

ORDINANCE NUMBER 2760 (CCS)
(City Council Series)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA MONICA
AMENDING SANTA MONICA MUNICIPAL CHAPTER 6.49 TO TRANSITION TAXICAB
REGULATIONS FROM A FRANCHISE-BASED SYSTEM TO A PERMIT-BASED
SYSTEM

WHEREAS, the City of Santa Monica’s (“City”) taxicab franchise was established by Council in June 2009 due to the influx of the number of taxicabs within the City and complaints pertaining to poor customer service from drivers; confusing and high fees; lack of discounted services for seniors and residents with disabilities; and “bandit” taxis; and

WHEREAS, the City’s one existing franchise with a taxicab company expires on December 31, 2023; and

WHEREAS, with the changing nature of the taxicab industry due in part to the rise in the use of Transportation Network Companies (“TNCs”) for ride-hailing services, staff recommends that the City shift from a franchise program for regulating taxicabs to a system that is permit-based.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SANTA MONICA DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Chapter 6.49 of the Santa Monica Municipal Code is hereby amended as follows:

6.49.010 Definitions.

For the purposes of this Chapter certain words and phrases are defined and certain provisions shall be construed as herein set forth, unless it is apparent from the context that a different meaning is intended.

(a) Taxicab. "Taxicab" means every automobile and motor-propelled vehicle which is not otherwise licensed by the California Public Utilities Commission, is designed to carry not more than eight persons, excluding the driver, is not otherwise required by State Law to have all trips prearranged, and is used for the transportation of passengers for hire within and without the boundaries of the City, at rates for distance traveled, or for waiting, standby or traffic delay time, or for any combination of such rates, and not operating over a defined route.

(b) Taxicab Company Permittee or Permittee. "Taxicab company permittee" or "permittee" means any person, firm, corporation, or other entity, however organized, including the management and officers thereunder, that is substantially located in and has been granted a permit by the City to provide taxicab transportation services.

(c) Taxicab Driver. "Taxicab driver" means a driver who works for a taxicab company permittee or is a self-employed, independent taxicab company permittee, unless the context indicates otherwise.

(d) Taximeter. "Taximeter" means any device or technology that automatically calculates a predetermined rate or rates for taxicab services and indicates the charge for the hire of a taxicab, including Internet, web, or other network-based applications. Taximeters may use global position system metering and also facilitate flat rates or promotional rates.

6.49.020 Authority of designated employees of the Police Department to have access to summary criminal history information.

Police Department employees assigned to or having responsibility for permitting and licensing pursuant to this Chapter shall have the authority to obtain State and local

summary criminal history information pursuant to Sections 11105(b)(11) and 13300(b)(11) of the California Penal Code.

6.49.030 Taxicab company permit— application for permit.

(a) Prior to commencing the operation of taxicab services within the City, a taxicab company shall apply for and obtain a permit in accordance with the provisions of this Chapter. In order for a taxicab company to be eligible for a permit, the taxicab company must provide documentation of the following consistent with applicable State law, this Chapter, and the City's requirements: (1) the taxicab company is substantially located in the City; (2) established fares, fees, or rates to be charged to the customer; (3) participation in the pull-notice program; (4) financial responsibility; (5) a safety and disabled access education and training program; (6) the motor vehicles to be used for taxicab transportation services are in safe operating condition and have passed inspection by the City; (7) the address of an office or terminal where all documents pertaining to taxicab transportation services may be inspected by the City; and (8) provision of a taxicab driver fingerprint-based criminal history check and a mandatory drug and alcohol testing program.

(b) Taxicabs may be driven pursuant to a contract, agreement, or understanding between the taxicab company permittee and the driver. Such contract, agreement, or understanding shall not relieve the taxi company permittee from full and complete compliance with the applicable provisions of the Code, rules and regulations adopted pursuant to this Chapter.

