authorizes or requires the City to have its elections in even years. Even year elections, because of the presence of federal races on the ballot, generally have much higher turnouts than odd-year elections. For example, in 2022, 70.3 percent of Seattle’s registered voters voted, compared to 55.3 percent voting in 2021.

This spring, the Washington State Legislature considered legislation to authorize even-year elections and may take up the issue again in the future. Rather than requiring a separate Charter amendment to make such a change, the proposed Charter amendment that would be placed on that ballot would also allow the Council, by Ordinance, to adjust terms so that all elections take place in even years. This section would apply to the terms of the City Attorney and the Mayor as well as Councilmembers.

Next Steps

The Committee will be briefed on the Resolution at its meeting on September 14. If the Council introduces and refers the Resolution to the Committee on September 19, the Committee may vote on it on September 20. If the Committee votes on the Resolution on that date, it could be on the City Council agenda as early as September 25.

If the Council adopts the Resolution, the City Clerk, Executive Director of the Seattle Ethics and Elections Commission, and King County Director of Elections would be requested to place the proposed Charter Amendment on the General Election ballot in November 2024. The Resolution includes a proposed ballot title, but the City Attorney may update the title, as appropriate. In order to pass, the Charter amendment would require approval of a simple majority of the voters.

¹ Information from Dave’s Redistricting, [DRA 2020 \(davesredistricting.org\)](https://davesredistricting.org), <https://davesredistricting.org/maps#stats::4f892594-3e4c-4572-8397-09316e7e97bb>, September 11, 2023

If the Charter amendment were to pass, it would change the terms of office of the Councilmember elected to position 9 in 2025, and the Councilmembers elected to represent Districts 2, 4 and 6 in 2027.

Attachments:

1. Proposed Resolution
2. Summary and Fiscal Note
3. Current and proposed election schedules

cc: Esther Handy, Director
Aly Pennucci, Deputy Director
Yolanda Ho, Supervising Analyst

CITY OF SEATTLE

RESOLUTION _____

..title

A RESOLUTION submitting a proposition to the qualified electors of the City to amend Section 2 of Article IV and Section 3 of Article XIX of the City Charter to provide for changes to the terms of office under specified conditions; authorizing the City Clerk and the Executive Director of the Ethics and Elections Commission to take those actions necessary to enable the proposed amendment to appear on the November 5, 2024 ballot and in the local voters’ pamphlet; requesting the King County Elections Director to place the proposed amendment on the November 5, 2024 ballot; and providing for publication of the amendment.

..body

WHEREAS, Section 3 of Article XIX of the City Charter provides that all elected officials shall serve four-year terms, unless otherwise specified in the Charter; and

WHEREAS, Section 2 of Article IV of the City Charter currently provides that seven of the City’s nine Councilmembers have terms that start and end at the same time; and

WHEREAS, this can result in a supermajority of Councilmembers whose terms end at the same time; and

WHEREAS, by changing the sequencing of Council elections, the City can avoid the disruption caused by a supermajority of Councilmembers being up for election in the same year; and

WHEREAS, by staggering the sequencing of Council elections voters will have the opportunity to support the election of a more representative selection of members each election cycle, allowing for more consistent elections and greater opportunity to make voters voices heard more swiftly and consistently; and

WHEREAS, the Washington State Legislature has considered changing the election dates of local elected officials; and

WHEREAS, currently the City can only respond to the need to change the terms of elected officials through a Charter amendment; NOW, THEREFORE,

1 **BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE THAT:**

2 Section 1. In accordance with Section 1 of Article XX of the City Charter, Section 2 of
3 Article IV of the City Charter is proposed to be amended as follows:

4 **Article IV Legislative Department**

5 **Sec. 2. CITY COUNCIL, MEMBERS:**

6 To ensure members of the ~~((city council))~~ City Council are closer to the people they represent, to
7 enable voters to better know their Councilmembers, and to provide a mixed system of district
8 and at-large representation, the City Council shall consist of nine ~~((9))~~ members, with positions
9 1 through 7 elected by districts and positions 8 and 9 elected from the City at-large.

