

1 [Adding a \$1.00 fuel surcharge to taxi fares and eliminating the cap on taxicab gate fees.]

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3 **Ordinance amending the San Francisco Police Code by amending Sections 1135 and**
4 **1137 to add a \$1.00 fuel surcharge to the \$2.85 taxi rate of fare for the first fifth of a**
5 **mile, the surcharge to expire on November 1, 2008 unless renewed, and by repealing**
6 **Section 1135.1 and further amending Section 1137 to eliminate the cap on taxi gate**
7 **fees; fuel surcharge to supersede existing procedures for review of taxi rates of fare**
8 **for 2006.**

9 Note: Additions are *single-underline italics Times New Roman*;
10 deletions are *strikethrough italics Times New Roman*.
11 Board amendment additions are double underlined.
Board amendment deletions are ~~strikethrough normal~~.

12 Be it ordained by the People of the City and County of San Francisco:

13 Section 1. The San Francisco Police Code is hereby amended by amending
14 Section 1135, to read as follows:

15 **SEC. 1135. RATES FOR TAXICABS.**

16 (a) The rates of fare for taxicabs shall be as follows: \$2.85 for the first fifth of a mile or
17 "flag"; \$0.45 for each additional fifth of a mile or fraction thereof; \$0.45 for each one minute of
18 waiting or traffic delay time. *The aforementioned rates of fare for taxicabs shall become operative on*
19 *January 1, 2003 or, if the effective date of the Ordinance creating the higher cap on gate fees provided*
20 *for in Section 1135.1(b) of this Article occurs thereafter, on the effective date of that Ordinance.* For
21 out-of-town trips exceeding 15 miles beyond City limits, the fare will be 150 percent of the
22 metered rate; for trips exceeding 15 miles from San Francisco International Airport and not
23 terminating within the City limits of San Francisco, the fare will be 150 percent of the metered
24 rate except for those trips from San Francisco International Airport traversing through San
25 Francisco going to Marin County or to the East Bay the 15-mile limit will apply from the City

1 limits of San Francisco as set forth above. For taxicab trips originating at San Francisco
2 International Airport that incur an airport trip fee, the taxicab driver may collect \$2.00 of that
3 trip fee from the passenger upon receipt of cab fare from the passenger.

4 (b) Beginning June 1, 2006, the rates of fare for taxicabs shall also include an
5 additional \$1.00 fuel surcharge for the first fifth of a mile or "flag." This surcharge shall expire
6 on November 1, 2008, unless extended by resolution of the Board of Supervisors. The
7 Controller shall review the need for the fuel surcharge and make a recommendation to the
8 Board of Supervisors as part of his or her biennial review of rates of fare under Section 1137.

9 (c) ~~(b)~~ The driver of a public passenger vehicle may transport two or more passengers
10 who voluntarily agree to share the vehicle from the same boarding point to one destination
11 point. Each passenger shall pay a fare at the destination point in an amount equal to the total
12 fare divided by the number of passengers sharing the ride.

13 (d) ~~(c)~~ A passenger who first engages a public passenger vehicle has the exclusive
14 right to conveyance therein to his or her destination. The driver shall not solicit or accept any
15 additional passenger without the prior consent of any passenger who has previously engaged
16 the vehicle.

17 (e) ~~(d)~~ It shall be unlawful for any taxicab operator or taxicab dispatch service to levy
18 an administrative fee, service charge, processing fee, or other surcharge on drivers of
19 taxicabs for trips paid with scrip, credit cards or other non-cash tender.

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1 Section 2. The San Francisco Police Code is hereby amended by repealing
2 Section 1135.1.

3 **SEC. 1135.1. GATE FEES.**

4 ~~(a) **Cap on Gate Fees.** The mean gate fee charged drivers by a taxicab company may~~
5 ~~not exceed \$85.00 for a shift of 10 hours or longer. The cap shall be prorated at \$8.50 per~~
6 ~~hour for shifts shorter than 10 hours. The mean gate fee shall be determined by adding~~
7 ~~together the gate fees charged by the company for all available shifts during one week and~~
8 ~~dividing that total by the number of available shifts during the week. The aforementioned cap~~
9 ~~on gate fees and the higher cap on gate fees provided for in subsection (b) shall become~~
10 ~~operative on January 1, 2003 or, if the effective date of the Ordinance creating the higher cap~~
11 ~~on gate fees occurs thereafter, on the effective date of that Ordinance.~~

12 ~~(b) **Higher Cap on Gate Fees.** Notwithstanding the provisions of subsection (a), the~~
13 ~~mean gate fee charged drivers by a taxicab company may not exceed \$91.50 for a shift of 10~~
14 ~~hours or longer and the cap shall be prorated at \$9.15 per hour for shifts shorter than 10~~
15 ~~hours, provided that the following conditions are met once they take effect:~~

