

POLICY GUIDE

Regulation of Taxi and For-Hire Vehicles

January 2019



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Regulation of Taxi and For-Hire Vehicles: Policy Guide

Washington State Joint Transportation Committee | January 2019

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Introduction

This policy guide summarizes regulations for taxis and for-hire vehicles in Washington. We outline the main elements of taxi and for-hire regulations at the state, county, city, and port district level. This guide has policies related to licensing, driver background checks, vehicle requirements, insurance, data reporting, and enforcement, among others.

We are particularly interested in the public policy objectives of taxi and for-hire regulations. The entrance of transportation network companies (TNCs) into the passenger transportation market has introduced new competitive challenges for taxis and for-hire services. TNCs include companies such as Uber and Lyft that use a digital network or smartphone (app) to connect passengers to drivers to provide prearranged rides, most frequently in a personal car owned or leased by the driver.

While this guide focuses on outlining current taxi and for-hire regulations, it also explores recent regulatory changes to address the entrance of TNCs into the passenger transportation market. It also looks at the impact of TNCs on the taxi and for-hire industry – both for drivers and dispatch companies – through qualitative and quantitative measures.

The objective of this inventory of state and local regulations is to provide a shared understanding of current regulations, from which to explore public policy questions and to develop recommendations on how to improve the consistency, overall effectiveness, and competitive fairness of regulatory frameworks. This study was guided by a Staff Work Group that provided technical support and reviewed draft products.

BACKGROUND

In Washington State, taxis have been regulated in some areas since the early 1900s. In some places they have been deregulated only to be regulated again. Over time, regulations have accumulated, with some becoming more relevant and others becoming less relevant. Taxi and for-hire regulations can exist at the state, county, and/or city level. Historically, the State has co-regulated some issues, such as insurance and licensing. Counties and/or cities can also regulate with many regulating areas such as background checks, vehicle requirements, data reporting, and enforcement. Local jurisdictions take different approaches on whether and how to regulate these areas.

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Key Terms

Below are some key terms and market actors in the taxi/for-hire industry:

- **Taxis:** Vehicles that are required to have a “taximeter,” a mechanical or electronic device installed in the vehicle that calculates passenger fares based on a combination of distance travelled and waiting time. Taxis derive their name from this device. Traditionally, taxis have been the only “for-hire” vehicle allowed to pick up passengers from a “street hail,” though this has changed in some jurisdictions. Other requirements typically include vehicle dress (markings on the vehicle indicating the company name), insurance, driver training, regulated meter rates, and other in-vehicle posted information.
- **Wheelchair Accessible Taxi (WAT):** Vehicles licensed as taxis that have been customized to easily transport passengers and their wheel chairs. In Seattle and King County, there is a distinction between a WAT that was created as such and must be maintained as a WAT and other taxis that voluntarily convert to a WAT (and can convert back to non-WAT) at any time. King County-Seattle WATs must meet operational standards prioritizing trips to riders with wheelchair accessible needs. Their annual license/medallion fees are waived, and drivers and owners can qualify for disbursement from the Wheelchair Accessible Services Fund to help offset the added costs of providing WAT trips (equipment, vehicle maintenance, fuel, etc.).
- **Flat Rate:** Vehicles that do not have a taximeter and may charge only a flat fee to a passenger. These fares are usually based on a zip code to zip code rate and filed with a local jurisdiction. Traditionally, this service was not allowed to accept “street hails” though this has changed in some jurisdictions – most notably King County and Seattle. Other requirements typically include vehicle dress, insurance, driver training, and other in-vehicle posted information. Under State law, both taxi and flat rate vehicles fall under the definition of “For-Hire Vehicles.” In Seattle, flat rate vehicles are referred to as “For-Hire” vehicles.
- **Dispatch Companies:** Companies that taxi and for-hire vehicle owners contract with to connect to passengers. Primarily, dispatched trips are conducted through customer call centers, though some dispatch companies are also developing their own app-based services. In addition, dispatch companies negotiate contracts with entities such as airports and health care providers to provide passenger services. While dispatch companies may own vehicles directly, most contract with independent drivers. Companies and local regulations typically require uniform vehicle trade dress, and companies charge vehicle owners a weekly fee to be a part of their dispatch service. According to some dispatch company managers, this fee may range between \$130-\$180 a week. Long-time veterans of the industry report that these fees may have been as high as \$1,000 per week prior to introduction of TNCs.