10 * * *

11 ~~((Subdivision E. TRANSITION PROVISIONS:~~

12 ~~Notwithstanding Article XIX, Section 3, the four positions elected at the 2013 general~~
13 ~~municipal election (positions 2, 4, 6, and 8) shall each be for two year terms ending at midnight,~~
14 ~~December 31, 2015. The two at large positions created by Section 1 of this Amendment and~~
15 ~~elected at the 2015 general municipal election shall be for two year terms ending at midnight,~~
16 ~~December 31, 2017. The seven district positions created by Section 1 of this Amendment and~~
17 ~~elected at the 2015 general municipal election shall be for four years terms ending at midnight,~~
18 ~~December 31, 2019. After the 2015 general municipal election, all nine City Council positions~~
19 ~~shall be for four year terms under Article XIX and this Subdivision shall be of no further effect.))~~

20 Subdivision E. TERM STAGGERING PROVISIONS:

21 Notwithstanding Article XIX, Section 3:

1 (1) Position 9 as elected at the 2025 municipal general election shall have a term
2 of two years. As elected at the 2027 municipal general election and thereafter, that position shall
3 have a term of four years.

4 (2) Positions 2, 4, and 6 as elected at the 2027 municipal general election shall
5 have terms of two years. As elected at the 2029 municipal general election and thereafter, those
6 positions shall have terms of four years.

7 After all Councilmembers elected at the 2029 municipal general election start their terms,
8 this Subdivision expires and may be removed from the Charter.

9 Section 2. In accordance with Section 1 of Article XX of the City Charter, Section 3 of
10 Article XIX of the City Charter is proposed to be amended as follows:

11 **Article XIX Officers; Terms and Vacancies**

12 **Sec. 3 TERMS OF ELECTIVE OFFICERS:**

13 The terms of the Mayor, the City Attorney, and of Councilmembers shall be four years, except
14 when this Charter provides otherwise, or when an ordinance creates shorter or longer terms to
15 accommodate moving municipal elections to even-numbered years.

16 Section 3. The City Clerk is authorized and directed to take those actions necessary to
17 place the proposed City Charter amendment before the voters at the November 5, 2024 election,
18 including but not limited to publishing the proposed amendment as provided by state law and the
19 City Charter.

20 Section 4. The Executive Director of the Seattle Ethics and Elections Commission is
21 authorized and requested to take those actions necessary to place information regarding the
22 proposed City Charter amendment in the November 5, 2024 voters' pamphlet.

1 Section 5. The Director of Elections of King County, Washington, as ex officio
2 supervisor of elections, is requested to call for a special election and place the proposed City
3 Charter amendment on the November 5, 2024 ballot (with the Charter amendment number
4 updated if necessary). The following ballot title is submitted to the City Attorney for
5 consideration:

6 **THE CITY OF SEATTLE**
7 **CHARTER AMENDMENT NUMBER 30**

8 City of Seattle proposed Charter Amendment No. 30 concerns terms of Councilmembers.
9

10 This measure would create two-year terms for Councilmember position 9 (2025-2027) and
11 positions 2, 4, and 6 (2027-2029) so that subsequent election cycles would elect even-numbered
12 Councilmembers in 2029 and odd-numbered Councilmembers in 2031. The Charter would also
13 be amended to allow similar flexibility by ordinance to accommodate moving municipal
14 elections to even-numbered years if permitted by state law.

15
16 Should this measure be enacted into law?

17 Yes _____

18 No _____

1 Adopted by the City Council the _____ day of _____, 2023,

2 and signed by me in open session in authentication of its adoption this _____ day of

3 _____, 2023.

4 _____

5 President _____ of the City Council

6 Filed by me this _____ day of _____, 2023.

7 _____

8 Scheereen Dedman, City Clerk

9 (Seal)

SUMMARY and FISCAL NOTE*

| Department: | Dept. Contact: | CBO Contact: |
|--------------------|---------------------------|---------------------|
| Legislative | Lish Whitson/206-615-1674 | N/A |

** 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: A RESOLUTION submitting a proposition to the qualified electors of the City to amend Section 2 of Article IV and Section 3 of Article XIX of the City Charter to provide for changes to the terms of office under specified conditions; authorizing the City Clerk and the Executive Director of the Ethics and Elections Commission to take those actions necessary to enable the proposed amendment to appear on the November 5, 2024 ballot and in the local voters’ pamphlet; requesting the King County Elections Director to place the proposed amendment on the November 5, 2024 ballot; and providing for publication of the amendment.

Summary and Background of the Legislation:

This Resolution would place a proposed Charter Amendment on the next general election ballot to modify City Council terms. Under the current City Charter, the seven Council district positions are up for election at the same time. The two Citywide Council positions are up for election two years after the district election position.

