

City of Madison

City of Madison Madison, WI 53703 www.cityofmadison.com

Legislation Text

File #: 26351, Version: 2

Fiscal Note

No significant fiscal impact is anticipated. There may initially be a small loss of General Fund revenues due to the reduction in licensing fee rates, but these losses might be offset by an increase in the number of licenses issued.

Title

SUBSTITUTE Amending various portions of Section 11.06 of the Madison General Ordinances to make pedalcab licensing more affordable for licensees and to streamline the licensing process.

Body

DRAFTER'S ANALYSIS: These amendments make it more financially feasible for pedal-cab operators to obtain licenses and streamline the licensing process. Currently there are pedal-cabs operating in the City, which do not quote a fare to a potential customer, but accept gratuities as payment. None of these pedal-cabs are licensed. They are typically run as one-person operations, and there are no known fleets of pedal cabs in the City. The City has an interest in ensuring that all public passenger vehicles are properly licensed, equipped, and insured. In order to accomplish this goal, these amendments lower the cost of licensing a pedal-cab company, and a pedal-cab vehicle. It also exempts pedal-cab operators from certain requirements, such as providing accessible service and completing the Disability and Sensitivity Training Program because pedal-cabs operate more as an occasional ride for entertainment, rather than a regular method of transportation. Pedal-cabs will be required to be insured and required to be licensed even if they operate as a "tip-only" service.

1. Subsection (2) entitled "License Required" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, For Hire" of the Madison General Ordinances is amended to read as follows: "(2) <u>License Required</u>.

- (a) No person shall engage in the business of transporting passengers for hire or drive a vehicle transporting passengers for hire within the City limits of Madison unless duly licensed to do so as hereinafter provided.
 - 1. Transportation of passengers for hire includes demand-responsive transportation by a specialized transportation vehicle.
 - <u>2.</u> <u>Transportation of passengers for hire shall include taking any tip or gratuity for the service, regardless of whether an actual quoted fare is paid.</u>
 - 2<u>3</u>. Transportation of passengers for hire does not include the following:
 - a. Inter-city bus transportation or school bus transportation whether by fixed route or by charter service.
 - b. Transportation provided exclusively for elderly or low-income persons or persons with disabilities, when such transportation is provided by volunteers or by agents or employees of bona fide non-profit agencies, and transportation provided by ambulance.
 - Courtesy rides provided to customers by auto dealerships or auto repair businesses.
- (b) No public passenger vehicle shall be used to transport passengers for hire unless a permit has been issued under this ordinance for such use.
- (c) The City Traffic Engineer shall have the authority to issue a provisional license to Pedal-Cab operators pending final approval of the Common Council if the Pedal-Cab operator obtains a

- <u>valid driver permit, provides proof of liability insurance coverage as required in Subsection (8)</u> (b) of this ordinance, and passes a vehicle inspection.
- (ed) No person licensed to offer public passenger vehicle service or similar transportation service to the public within the City limits of Madison shall employ a driver or allow any person to drive any vehicle licensed in the name of said person unless said driver or person shall have first obtained a public passenger vehicle driver's permit as hereinafter provided.
- (de) No person shall operate any public passenger vehicle until s/he shall have obtained a public passenger vehicle driver's permit from the Chief of Police.
- (ef) A person who is licensed as a driver under Subsection (6) of this ordinance and who complies with the terms of that license is not required to also be licensed under Subsection (4), unless that person is also engaged in the business of transporting passengers for hire.
- (fg) The inspection of public passenger vehicles and enforcement of this section shall be under the supervision and control of the City Traffic Engineer. Appeals from decisions of the City Traffic Engineer shall be governed by Subsection (13) of this ordinance."
- 2. Subsection (4) entitled "Licensing of Public Passenger Services" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, For Hire" of the Madison General Ordinances is amended to read as follows:
- "(4) <u>Licensing of Public Passenger Services</u>.
 - (a) The fees for a license to engage in the business of transporting passengers for hire under this subsection, commencing with licenses issued in 20052012 and thereafter, shall be as follows:

PLEASE SEE "TABLE - VERSION 2" IN ATTACHMENTS

(b) Application for Initial License to Engage in the Business of Transporting Passengers for Hire. Any person wishing to obtain a license to engage in the business of transporting passengers for hire, whose rides originate within the City of Madison, shall present to the City Clerk a written application accompanied by proof of payment of the fee or fees established in Subdivision (a) above and by proof of liability insurance coverage as required in Subsection (8)(a) of this ordinance.

The application shall state the name and address of the applicant, the number and type of vehicles proposed to be operated, the method of charging, the schedule of rates of fare to be adopted, and such other pertinent information as the City Traffic Engineer may require.

