

SALT LAKE CITY ORDINANCE
No. 85 of 2010

(Taxicab requirements)

An ordinance amending Chapter 5.72, *Salt Lake City Code*, pertaining to taxicab regulation, providing for contract-based taxicab services, eliminating certificates of convenience and necessity, eliminating operational requirements that will become contract-based, providing for contracts between taxicab companies and the City, providing for rules and regulations, replacing fixed fares with a flexible fare structure, and replacing criminal enforcement with civil penalties.

WHEREAS, City Council adopted Resolution No. 66 of 2005 on December 8, 2005, declaring the City Council's intent to "change the taxicab (regulatory) system from a certificate of convenience and necessity system" to a system where taxicab companies contract with Salt Lake City to operate taxicabs; and

WHEREAS, simultaneously, the City Council adopted Ordinance No. 87 of 2005, which, in part, declared that a certificate of convenience and necessity is not a franchise and is not irrevocable; and

WHEREAS, prior to adopting regulatory changes required for transition to a contract-based system, the City agreed to provide certificate holders with 180-days notice and, accordingly, all such certificates of convenience will terminate 180 days from the date of when such notice is issued; and

WHEREAS, after a duly noticed public hearing before the City Council, the Council has determined (i) this ordinance facilitates and enables transition to a contract-based taxicab system; (ii) notice of termination of certificates of convenience and necessity will issue on the effective date of this ordinance; (iii) all such certificates issued in connection with taxicabs will terminate 180 days from such notice date; and (iv) this ordinance is in the best interest of the City.

NOW, THEREFORE, be it ordained by the City Council of Salt Lake City, Utah as follows:

SECTION 1. That Chapter 5.72, *Salt Lake City Code*, pertaining to taxicabs, be, and the same hereby is, amended to read as follows:

Chapter 5.72

TAXICABS

Article I. Definitions and General Regulations

5.72.005: DEFINITIONS:

The following words and phrases, when used in this chapter, shall have the meanings defined and set forth in this section.

BUSINESS: A voluntary association legally formed and organized to carry on a Business in Utah in the legal name of the association, including without limitation a corporation, limited liability company, partnership, or sole proprietorship.

CERTIFICATE: A certificate of public convenience and necessity issued by the City.

CITY: The governmental institution and landmass contained within the boundaries of Salt Lake City, Utah.

CIVIL NOTICE: A written notice of a ground transportation violation as provided under this chapter.

CLEARED: That condition of a taximeter when it is inoperative with respect to all fare registration and all cumulative fare and extras charges have been set to zero dollars (\$0).

CONCESSIONAIRE: A person or entity with whom the Department of Airports has contracted to provide taxicab services.

DEPARTMENT: The Salt Lake City Department of Airports or such other City department or division as may be designated by the Mayor to have responsibility for the enforcement of this chapter.

DEPARTMENT DIRECTOR: The director of the department designated by the Mayor to have responsibility for the enforcement of this chapter or the authorized designee of such director.

DEPARTMENT CONTRACT: A valid, existing, and current contract negotiated and approved by the department for providing taxicab or other services within the corporate boundaries of Salt Lake City, including the airport.

DEPARTMENT RULES AND REGULATIONS: Rules and regulations developed and adopted by the department director to govern ground transportation service and businesses within the City.

EXTRAS: Charges to be paid by a customer or passenger in addition to the fare.

FACE: That side of a taximeter upon which passenger or customer charges for hire of a taxicab are indicated.

FARE: That portion of the charge for hire of a taxicab which is automatically calculated by the taximeter through the operation of the mileage and time mechanism.

GROUND TRANSPORTATION APPEAL COMMITTEE: A committee established by the department director to hear and rule on appeals, suspensions, and other matters related to ground transportation in and connected with the City.

HAIL A TAXICAB: The act of a person to call out for, or to signal for, an in-service taxicab that is not already engaged in transport of passengers to respond to the person's location for hiring and transport of persons or property.

HIRED: The button on the face of a taximeter, which when activated places the taximeter in operation, signifying the start of a billing process for the person(s) engaging the use of the taxicab.