The proposed Charter Amendment would make two changes to Seattle’s Charter:

1. Changes Councilmember terms by limiting the term for Citywide Position 9 to two years, starting in 2025, and limiting the terms for District seats 2, 4, and 6 to two years starting in 2027. All even-numbered Council positions, including citywide position 8 would be up for election in 2029, 2033, 2037 and every four years after that. Terms for the odd positions, including citywide position 9, would end in 2027, 2031, 2035 and every four years after that. Those positions would then be up for four-year terms after subsequent elections.
2. The City Council would be authorized to change terms of elective officers, including Councilmembers, Mayors, and City Attorneys, by ordinance in order to switch election years to even years. The Washington State legislature has considered amending the Revised Code of Washington to allow even-year elections for City offices, but currently State law requires City elections to occur in odd years.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? Yes No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget?

___ Yes X No

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

Yes, if the proposed Charter Amendment is approved by the voters, there would be four positions up for election 2025 and 2027 that otherwise would not be up for election. Those additional positions would require additional funding for democracy vouchers. Costs to the City for democracy vouchers for one race average \$750,000. So, the total increased cost of adding these races would be \$3,000,000. The Democracy Voucher program is funded through a dedicated levy which runs through 2025 and can accommodate the increased costs in 2025. The levy will be up for renewal in 2025 and can be sized to accommodate the additional costs for three additional races in 2027.

King County elections allocates costs for participating in elections based on the number of registered voters in each jurisdiction. Consequently, changing the number of candidates on the ballot would not change those costs. Costs for mailing the voters pamphlet are allocated the same way.

However, costs for preparing and printing the voters pamphlet is driven by the number of pages in the voters' pamphlet for each jurisdiction. There would be some increased cost to the City to have additional positions on the ballot in 2025, but it would be a relatively small share of all costs and would be driven by the number of candidates for these positions.

Are there financial costs or other impacts of *not* implementing the legislation?

None identified

4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

Changing Council terms could require the Democracy Voucher program of the Seattle Ethics and Elections Commission to offer vouchers to additional candidates in 2025 and 2027.

b. Is a public hearing required for this legislation?

No

c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No

d. Does this legislation affect a piece of property?

No

- e. **Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**

District 2 is the most diverse Council District, and the only majority Black, Indigenous, People of Color (BIPOC) district in Seattle. District 6 is the least diverse Council district. The Councilmember elected in 2027 to each of these positions would serve for a two-year term, alongside the Councilmembers representing District 4. The Councilmember elected to Citywide Position 9 would also have a two-year term. These districts would have elections three times over six years, rather than three times over eight years. Campaign costs would increase in these districts over this period, and these districts may have less stable representation on the Council over this period.

- f. **Climate Change Implications**

1. **Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**

No.

2. **Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**

No.

- g. **If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?**

Not applicable.

Current Schedule of Elections

| | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | |
|----------------------------|-------------|----------|-------------|----------|-------------|-------------|------|----------|-------------|----------|--|
| District 1 | 4-year Term | | 4-year Term | | | 4-year Term | | | | | |
| District 2 | 4-year Term | | 4-year Term | | | 4-year Term | | | | | |
| District 3 | 4-year Term | | 4-year Term | | | 4-year Term | | | | | |
| District 4 | 4-year Term | | 4-year Term | | | 4-year Term | | | | | |
| District 5 | 4-year Term | | 4-year Term | | | 4-year Term | | | | | |
| District 6 | 4-year Term | | 4-year Term | | | 4-year Term | | | | | |
| District 7 | 4-year Term | | 4-year Term | | | 4-year Term | | | | | |
| Citywide Position 8 | 4-year Term | | | | 4-year Term | | | | 4-year Term | | |
| Citywide Position 9 | 4-year Term | | | | 4-year Term | | | | 4-year Term | | |
| Total Council Races | | 7 | | 2 | | 7 | | 2 | | 7 | |

| | | | | | | | | | | | |
|-------------------------|-------------|----------|--|----------|-------------|----------|--|----------|-------------|----------|--|
| Mayor | 4-year Term | | | | 4-year Term | | | | 4-year Term | | |
| City Attorney | 4-year Term | | | | 4-year Term | | | | 4-year Term | | |
| Total City Races | | 7 | | 4 | | 7 | | 4 | | 7 | |