6.49.040 Taxicab company permit —Suspension or revocation.

(a) Suspension. The City may, after due notice and an opportunity to be heard, suspend a taxicab company's operations for one or more days if, in the judgment of the City, a lapse in required insurance or any other violation of this Chapter; or a violation of any administrative rules and regulations established by the City, orders or directives established by the City, or applicable State law, creates an immediate safety hazard. Cause for suspension also exists where the holder of a majority interest in the taxicab company or the taxicab company permittee illegally conducts any type of vehicle for hire or public transportation operation licensed by the City or any other governmental agency, or the permittee fails to pay any monetary penalties in accordance with this Chapter or any resolutions or schedules adopted thereto.

(b) Revocation. The City may, after due notice and an opportunity to be heard, revoke a permit in the event that the permittee, including its employees, officers, agents and drivers: violates this Chapter; violates subsection (d) of this Section; violates or commits multiple violations of any provision of this Chapter or any other law, rule, regulation, order or filings of any regulatory body having jurisdiction over the permittee; or practices, or attempts to practice, any fraud or deceit upon any governmental agency or regulatory body.

(c) The permittee may appeal any decision from the City to suspend or revoke to a Hearing Examiner for consideration pursuant to this Section. The matter will be set for a hearing and the City shall give the permittee at least thirty days' written notice of the time and place of the hearing. At the hearing, the Hearing Examiner shall consider all relevant evidence and testimony and if supported by a preponderance of the evidence, the Hearing Examiner may, in his or her discretion, order the permittee to take remedial

actions or impose any other remedy as authorized by law, including, but not limited to, suspension for a designated period of time; or revocation of the permit. The decision or order of the Hearing Examiner shall be final and binding and subject only to judicial review.

(d) Effect of Suspension or Revocation. Upon suspension or revocation of a permit, all the company permittee's taxicab operations in the City shall cease until such time as the suspension or revocation is lifted. Upon revocation of any taxicab permit, no permit to operate the same business activity shall be granted to the permit for a period of three years thereafter.

6.49.050 Taxicab company permit —Driver's permit.

(a) Application. In order to obtain a taxicab driver's permit, each person shall file with the City, upon forms supplied by the City, a completed verified application including the following information and documentation:

- (1) Name, address, and age of applicant;
- (2) Convictions, if any, in any court of law;
- (3) Name, address, and certification of the taxicab company permittee by whom the applicant is to be employed as a taxicab driver in the City;
- (4) Proof of a valid California driver's license;
- (5) A signed agreement to submit to a background investigation and fingerprinting via LiveScan capture by the Police Department;
- (6) Original test results from a certified laboratory or testing agency, submitted simultaneously with the applicant's verified application, proving that the applicant has

tested negative for drugs and alcohol as provided by Section 53075.5(b)(3) of the California Government Code; and

(7) Such further information as the City may require, as established by the rules and regulations.

(b) Taxicab Driver's Permit Applicant Investigation. The Police Department shall investigate each applicant for a taxicab driver's permit and shall approve the application or state its reason for disapproval. The City may disapprove any applicant who has a record of criminal conduct or other behavior involving any of the following:

- (1) Moral turpitude;
 - (2) Violence toward persons or property;
 - (3) Physical or mental disease which could make the applicant a danger to the safety of others;
 - (4) Illegal sexual conduct involving another nonconsenting person;
 - (5) Negligent or reckless driving;
 - (6) Operating a motor vehicle while under the influence of alcohol or drugs;
 - (7) Three or more moving violations under the California Vehicle Code within the 12-month period preceding the date of the application;
 - (8) Existing suspension or revocation of a taxicab driver's permit in any other jurisdiction as of the date of the application;
 - (9) Conviction of operating a taxicab without a valid taxicab driver's permit or taxicab vehicle permit within the three-year period preceding the date of the application;
- or

(10) Acts showing the applicant to be otherwise incompetent or not fit to drive a taxicab.