Taxi and For-Hire Niches

- Street hails
 - Taxi stands
 - Telephone dispatch
 - Cash and Metro scrip payment
 - Pre-arranged rides
 - Wheelchair accessible transport
 - Certain airports and/or passengers
 - Contract services, including Medicaid, McKinney-Vento, Veteran’s Affairs and others
-

- **Medallion:** A term used in King County and the City of Seattle to refer to a taxi vehicle license held by the vehicle owner who may drive the vehicle themselves and/or lease their vehicles to another. One person may hold multiple medallions, but the system relies on a cap on the number of medallions authorized in a given market. Vehicles must remain active; inactivity for periods long than 60 days requires permission from King County and Seattle. King County and Seattle transitioned from vehicle licenses to medallions in 2015; both licenses (prior to 2015) and medallions (after 2015) are transferable. The medallion is considered an intangible property right that may be used as collateral to secure a loan from a bank or any other financial institution. Seattle and King County are the only jurisdictions in Washington State that have a medallion system.
- **Slip Seat Driver:** A driver that does not own their own vehicle but leases or rents a licensed for-hire vehicle from the owner.
- **Association:** In the taxi and for-hire industry, the meaning of the term “association” varies with context, and will be found in the following terms:
 - **Taxicab Associations:** In King County and Seattle, a person or entity that represents or owns at least 15 licensed taxicabs. Taxicabs owned or represented by an association use the same color scheme, trade name, and dispatch services. Both King County and Seattle codes require taxis to be licensed and affiliated with a licensed taxicab association. Examples are Yellow Cab, Farwest, and Orange Cab.
 - **Driver Associations:** A voluntary association of taxi drivers across taxi companies such as the Western Washington Taxicab Operators Association (WWTCOA), an International Brotherhood of Teamsters affiliated organization, that reports to have 500 members that are owners and drivers in Seattle/King County.
 - **Taxi Association (trade association):** An assembly of taxi companies that represents interests of the taxi industry across companies. Examples include the *Evergreen State Taxi Association* and the *Wheelchair Accessible Taxi Association of Seattle & King County*.

