

**LEGISLATIVE DIGEST**

[Taxicab gate cap; ratifying previous gate fees; gate surcharge for "green vehicles"; taxi fleet greenhouse gas emissions.]

**Ordinance amending the San Francisco Police Code by: amending Section 1135.1, to raise the taxicab gate fee cap to \$96.50 and to ratify gate fees previously charged up to \$91.50 per shift for the period from January 1, 2003 to October 27, 2006; by repealing current Section 1135.2, as obsolete; by adding a new Section 1135.2, to authorize a \$7.50 surcharge on the gate cap for "green vehicles"; and, by adding Section 1135.3, to identify "green vehicles," require taxi companies to submit emission reduction plans and progress reports, require taxi companies to reduce taxi fleet greenhouse gas emissions by 20 percent from 1990 levels by 2012, and require the use of "green vehicles" as taxicabs.**

Existing Law

The City has placed a cap on the amount of gate fees that taxi companies may charge drivers. A "gate fee" is "any monetary fee or other charge or consideration, or any combination thereof, required of a driver other than a permit-holder for the privilege of driving a taxicab during a particular shift, . . ." (SF Police Code § 1135.1(c).) The current gate fee cap is \$91.50.

The Municipal Code does not currently authorize any surcharges on the gate fee, or provide a different gate fee cap depending on the type of taxi vehicle in use.

The Municipal Code does not currently regulate taxi fleet greenhouse gas emissions or which vehicles may be used as taxis.

Amendments to Current Law

The proposal would raise the gate fee cap to \$96.50. It would also retroactively approve any gate fee up to \$91.50 charged to taxi drivers between January 1, 2003 and October 27, 2006.

The proposal would further allow taxi companies to collect an additional \$7.50 as part of the gate fee for a "green vehicle." A green vehicle under the proposal would be identified in an annual "Green Vehicle Guide" to be prepared by the Department of the Environment.

Finally, the proposal would set standards and procedures for overall reduction of taxi fleet greenhouse gas (GHG) emissions:

- Every year by April 1, the Department of the Environment, in consultation with the Taxi Commission, would prepare a "Green Vehicle Guide," which would include a list of potential taxi vehicles with emission levels that would produce a 20 percent overall reduction in taxi fleet GHG emissions from 1990 levels by the year 2012.
- By June 1 of 2008, 2009, and 2010, every color scheme would submit to the Taxi Commission an annual plan to reduce its average per vehicle GHG emissions consistent with a 20 percent overall reduction in taxi fleet greenhouse gas emissions from 1990 levels by the year 2012.
- By June 1 of 2009, 2010, and 2011, every color scheme would submit to the Taxi Commission a written progress report on the steps the color scheme has taken in the preceding year to carry out its emissions reduction plan and the results of those efforts.
- Beginning on June 1, 2011, every color scheme would be required to maintain average per vehicle GHG emissions at a level set by the Department of the Environment, in consultation with the Taxi Commission, and consistent with a 20 percent overall reduction in taxi fleet greenhouse gas emissions from 1990 levels by the year 2012.
- Beginning July 1, 2008, the Taxi Commission would be prohibited from approving any vehicle being put into service as a taxi that was not included on that year's "Green Vehicle Guide" list of approved green vehicles.

The proposal would also repeal current Police Code Section 1135.2, which regulated lease fees that medallion holders charge taxi companies for the use of their medallions. Section 1135.2 expired by its own terms in 2001.

### Background Information

Between 1998 and 2002, the gate fee cap was \$83.50 per 10-hour shift. (SF Board of Supervisors Ord. No. 362-98.) In 2002, the City raised the gate cap to \$85.00. (SF Board of Supervisors Ord. No. 228-02.) The City also authorized taxi companies to charge a higher gate fee of \$91.50 per 10-hour shift if the companies complied with certain conditions regarding submission of financial information and workers compensation insurance. (*Id.*) Under the legislation, the authorization to charge the higher gate fee would expire automatically if either of two conditions were met:

- The City failed to enact a specific long-term lease fee cap covering all long-term lease drivers by May 1, 2003; or,

- The City failed to adopt a health benefits plan for taxi drivers by January 1, 2004, unless the Controller certified that it was not feasible for the City to establish such a program.

(*Id.*) The Board of Supervisors extended the deadlines for adoption of both the long-term lease fee cap and the health benefits program for taxi drivers to September 1, 2004. (SF Board of Supervisors Ords. Nos. 204-03, 256-03; SF Board of Supervisors Reso. No. 173-04.) The City did not satisfy either the long-term lease fee cap or the drivers' health benefits condition by September 1, 2004, and the authorization to charge the higher gate fee expired by operation of law on that date.

The City subsequently set the gate fee cap at \$91.50, "going forward," as of October 27, 2006. (SF Board of Supervisors Reso. No. 605-06.)

In November, 2006, a group of taxi drivers filed suit against two local taxi companies, alleging that the companies had charged gate fees in excess of the \$85.00 cap between September, 2004 and October, 2006. (*United Taxicab Workers, et al., v. Yellow Cab Cooperative, Inc., et al.*, SF Superior Court No. 457-561, filed November 2, 2006 ("the *UTW* case").) In August 2007, the City intervened in the *UTW* case to obtain a declaratory judgment that the authorization to charge the higher gate fee expired by operation of law on September 1, 2004.