16 ~~(i) The taxicab company is in compliance with the rules and regulations established by~~
17 ~~the Controller of the City and County of San Francisco pursuant to Section 1095(b) of this~~
18 ~~Article. This condition shall take effect on January 1, 2003 or, if the effective date of the~~
19 ~~Ordinance creating the higher cap on gate fees occurs thereafter, on the effective date of that~~
20 ~~Ordinance. "Compliance" shall mean that by no later than January 1, 2003 or, if the effective~~
21 ~~date of the Ordinance creating the higher cup on gate fees occurs thereafter, by no later than~~
22 ~~the effective date of that Ordinance, the taxicab company has submitted the information~~
23 ~~required by the Controller's rules and regulations for the most recent year the information is~~
24 ~~required, and by no later than April 1, 2003 the taxicab company has submitted the~~

1 information required by the Controller's rules and regulations for the three most recent years
2 the information is required. The condition that the taxicab company be in compliance with the
3 Controller's rules and regulations is ongoing; hence, the right to charge the higher mean gate
4 fee authorized by this subsection is dependent on continued fulfillment of this condition.

5 (ii) ~~All taxicabs operating under the taxicab company's color scheme are covered by~~
6 ~~workers' compensation insurance. This condition shall take effect on May 1, 2003. The~~
7 ~~taxicab company shall not be deemed to fulfill this condition until the taxicab company has~~
8 ~~submitted to the Taxi Commission proof that the condition is fulfilled. This condition is an~~
9 ~~ongoing condition, and the aforementioned requirement for proving that the condition is~~
10 ~~fulfilled is an ongoing requirement; hence, the right to charge the higher mean gate fee~~
11 ~~authorized by this subsection is dependent on continued fulfillment of the condition and~~
12 ~~continued compliance with the proof requirement.~~

13 (c) ~~**"Gate Fee" Defined.** For the purposes of this Section, "gate fee" shall mean any~~
14 ~~monetary fee or other charge or consideration, or any combination thereof, required of a driver~~
15 ~~other than a permit-holder for the privilege of driving a taxicab during a particular shift, or for~~
16 ~~any period of time, including receipt of all services provided in connection with such privilege,~~
17 ~~whether said fee is set by contract, lease or other agreement, orally or in writing, and whether~~
18 ~~said fee is paid by the driver as a flat rate, as a commission on receipts from fares, or as a~~
19 ~~specified fee for any other purpose.~~

20 (d) ~~**Regulations; Penalties.** The Taxi Commission may, from time to time and after a~~
21 ~~noticed public hearing, adopt regulations to carry out the purposes of this Section. Violation of~~
22 ~~any provision of this Section, or of any regulation adopted pursuant to this Section, may be~~
23 ~~cause for revocation or suspension of any permit granted to the violator by the City and~~
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1 County related to the operation of taxicabs or other motor vehicles for hire, or for the
2 imposition of any other penalties authorized under this Article.

3 ~~(e) **Evaluation By Taxi Commission.** The Taxi Commission shall evaluate the impact
4 of this ordinance and any lease fee cap and report back to the Board of Supervisors within
5 nine months of the final adoption of this ordinance.~~

6 ~~(f) **Operative Date.** This Section shall only become operative on the date that the fare
7 increases authorized in Ordinance No. 188-98 become operative.~~

8 ~~(g) **Sunset Provisions Pertaining to Higher Cap on Gate Fees.** Subsection (b)
9 shall expire by operation of law under either of the circumstances described below:~~

10 ~~(i) By no later than May 1, 2003, the Controller shall submit a recommendation to the
11 Board of Supervisors for a specific long-term lease fee cap covering all long-term lease
12 drivers. If within 90 days of the Controller's submission of a recommendation, or, if the
13 Controller fails to meet the deadline for submitting a recommendation, by no later than March
14 1, 2004, the City fails to enact into law an ordinance prescribing a specific long-term lease fee
15 cap covering all long-term lease drivers, subsection (b) shall expire.~~

16 ~~(ii) By no later than October 1, 2003, the Controller shall submit a recommendation to
17 the Board of Supervisors for enactment of a program that would make a substantial and
18 reasonable degree of health insurance or health benefits available to all taxi drivers. The
19 Controller's recommendation shall be based on his study of the health insurance/health
20 benefits issue, which shall include consultation with City departments having expertise in one
21 or more dimensions of the issue. If, within 90 days of the Controller's submission of a
22 recommendation, or, if the Controller fails to meet the deadline for submitting a
23 recommendation, by no later than January 1, 2004, the City fails to enact into law an
24 ordinance that establishes a program that makes a substantial and reasonable degree of
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1 ~~health insurance or health benefits available to all taxi drivers, subsection (b) shall expire,~~
2 ~~unless the Controller certifies that it is not feasible for the City to establish such a program.~~

3 ~~(iii) The Board of Supervisors may by resolution extend the date by which the City~~
4 ~~must enact the ordinances described in subparts (i) and (ii) to prevent the expiration of~~
5 ~~subsection (b), provided that the Board finds that further time is needed to resolve issues~~
6 ~~relating to the ordinances and that progress is being made on developing the ordinances for~~
7 ~~the Board's consideration.~~

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9 Section 3. The San Francisco Police Code is hereby amended by amending
10 Section 1137, to read as follows:

