



## CITY OF PALO ALTO OFFICE OF THE CITY ATTORNEY

November 26, 2018

The Honorable City Council  
Palo Alto, California

### **Adoption of an Ordinance Amending Chapter 4.42 (Taxicabs and Other For-Hire Vehicles) of Title 4 (Business Licenses and Regulations) of the Palo Alto Municipal Code as Mandated by State Law (AB 939)**

#### **Staff recommends that the City Council:**

Adopt the Ordinance to Amend Chapter 4.42 (Taxicabs and Other For-Hire Vehicles) of Title 4 (Business Licenses and Regulations) of the Palo Alto Municipal Code to Conform with State Law Amendments and Update Insurance and Vehicle Color Requirements.

#### **Summary:**

The State sets minimum regulations for operators of taxicabs, which local jurisdictions must adopt into their local ordinances. In Palo Alto, the Municipal Code regulates taxicabs in Chapter 4.42 (Taxicabs and Other For-Hire Vehicles), and the Police Department conducts licensing and enforcement.

State law changed in September 2018 with the approval of AB 939, which requires cities to modify their requirements so that taxicab operators register only in the local jurisdiction in which they originate the most rides. Previously, taxicab operators usually had to register in each city they operated in. In addition, AB 939 also imposes updated requirements for safety, drug and alcohol testing and increased penalties for noncompliance. The attached ordinance conforms the City's taxicab laws to those required by AB 939. In addition, the ordinance also includes two changes recommended by staff: it increases the minimum insurance requirement to one-million dollars, in line with neighboring cities, and it removes the requirement that each taxicab company adopt a different color scheme.

#### **Discussion**

The City's taxicab ordinance will be amended as required by AB 939 as follows:

1. Under current law, all taxicab operators operating within the City had to apply for and receive a certificate of public convenience from the City. This amendment will change that to require only those operators who are "substantially located" within the City to apply for and receive a certificate of public convenience. Operators are substantially located within Palo Alto if a plurality of the operator's fares originate within Palo Alto (with some minor exceptions).
2. Operators must now create and maintain training and safety programs, including for disabled access.
3. Periodic Drug and alcohol test results from other jurisdictions will be accepted by the City in specific circumstances defined by law. Test results also now have more explicit confidentiality protections.

In addition, staff recommends the following amendments to Chapter 4.42 that are contained in the attached ordinance:

1. Raise the minimum liability insurance from six-hundred thousand to one-million dollars to match neighboring jurisdictions, including San Jose.
2. Remove the restriction that each taxicab operator have a different vehicle color scheme, also in line with neighboring jurisdictions.

Lastly, AB 939 requires that the City increase specific penalties for noncompliance with the taxicab ordinance, and the Administrative Penalty Schedule resolution will be amended at a later date with other penalty updates.

### **Resource Impact**

The impact on the City is minimal and will actually reduce staff time as taxi companies will only be required to obtain one permit in Santa Clara County; either the city where they do a majority of their business or the city where the company is based. There are no taxi companies that do a majority of their business in Palo Alto nor is any taxi company headquartered in Palo Alto.

### **Environmental Review**

This Ordinance is not a “project” within the meaning of section 15378 of the California Environmental Quality Act (CEQA) Guidelines because it has no potential for resulting in physical change in the environment.

### **ATTACHMENTS:**

- Attachment A - Ordinance to Amend Chapter 4.42 (Taxicabs and Other For-Hire Vehicles) (PDF)

Department Head: Molly Stump, City Attorney



NOT YET PASSED

Ordinance No. \_\_\_\_\_  
Ordinance of the Council of the City of Palo Alto Amending Chapter 4.42  
(Taxicabs and Other For-Hire Vehicles) of Title 4 (Business Licenses and  
Regulations) of the Palo Alto Municipal Code

The Council of the City of Palo Alto does ORDAIN as follows:

SECTION 1: The Council of the City of Palo Alto finds and declares as follows:

- A. The State of California requires cities and counties to regulate taxicabs by ordinance, subject to requirements in state law.
- B. The State of California approved AB 939 in September 2018, which creates new standards for taxicab companies and taxicab drivers that cities and counties must adopt into their local ordinances regulating taxicab operators.
- C. The City Council desires to amend Chapter 4.42 of Title 4 of the Palo Alto Municipal Code in order to comply with the new state law mandates, to increase the minimum liability insurance required, and remove the requirement that each taxi operator adopt a different color scheme.