Proposed Schedule of Elections under the Charter Amendment

| | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | |
|----------------------------|-------------|----------|-------------|----------|--------------------|--------------------|-------------|-------------|-------------|----------|--|
| District 1 | 4-year Term | | 4-year Term | | | 4-year Term | | | | | |
| District 2 | 4-year Term | | 4-year Term | | | 2-year Term | | 4-year Term | | | |
| District 3 | 4-year Term | | 4-year Term | | | 4-year Term | | | | | |
| District 4 | 4-year Term | | 4-year Term | | | 2-year Term | | 4-year Term | | | |
| District 5 | 4-year Term | | 4-year Term | | | 4-year Term | | | | | |
| District 6 | 4-year Term | | 4-year Term | | | 2-year Term | | 4-year Term | | | |
| District 7 | 4-year Term | | 4-year Term | | | 4-year Term | | | | | |
| Citywide Position 8 | 4-year Term | | | | 4-year Term | | | | 4-year Term | | |
| Citywide Position 9 | 4-year Term | | | | 2-year Term | | 4-year Term | | | | |
| Total Council Races | | 7 | | 2 | | 8 | | 4 | | 5 | |

| | | | | | | | | | | | |
|-------------------------|-------------|----------|--|----------|-------------|----------|--|----------|-------------|----------|--|
| Mayor | 4-year Term | | | | 4-year Term | | | | 4-year Term | | |
| City Attorney | 4-year Term | | | | 4-year Term | | | | 4-year Term | | |
| Total City Races | | 7 | | 4 | | 8 | | 6 | | 5 | |

CITY OF SEATTLE

RESOLUTION _____

..title

A RESOLUTION submitting a proposition to the qualified electors of the City to amend Section 2 of Article IV and Section 3 of Article XIX of the City Charter to provide for changes to the terms of office under specified conditions; authorizing the City Clerk and the Executive Director of the Ethics and Elections Commission to take those actions necessary to enable the proposed amendment to appear on the November 5, 2024 ballot and in the local voters’ pamphlet; requesting the King County Elections Director to place the proposed amendment on the November 5, 2024 ballot; and providing for publication of the amendment.

..body

WHEREAS, Section 3 of Article XIX of the City Charter provides that all elected officials shall serve four-year terms, unless otherwise specified in the Charter; and

WHEREAS, Section 2 of Article IV of the City Charter currently provides that seven of the City’s nine Councilmembers have terms that start and end at the same time; and

WHEREAS, this can result in a supermajority of Councilmembers whose terms end at the same time; and

WHEREAS, by changing the sequencing of Council elections, the City can avoid the disruption caused by a supermajority of Councilmembers being up for election in the same year; and

WHEREAS, by staggering the sequencing of Council elections voters will have the opportunity to support the election of a more representative selection of members each election cycle, allowing for more consistent elections and greater opportunity to make voters voices heard more swiftly and consistently; and

WHEREAS, the Washington State Legislature has considered changing the election dates of local elected officials; and

WHEREAS, currently the City can only respond to the need to change the terms of elected officials through a Charter amendment; NOW, THEREFORE,

1 **BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE THAT:**

2 Section 1. In accordance with Section 1 of Article XX of the City Charter, Section 2 of
3 Article IV of the City Charter is proposed to be amended as follows:

4 **Article IV Legislative Department**

5 **Sec. 2. CITY COUNCIL, MEMBERS:**

6 To ensure members of the ~~((city council))~~ City Council are closer to the people they represent, to
7 enable voters to better know their Councilmembers, and to provide a mixed system of district
8 and at-large representation, the City Council shall consist of nine ~~((9))~~ members, with positions
9 1 through 7 elected by districts and positions 8 and 9 elected from the City at-large.

10 * * *

11 ~~((Subdivision E. TRANSITION PROVISIONS:~~

12 ~~Notwithstanding Article XIX, Section 3, the four positions elected at the 2013 general~~
13 ~~municipal election (positions 2, 4, 6, and 8) shall each be for two year terms ending at midnight,~~
14 ~~December 31, 2015. The two at large positions created by Section 1 of this Amendment and~~
15 ~~elected at the 2015 general municipal election shall be for two year terms ending at midnight,~~
16 ~~December 31, 2017. The seven district positions created by Section 1 of this Amendment and~~
17 ~~elected at the 2015 general municipal election shall be for four years terms ending at midnight,~~
18 ~~December 31, 2019. After the 2015 general municipal election, all nine City Council positions~~
19 ~~shall be for four year terms under Article XIX and this Subdivision shall be of no further effect.))~~

20 Subdivision E. TERM STAGGERING PROVISIONS:

21 Notwithstanding Article XIX, Section 3:

1 Positions 2, 4, and 6 as elected at the 2027 municipal general election shall have terms of
2 two years. As elected at the 2029 municipal general election and thereafter, those positions shall
3 have terms of four years.