HOLDER: A person to whom a certificate of public convenience and necessity has been issued.

IN-SERVICE: A taxicab that is in use on the streets of the City, with a driver, and available for the transportation of passengers for hire.

OPEN STAND: A public place alongside the curb of a street, or elsewhere in the City, which has been designated by the Mayor or the Mayor's designee as reserved for the use of taxicabs available for hire by passengers, including places otherwise marked as freight zones or other parking restricted zones if designated for use of taxicabs during specified times.

PERSON: An individual, a corporation or other legal entity, a partnership, and any incorporated association.

TAXICAB: A motor vehicle with a seating capacity of five (5) passengers or less, not including the driver, or a van with a passenger seating capacity of six (6) to twelve (12), not including the driver, used in the on demand, for hire transportation of passengers or baggage over the public streets and not operated over a fixed route or upon a fixed schedule, but which is subject for contract hire by persons desiring special trips from one point to another and authorized to operate in Salt Lake City by contract with the department.

TAXIMETER: A meter instrument or electronic device attached to a taxicab which measures mileage by the distance driven and the waiting time upon which the fare is based, and which automatically calculates, at a predetermined rate or rates, and registers, the charge for hire of a taxicab.

WAITING TIME: The time when a taxicab is not in motion, from the time of hiring by a passenger to the time of discharge of passenger(s).

5.72.105: AUTHORITY TO ESTABLISH RULES AND REGULATIONS:

A. To the extent authorized by the provisions of this chapter and consistent with other applicable provisions of this code, the department director, under guidance and direction from the Mayor, may enter into contracts deemed necessary or desirable and may establish rules and regulations necessary to administer the provisions of this chapter.

B. The Mayor shall adopt procedures applicable to the establishment of department rules and regulations that provide for:

1. Public notice of any proposed rule that will affect operation of any ground transportation business;
2. An opportunity for public comment on proposed rules before they take effect, and
3. The basis for any such proposed rule.

Article II. Authority To Operate

5.72.125: COMPLIANCE RESPONSIBILITY:

A. All persons shall comply with and operate under requirements of applicable law, including without limitation Federal, State, County and City laws and ordinances, including but not limited to, Chapters 5.72, 5.71, and 16.60 of the Salt Lake City Code, and department rules and regulations.

B. A concessionaire shall not be relieved of any responsibility for compliance with the provisions of this chapter, whether the concessionaire leases or rents taxicabs to drivers, or whether the concessionaire pays salary, wages, or any other form of compensation.

5.72.155: DEPARTMENT CONTRACT REQUIRED FOR OPERATION:

A. No person shall operate or permit a taxicab owned or controlled by such person to be operated as a vehicle for hire upon the streets of Salt Lake City unless such person is authorized to do so under a department contract.

B. No person may operate a taxicab business in the City unless the person is authorized to do so under a department contract. Nothing in the department contract shall relieve a concessionaire of the requirements of applicable laws, including but not limited to Titles 5.71, 5.72, and 16.60 of the Salt Lake City Code, and department rules and regulations.

C. The term "operate for hire upon the streets of Salt Lake City" means and shall include the soliciting or picking up of a passenger or passengers within the corporate limits of the City, whether the destination is within or outside of the corporate limits of the City. For the purpose of this section, the term "operate for hire upon the streets of Salt Lake City" shall not include the transporting, by a taxicab properly licensed in a jurisdiction outside the corporate limits of the City, of a passenger or passengers for hire where a trip originates with the passenger or passengers being picked up outside of the corporate limits of the City and where the destination is either within or beyond the City corporate limits.

5.72.165: CONTRACT-BASED SYSTEM FOR PROVISION OF TAXI SERVICES:

A. The City hereby adopts a contract-based system for provision of taxicab services. Only taxicab providers selected pursuant to a competitive request for proposals (RFP) process and who have entered into a department contract, as defined in Section 5.72.005, may operate taxicab services upon Salt Lake City streets.

1. Following the RFP procedure, at least two (2) and not more than four (4) taxicab businesses shall be awarded a department contract.