(c) Taxicab Driver's Permit Issuance. Based on the application, investigation and compliance with all requirements of Section 53075.5(b)(3) of the California Government Code, the City shall approve or deny the taxicab driver's permit. No taxicab driver's permit shall be issued if the applicant is under the age of eighteen years, if any false statement appears in the application, or if the application is otherwise incomplete. Upon approval of an application and receipt by the City of the taxicab driver's permit fee, the City shall issue a taxicab driver's permit to the applicant. The taxicab driver's permit shall bear the name and photograph of the applicant, date of expiration of the taxicab driver's permit, and name of the taxicab company permittee for which the driver is authorized to drive a taxicab.

(d) Taxicab Driver's Permit Renewal. A taxicab driver's permit which has not been revoked, suspended, or terminated may be renewed annually by paying the annual taxicab driver's permit fee and by filing with the City a verification that the driver is in compliance with the provisions of this Section and test results from a certified laboratory or testing agency proving that the driver has tested negative for drugs and alcohol as provided by Section 53075.5(b)(3) of the California Government Code and U.S. Department of Transportation program guidelines set forth in 49 CFR Parts 40, 653, and 654, and any other applicable regulations.

(e) Effect of Termination of Employment. The taxicab driver's permit shall become void upon termination of employment, at which time the taxicab company permittee shall

immediately give the City written notice of the termination and the terminated driver shall immediately return their taxicab driver's permit to the City.

(f) Prohibition on Transfers. A taxicab driver's permit is personal in nature and shall not be transferred to another person. Any purported transfer shall be null and void.

(g) Grounds for Suspension and Revocation. Any taxicab driver's permit and any taxicab vehicle permit may be suspended or revoked, after due notice and an opportunity to be heard, for any of the following reasons:

(1) Arrest or citation for the commission of any crime while driving a taxicab or any crime involving moral turpitude;

(2) Violation of any applicable rule or regulation, or Federal, State or local law relating to the operation of taxicabs by a driver, or by an employer in the case of a taxicab vehicle permit;

(3) Use of the taxicab driver's permit for a purpose different from that for which it was issued;

(4) Suspension or revocation of the driver or taxicab company permittee's taxicab driver's permit or taxicab vehicle permit in another jurisdiction; and

(5) The existence of any facts, including conviction of a crime that is substantially related to the qualifications, functions or duties of a taxicab driver, which would have been good cause to deny such taxicab driver's permit application, regardless of when such facts arose.

6.49.060 Taxicab permit —Fees.

(a) Annual Taxicab Company Permit Fee. Each taxicab company permittee shall pay to the City an annual fee, established by resolution of the City Council, to cover the

City's costs of administering taxicab transportation services in the City. Such payment shall be in addition to any other prescribed fees, including but not limited to, business license fees. The taxicab company permit fee shall be due, without set off or deduction, upon issuance of the taxicab company permit and payable on each anniversary date thereafter, unless otherwise as specified in the franchise ordinance. Failure to pay the full taxicab company fee when due shall be cause for revocation of the taxicab company permit.

(b) Annual Taxicab Vehicle Permit Fee. Each taxicab company permittee shall be required annually to obtain a taxicab vehicle permit and to pay to the City an annual taxicab vehicle permit fee, established by resolution of the City Council, for each taxicab operating under its taxicab company permit.

(c) Annual Taxicab Driver's Permit Fee. Each taxicab driver shall be required annually to renew his or her taxicab driver's permit and the taxicab permittee or driver shall pay to the City an annual taxicab driver's permit fee, established by resolution of the City Council.

(d) No fee refunds shall be issued to any taxicab company permittee upon revocation of a, or to any driver upon revocation of a taxicab driver's permit.

6.49.070 Taxicab company permittee —Signage.

Taxicab company permittees and taxicab drivers shall ensure that taxicabs display the following signage:

(a) Two cards not less than two inches by four inches nor more than two and one-half inches by five inches, in both the front seat and the rear seat in full view of

passengers, which state the following in letters and numbers which are clearly legible and in the following format:

(1) On the first card: the name, address and telephone number of the taxicab franchisee which operates the taxicab and all rates to be charged; and

(2) On the second card: "COMPLAINTS? Call the City of Santa Monica's Hotline," followed by the City's hotline telephone number.

