TEXT OF PROPOSED ORDINANCE
PROPOSITION K

REGULATIONS FOR TAXICABS AND OTHER
MOTOR VEHICLES FOR HIRE

BE IT ORDAINED BY THE PEOPLE OF THE CITY
AND COUNTY OF SAN FRANCISCO:

Section 1. The qualified electors of the City and County of
San Francisco hereby declare it shall be the law of the
City and County of San Francisco that:

(a) All taxicab permits and other vehicle for hire permits
issued by the City and County of San Francisco are the
property of the people of the City and County of San
Francisco and shall not be sold, assigned or transferred;

(b) The Chief of Police of the City and County of San
Francisco shall have the responsibility of establishing
regulations to assure prompt, courteous and honest service
to the riding public; and

(c) The taxicab business shall operate under the principles
of free enterprise and that taxicab operators may
charge less than the maximum rate of fare set by law,
as set forth below.

(d) The Police Commission shall issue a sufficient number
of permits to assure adequate taxicab service throughout
the City and County of San Francisco.

Section 2. The Application For A Permit.

(a) Any applicant for a permit to operate a taxicab or
other vehicle for hire shall apply to the Police Commission
for its declaration of public convenience and necessity on
blanks to be furnished by the Secretary of the Police
Commission, and within fifteen (15) days of the filing of
such an application the Secretary of the Police Commission
shall have a notice published in the official newspaper of
the City and County of San Francisco. The notice shall
state that an application has been filed for a license or
permit to operate a taxicab or other motor vehicle for hire
or motor vehicle for hire business, the name of the applicant,
the kind of equipment, and the number of taxicabs or
other vehicles for hire which the applicant desires to
operate. The notice shall be published for three successive
days.

The applicant shall pay to the City and County of San
Francisco a sum to cover the costs of advertising and
investigating and processing the application for each per-
mit, such sum to be determined periodically as appropriate
by the Police Commission.

Protests against the issuing of a permit may be filed
with the Police Commission. The Police Commission shall
consider all protests and in conducting its hearing shall
have the right to call such witnesses as it desires. In all
such hearings the burden of proof shall be upon the
applicant to establish by clear and convincing evidence,
which shall satisfy the Police Commission, that public
convenience and necessity require the operation of the
vehicle or vehicles for which permit application has been
made, and that such application in all other respects should
be granted.

(b) No permit shall be issued unless the person applying
for the permit shall declare under penalty of perjury his
or her intention actively and personally to engage as per-
mittee-driver under any permit issued to him or her for
at least four (4) hours during any twenty-four (24) hour
period on at least seventy-five (75%) of the business days
during the calendar year. No more than one permit shall
be issued to any one person.

(c) For two (2) years from the effective date of this
Ordinance, a preference in the issuance of any permit shall
be given to any person who has driven a taxicab or other
motor vehicle for hire in the City and County of San
Francisco for at least one consecutive twelve (12) month
period during any of the three (3) calendar years immedi-
ately prior to the filing of an application for issuance of
such permit.

(d) No permit shall be issued except to a natural person
and in no case to any business, firm, partnership or
corporation.

(e) Subject to any other preference created in this
Ordinance, all applications for a permit to operate a taxicab
or other motor vehicle for hire shall be processed and
considered in the order of their receipt by the Police
Commission.

(f) No part of this Section 2 shall apply to any permit
holder described in subparagraph (b) of Section 4 of this
Ordinance.

Section 3. Facts to be Considered by Police Commission.
The Police Commission, in determining whether or not
public convenience and necessity exist for the issuance of
a permit, may consider such facts as it deems pertinent,
but must consider whether:

(a) The applicant is financially responsible and will
maintain proper financial records.

(b) The public will not be adequately or properly served
unless the application is granted.

(c) The applicant has complied with all provisions of
the Municipal Code, including pertinent motor vehicle
laws.

(d) The applicant will be a full-time driver, within the
meaning of Section 2(b) of this Ordinance, of the taxicab
(Continued on next page)
or other motor vehicle for hire.