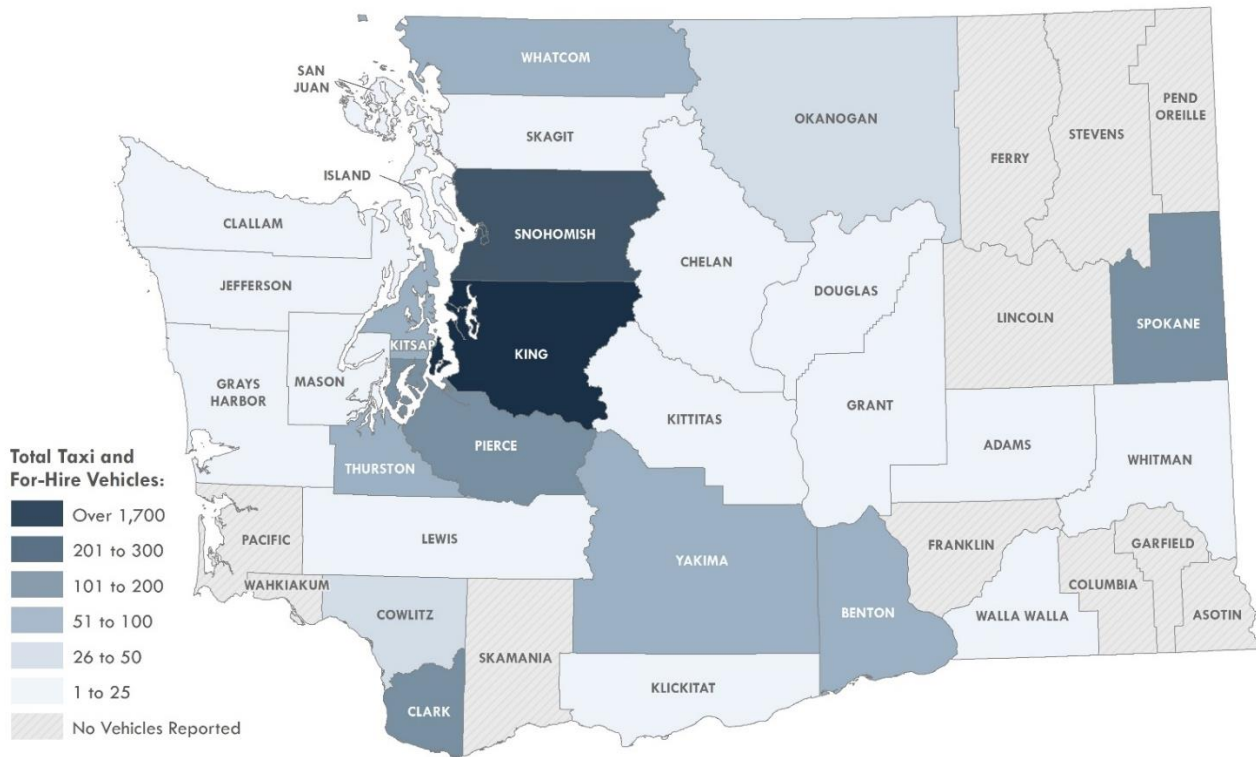
Taxi Market Share

With the rise of TNCs, there have been reports in Washington and elsewhere about the declining number of trips taken in taxis. There are various reasons cited for this decline. Some argue that the fact that TNCs entered the market without facing the same regulations as taxis/for-hire vehicles is entirely responsible. Others noted that in the Seattle market, the City of Seattle contributed to the problem by not increasing the taxi and for-hire vehicle supply during a period of significant population growth,¹ which made them unable to meet demand and susceptible to disruption by a new player with seemingly unlimited supply. Still others posit that because taxis had a near monopoly on passenger transportation (albeit one they had paid for via the limited licenses/medallions), taxis did not face competition to improve, and as a result, service in many markets was unreliable, dispatch and payment systems were outdated, and customer service was poor.² Exhibit 1 shows taxi/for-hire vehicle registrations by county, based on a point-in-time snapshot from April 2018 with Department of Revenue and Department of Licensing data.

¹ Amin Shifow and Cindi Laws, Interview by Allegra Calder and Robert Feldstein, 2018.

² Khoi Vinh, “Uber and Lyft are everything that’s right and wrong with design today,” *Fast Company*, October 11, 2018. <https://www.fastcompany.com/90249223/uber-and-lyft-are-everything-thats-wrong-with-design-today>.

Exhibit 1. Taxi and For-Hire Vehicles by County, 2018



Notes: Data is a point-in-time estimate from April 2018, aggregated by JTC staff from vehicle and business registration data from the Department of Revenue and Department of Licensing. For taxis, state taximeter numbers may undercount King County/Seattle data. Some companies operate from multiple locations; counts shown are based on distinct Unified Business Identifier (UBI) numbers. Of taximeters, 31 of the UBI numbers had multiple taximeter licenses. For the for-hires, 13 of the UBI numbers had multiple permits.

Sources: Washington Department of Revenue, 2018; Washington Department of Licensing, 2018; JTC, 2018; BERK, 2018.

During the study, we spoke with drivers and owners over the telephone and in focus groups to hear their perspectives on the challenges facing their industry. Seven companies shared the self-reported data shown in Exhibit 2.

Exhibit 2. Change in Cars, Drivers, Rides per Day, and Cab Associations, 2013-2018

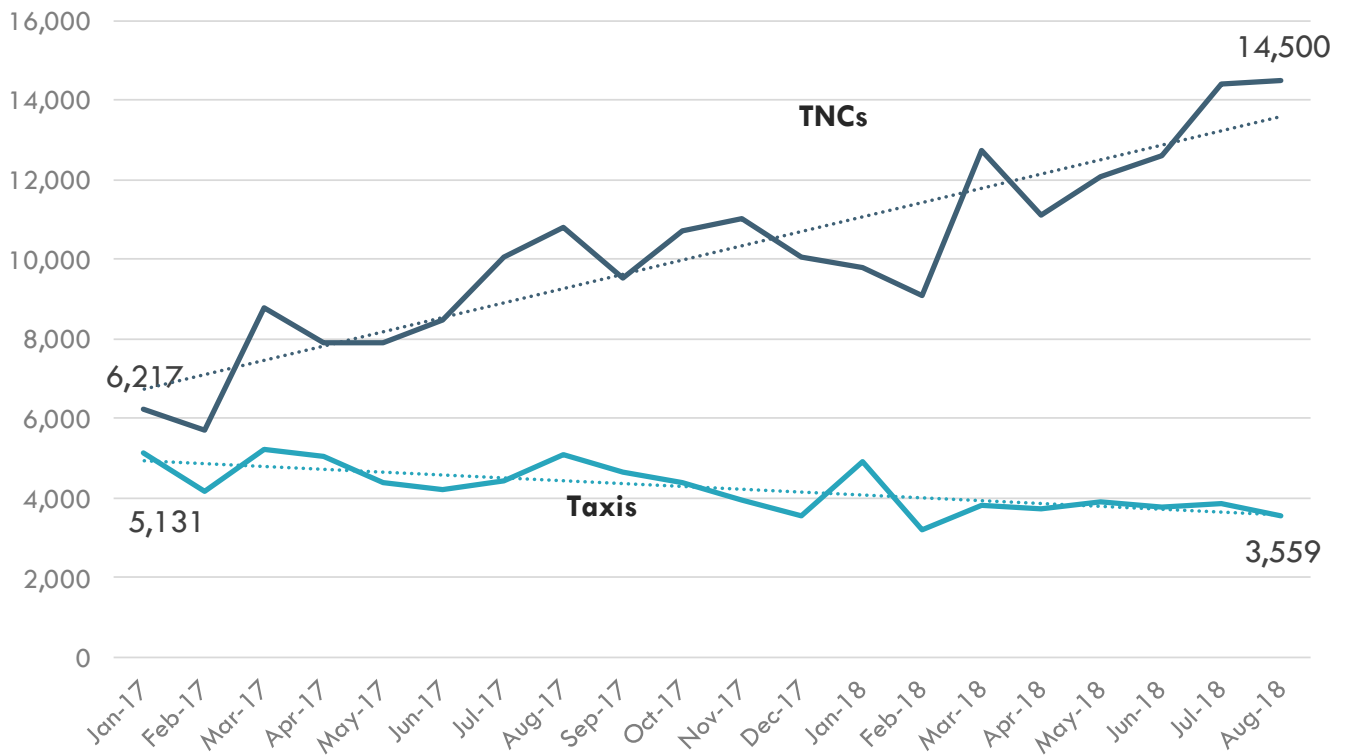
Company/Association	City	Vehicles			Drivers			Rides per Day			Companies		
		2013	2018	Change	2013	2018	Change	2013	2018	Change	2013	2018	Change
Puget Sound Dispatch	Seattle	520	380	-27%	1,500	400	-73%	5,200	2,500	-52%			
Yellow Cab	Everett	70	40	-43%	80	40	-50%	1,100	500	-55%	5	2	-60%
Cuddy	Auburn	11	5	-55%	18	11	-39%	175	75	-57%			
Vancouver Cabs	Vancouver	8	4	-50%	16	9	-44%	240	80	-67%	3	2	-33%
Your Cab	Bellingham	5	3	-40%	9	4	-56%						
Mason County Taxi	Shelton	2	1	-50%	2	1	-50%	45	20	-56%	1	3	200%
AC Checker	East Wenatchee	2	5	150%	3	17	467%	13	75	477%	5	2	-60%