4 After all Councilmembers elected at the 2029 municipal general election start their terms,
5 this Subdivision expires and may be removed from the Charter.

6 Section 2. In accordance with Section 1 of Article XX of the City Charter, Section 3 of
7 Article XIX of the City Charter is proposed to be amended as follows:

8 **Article XIX Officers; Terms and Vacancies**

9 **Sec. 3 TERMS OF ELECTIVE OFFICERS:**

10 The terms of the Mayor, the City Attorney, and of Councilmembers shall be four years, except
11 when this Charter provides otherwise.

12 Section 3. The City Clerk is authorized and directed to take those actions necessary to
13 place the proposed City Charter amendment before the voters at the November 5, 2024 election,
14 including but not limited to publishing the proposed amendment as provided by state law and the
15 City Charter.

16 Section 4. The Executive Director of the Seattle Ethics and Elections Commission is
17 authorized and requested to take those actions necessary to place information regarding the
18 proposed City Charter amendment in the November 5, 2024 voters' pamphlet.

19 Section 5. The Director of Elections of King County, Washington, as ex officio
20 supervisor of elections, is requested to call for a special election and place the proposed City
21 Charter amendment on the November 5, 2024 ballot (with the Charter amendment number
22 updated if necessary). The following ballot title is submitted to the City Attorney for
23 consideration:

THE CITY OF SEATTLE

CHARTER AMENDMENT NUMBER 30

City of Seattle proposed Charter Amendment No. 30 concerns terms of Councilmembers.

This measure would create two-year terms for Councilmember positions 2, 4, and 6 (2027-2029) so that subsequent election cycles would elect Councilmembers from even-numbered districts in 2029 and Councilmembers from odd-numbered districts in 2031.

Should this measure be enacted into law?

Yes _____

No _____

DRAFT

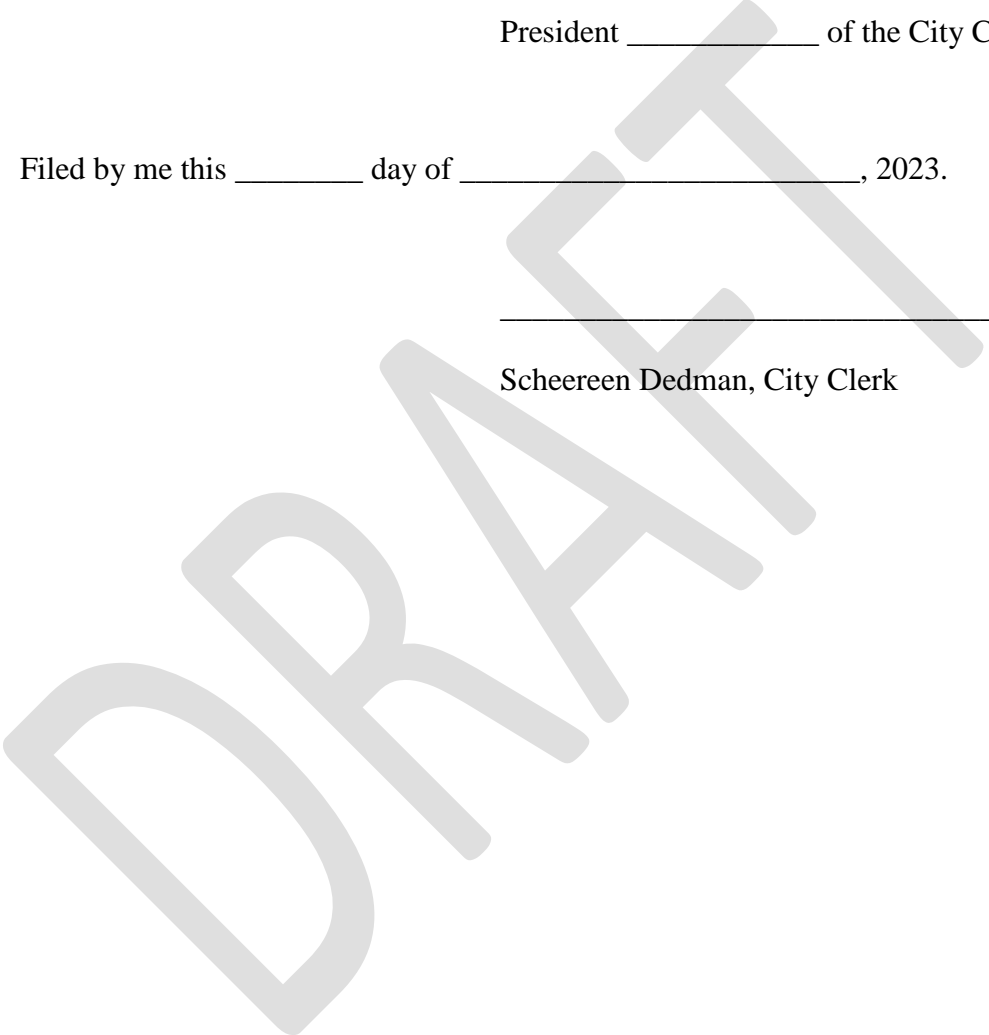
1 Adopted by the City Council the _____ day of _____, 2023,
2 and signed by me in open session in authentication of its adoption this _____ day of
3 _____, 2023.