Section 4. Continuous Operation

(a) All permitees within the purview of Section 1075 of Chapter VIII, Part II of the San Francisco Municipal Code (Police Code) shall regularly and daily operate their taxicab or other motor vehicle for hire business during each day of the year to the extent reasonably necessary to meet the public demand for such taxicab or motor vehicle for hire service.

Upon abandonment of such business for a period of ten (10) consecutive days by a permittee or operator, the Police Commission shall, after five (5) days' written notice to the permittee or operator, revoke the permit or permits of such permittee or operator; provided, however, that the Chief of Police, subject to the approval of the Police Commission and only after a thorough investigation, may, on written application granted to the holder of any permit hereunder permission to suspend operation pursuant to such permit for a period not to exceed thirty (30) calendar days in any one twelve (12) month period in case of sickness, death, or other similar hardship.

No permit issued under this Ordinance shall be transferable or assignable, either expressly or by operation of law. All such permits and all rights granted under them may be rescinded and ordered revoked by the Police Commission for good cause.

(b) All persons, businesses, firms, partnerships, corporations or other entities who possess outstanding permits to operate a motor vehicle for hire on the effective date of this section must surrender and exchange any such permits for new permits within sixty (60) days of the effective date of this section. The new permits shall be non-transferable and non-assignable either expressly or by operation of law. Any such surrender and exchange shall be without fee to the permit holder. From and after the sixty-first (61st) day after the effective date of this section, all permits not surrendered for new permits shall be void and continuance of operation under any such void permits shall be punishable by a $500.00 fine and thirty (30) days incarceration in the county jail for each such void permit so used.

Section 5. Corporate Permitees

(a) If any permittee is a corporation, any sale or other transfer of ten percent (10%) or more of the stock ownership of assets of the permittee, resulting from any transaction or series of transactions and computed on a cumulative basis, will be deemed to be a sale or transfer and the permittee therefore be null and void, unless approved by the Police Commission in conformity with the requirements of this Ordinance.

(b) Any corporation holding a permit hereunder shall maintain a stock register at the principal office of the corporation in San Francisco and the stock register shall be available to the Police Department for inspection. Such corporation shall report to the department, in writing, any of the following:

(i) Issuance or transfer of any shares of stock to any person where the issuance or transfer results in the person owning ten percent (10%) or more of the corporate stock.

(ii) Change in any of the corporate officers which are required by Section 821 of the California Corporations Code.

(iii) Change of any members of its board of directors.

(c) Any report required pursuant to subparagraph (b) hereof shall be filed with the Police Department within ten (10) days of the change, sale or transfer to be reported.


The Controller of the City and County of San Francisco shall have the responsibility of establishing regulations for the keeping and filing of financial statements and accounting books and records by every holder of a taxicab permit or other type of permit under this Ordinance. The purpose of such regulations is to provide information to the Board of Supervisors for ordinances respecting maximum rates of fares or other charges and to the Police Commission for the performance of its duties under the law. Failure of any permit holder to comply with the Controller's regulations may cause for revocation of all rights granted to a permit holder to operate a taxicab or other vehicle for hire.

Section 7. Rates for Taxicabs

Notwithstanding any provision of the San Francisco Municipal Code, any person, firm or corporation operating a taxicab or taxicabs may set a rate of fare lower than the maximum rate which may be set from time to time by appropriate ordinance; provided, however, that any such lower rate shall be filed with the Board of Supervisors in writing prior to June 1st of any year, and, if approved by the Board, shall remain in effect until September 1st of the following year.

Section 8. Sections 1076, 1077, 1079 and 1135(B) of Chapter VIII, Part II of the San Francisco Municipal Code (Police Code) are hereby repealed.

Section 9. Sections 128.1, 128.2 and 128.3 of Part III, Article 2 of the San Francisco Municipal Code, are hereby repealed.

Section 10. Severability. If any section, sub-section, subdivision, paragraph, sentence, clause or phrase in this Ordinance or any part thereof, is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The qualified electors of the City and County of San Francisco hereby declare that they would have passed such section, sub-section, subdivision, paragraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional, invalid or ineffective.