SECTION 2. Chapter 4.42 (Taxicabs and Other For-Hire Vehicles) of Title 4 (Business Licenses and Regulations) of the Palo Alto Municipal Code is hereby restated and amended as follows (new text is in underline; deleted text is in ~~strikethrough~~):

**Chapter 4.42**  
**Taxicabs and Other For-Hire Vehicles**

**4.42.010 Definitions.**

For the purpose of this chapter, unless it is plainly evident from the context that a different meaning is intended, certain terms used herein are defined as follows:

- (a) "ADA paratransit provider" means a taxicab or public transportation vehicle operator that provides paratransit services to eligible individuals with disabilities in order to effectuate the Americans with Disabilities Act of 1990 under contract with any government agency or under contract with a broker designated by any government agency. An ADA paratransit provider, while in the performance of providing paratransit services under such government contract controls shall be exempt from the regulatory requirements of this Chapter 4.42.
- (b) "Certificate holder" means any person, partnership, firm, association or corporation to whom a certificate of public convenience and necessity is issued.
- (c) "Driver" means a person in direct and immediate possession or charge of driving or operating a taxicab, or public transportation vehicle.
- (d) "Owner" means any person, firm, association or corporation having proprietary control of or right to proprietary control of any vehicle as herein defined.
- (e) "Public transportation vehicle" means every for-hire, unmetered automobile or motor-

propelled vehicle having a seating capacity of no more than five persons, excluding driver, used in the business of transporting passengers over the streets of this city, irrespective of whether such operations extend beyond the city, and which is not regulated by the public utilities commission.

(f) "Street" or "highway" means a way or place of whatever nature publicly maintained and opened to the use of vehicular traffic.

(g) "Substantially located" shall have the same meaning as defined in Government Code section 53075.5, as amended from time to time.

(gh) "Taxicab" means a motor-propelled vehicle available on a twenty-four hour a day basis used for the transportation of passengers who direct the route to be traveled over the streets, and not operated over a fixed route, for compensation fixed by a taxi meter in accordance with the distance traveled and/or the time elapsed.

(hi) "Taximeter" means any instrument or device approved for use under the applicable laws of the state of California, which mechanically or electronically calculates the charge for the use of a taxicab. The taximeter registers such charge by means of figures, including dollars and cents, calculated by an initial charge and thereafter a charge for distance traveled, and/or waiting time.

#### **4.42.020 Certificate of public convenience and necessity.**

(a) It is unlawful for any person, partnership, firm, association or corporation, or the like, that is substantially located within the city to provide taxicab or public transportation vehicle service in this city without a certificate of public convenience and necessity issued pursuant to this chapter by the city manager or his/her designee.

#### **4.42.030 Hearing after filing of application.**

Applicants shall furnish such information as may be required by the hearing officer upon forms to be furnished by the police department. A public hearing on the question of issuance of a certificate of public convenience and necessity shall be held within sixty days after filing of a completed application with the police department. Said hearing shall be held before the city manager or his/her designee. Notice of said hearing shall be included in two consecutive council packets and shall be advertised in a newspaper of general circulation.

#### **4.42.040 Proof of public convenience and necessity.**

(a) Applicant shall have the burden of proving:

- (1) That there is a public demand for additional service or that service to the public will be improved by the issuance of a certificate to the applicant;
- (2) That applicant has sufficient experience and assets to properly conduct such a business;
- (3) That traffic conditions or hazards will not be appreciably increased or parking problems made worse.

(b) The decision of the hearing officer shall be final and nonappealable. If denied, the applicant shall not file for a certificate of public convenience and necessity for six months from date of denial.

#### **4.42.050 Certificate not transferable - Change in ownership.**

No certificate shall be assignable or transferable. If ownership in excess of thirty-three percent of the business, whether corporate stock, partnership interest, or otherwise, changes, a new certificate must be obtained.