2. The total number of taxicabs authorized to operate in the City under all such contracts shall be at least two hundred (200) and not more than two hundred sixty-eight (268).

B. Existing certificates of public convenience and necessity issued by the City for taxicab services shall expire no sooner than one-hundred eighty (180) days from the effective date of this ordinance. The City may elect, in the City's sole discretion, to continue the expiration date up to an additional one-hundred eighty (180) days. Upon expiration, a pro rata refund of that portion of the certificate fee shall be given to those persons whose certificates have expired prior to the portion of the year remaining at the time of expiration.

5.72.170 FEES:

No certificate shall continue in operation prior to the expiration as set forth in Section 5.72.165 unless the holder thereof has paid the annual business regulatory fee as set forth in Section 5.04.070 of this title, or its successor section, each year for each vehicle authorized under a certificate. Such fees shall be in addition to any other fees or charges established by proper authority and applicable to the holder of the vehicle or vehicles under the holder's operation and control.

5.72.175 EXISTING HOLDERS' CERTIFICATES:

All holders of existing taxicab certificates on the effective date of this ordinance shall retain such certificates, allowing them to operate the same number of vehicles as they are presently authorized to operate, without the hearing provided in this article, the public convenience and necessity having heretofore been demonstrated, until such certificate expires as provided in Section 5.72.165B of this chapter.

5.72.185: CERTIFICATE NOT A FRANCHISE AND NOT IRREVOCABLE:

No certificate issued in accordance with this chapter, or its successor section, shall be construed to be either a franchise or irrevocable.

5.72.205: MANDATORY ADA ACCESSIBLE VEHICLE:

At least five (5) percent of the vehicle fleet of each taxicab concessionaire shall be available and equipped, consistent with requirements of the Americans with Disabilities Act (ADA), for the use and convenience of persons with disabilities.

Article III. Taximeters

5.72.305: TAXIMETER REQUIRED

- A. All taxicabs shall be equipped with taximeters approved by the department.
- B. It is a violation for any person to operate or to allow to be operated any taxicab without an operative taximeter.
- C. All taximeters shall be mounted in locations approved by the department.
- D. All taximeters shall be tested and sealed by the department every six (6) months and no taximeter may be used without such seal being in place.
- E. Nothing that could shield or conceal the indications and metered fare of the taximeter from passengers may be placed so as to block the face of the taximeter.
- F. Taximeters shall have illuminated faces so as to provide visible indications of the meters status and fare to the passenger in low light or after sundown.
- G. Upon the completion of the service by the taxicab, it shall be the duty of the driver to call the attention of the passenger to the amount registered and to clear the taximeter of all fare indications so as to start at zero dollars (\$0) upon the next fare.

H. Except as otherwise provided herein, it is a violation for any driver of a taxicab or taxicab business to charge a fare other than as calculated by the taximeter.

I. It is a violation for any driver of a taxicab or taxicab business to charge any extra that is not approved by the department, calculated by the taximeter, and which is not applicable to the current fare.

J. A top light shall be installed on every licensed taxicab. The top light shall be illuminated when a taxicab is available for hire and shall not be illuminated when the taximeter is placed into hire.

5.72.355: TAXIMETER INSPECTIONS; RECORD KEEPING:

A. The department shall keep a record of the identification of every taxicab meter number and date of inspection thereof in its office.

B. The department shall inspect, test, and seal every operational taximeter at least every six (6) months. Additionally, the department may inspect and test any taximeter upon receipt of a complaint regarding the operations or accuracy of a taximeter.

C. In the event a change in rates is made, the taximeter shall be adjusted to the new rates, and the taximeter of every taxicab in which a meter has been installed shall be immediately inspected, tested, and sealed by the department. A fee to recover costs of the meter inspection shall be charged by the department for each meter reprogrammed and sealed.

D. No taximeter which is inaccurate in registration in excess of one and one-half percent ($1\frac{1}{2}\%$) shall be allowed to operate in any taxicab, and when an inaccuracy is discovered, such taxicab involved shall immediately cease operation and be kept out of operation until the meter is repaired and in proper working condition.