(b) Every taxicab shall have printed upon it, in lettering and numbering not less than two and one-fourth inches in height and five-sixteenths of an inch wide, the cab number and the name and telephone number of the taxicab company permittee which operates the taxicab. The telephone number and the cab number shall also be printed in a plainly visible manner upon the rear of such vehicle.

(c) Every taxicab may have an electrically lighted identification or vacant sign, or a combination of both, attached to the top of such taxicab, which shall be not more than two and one-half inches high by nine inches in length.

(d) No taxicab shall display any sign other than those authorized in this Chapter.

6.49.080 Taxicab company permit —Identification decal required.

(a) Each taxicab operated pursuant to a permit shall be identified as a City of Santa Monica authorized taxicab by a taxicab identification decal issued by the City. No person shall identify any vehicle by means of such taxicab identification decal, or any facsimile thereof, unless authorized to do so by the City in writing.

(b) Every taxicab driver and permittee shall ensure that a taxicab identification decal is displayed in each taxicab at all times. Such decal shall be issued and affixed by the City to a specific area on the assigned taxicab as designated by the City.

(c) No taxicab driver or taxicab company permittee shall operate a taxicab without a current taxicab identification decal for that specific vehicle.

(d) No taxicab identification decal issued shall be in any manner transferred or assigned. Any decal that is transferred, assigned, or otherwise conveyed or stolen shall be automatically revoked.

(e) No applicant may be issued a taxicab identification decal until that applicant has paid all applicable fees and all of his, her or its outstanding parking citations, including all civil penalties and related fees.

6.49.090 Taximeters and rates.

(a) No taxicab shall be operated within the City unless it is equipped with a taximeter that is approved by the California Division of Measurement Standards and complies with Section 12500.5 of the California Business and Professions Code and with all regulations established pursuant to Section 12107 of the California Business and Professions Code.

(b) Taximeters are subject to inspection at any time by any police officer of the City or any other authorized inspector, including the California Department of Agriculture Commissioner/Weights and Measures. Any vehicle equipped with an inaccurate taximeter is subject to impound until said taximeter shall have been correctly adjusted, inspected, and certified by the Los Angeles County Agricultural Commissioner/Weights and Measures.

(c) Taximeters shall be placed so that the reading dial displaying the amount to be charged is readily discernible by passengers.

(d) All rates to be charged for transportation by taxicabs pursuant to a permit, including both flat and mileage rates, may not exceed the maximum rates established by resolution of City Council. No permittee shall charge, collect, demand, receive, or arrange for any compensation for taxicab service in an amount that exceeds said maximum rates.

(e) Each taxicab company and taxicab driver shall disclose all rates to the customer before providing taxicab services.

(f) Except where a flat rate is applicable, it is unlawful for a taxicab driver to do any of the following:

(1) Set the taximeter in operation when such vehicle is not actually hired;

(2) Fail to set the taximeter to a nonrecording position at the termination of each and every service or call the attention of the passenger to the amount registered;

(3) Fail to activate the taximeter while carrying passengers or under hire; or

(4) Activate or operate the taximeter so as to denote a rate of fare exceeding that authorized pursuant to this Chapter or by the permitting governmental agency.

(g) No driver of any taxicab upon receiving payment of a fare thereon shall refuse to give a receipt upon the request of any passenger making said payment.

(h) It shall be unlawful to charge a discounted or flat rate other than that which has been advertised or agreed to in advance with the passenger. (Added by Ord. No. 2590CCS, adopted 11/13/18)

6.49.100 Intentionally Left Blank

6.49.110 Taxicab identification and vehicle operating requirements.

(a) No taxicab company shall operate any taxicab without a distinctive and uniform color scheme or identification which designates the taxicab company under which said vehicle is operated.

(b) No taxicab company shall use any color scheme, insignia, name, monogram, logo, or identification that conflicts with or imitates any color scheme, insignia, name, monogram, logo, or identification used by another taxicab company in such a manner as to be misleading or to tend to confuse or defraud the public.