Notes: The reduction in Puget Sound Dispatch vehicles and drivers between 2013 and 2018 was partly due to losing the on-demand ground transportation contract with Sea-Tac Airport in 2016 when it went to a new awardee not included here.

Source: Numbers were self-reported by companies through phone and in-person interviews.

Data from the Spokane International Airport (Exhibit 3) shows a decline in taxi trips and a more than doubling of trips by TNCs in the period of January 2017 through August 2018. This significant increase suggests that it is not only taxis that are losing business, but likely rental car companies, short and long-term parking, and other shuttle services as well.

Exhibit 3. Taxi and TNC Trips at Spokane International Airport



Source: Spokane International Airport, 2018.

Industry Perspectives

To better understand the challenges facing the industry and potential policy solutions, we conducted interviews and group discussions with dispatch companies, drivers, and medallion holders. We also conducted a short online survey to hear from drivers in different parts of the state. Overarching themes from the interviews, discussions, and survey are presented below with additional detail in **Appendix A.**

Driver Survey.

- Taxis are heavily regulated.** Many taxi drivers feel that compared to TNCs, taxis are subject to more oversight and inspections regarding drivers, vehicles, rates, and meters. In addition to having more regulations, many feel they are more heavily enforced – often citing the visibility of their vehicles (yellow, orange, or two colors) compared to TNCs, which are personal vehicles with trade dress (the logo of the TNC) displayed in the windshield.
- Taxis face high costs of doing business.** The costs of 24/7 insurance, inspections, permits, and fees all add up and are typically borne by the owner and/or driver. In the taxi industry’s opinion, TNC drivers, in contrast, have fewer fees (e.g., no meter inspection), lower fees (e.g., cheaper insurance), and some of their costs are frequently paid for by the company.

- **Business is decreasing, along with profits.** Almost all dispatchers and companies report decreasing numbers of drivers, vehicles, and rides. Far fewer, if any, taxi vehicles are now driven in two shifts per day by different drivers. And instead of driving 40-50 hours each week, some drivers are driving 80-100 hours each week to earn a comparable living.
- **Drivers want the ability to compete on price.** While there were sound policy reasons for the original taxi rate setting done by local governments, offering one price at all times of the day is challenging, preventing both discounts to attract new passengers and premium prices during periods of higher demand. Many drivers want the options to install smart meters and offer dynamic pricing.
- **Taxis face additional competition.** Not only are taxi drivers worried about competition from TNCs, they also worry about TNC drivers operating “off-app” who make “cash deals” or limousines that illegally pickup at ferry terminals or hotels.
- **There is no unanimity about best solutions,** but there is strong interest in finding some relief or leveling the playing field by decreasing regulations for taxis to make it easier for them to compete.

King County has received similar input locally, as well as other ideas the industry believes should be considered. The County is currently working on addressing many of these issues and recently lowered licensing fees as a first step to regulatory reform, with more changes on the way.

Taxi Insurance

In stakeholder interviews, group discussions, and surveys, those in the taxi industry consistently mentioned the high cost of insurance as one of the challenges to profitability and competitiveness. There are a number of factors driving insurance rates for taxis in Washington, particularly in Seattle and King County.