**4.42.060 Revocation of certificates.**

Certificates of public convenience and necessity may be revoked for any cause which would have warranted denial thereof in the first instance, for a failure to comply with any of the provisions of this chapter, a failure to comply with any conditions imposed upon the certificate or in any instance where operations have ceased for ten consecutive days. If a certificate of public convenience and necessity is granted, and operation of the service for which the certificate is granted does not commence within four months of the date of the approval thereof, the certificate shall be automatically null and void. Any revocation herein shall be held before the city manager or a representative of such person; ten days' written notice shall be provided to the certificate holder and the certificate holder shall have the opportunity to present at the hearing any evidence deemed relevant by the hearing officer. The decision of the hearing officer shall be final and nonappealable. If revoked, the applicant shall not file for a certificate of public convenience and necessity for six months from date of revocation.

**4.42.070 Duties of certificate holder - Annual renewal.**

(a) Certificate holders shall render a service to the public desiring to use taxicabs and public transportation vehicles. Taxicab companies shall keep their place of business open twenty-four hours a day for the purpose of receiving calls and dispatching vehicles.

(b) Certificate holders shall answer all requests received by them for services inside the corporate limits as soon as practicable; and, if the service cannot be rendered within a reasonable time, the certificate holder shall inform the prospective passenger how long it will be before the call can be answered and give the reason therefor. Any certificate may be revoked after hearing when a certificate holder refuses to accept a request for service anywhere within the corporate limits of the city, having vehicles and drivers available for service.

(c) Certificate holders shall be responsible for the business authorized by the certificate, including dispatch services. A certificate holder shall assure that the vehicles operated by the certificate holder are operable and in safe condition. A certificate holder shall be responsible to provide sufficient, permitted drivers to operate the business in accordance with the requirements of the certificate and this chapter.

(d) Notice of change of business or dispatch address or of telephone number shall be provided the police department at least seventy-two hours before said change is effected.

(e) Each certificate holder must renew the certificate annually. Upon payment of the nonrefundable administrative fees provided in the municipal fee schedule, the police department shall issue an annual renewal.

(f) Each certificate holder shall comply with the requirements for permitted taxicab companies as found in California Government Code section 53075.5(h), as amended.

**4.42.080 Liability insurance - Indemnity.**

(a) No certificate of public convenience and necessity shall be issued or continued in

operation unless there is in full force and effect a policy of comprehensive automobile liability insurance in a form prescribed by the risk manager, executed by an insurance company approved by the risk manager with a Best's Key Rating of not less than "A VII," unless otherwise approved by the risk manager, whereby the owner and driver of each of the vehicles operating pursuant to the certificate as well as the holder of the certificate of public convenience and necessity are insured against liability for damage to property and for injury to or death of any person as a result of the ownership operation or other use thereof. The minimum liability limits shall not be less than ~~six hundred thousand~~one-million dollars combined single limit per occurrence applicable to all owned, non-owned and hired vehicles; provided, however, that a ~~different~~higher amount and/or broader coverage may be required by the ~~risk manager~~city if deemed necessary.

(b) Such policy of insurance shall contain an endorsement providing that the policy will not be cancelled until notice in writing has been given to the city, addressed in care of the Chief of Police, P.O. Box 10250, Palo Alto, California 94303, at least thirty days immediately prior to the time such cancellation becomes effective.

(c) Such policy of insurance shall name the city, its officers, agents and employees as additional insureds.

(d) Certificate holders, vehicle owners and drivers shall indemnify, defend and hold harmless the city, its officers, agents and employees, from any loss, liability, claim, injury or damage arising or alleged to arise from the willful or negligent acts or omissions of the certificate holder, vehicle owner or driver in connection with the provision of transportation service pursuant to the certificate.