(c) Every taxicab company and taxicab driver shall comply with the following operating requirements at all times:

(1) Maintain and keep an accurate and legible record of all passengers carried, including the pickup and drop off points, the date and time carried, the starting and ending mileage of the taxicab for each trip, and the charges authorized and made for each trip;

(2) Display inside the taxicab and in full view of passengers, a valid taxicab driver's permit bearing the name and photograph of the taxicab driver and identifying the name of the taxicab company under which such taxicab is operated;

(3) Maintain in each taxicab a working two-way communication system with a dispatcher;

(4) Obtain an annual vehicle inspection of each taxicab at a facility certified by the National Institute for Automotive Service or a facility registered with the Bureau of Automotive Repair; and

(5) Permit any police officer of the City or other authorized enforcement officer enforcing this Chapter to inspect any taxicab upon request.

6.49.120 Full use of taxicab.

When a taxicab is engaged the occupant or occupants shall have the exclusive right to the full and free use of the passenger compartment and no owner or driver of said taxicab shall solicit or carry additional passengers therein without soliciting and receiving the consent of the occupant or occupants. Nothing in this provision is intended to restrict any taxicab company from offering carpooling or ride sharing services.

6.49.130 Access to passengers on business establishment premises; exclusive arrangements limited.

(a) No owner, operator, employee or agent of any hotel or any other business establishment shall exclude any permitted taxicab driver from standing or picking up passengers at any location where taxicabs or other vehicles for hire are regularly allowed to stand and pick up passengers on the premises of the hotel or other business establishment.

(b) Each taxicab company permittee is prohibited from entering into any taxicab service arrangements or agreements for compensation with any hotel, motel, or other business establishments, or any public or private agency or organization in the City for the purpose of obtaining exclusive access to the business' patrons seeking on demand taxicab services. Each taxicab company permittee shall ensure that none of its members or taxicab drivers enters into any such taxicab service arrangements or agreements for compensation with any hotel, motel or other business establishments, or any public or private agency or organization in the City. Nothing in this Section prohibits exclusive arrangements with any business establishment for the purpose of providing pre-arranged transportation services for events with multiple participants, employee shuttle services,

carpooling services, or other arrangement approved in advance by the City to the extent consistent with the requirements of this Chapter.

6.49.140 Unauthorized taxicab services prohibited; exception.

(a) No person shall knowingly dispatch a vehicle or respond to a request for a “taxi,” “cab” or “taxicab” for pick-up within the City, or pick up passengers within the City for taxicab services, unless the vehicle has a valid taxicab vehicle permit, the driver of such vehicle has a valid taxicab driver’s permit, and the taxicab is operated pursuant to this Chapter.

(b) Notwithstanding subsection (a) above, a taxicab company or taxicab driver that is lawfully permitted by a governmental agency to operate in Los Angeles County may provide prearranged trips anywhere within the City.

(c) No person who drives or operates a taxicab in the City shall publish, advertise or broadcast in any manner, written or oral, a telephone number, website address, or other identifier, either by itself or connected to a rotary, redirect, or call forwarding system for taxicab service, which is the same telephone number, website address, or other identifier, as that for other taxicabs or vehicles for hire.

(d) No person who drives or operates a taxicab in the City shall use a name that imitates a name used by another person who drives or operates a taxicab in such a manner as to be misleading or tend to confuse or defraud the public.

(e) No person shall advertise or otherwise hold itself out as providing taxicab services within the City, unless such person is operating pursuant to a taxicab company permit granted by the City or is lawfully permitted by a governmental agency to provide prearranged trips in the City.

6.49.150 Rules and regulations.

The Director of Transportation or designee is authorized to adopt administrative rules and regulations consistent with this Code and applicable State law necessary to implement this Chapter. Such rules and regulations may include, but are not limited to, provisions: governing taxicab service and safety; prescribing limitations, conditions and qualifications of applicants for vehicle permits and driver permits; stipulating the responsibilities of taxicab company permittees and their drivers; and pertaining to public health, safety, and welfare. Violations of the administrative rules and regulations adopted pursuant to this section shall constitute violations of this Chapter, and shall subject the violator to the penalties set forth in this Chapter.