The applicant shall identify the number and type of accessible vehicle(s) which will be furnished as part of applicant's accessible taxicab service responsibilities; or, in the event this obligation will be fulfilled by contracting with another currently licensed operator in the business of public passenger vehicles for hire in the City of Madison, the applicant shall provide a copy of the agreement with that operator as evidence of compliance with the requirements in Section 11.06(7)(a). Applicants solely wishing to operate pedal-cabs shall be exempt from this requirement as it pertains to accessible vehicle requirements.

All such applications shall be received by the City Clerk and shall be referred to the City Traffic Engineer. The Traffic Engineer shall make such investigations as s/he deems necessary and shall furnish the application and any additional relevant information and his/her recommendation to the Transit and Parking Commission for its consideration, with the exception of Pedal-Cab operators. The City Traffic Engineer shall have the authority to issue a provisional license to pedal-cab operators pursuant to Sec. 11.06(2)(c).

For an initial application, the Traffic Engineer shall give notice of the time and place of the meeting at which the Transit and Parking Commission will consider the application by publishing a Class 2 notice under the Wisconsin Statutes in the official City paper. No notice is required if the license is solely for the operation of pedal-cabs.

The Commission shall consider whether or not the applicant should receive an initial or renewal license to engage in the business of transporting passengers for hire and shall make a recommendation to the Common Council. In doing so, the Commission shall consider the following:

1. The financial capability and responsibility of the applicant.

- 2. The applicant's prior experience in operating public passenger services.
- 3. The level and quality of service provided by the applicant in the past in areas in which it has operated.
 - 4. The experience and competence of the applicant's drivers.
- 5. The applicant's prior record of compliance with applicable regulatory laws, ordinances and rules. This includes records of complaints and enforcement actions against drivers and vehicle owners.
 - 6. The applicant's prior record of service complaints.
 - 7. The age and condition of the vehicles proposed to be licensed by the applicant.
- 8. The applicant's safety record, including records of accident experience and record of employee safety training.

The Commission may also establish additional standards or criteria to use in reviewing such applications, not inconsistent with the above standards.

Upon completing its review hereunder, the Commission shall recommend to the Common Council the grant or denial of the license, and shall provide the Council with a report stating the reasons for its recommendation."

- 3. Introductory paragraph of Subsection (c) entitled "Duration and Expiration of License to Engage in the Business of Transporting Passengers for Hire" of Subsection (4) entitled "Licensing of Public Passenger Services" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, For Hire" of the Madison General Ordinances is amended to read as follows:
- "Beginning with the 20052012 licensing season and thereafter, all licenses to engage in the business of transporting passengers for hire shall be for a two (2) year period, running from the date of issue through the second June 30th following the date of issue, so that all licenses under this section shall expire and be eligible for renewal during odd-numbered years."
- 4. Subsection (5) entitled "Licensing of Public Passenger Vehicles" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, For Hire" of the Madison General Ordinances is amended by amending there in the following:

"Pedal-Cab Vehicle \$6030/vehicle/year"

- 5. Paragraph 4. entitled "Disability and Sensitivity Training Program" of Subsection (b) entitled "Application for Initial Permit" of Subsection (6) entitled "Permits for Drivers of Public Passenger Vehicles" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, For Hire" of the Madison General Ordinances is amended to read as follows:
- "4. Disability and Sensitivity Training Program. Applicants for a public passenger vehicle driver's permit, with the exception of pedal-cab operators, shall be certified as having successfully completed the City of Madison's approved Disability and Sensitivity Training Program before issuance of any such permit, except that applicants who have successfully completed an approved disability/sensitivity course, for credit, shall be deemed to have satisfied this requirement. Applicants shall pay the tuition fee. Those who complete such program shall have an appropriate endorsement recorded and placed on their permit. The driver shall successfully complete the program within the permit year unless the program is not offered between the time of application and the end of the permit year; in such an event, the applicant shall be granted a provisional driver's permit upon proof of payment of the fee established in Subsection (6)(a) and shall complete the program within 90 days. No driver's permit shall be issued or renewed to any person who failed to complete the program during any previous period during which such person held a driver's permit, unless the person first successfully completes the program. In addition, licensee shall insure that drivers who operate accessible vehicles are trained to proficiency so that they operate vehicles and equipment, including lifts/ramps and securement devices, safely and properly assist individuals with disabilities who use the service."
- 6. Paragraph 5. entitled "Permit Years" of Subsection (b) entitled "Application for Initial Permit" of Subsection (6) entitled "Permits for Drivers of Public Passenger Vehicles" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, For Hire" of the Madison General Ordinances is amended to read as follows:
- "5. Permit Years. Unless it is renewed, a driver's permit expires at the end of the permit year. All driver's

permits shall expire on June 30 of each year. In the year 1995, all driver permits issued prior to June 30, 1995, to eligible pedal-cab drivers shall expire on June 30, 1996."