E. No owner, driver or business shall perform or permit or allow any alterations to a taxicab that will affect the taximeter pulse setting without said taximeter being inspected and recertified by the department. Said alterations shall include, but are not limited to, transmission replacement or remanufacturing, differential replacement or remanufacturing, speedometer cable replacement, speed sensor replacement, repair or replacement of the taxicab's onboard computer, or change of tire size on the drive axle.

Article IV. Rates

5.72.405: RATES:

A. The rates charged by a ground transportation company for taxicab service shall be set by the City Council. The department shall review submittals by taxicab companies for taxicab rates and the department director shall recommend to the City Council the rate structure and extras allowed to be charged for taxicab service.

1. Unless otherwise provided for in a department contract, each taxicab business may file with the department periodically, but no more often than every six (6) months, a statement regarding the adequacy of the existing maximum rates. Said statement shall state whether, in the opinion of the person submitting the statement, the existing maximum rates are at an appropriate level, or whether such rates should be increased or decreased. If the statement indicates existing rates should be increased, the person submitting the statement shall supplement the statement with documentation in support of such increase, such as evidence of increased operating costs, insurance costs, costs of living, fares charged for competing ground transportation services, and any other relevant information.

2. Upon receipt of a statement regarding the adequacy of existing rates, the department director may authorize a temporary increase in rates, not to exceed six (6) months, to account for increased operating costs, insurance costs, costs of living, fares charged for competing ground transportation services, or other factors documented in a rate statement.

3. If the department director authorizes a temporary rate increase, the statement and other information justifying the increase shall be submitted to the City Council for review and consideration of a permanent rate increase.

B. Every taxicab shall have printed on the outside of the cab, in a conspicuous place and of sufficient size, legibility, and in such manner as to be plainly visible to all prospective passengers, all rates and extras in effect for such taxicab. All such rates and extras shall also be posted on the inside of the taxicab in such a manner as to be plainly visible to all passengers.

C. No taxicab or taxicab business shall charge any fee or payment for the use of a taxicab within the City without the prior approval of the City Council or department director, as provided in this chapter.

D. The driver of any taxicab shall render to every passenger a receipt for the amount charged, on which shall be the name of the taxicab business, taxicab number, the date and time the fare was initiated and completed, the miles charged, extras added to the fare, and the total amount of meter reading or charges.

Article V. Service Regulations

5.72.455: GENERAL SERVICE REQUIREMENTS:

A. Taxicab companies shall maintain all service requirements set forth in a department contract and other requirements as provided by applicable law and department rules and

regulations.

B. Taxicab services shall be available twenty-four (24) hours per day, seven (7) days per week.

C. Unless otherwise provided in a department contract, it is a violation for any taxicab business to refuse to accept a call for service to or from any point within the corporate limits of the City at any time when such business has available taxicabs, and it is a violation for any business to fail or refuse to provide all or any service required by this title.

D. Any driver employed to carry a passenger to a definite point shall take the most direct or expeditious route possible that will carry the passenger safely and expeditiously to his or her destination, unless otherwise directed by the passenger.

E. The Mayor or the Mayor's designee is authorized to establish open stands in such place or places upon the streets of the City as the Mayor deems necessary for the use of taxicabs operated in the City. The Mayor shall not create an open stand without taking into consideration the need for such stands by the taxicab industry, the convenience to the general public, and the recommendation of the City traffic engineer. The Mayor shall not create an open stand where such stand would tend to create a traffic hazard.

F. Open stands shall be used only by taxicab drivers and their boarding passengers, who shall use them on a first come, first served basis. The driver shall enter the open stand from the rear and shall advance forward as the taxicabs exit. Drivers shall stay within ten feet (10') of their taxicabs. Nothing in this chapter shall be construed to prevent a passenger from boarding the cab of his or her choice that is parked at any position in an open stand. The Mayor or the Mayor's designee shall prescribe the maximum number of cabs that shall occupy such open stands.

G. Private or other vehicles for hire, and persons not waiting for or boarding taxicabs shall not occupy any space upon the streets that has been established as an open stand during any times specified by the Mayor or the Mayor's designee for use by taxicabs.