#### **4.42.085 Testing of drivers for controlled substances and alcohol.**

(a) Each holder of a certificate of public convenience and necessity shall maintain a mandatory controlled substance and alcohol testing certification program that:

(1) –conforming to Part 40 (commencing with Section 40.1) of Title 49 of the Code of Federal Regulations, except that the driver shall show a valid California driver's license at the time and place of testing, for all drivers of vehicles operated under the certificate~~;~~ and

(2) Under the program and the requirements of this section, a negative test for alcohol means an alcohol screening test showing a breath alcohol concentration of less than 0.02 percent. The program shall contain requirements for rehabilitation and for return-to-duty and follow-up testing and other requirements conforming substantially to Part 382 of Title 49 of the Code of Federal Regulations~~;~~

(3) Under the program and the requirements of this section 4.42.085, a negative test for alcohol means an alcohol screening test showing a breath alcohol concentration of less than 0.02 percent.

(b) No certificate of public convenience and necessity shall be issued or renewed unless the holder at the time of certificate issuance or renewal:

(1) –files with the police department a certification that the holder maintains a mandatory controlled substance and alcohol testing certification program conforming to Part 40 of Title 49 of the Code of Federal Regulations for all drivers of vehicles operated under the certificate. The program shall contain requirements for

~~rehabilitation and for return to duty and follow up testing and other requirements conforming substantially to Part 382 of Title 49 of the Code of Federal Regulations that complies with the requirements of section 4.42.085(a); and~~

~~(1)~~

~~(2) — (c) No certificate of public convenience and necessity shall be issued or renewed unless the holder at the time of certificate issuance or renewal files with the police department a certification that, prior to employment with the holder of a certificate of public convenience and necessity, each driver of vehicles operated under the certificate has tested negatively for controlled substances under a mandatory controlled substance testing certification program conforming to Part 40\_ (commencing with Section 40.1) of Title 49 of the Code of Federal Regulations; and~~

~~(2)~~

~~(3) — (d) No certificate of public convenience and necessity shall be issued or renewed unless the holder at the time of certificate issuance or renewal shall files with the police department a certification that each driver of vehicles operated under the certificate has tested negatively for controlled substances and alcohol under a mandatory controlled substance and alcohol testing certification program conforming to Part 40\_ (commencing with Section 40.1) of Title 49 of the Code of Federal Regulations. \_\_~~

(ec) No driver's permit shall be issued or renewed unless the applicant and the certificate holder for which the driver is authorized to operate a vehicle both certify that the driver is in compliance with a mandatory controlled substance and alcohol testing certification program conforming to Part 40 of Title 49 of the Code of Federal Regulations.

(d) Any negative test result from another jurisdiction shall be accepted for one year as meeting the requirement for certificate renewal subsection (b) of this section if the driver has not tested positive subsequent to a negative result.

(e) All test results are confidential and shall not be released without consent of the driver, except as authorized or required by law.

(f) No evidence derived from a positive test result pursuant to this section shall be admissible in a criminal prosecution concerning unlawful possession, sale, or distribution of controlled substances.

(g) Self-employed independent drivers shall be responsible for compliance with, and shall pay all costs of this program with regard to themselves. Employing certificate holders shall be responsible for compliance with, and shall pay all costs of, this program with respect to their employees and potential employees, except that a certificate holder may require employees who test positive to pay the costs of rehabilitation and return-to-duty and follow up testing.

(h) Upon request, the city shall give certificate holders and potential certificate holders a list of the consortia certified pursuant to Part 382 (commencing with Section 382.101) of Title 49 of the Code of Federal Regulations that the city knows offers tests in or near the city.

#### **4.42.090 Vehicle permits.**

(a) No vehicle may legally be operated under any certificate of public convenience and necessity unless such vehicle has been duly permitted in accordance with this section. It shall

be unlawful for any person to operate any vehicle described in Section 4.42.010, or for any certificate holder or any person who owns or controls any such vehicle to allow such vehicle to be driven which has not been duly permitted in accordance with this section.

(b) The certificate holder shall apply for an annual permit for each vehicle proposed to be operated, up to the maximum number permitted by the certificate. Upon payment of the nonrefundable fee provided in the municipal fee schedule, and upon submitting proof that each vehicle has passed the annual inspection provided for in Section 4.42.210, the police department shall issue a permit for each vehicle.