- 7. Subdivision (a) entitled "Hours Service to Be Provided" of Subsection (7) entitled "Operating Requirements" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, For Hire" of the Madison General Ordinances is amended to read as follows:
- "(a) Hours Service to be Provided. It shall be a condition of any meter or zone taxicab service operating license granted hereunder that the licensee shall furnish adequate twenty-four (24) hour taxicab service throughout the City of Madison and shall provide a twenty-four (24) hour telephone number. It shall also be a condition of any meter or zone taxicab service operating license granted hereunder that the licensee shall furnish adequate twenty-four (24) hour accessible taxicab service, i.e. public passenger vehicle for hire service using an accessible vehicle, throughout the City of Madison. The licensee's accessible taxicab service obligations may be fulfilled directly by providing an accessible vehicle in its regular operating fleet or by contracting with another licensed operator to provide it. In all cases the licensee shall remain responsible for compliance with all applicable rules of operation and other applicable ordinance requirements under this Chapter. Conditions of horse-drawn vehicle operating licenses and pedal-cab vehicle operating licenses are contained in Subdivisions (i) and (j), respectively, below.

<u>Unsafe Weather Conditions.</u> A metered or zoned taxicab licensee is not required to provide twenty-four (24) hour taxicab or accessible taxicab service when Madison Metro Transit has suspended bus operations for unsafe weather conditions, upon being notified by the <u>Madison Department of Transportation (MDOT) Division of Traffic Engineering</u> via FAX, e-mail or telephone. The notification shall include the start and end dates and times of Metro's suspension of service, if known. If an end time is not stated, <u>MDOT Division of Traffic Engineering</u> will notify the licensee when Metro has resumed service via FAX, email or telephone. The licensee must resume complete, 24-hour service by the stated end time or upon notification from the <u>MDOT Division of Traffic Engineering</u> that Metro has resumed service. During hours when Metro does not offer service, the City Traffic Engineer or designee may declare a "weather emergency" for purposes of suspension of taxicab service and notify licensees using the methods above."

- 8. Paragraph 4.of Subdivision (d) entitled "Daily Logs" of Subsection (7) entitled "Operating Requirements" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, For Hire" of the Madison General Ordinances is created to read as follows:
- "4. Pedal-cab operators shall be exempt from this requirement."
- 9. Paragraph 3. of Subdivision (j) entitled "Special Rules for Operation of Pedal-cab Vehicles" of Subsection (7) entitled "Operating Requirements" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, For Hire" of the Madison General Ordinances is amended to read as follows:
- "3. Pedal-cab operation is prohibited between 2:00 a.m. 6:00 a.m. and 6:00 p.m. Monday through Friday, unless approved by the City Traffic Engineer, and during such additional weekday and weekend hours designated by the City Traffic Engineer in the interest of pedestrian and traffic safety and the safe and orderly flow of traffic."
- 10. Subsection (8) entitled "Financial Responsibility" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, For Hire" of the Madison General Ordinances is amended to read as follows:
- "(8) Financial Responsibility.
 - (a) It shall be unlawful to operate a vehicle for the conveyance of passengers for hire or permit the same to be operated, nor shall any license be issued hereunder until and unless the applicant for a license deposits with the City Clerk a policy or certificate of auto liability insurance for the vehicles for which licenses are sought. Auto liability insurance policies shall be issued by a company or companies authorized to do business in the State of Wisconsin and licensed by the Wisconsin Insurance Department State of Wisconsin Office of the Commissioner of Insurance. Coverage shall be provided for in the minimum amounts of one hundred thousand million dollars (\$100,0001,000,000) in respect to bodily injury or death to any one person, five hundred thousand dollars (\$500,000) for injuries or deaths from any one accident, and one hundred

thousand dollars (\$100,000) for property damage arising out of any accident or occurrence caused by the operation of said vehicles per accident. Each insurance policy shall contain a provision that the same may not be canceled before the expiration of its term except upon thirty (30) days written notice to the City Clerk, City of Madison, Wisconsin. Every day upon which any vehicle is operated for the conveyance of passengers for hire or when taxicab or cab or similar transportation is offered to the public without an insurance policy as required herein being in effect and on file with the City Clerk, City of Madison, shall be deemed a separate violation, and every person, firm, or corporation operating or permitting such operation shall be subject to a forfeiture of not more than two hundred dollars (\$200) for each offense.