H. The driver of any taxicab shall remain in the driver's compartment or immediately adjacent to his or her vehicle at all times when such vehicle is upon the public street, except that, when necessary, a driver may be absent from his or her taxicab for not more than twenty (20) consecutive minutes; and provided further, that nothing herein contained shall be held to prohibit any driver from alighting to the street or sidewalk for the purpose of assisting passengers into or out of such vehicle or to load their baggage into the taxicab.

I. No driver shall permit more persons to be carried in a taxicab as passengers than the rated seating capacity rated by the vehicle manufacturer of his or her taxicab, Child seating shall be in accordance with Utah and federal law.

J. After a taxicab has been hired by a passenger or group of passengers, no driver shall permit any other person to occupy or ride in the taxicab without the consent of the original passenger or group.

K. No driver shall solicit passengers for a taxicab except when sitting in the driver's compartment of such taxicab, while standing within ten feet (10') of such taxicab, or at any authorized open stand.

L. No driver shall refuse or neglect to convey any reasonably orderly person or persons, or their luggage upon request, unless previously engaged or unable or forbidden by the provisions of this chapter to do so. No driver shall refuse to transport a service animal accompanying a person or persons in the passenger compartment of the taxicab.

M. Any person may hail a taxicab for service within the City, except that in locations of an open stand for taxicabs the person should proceed to the taxicab that is “headset” at the stand for service. However, nothing shall prohibit the person from hiring the taxicab of the person’s choice.

5.72.505: REQUIREMENT TO PROVIDE SERVICE TO HAILING PUBLIC:

It is a violation for any taxicab driver to pass by or refuse service to a person hailing a taxicab for service unless the taxicab being hailed is already in route to a dispatched fare, is already hired or is not in service.

5.72.530: ADVERTISING MATERIAL ON CABS PERMITTED:

In accordance with an applicable department contract, it shall be permitted for any person owning or operating a taxicab to allow advertising matter to be affixed to or installed in or on such taxicabs.

Article VIII. Enforcement and Penalties

5.72.705: DEPARTMENT AUTHORITY:

The department shall enforce the provisions of this chapter and govern the conduct of companies and drivers operating under this chapter.

5.72.805: ISSUANCE OF A CIVIL NOTICE OF GROUND TRANSPORTATION VIOLATION:

A. Every notice issued under this chapter shall be issued in the form of a written civil notice and shall contain a statement that the named party may appeal the imposition of the penalty and provide information regarding how to appeal.

B. Any concessionaire, driver, vehicle owner, or authorized ground transportation business that violates any provision of this chapter may be named in a civil notice issued by the

City. A violation of any provision of this chapter by any driver or vehicle owner shall also constitute a violation of such provision by the ground transportation business or concessionaire under whose authority such driver or owner was operating at the time of the violation.

5.72.855: CIVIL PENALTIES AND ENFORCEMENT:

A. The City may revoke, suspend, or deny renewal of a City business license to operate a ground transportation business for violations of any provision of this title, department rules and regulations, or other applicable law.

B. The department may revoke, suspend, or deny renewal of an operator's badge, department automated vehicle identification tag or department inspection seal for violations of any provision of this title, department rules and regulations, or other applicable law. The person or business affected may request, in writing filed with the department, an appeal hearing before the ground transportation appeal committee. Any such revocation, suspension, or denial of renewal shall remain in effect until the party against whom such action is taken requests reinstatement and the ground transportation appeal committee determines that reinstatement is appropriate.

C. If any named party fails to comply with civil penalties imposed under this chapter, such party may be subject to suspension, revocation or nonrenewal of a City license to operate a ground transportation business, operator's badge, department automated vehicle identification tag and department inspection seal.

D. Civil penalties may be imposed as set forth below. The named party in the civil notice shall be liable for a civil penalty. Any penalty assessed in connection with this section may be in addition to any other penalty that may be imposed by law or department rules and regulations.