- **24/7 Commercial Insurance.** Because taxis were traditionally used exclusively as commercial vehicles, often driven multiple shifts by multiple drivers, they are required to have constant coverage, regardless of how often they are driven. As companies reduce their shifts, this model is often less applicable, and owners are paying insurance for parked taxi vehicles. In contrast, TNC vehicles, which by use, vary between personal and commercial driving for companies, have supplemental commercial insurance that only “toggles” on when the driver is engaged in the commercial driving – looking for a ride, driving towards a match, or with a passenger.
- **Lengthy regulatory approval prevents competitive flexibility.** Washington is a “file first” state, meaning that to be “admitted” (and thus backed by Washington State Fund protection) any new underwriting plan must be approved by the Office of the Insurance Commissioner before it can be offered. In contrast, some states allow plans to file and begin selling simultaneously. Local insurance brokers report that approval can take several months. While this may better protect consumers, the lack of flexibility can be a disincentive to insurance providers selling “admitted” plans. King County and Seattle, the largest taxi markets, require companies to carry admitted plans (unless they are not available, in which case there are provisions for approving surplus lines – see below), but not all jurisdictions in the state have that requirement. In other parts of the state, some insurance companies which are not admitted can sell “authorized” plans (which, because they are not admitted, do not have the same State guarantee) through the Surplus Line Association of Washington State (a not-for-profit corporation that regulates insurance lines sold by insurance brokers not admitted in the state), which has meant there are often more sellers and more competition on price.

- **Multiple regulatory bodies.** Insurance coverage often must meet multiple insurance requirements, increasing complexity and coverage. For example, Seattle-Tacoma International Airport (Sea-Tac Airport) has requirements for \$1 million excess liability policy when on airport property; this can add hundreds of dollars to local taxi insurance rates for the year.
- **High standards create less competition.** King County and Seattle, in an attempt to better ensure consumer protection, require plans to be both “admitted” and to have an *A.M. Best Rating* of at least B VII. In addition, Seattle and King County require that taxi companies’ insurance cover all drivers instead of underwriting named drivers, which makes it harder for insurance companies to mitigate risk. With these regulations – and potentially other factors such as a perception of a less litigation-friendly environment for insurance companies – fewer insurance companies are willing to sell in the market. As a result, there are often three or fewer plans available, which gives the taxi companies less leverage as buyers. It should be noted that the regulators, aware that a restricted market can drive up costs, actively work with insurance companies to the extent possible to ensure they can find technological and other solutions that balance regulatory needs and allow the insurance company to enter the market.
- **Smaller scale creates challenges.** In comparison to the national or international TNCs with hundreds of thousands of drivers, individual taxi companies, some of which are solo owner-operators, have much less leverage with insurance companies and are not in a position to negotiate any concessions or benefit from economies of scale. Some have suggested that an effort to pool insurance across companies could help increase taxi companies’ leverage.

Taxi companies may be less able to remove drivers that cause more frequent insurance claims. Compared to TNCs who, particularly in large markets, can easily remove drivers from their systems, there are more barriers, less money for incentives and recruitment, and fewer applicants. As a result, taxi dispatch companies may need to retain drivers whose records increase the insurance rate to meet their current demand and not risk losing more business. This is particularly challenging for owner operator one-car or family-run companies.

Taxi Service Niches

Taxis and for-hire vehicles serve several niches, providing service to those without access to credit and debt systems; those without smartphones and looking for a ride; those needing wheelchair accessible transport; and the many thousands of passengers served through government transportation contracts, such as Medicaid, School Districts under McKinney-Vento Education of Homeless Children and Youth Assistance Act, Veteran’s Affairs, and others. Requirements for many federal service contracts and/or those serving children require extensive driver training, in-person physical examinations, random drug testing, and fingerprint-based FBI background checks. These requirements have largely prevented TNCs from taking these market segments, leaving these vulnerable populations dependent on taxi service and other special needs transportation providers. However, special needs transportation providers also reported significant difficulty recruiting drivers. The continued growth of TNCs – and potential threat they bring to the long-term viability of taxi services – raises the question: what is the best way for the State to address the public policy interest of serving everyone? Additional questions for policy maker consideration are summarized below.

Policy Questions for Legislators

- If state standards were set for TNC driver and vehicle requirements, should the same be done for taxi and for-hire vehicles?
- Should the State incentivize local governments to deregulate taxis/for-hire vehicles?
- Are state regulations the most effective way to address the public interest of serving everyone?
- Are there adequate wheelchair accessible taxi providers, especially beyond Seattle/King County?
 - Does the State have a role to ensure access, especially outside of the Seattle/King County market?
- Is there a state role in ensuring adequate drivers for contracted transportation services, whether related to training or reviewing current state and federal regulations to understand the barriers?

Key Findings from Regulatory Review

In Washington, the State has historically co-regulated areas of insurance and licensing. Counties and/or cities can also regulate in these areas, and they may also regulate in other areas.

In all but two counties, taxis and for-hires are largely regulated at the city level. King County is the only county in Washington State that sets regulations for taxi/for-hires. The County partners with the City of Seattle to regulate the industry, and 16 other cities and the Port of Seattle maintain interlocal agreements with the County. Pierce County requires City of Tacoma licensing for taxi/for-hire drivers, owners, and vehicles operating in unincorporated Pierce County.