4 _____
5 President _____ of the City Council

6 Filed by me this _____ day of _____, 2023.

7 _____
8 Scheereen Dedman, City Clerk

9 (Seal)



SUMMARY and FISCAL NOTE*

| Department: | Dept. Contact: | CBO Contact: |
|--------------------|---------------------------|---------------------|
| Legislative | Lish Whitson/206-615-1674 | N/A |

** 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: A RESOLUTION submitting a proposition to the qualified electors of the City to amend Section 2 of Article IV and Section 3 of Article XIX of the City Charter to provide for changes to the terms of office under specified conditions; authorizing the City Clerk and the Executive Director of the Ethics and Elections Commission to take those actions necessary to enable the proposed amendment to appear on the November 5, 2024 ballot and in the local voters' pamphlet; requesting the King County Elections Director to place the proposed amendment on the November 5, 2024 ballot; and providing for publication of the amendment.

Summary and Background of the Legislation:

This Resolution would place a proposed Charter Amendment on the next general election ballot to modify City Council terms. Under the current City Charter, the seven Council district positions are up for election at the same time. The two Citywide Council positions are up for election two years after the district election position.

The proposed Charter Amendment would change Councilmember terms by limiting the term terms for District seats 2, 4, and 6 to two years starting in 2027. All even-numbered Council positions and the two citywide positions would be up for election in 2029, 2033, 2037 and every four years after that. Terms for the odd District seats would end in 2027, 2031, 2035 and every four years after that. Those positions would then be up for four-year terms after subsequent elections.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ___ Yes X No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ___ Yes X No

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

Yes, if the proposed Charter Amendment is approved by the voters, there would be four positions up for election 2025 and 2027 that otherwise would not be up for election. Those additional positions would require additional funding for democracy vouchers. Costs to the City for democracy vouchers for one race average \$750,000. So, the total increased cost of

adding these races would be \$2,250,000. The Democracy Voucher program is funded through a dedicated levy which runs through 2025 and can accommodate the increased costs in 2025. The levy will be up for renewal in 2025 and can be sized to accommodate the additional costs for three additional races in 2027.

King County elections allocates costs for participating in elections based on the number of registered voters in each jurisdiction. Consequently, changing the number of candidates on the ballot would not change those costs. Costs for mailing the voters pamphlet are allocated the same way.

However, costs for preparing and printing the voters pamphlet is driven by the number of pages in the voters' pamphlet for each jurisdiction. There would be some increased cost to the City to have additional positions on the ballot in 2025, but it would be a relatively small share of all costs and would be driven by the number of candidates for these positions.

Are there financial costs or other impacts of *not* implementing the legislation?

None identified

4. OTHER IMPLICATIONS

- a. Does this legislation affect any departments besides the originating department?**
Changing Council terms could require the Democracy Voucher program of the Seattle Ethics and Elections Commission to offer vouchers to additional candidates in 2025 and 2027.
- b. Is a public hearing required for this legislation?**
No
- c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No
- d. Does this legislation affect a piece of property?**
No
- e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**
District 2 is the most diverse Council District, and the only majority Black, Indigenous, People of Color (BIPOC) district in Seattle. District 6 is the least diverse Council district. The Councilmember elected in 2027 to each of these positions would serve for a two-year term, alongside the Councilmember representing District 4. These positions would have elections three times over seven years, rather than three times over nine years. Campaign costs would increase in these districts over this period, and these districts may have less stable representation on the Council over this period.

f. Climate Change Implications

1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?

No.

2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.

No.

g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?

Not applicable.

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