ARTICLE II.		
AUTHORITY TO OPERATE		
5.72.155 (A,B)	\$1000.00	Authority to operate taxicabs
5.72.205	\$1000.00	ADA vehicle service required
ARTICLE III.		
TAXIMETERS		
5.72.305 (A,B,D)	\$1000.00	Certified meter required
5.72.305 (G)	\$300.00	Clearing of metered fare
5.72.305 (C,E,F,J)	\$100.00	Location, visibility & top light requirement
5.72.305 (H,I)	\$500.00	Passenger fares
5.72.355 (D,E)	\$1000.00	Accuracy in calculation of fares
ARTICLE IV		
RATES		
5.72.405 (C,E)	\$100.00	Posting of rates and receipt required
5.72.405 (D)	\$1000.00	Charge of approved fares only
ARTICLE V		
SERVICE REGULATIONS		
5.72.455 (A,B,H,K)	\$500.00	Violation of service requirements
5.72.455 (C,I)	\$300.00	Violation of service requirements
5.72.455 (E,F,G,J)	\$100.00	Violation of service requirements
5.72.505	\$500.00	Service to hailing person

**5.72.890: ENFORCEMENT PROCEDURES; CIVIL NOTICE OF GROUND
TRANSPORTATION VIOLATION:**

A. Civil notices under this chapter, other than those involving revocations, suspensions, denials, or approvals of a business license, operators' badge, department automated vehicle identification tags and department inspection seal shall be heard by the Salt Lake City Justice Court. Any named party may appear before a hearing officer and present and contest an alleged violation as provided in Title 2, Chapter 2.75 of this code, or its successor.

B. The burden to prove any defense shall be upon the person raising such defense. Nothing herein shall affect the City's burden to prove each element of the underlying charge by a preponderance of evidence.

C. If the hearing officer finds that no violation of this chapter occurred, or that a violation occurred but one (1) or more of the defenses set forth in this section is applicable, the hearing officer may dismiss the civil notice and release the named party from liability thereunder, or may reduce the penalty associated therewith as he or she shall determine. Such defenses are:

1. The civil notice does not contain the information required by this chapter;
2. Compliance with the subject ordinances would have presented an imminent and irreparable injury to persons or property; or
3. Such other mitigating circumstances as may be approved by the City Attorney's Office.

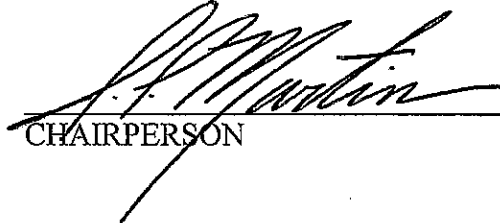
5.72.900: EXPEDITED APPEAL OF EXCLUSION:

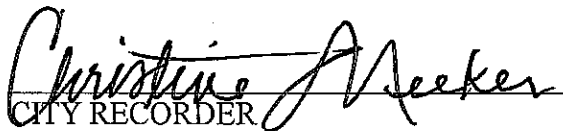
Any named party who is excluded from pursuing commercial activities under this chapter, and has not had a hearing before the ground transportation appeal committee regarding such exclusion as provided for in this chapter, such party may request an expedited appeal of the

action that resulted in such exclusion. Such appeal shall be requested in writing by the party so excluded to the department. The department shall promptly investigate the facts relating to such exclusion. If the evidence indicates such exclusion is improper under this chapter, the department director may reverse the action that resulted in such exclusion. If the department director does not reverse such action, the action resulting in such exclusion shall be heard and determined by the ground transportation appeal committee in accordance with the provisions of this chapter. If a preponderance of the evidence indicates such exclusion is proper under this chapter the ground transportation hearing committee shall uphold such exclusion.

SECTION 2. Effective Date. This ordinance shall become effective on the date of its first publication.

Passed by the City Council of Salt Lake City, Utah this 16th day of November 2010.

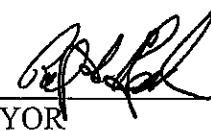

CHAIRPERSON


CITY RECORDER



Transmitted to Mayor on November 19, 2010

Mayor's Action: X Approved. _____ Vetoed.


MAYOR

Christine Meeker
CITY RECORDER



85 of 2010
December 3, 2010

APPROVED AS TO FORM

M. Lundberg

Date:

11-17-10