Dozens of cities across the state include taxi and for-hire regulations in their municipal codes. These can be as simple as one sentence in the business licensing section of an ordinance, or as extensive as a separate ordinance section with sub-sections. Many codes follow a similar structure and scope, covering licensing and fees, background checks and driver requirements, vehicle requirements and inspections, insurance requirements, and enforcement. Some also include drug and alcohol use policies and data reporting requirements. However, the content of these municipal codes differs widely in terms of licensing authority, requirements, and fees; insurance policy requirements; background check requirements; enforcement authority and mechanisms, among other areas of regulation.

SIMILARITIES ACROSS CITIES

Some cities in close geographic proximity follow very similar language in their codes.

- As described above, **King County** and the **City of Seattle** align their regulations in many but not all aspects. 16 other cities and the Port of Seattle also maintain interlocal agreements with the County.
- **Olympia, Lacey, Tumwater, and Yelm** share reciprocity of their city occupational permits, which are specific for-hire driver's licenses. Each of these four cities in Thurston County accepts occupational permits issued by each of the other cities. The occupational permit fees are the same across the four cities: \$70 when fingerprinting and background check are required (every three years), or \$30 renewal fee without fingerprinting.
- **Kennewick, Pasco, and Richland** have similar requirements for company/association and driver business licensing, with higher property damage insurance limits than State law and a combined policy limit of \$500,000. The cities differ in fees, background check policies, and enforcement.
- **Vancouver** and **Kelso** have similar ordinances that regulate both taxi and TNCs special licenses, vehicle safety, driver background/training, and insurance through code. Both reference their Administrative Rules for specific requirement details.
- **Longview** and **Pullman**, while not geographically close, share almost identical codes pertaining to taxi/for-hires, except for enforcement authority and vehicle inspections, which in Longview may be passed in Washington or Oregon.
- In addition to Seattle/King County, **Yakima** and **Omak** are the only two cities with caps on the number of taxi/for-hires that may operate in the cities.

DIFFERENCES ACROSS CITIES

Municipal codes differ in licensing requirements and fees, vehicle inspections, background check requirements, insurance policy requirements, data reporting, and enforcement, among other areas.

Licensing and Fees

In addition to state business, vehicle, and driver licensing requirements, many cities across Washington implement local licensing requirements. The most common types of licenses are city business licenses (one-time or annually per driver and/or business), city taxi/for-hire driver's licenses (annually per driver), and city vehicle licenses (annually per vehicle).

- City business licenses are generally between \$25-\$55 per year, though in a few cities where business licenses are based on number of drivers and could be as high as \$4,000.
- City taxi/for-hire driver's application fees and licenses are generally between \$20-\$85 per year, including any applicable fingerprinting and background check fees.
- City vehicle licenses are generally between \$20-\$500 per year.

Business Licenses

At the time of this review, business license regulations varied across the state. During the course of this study, requirements imposed by [EHB 2005](#), which was adopted in 2007 and codified in [Chapter 35.90 RCW](#), were in the process of being implemented statewide. By January 2019, cities are required to adopt draft model ordinance provisions. Key provisions of the model ordinance are outlined below.

- Cities and towns may only impose licensing requirements upon individuals or companies that engage in business within the city. For the transportation of passengers, most cities define "engage in business" as the pickup location. In interviews, a few jurisdictions also looked to include drivers that dropped off in the city or drivers that lived in the city.
- For businesses not located within city limits, there is a minimum threshold for business activity within city limits of \$2,000. Below this threshold, cities must either exempt businesses from the licensing requirements or require licenses but at no cost to the business.

The model ordinance does not recommend a specific common business license fee.

Exhibit 4 below summarizes the range of state and local fees paid by drivers and companies, both for taxi/for-hires and for TNCs. For taxis, there is no one model; some taxi companies have employees, some recruit drivers by offering to pay these fees, and some ask drivers – as independent contractors – to pay these fees. For taxis, these fees are more likely to be borne at the driver level, while with the largest TNCs, the companies pay many of the fees.

Exhibit 4. Driver and Company Fees for Taxi/For-Hires and TNCs

	TAXI/FOR-HIRE	TNC
COMPANY LEVEL FEES		
State Business License Fee	\$110 per location	\$19
State Vehicle Certificate	\$55/vehicle	N/A
City Business License Fee	\$25 - \$2000 (based on gross earnings)	
City Regulatory License Fee	\$0; \$125 - \$500	\$0; \$200 - \$2,000; or per-ride fee
PER DRIVER OR PER VEHICLE FEES – VARIES IF PAID BY COMPANY OR DRIVER		
State Business License Fee – for Independent Contractor (IC) drivers	\$19	\$19
City Business License (IC Drivers only)	\$25 - \$55 (or more based on gross earnings)	
State Taximeter inspection	\$25/vehicle	N/A
City Driver for-hire license and application fee	\$20 - \$50	Many cities do not issue licenses for individual TNC drivers and vehicles. (Seattle/King County does, paid for by per-ride fees)
City For-hire Vehicle License Fee	\$20 - \$500/vehicle	
City Fingerprinting and criminal background check	\$32 - \$38	Paid for by TNC
City For-hire vehicle inspection	\$35 - \$100	Paid for by TNC

Note: The city business license fee is based on gross earnings and is different from B&O tax.
Sources: DOL, 2018; DOR, 2018; review of city municipal codes and interviews with taxi/for-hire companies and TNCs.