(c) Each vehicle permit shall be valid for one year, so long as the certificate under which the vehicles are permitted is in force and effect, and the vehicle continues to be insured according to the requirements of Section 4.42.080.

(d) A copy of the permit shall be posted in the vehicle in a place designated by the police department that is visible to passengers.

#### **4.42.100 Driver's permit required.**

No person shall operate any vehicle described in Section 4.42.010 upon the streets of the city and no person who owns or controls any such vehicle shall permit it to be so driven and no such vehicle licensed by the city shall be so driven unless the driver of the vehicle has first obtained and has then in force a driver's permit issued under the provisions of this chapter.

#### **4.42.110 Application for driver's permit.**

(a) Any person may apply to the city for a permit to operate a vehicle defined in Section 4.42.010 by filing with the police department, upon forms supplied by the city, an application containing the following information:

- (1) Name, address and age of applicant;
- (2) Convictions, if any, in the courts of any state of the United States or in any United States court within five years prior to application;
- (3) The endorsement of the certificate holder by whom the applicant is to be employed as a driver;
- (4) Number and expiration date of state of California driver's license;
- (5) Such other information regarding the health, mentality and experience of the applicant as may be necessary or desirable to enable the police department to ascertain applicant's qualification for a driver's permit.

#### **4.42.120 Eligibility of driver's permit.**

(a) Upon receipt of an application for a driver's permit the police department shall conduct an investigation of the applicant and, on the basis of such investigation, shall either approve or deny the application. No permit shall be issued to any of the following persons:

- (1) Any person under the age of eighteen years;
- (2) Any person convicted of any felony or misdemeanor offense which is reasonably and directly related to the functions involved in the operation of motor vehicles for hire and indicates potential risk to the public. This restriction shall apply only to felony or misdemeanor convictions occurring within five years of the date of application;
- (3) Any person convicted of hit-and-run driving, of reckless driving, or of driving a vehicle

while under the influence of intoxicating liquor and/or any drug within six months of the application, or upon conviction of any two or more of these offenses within five years of the date of application. However, no permit shall be issued to any person convicted of any offense described herein if such person was driving a motor vehicle for hire at the time the offense was committed;

(4) Any person not possessing a valid state of California driver's license of the class required by state law for the type of motor vehicle for hire the applicant intends to drive;

(5) The provisions of Section 4.04.140 of this title shall be applicable to any person applying for a permit hereunder.

(b) The restrictions in Section 4.42.120(a) shall apply to persons possessing driver's permits and persons seeking renewal of such permits. Driver's permits shall be subject at all times to revocation or suspension as set forth in this chapter.

#### **4.42.130 Driver's permit, form, display, use.**

(a) Upon approval of an application for a driver's permit and upon payment of the nonrefundable fee provided for in the municipal fee schedule, the police department shall issue a permit to the applicant. It shall bear the name and photograph of the applicant, date of expiration of the permit, and the name of the certificate holder for which the driver is authorized to operate a vehicle. Such permit shall be mailed to the certificate holder named therein and shall be valid only so long as said driver continues in the employ of such certificate holder.

(b) Such permit shall be displayed in the vehicle being driven by the permittee in such a place as to be in full view of all passengers in such vehicle.

(c) Upon the termination of any driver's employment, the certificate holder by whom such driver has been employed shall immediately give the police department written notice of such termination, and the reasons therefor. Upon termination, and the permittee shall immediately forthwith surrender said driver's permit to the chief of police for cancellation.

#### **4.42.140 Revocation or suspension of permits.**

(a) Any person issued a driver's permit who subsequently is convicted of any felony or misdemeanor offense or who ceases to possess a valid state of California driver's license of the class required by state law for the type of motor vehicle for hire such person drives shall immediately so inform his or her employer and the chief of police.

(b) The chief of police may revoke any driver's permit if such driver becomes ineligible for the permit. The permit holder may request a hearing as provided in Section 4.42.150.

(c) The chief of police may revoke or suspend any driver's permit if the driver's State of California Department of Motor Vehicles record includes four or more moving violations within the preceding twelve-month period or if the chief of police determines that the driver is a danger to the public safety. The permit holder may request a hearing as provided in Section 4.42.150; however, the driver may be suspended pending said hearing.