6.49.160 Penalty for violation.

(a) Except as otherwise provided in this Chapter, any person violating any provision of this Chapter shall be guilty of either: (1) an infraction, which shall be punishable by a fine of one hundred dollars for the first violation, two hundred dollars for a second violation within one year, and five hundred dollars for a third and subsequent violations within one year; or (2) a misdemeanor, which shall be punishable by a fine not exceeding one thousand dollars per violation, or by imprisonment in the County Jail for a period not exceeding six months, or by both such fine and imprisonment. Where the violation is of a continuing nature, each day that the violation continues constitutes a separate and distinct violation.

(b) Any police officer and other persons authorized by the City to enforce this Chapter are authorized under Sections 53075.6 and 53075.61 of the California Government Code, Section 5411.5 of the California Public Utilities Code, Section 21100.4

of the California Vehicle Code and any other applicable State law, to impound and retain any vehicle operating within the City as a taxicab without having any valid permits issued by the City to operate a taxicab service, in violation of this Chapter.

(c) Every person who operates a taxicab and who knowingly and willfully issues, publishes or affixes, or causes or permits to be issued, published or affixed, any oral or written advertisement, broadcast or holding out to the public or any portion thereof, in any manner whatsoever, that the person operates a taxicab company or an individual taxicab without having any valid permits is guilty of a misdemeanor.

(d) Any person who, after due notice and an opportunity to be heard in accordance with the provisions of Chapter 6.16, is found to have been operating a taxicab service within the City without any valid permits may in the City's discretion be required to pay a fine of not less than five thousand dollars for each violation, plus any assessments and interest as authorized by law, as set forth by resolution of the City Council.

(e) The remedies specified in this Section are cumulative and their specification shall not preclude the use of any other remedy provided by law.

6.49.170 Penalties for violations of rules and regulations.

Any person who violates a rule or regulation adopted pursuant to this Chapter may be subject to an administrative citation pursuant to Chapter 1.09 of this Code. A taxicab company shall be responsible for the violation of a rule or regulation by a taxicab driver operating under that company, and shall be deemed a responsible party within the meaning of Section 1.09.020 of this Code.

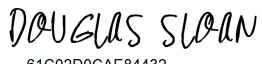
SECTION 2. Any provision of the Santa Monica Municipal Code or appendices thereto inconsistent with the provisions of this Ordinance, to the extent of such

inconsistencies and no further, is hereby repealed or modified to that extent necessary to effect the provisions of this Ordinance.

SECTION 3. If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance and each and every section, subsection, sentence, clause, or phrase not declared invalid or unconstitutional without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

SECTION 4. The Mayor shall sign and the City Clerk shall attest to the passage of this Ordinance. The City Clerk shall cause the same to be published once in the official newspaper within 15 days after its adoption. This Ordinance shall become effective thirty days after adoption.

APPROVED AS TO FORM:

DocuSigned by:

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Douglas Sloan, City Attorney

Approved and adopted this 10th day of October, 2023.

DocuSigned by:
Gleam Davis
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Gleam Davis, Mayor

State of California)
County of Los Angeles) ss.
City of Santa Monica)

I, Denise Anderson-Warren, City Clerk of the City of Santa Monica, do hereby certify that the foregoing Ordinance No. 2760 (CCS) had its introduction on September 26, 2023 and was adopted at the Santa Monica City Council meeting held on October 10, 2023, by the following vote:

AYES: Councilmembers de la Torre, Torosis, Brock, Parra, Zwick
 Mayor Davis, Mayor Pro Tem Negrete

NOES: None

ABSENT: None

ATTEST:

DocuSigned by:
Denise Anderson-Warren
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Denise Anderson-Warren, City Clerk

10/16/2023
Date

A summary of Ordinance No. 2760 (CCS) was duly published pursuant to California Government Code Section 40806.