Vehicle Inspections

Cities implement different vehicle safety inspection requirements. The inspections are often overseen by the police department, which may conduct its own checks or alternatively confirm that an ASE-certified mechanic has completed all checks in a specific list. Some cities follow the 19-point vehicle inspection list.³ Other jurisdictions, including Seattle and King County, maintain their own similar but slightly different safety inspection checklists and allow third-party certified ASE mechanics to inspect, while others do not list specific checks in their codes.

³ The 19-point inspection list includes: foot brakes; parking brakes; steering mechanism; windshield; rear window and other glass; windshield wipers; headlights; taillights; turn indicator lights; stop lights; front seat adjustment mechanism; doors (open, close, lock); horn; speedometer; bumpers; muffler and exhaust system; condition of tires, including tread depth; interior and exterior rear view mirrors; safety belts for driver and passenger(s).

Background Checks

In the absence of state requirements, cities have different taxi/for-hire background check requirements. Background checks often include fingerprinting with results forwarded to the Washington State Patrol for state criminal database checks and, if specified, the FBI for national criminal database checks. The background check could explicitly include national and/or state sex offender registries and driving record, but requirements vary by city. The background checks are also conducted at different points in the process.

In addition to 17 King County cities, 35 other Washington cities have taxi/for-hire regulations. Of those 35 cities, 16 cities require fingerprinting in their municipal codes. The municipal codes often do not specify what databases those checks include. If not specified, the background check includes Washington State criminal record databases but not FBI data.

Insurance Requirements

Many cities adopt state insurance requirements. Seattle, King County, and 12 cities outside of King County either adopt State law by reference or adopt the same insurance minimums as the State.

In the absence of insurance requirements in a local jurisdiction's code, State law still applies. State law requires that every for-hire operator carry single limit insurance coverage of \$325,000 or split limit coverage with minimums of \$300,000 for all persons killed or injured by an act of negligence, \$100,000 for death or personal injury by one person, and \$25,000 for property damage to property of any person other than the insured.⁴

While many cities adopt the state insurance requirement, some cities set higher insurance minimums, with nine cities implementing a \$50,000 property damage minimum and four cities adopting a \$500,000 combined limit in addition to specific minimums. Cities may also require an insurance policy written by insurance companies or admitted carriers in Washington with a minimum AM Best Rating. In addition to the state requirements, King County and Seattle require a minimum underinsured motorist coverage of \$100,000 per person and \$300,000 per accident.

Data Reporting

Cities often have data reporting and records retention requirements. These requirements vary in what data is collected, how many years are retained, and how often audits are conducted (and by which agency).

Enforcement

Cities have enforcement authority when authorized by municipal code, though the responsible agency varies. Common responsible agencies are the Police Department, City Council, City Clerk, or Licensing Manager. The enforcement tools often include revocation or suspension of licenses and/or monetary penalties.

⁴ [Chapter 46.72.050 RCW](#), [Chapter 46.72.040 RCW](#).

Washington State Law

State laws regulating taxis/for-hire vehicles are outlined in [Chapter 46.72 RCW](#) (*Transportation of Passengers in For-Hire Vehicles*) and [Chapter 81.72 RCW](#) (*Taxicab Companies*), as well as in [Chapter 208-89 WAC](#). While the Utilities and Transportation Commission (UTC) regulates many for-hire vehicle categories (excluding taxi and for-hire vehicles), the Department of Licensing (DOL) generally regulates limousines unless they seat more than 14.

Definition. For-hire vehicles are defined under [Chapter 46.72 RCW](#) to include all vehicles used for transporting passengers for compensation, with certain exclusions. Taxis fall under for-hire services, and state authorization for local regulation is granted in [Chapter 81.72 RCW](#). State law has been silent on whether TNCs are specifically covered by [Chapter 46.72 RCW](#). TNC insurance is separately regulated under [Chapter 48.177 RCW](#) (*Commercial Transportation Services*).

Permit. For-hire operators are required to obtain a permit from the Director of Licensing. If they are regulated by cities or counties in accordance with [Chapter 81.72 RCW](#), DOL waives the business permit fee (one-time \$110) but requires the vehicle permit fee (\$55 annually).