- (b) It shall be unlawful for pedal-cab operators to operate a pedal-cab for the conveyance of passengers for hire or permit the same to be operated, nor shall any license be issued hereunder until and unless the applicant for a license deposits with the City Clerk a policy or certificate of commercial general liability insurance coverage. Insurance policies shall be issued by a company or companies authorized to do business in the state of Wisconsin and licensed by the State of Wisconsin Office of the Commissioner of Insurance. Coverage shall be provided for in the minimum amount of one million dollars (\$1,000,000) per occurrence, shall be primary and non-contributory, and shall list the City of Madison, its officers, officials, and employees as additional insureds. Each insurance policy shall contain a provision that the same may not be canceled before the expiration of its term except upon thirty (30) days written notice to the City Clerk, City of Madison, Wisconsin. Every day upon which any pedal-cab is operated for the conveyance of passengers for hire without an insurance policy as required herein being in effect and on file with the City Clerk, City of Madison, shall be deemed a separate violation, and every person, firm, or corporation operating or permitting such operation shall be subject to a forfeiture of not more than two hundred dollars (\$200) for each offense.
- (bc) The Police Department shall have the power to impound any vehicle which is being operated in violation of the provisions of this subsection. Any such vehicle which is impounded hereunder shall be released to the owner or operator thereof when the provisions of this subsection have been complied with or upon the owner thereof filing a signed statement with the City Clerk wherein s/he agrees that said vehicle will not be operated as a public passenger vehicle until all provisions of this subsection have been complied with and shall file therewith a bond in the penal sum of two hundred dollars (\$200) with surety to be approved by the Common Council guaranteeing the performance of said agreement."
- 11. Subdivision (a) of Subsection (9) entitled "Rates of Fares" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, For Hire" of the Madison General Ordinances is amended to read as follows:
- "(a) No license granted under Subsection (4) of this ordinance shall have any force or effect unless the licensee files with the City Clerk a schedule of rates of fares. Licensees may charge fares measured according to zones or according to meters, except that horse-drawn vehicle and pedal-cab vehicle licensees shall charge fares according to Subdivisions (i) and (k), respectively, sub. (m) below. It shall be unlawful for any owner or operator to charge or permit to be charged any other or different rates of fares than those listed on such schedule. Any discounts or special fares shall be included in the rates of fares filed with the City Clerk. A schedule of rates of fares must be on file with the City Clerk for 28 days before the rates are effective, except that promotional discounts or coupons may be implemented if the City Traffic Engineer is notified at least forty-eight (48) hours in advance. Any duly established rate other than the said promotional discounts shall remain in effect for a minimum duration of six months. In the case of extreme changes in conditions, the owner of a licensed company may petition the Transit and Parking Commission to review a schedule of rate change within a shorter period of time. After reviewing the request the Transit and Parking Commission may approve a rate change effective within the six-month period but may not approve such a rate change unless the current rates of fares have been in effect for at least ninety (90) days. The rates of fares authorized to be established by this ordinance shall not vary with time of day.

Notwithstanding the foregoing, at any time during the first twelve (12) months from the effective

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- date of the accessible taxicab requirement, the owner of a licensed company may modify its schedule of rates of fares provided such modification is solely due to the cost of compliance with the accessible taxicab ordinance. The schedule of rates of fares so modified must be on file with the City Clerk for twenty-eight (28) days before the rates are effective."
- 12. Subdivision (e) entitled "Legal Passenger Load" of Subsection (10) entitled "Vehicles" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, For Hire" of the Madison General Ordinances is amended to read as follows:
- "(e) <u>Legal Passenger Load</u>. It shall be unlawful for any driver of a <u>public passenger vehicletaxicab</u> to carry at one time a number of passengers greater than the number of seat belts available and in good working order in the taxicab."
- 13. Subdivision (e) entitled "Forfeitures" of Subsection (13) entitled "Enforcement" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, For Hire" of the Madison General Ordinances is amended to read as follows:
- "(e) Forfeitures. Any person violating the provisions of this section shall be subject to a forfeiture of not less than fifty one hundred dollars (\$50100) nor more than five hundred one thousand dollars (\$5001,000) for each and every offense. A violator of Sec. 11.06(10)(d) shall be liable for a forfeiture of fifty dollars (\$50) for each day that a public passenger vehicle contains or is equipped with a scanner, as defined in Subsection (3)(qu)."

EDITOR'S NOTE: A new or revised forfeiture range must be approved by the Municipal Judge prior to adoption. This revised range has been so approved.