11 **SEC. 1137. REVIEW OF RATES OF FARE AND ~~CAP ON GATE FEES.~~**

12 ~~(a) The rates provided in Sections 1135 and 1136 of this Article and the cap on gate~~
13 ~~fees provided in Section 1135.1 of this Article shall be reviewed by the Controller in even-~~
14 ~~numbered years, beginning with 2004. Not later than August 1st of each even-numbered year,~~
15 ~~the Controller shall transmit to the Board of Supervisors a determination as to increases or~~
16 ~~decreases in the rates of fare for taxicabs and an increase or decrease in the cap on gate~~
17 ~~fees based upon changes in the Consumer Price Index since the prior determination, and~~
18 ~~related information submitted to the Controller pursuant to Section 1095(b) of this Article. The~~
19 ~~Controller's August 1, 2004 determination as to increases or decreases in the rates of fare for~~
20 ~~taxicabs and an increase or decrease in the cap on gate fees shall be based upon changes in~~
21 ~~the Consumer Price Index since January 1, 2003, and related information submitted to the~~
22 ~~Controller pursuant to Section 1095(b) of this Article. In addition, the Controller's August 1,~~
23 ~~2004 determination both as to increases or decreases in the rates of fare for taxicabs and as~~
24 ~~to an increase or decrease in the cap on gate fees shall include appropriate adjustments to~~

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1 ensure, in accordance with the procedure provided for in Section 1137.5 of this Article, that
2 appropriate sums are collected to offset the increased monthly cost of paratransit scrip
3 incurred by the paratransit program, except if the voters of the City and County of San
4 Francisco have reauthorized a new sales tax to fund transportation.

5 (b) As part of his or her review of taxicab rates of fare, the Controller shall also review
6 the fuel surcharge provided in Section 1135(b) and make a recommendation to the Board of
7 Supervisors whether to continue, eliminate, or adjust the surcharge.

8 (c) The Controller's determination as to increases or decreases in the rates of fare for
9 taxicabs ~~and an increase or decrease in the cap on gate fees~~ shall take effect on November 1
10 of the even-numbered year in which the Controller makes the determination, and shall remain
11 in effect through October 31 of the next even-numbered year, unless the following events
12 occur: (i) By September 1 of the even-numbered year in which the Controller makes the
13 determination the Board of Supervisors by resolution determines that the Board, or a
14 committee thereof, should hold a hearing on the Controller's determination; (ii) by October 1 of
15 that year a hearing is held in accordance with the aforementioned resolution; and (iii) by
16 October 31 of that year the Board adopts a resolution disapproving or modifying the
17 Controller's determination. Any resolution modifying the Controller's determination shall be
18 based upon changes in the Consumer Price Index, costs recently incurred and expected to be
19 incurred by drivers and color scheme permitholders, projected income of drivers and projected
20 revenues of color scheme permitholders, and local economic conditions. If all three events
21 occur, the Controller's determination shall not go into effect on November 1 of that year.

22 (d) The Controller's determination as to increases or decreases in the rates of fare for
23 taxicabs ~~and an increase or decrease in the cap on gate fees~~ shall, beginning January 1,
24 2006, ~~treat the higher mean gate fee cap of \$91.50, provided for in Section 1135.1(b), as if it~~
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1 ~~were \$90.00 when instituted, and~~ treat the higher meter rate of \$2.85 for the first fifth of a mile
2 or "flag," as provided for in Section 1135(a), as if it were \$2.75 when instituted. In addition,
3 the Controller's determination as to increases or decreases in the rates of fare for taxicabs
4 ~~and an increase or decrease in the cap on gate fees~~ shall, beginning January 1, 2006, make a
5 similar accounting for any adjustments made in the Controller's August 1, 2004 determination
6 designed to offset increased costs to the paratransit program arising from further increases in
7 meter rates..

8 (e) In cases where the holder of more than one permit to operate a sedan, limousine
9 or taxicab fails to render a financial report within the time prescribed and in such form as the
10 Controller may request, for the purpose of reviewing the rates of fare for taxicabs ~~and the cap~~
11 ~~on gate fees~~ and making a determination as to increases or decreases in the rates of fare for
12 taxicabs ~~and an increase or decrease in the cap on gate fees~~, such failure shall be a basis for
13 cancellation of such permits by the Taxi Commission, provided such cancellation is approved
14 by the Board of Supervisors.

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16 Section 4. This ordinance shall supersede the procedure set forth in Section 1137(c)
17 with respect to the Controller's determination for 2006. The fuel surcharge shall take the
18 place of any fare increases recommended in the December 2005 report issued by the Office
19 of the Controller, entitled "Taxi Industry Report: Rates of Fare & Gate Fees," and any fare
20 increases recommended in the Controller's report will not take effect automatically, regardless
21 of whether the Board of Supervisors adopts or does not adopt the resolutions discussed in

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1 Section 1137(c). The Board of Supervisors may still change taxi rates of fare prior to 2008 by
2 affirmatively amending Section 1135.

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6 APPROVED AS TO FORM:
7 DENNIS J. HERRERA, City Attorney

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9 By: _____
10 THOMAS J. OWEN
11 Deputy City Attorney

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