#### **4.42.150 Hearing.**

(a) Every driver whose application has been denied or whose permit has been revoked shall have the right to a hearing before the chief of police or his/her designee prior to final denial

and prior to revocation.

(b) The chief of police shall give the applicant or permit holder written notice of intent to deny the application or to revoke the driver's permit. The notice shall set forth the ground or grounds for the chief of police's intention to deny or revoke, and shall inform the applicant or permit holder that he or she has ten days from the date of receipt of the notice to file a written request for a hearing. The application may be denied or the permit may be revoked if a hearing request is not received within the ten-day period.

(c) If the applicant or permit holder files a timely hearing request, the chief of police shall set a time and place for the hearing. All parties involved shall have the right to offer testimonial, documentary and tangible evidence bearing on the issues and to be represented by counsel. The decision of the chief of police whether to deny the application or revoke or suspend the permit is final and nonappealable.

#### **4.42.160 ~~Reserved. Vehicle color design.~~**

~~—The vehicles of every certificate holder operating in the city shall be of a color scheme and bear the certificate holder's trade name, monogram or insignia which are distinguishable from the color scheme, owner's trademark, monogram or insignia used on the vehicles of any other certificate holders already operating pursuant to this chapter. No change in the color scheme or distinguishing characteristics of any vehicle shall be made without written permission from the chief of police. It is unlawful for any person soliciting patronage from any vehicle described in this chapter to represent by word, sign or insignia that the vehicle for which said person is soliciting such patronage is a vehicle operated by other than the actual certificate holder.~~

#### **4.42.170 Identification of taxicabs.**

Every taxicab operated in the city shall bear the following identification:

The certificate holder's trade name, monogram or insignia, as approved by the police department, together with a cab number and the certificate holder's telephone number or numbers painted upon the metal portion of the outside of each side of the taxicab and the cab number and certificate holder's telephone number or numbers painted upon the outside rear panel of the taxicabs. All lettering mentioned in this section shall be not less than two and one-fourth inches in height.

#### **4.42.180 Signs or advertisements on taxicabs.**

(a) In addition to the identification required by Section 4.42.170, taxicabs may bear the following signs or advertisements:

- (1) A metal sign bearing the words "FOR HIRE" and being no longer than six inches by nine inches;
- (2) A sign attached to the top of the cab bearing the word "VACANT" and being no longer than two and one-half inches by nine inches;
- (3) Advertisements not exceeding twelve square feet in total area subject to the rules and regulations of the chief of police.

#### **4.42.190 Taximeters.**

(a) All taxicabs operated under the authority of this chapter, except as provided in

subsection (c), shall be equipped with taximeters of the type ~~and or design technology~~ approved by the California Division of Measurement Standards and that complies with California Business and Professions Code section 12500.5 and with all regulations established pursuant to Business and Professions Code section 12107~~police department~~, located in the vehicle so as to render the figures visible to ~~to~~ the passengers at all times, day and night. After sundown, the face of the taximeter shall be illuminated. Such taximeter shall be subject to inspection from time to time by the police department and the police department shall require the certificate holder to discontinue the operation of any taxicab in which the taximeter is found to calculate inaccurately until such taximeter is replaced by one approved by the police department or is adjusted accurately.

(b) It is unlawful for a taxicab driver, while carrying passengers, to display the flag or the device attached to the taximeter in such position as to denote that the vehicle is for hire, to cause the taximeter to record when the vehicle is not actually employed, to fail to cause the device on the taximeter to be placed into a nonrecording position at the termination of each and every service, or to charge any fare other than that recorded on the taximeter.

(c) Taxicab service may be prearranged with the use of a mobile device application or internet online service. The fare charged shall not exceed the scheduled rate filed by the certificate holder under Section 4.42.200. The application or internet online service shall display the fare to the customer prior to booking in lieu of the posting as required under Section 4.42.200. An "application" shall mean a self-contained program or piece of software application designed to fulfill requests for dispatch services that is downloadable by a user to a computer or mobile device. Taxicabs providing prearranged service under this subsection are exempt from the taximeter requirements stated in subsections (a) and (b), but must calculate fares using a type of device or technology approved by the California Division of Measurement Standards that complies with California Business and Professions Code section 12500.5 and with all regulations established pursuant to Business and Professions Code section 12107.

#### **4.42.200 Schedule of rates, display.**

The certificate holder shall file, with the application for a certificate, a true and correct schedule of rates to be charged for the transportation of passengers in any and all vehicles operated by said certificate holder. Except for prearranged services as provided in Section 4.42.190(c), a schedule of such charges shall be posted conspicuously in each vehicle operated by said certificate holder. The rates shall not be changed or modified in any manner without first filing the changed or modified rates with the chief of police thirty days prior to the effective date of such change or modification.

#### **4.42.210 Interference with inspection - Inspection of vehicles.**

(a) It is unlawful for a certificate holder, owner or driver of any vehicle defined in this chapter and operated in the city to interfere with or prohibit any police officer of the city or any person designated by the chief of police from at any time inspecting or thoroughly examining any such vehicle or any taximeter used upon any taxicab.

(b) The certificate holder of each vehicle for which a permit has been issued in accordance with this chapter shall cause to have each such vehicle inspected annually by the police department at times to be determined by the chief of police at a facility that is certified by the

National Institute for Automotive Service Excellence or a facility registered with the California Bureau of Automotive Repair. The cost of such inspections shall be included in the permit fee described in Section 4.42.090.

**4.42.220 Operating regulations.**

(a) Direct Route. Any driver employed to carry any passenger to a definite point shall take the most direct route which will carry the passenger safely and expeditiously to the point of destination.

(b) Receipt. Every driver shall, if requested, give a correct receipt upon payment of the correct fare.

(c) Interference with Vehicular Traffic Prohibited. Vehicles shall not be operated over public streets in search of or soliciting prospective passengers for hire in such a manner as to interfere with vehicular traffic.

(d) Capacity. No driver shall accept, take into the vehicle or transport any larger number of passengers than the rated seating capacity of the vehicle.

(e) Refusal to Carry Passengers. It is unlawful for any driver operating under a permit issued pursuant to the terms of this chapter to refuse, when the vehicle is in service, to transport any person who represents himself or herself for carriage in a sober and orderly manner and for a lawful purpose.

(f) Solicitation of Passengers. It is unlawful for any driver to leave the side of the vehicle to solicit passengers or to solicit passengers in a louder tone of voice than that used in ordinary conversation.

**4.42.230 Maintenance of vehicles.**

(a) It shall be the responsibility of the certificate holder to assure that every vehicle operating under its certificate is in safe working order.

(b) The interior and exterior of each vehicle shall be clean and well maintained and meet California Vehicle Code requirements at all times when in operation.

**4.42.240 Permits not transferable.**

Except as otherwise provided in this chapter no permit issued under the provisions of this chapter may be sold, assigned, or otherwise transferred without the approval of the chief of police.

**4.42.250 Duties of city.**

No duty described in this chapter shall be considered a mandatory duty for purposes of the California Torts Claim Act, Government Code Sections 815 et seq. Specifically, the failure of the city to inspect any vehicle authorized as a taxicab or other vehicle for hire pursuant to this chapter or the negligent inspection of any such vehicle by the city shall not create liability under this chapter upon city.

SECTION 6. Severability. If any provision, clause, sentence or paragraph of this ordinance, or the application to any person or circumstances, shall be held invalid, such invalidity shall not

NOT YET PASSED

affect the other provisions of this ordinance which can be given effect without the invalid provision or application and, to this end, the provisions of this ordinance are hereby declared to be severable.

SECTION 3. CEQA. The City Council finds and determines that this Ordinance is not a “project” within the meaning of section 15378 of the California Environmental Quality Act (CEQA) Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that this Ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guidelines section 15061(b)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment.

SECTION 4. Effective Date. This ordinance shall be effective on the thirty-first date after the date of its adoption.

INTRODUCED: November 26, 2018

PASSED:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

ATTEST:

APPROVED:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

APPROVED AS TO FORM:

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
Deputy City Attorney