Local regulatory powers. Cities, towns, counties, and port districts of the state may license, control, and regulate privately operated taxicab transportation services operating within their respective jurisdictions.⁵ This local regulatory power includes:

- **Regulating entry** into the business of providing taxicab transportation services.
- **Requiring a license** to be purchased as a condition to operate a taxicab and the right to revoke, cancel, or refuse to reissue a license for failure to comply with regulatory requirements.
- **Controlling the rates charged** for providing taxicab transportation service and the manner in which rates are calculated and collected, including the establishment of zones as the basis for rates.
- **Regulating routes** of taxicabs, including restricting access to airports.
- Establishing **safety, equipment, and insurance** requirements.
- Any other requirements adopted to ensure safe and reliable taxicab service.

Insurance. State law requires that every for-hire operator carry single limit insurance coverage of \$325,000 or split limit coverage with minimums of \$300,000 for all persons killed or injured by an act of negligence, \$100,000 for death or personal injury by one person, and \$25,000 for property damage to property of any person other than the assured.⁶ While many cities adopt the state insurance requirement, some cities set higher insurance minimums.

Joint regulations. Departments, cities, counties, or port districts may enter into cooperative agreements with other cities, towns, counties, or port districts to jointly regulate for-hire vehicles. In King County, the City of Seattle and King County have a long-standing cooperative agreement to regulate the local for-hire transportation market. King County also contracts with 16 other cities and the Port of Seattle (Sea-Tac Airport) for for-hire regulatory services.

⁵ [Chapter 46.72.160 RCW](#).

⁶ [Chapter 46.72.050 RCW](#), [Chapter 46.72.040 RCW](#).

DEPARTMENT OF LICENSING

The Washington State Department of Licensing (DOL) requires a license from any individual or business that transports people for a fee in a for-hire vehicle, such as a taxi, cabulance, or any other vehicle used for transporting passengers for payment, except for the following cases:⁷

- Providing free transportation to/from parking lots, hotels, and rental offices.
- Exclusively driving school buses under contract with a school district.
- Driving ride-sharing vehicles.⁸
- Providing a service using a vehicle licensed through the Washington Utilities and Transportation Commission for nonprofit organizations that transport people with special needs and their attendant; act as an auto transportation company to transport passengers and their baggage or freight on regularly scheduled time and rates; or act as excursion service and charter carrier of passengers.
- Driving a licensed limousine and having a license through DOL to act as a limousine carrier.

DOL issues the license, and the Department of Revenue's Business Licensing Service (BLS) prints it on the business license they provide. BLS refers to the DOL licenses as "endorsements" to the business license. DOL prints the vehicle certificates.

Applicants can apply for a license by mail or online. An application requires:

- For Hire addendum – indicates if locally regulated.
- Vehicle registration certificates.
- Certificate of liability insurance.

Fees for a Specialty License:

- For-hire permit: \$110 (paid to DOL, required only if city or county does not license for-hire businesses).
- For-hire vehicle certificate: \$55 per vehicle (paid to DOL).
- Taximeter: \$25 per meter (this is through the Department of Agriculture's Weights and Measures program but is collected by BLS).

⁷ Department of Licensing, <http://www.dol.wa.gov/business/taxis/taxislicense.html>, accessed December 2018.

⁸ Ride-sharing vehicles here refer to carpools and vanpools as defined in [Chapter 46.74.010 RCW](#); not TNCs.

DEPARTMENT OF REVENUE

The Department of Revenue (DOR) collects various taxes from taxi/for-hire drivers and owners.

- **Public Utility Tax** is a tax on a business’s gross income and applies to drivers of taxicabs, airport shuttles, etc.
- **Business and Occupation (B&O) Tax** is a tax on a business’s gross income and applies to a wide variety of business activities, including automobile leasing.
- **Retail Sales Tax** is collected from customers by any business doing retail activities. A business that collects retail sales tax from customers must also pay B&O taxes.

Exhibit 5 summarizes the applicable taxes for independent taxi/for-hire drivers and owners who lease vehicles to independent drivers.⁹

Exhibit 5. State Taxes for Taxi/For-Hire Drivers and Owners

	PUBLIC UTILITY TAX	BUSINESS & OCCUPATION TAX	RETAIL SALES TAX
Independent taxi/for-hire drivers	<ul style="list-style-type: none"> ▪ Must pay to State, based on income, under Motor Transportation and/or Urban Transportation categories. ▪ Do not collect from customer. 	<ul style="list-style-type: none"> ▪ Do not pay. 	<ul style="list-style-type: none"> ▪ Must pay retail sales tax to taxicab owner based on lease payments. ▪ Do not collect from customer.
Taxi/for-hire owner who leases vehicle to independent driver	<ul style="list-style-type: none"> ▪ Do not pay. 	<ul style="list-style-type: none"> ▪ Must pay B&O tax to State for the lease income. 	<ul style="list-style-type: none"> ▪ Collect and remit sales tax from driver. ▪ Tax rate based on where vehicle primarily stored or garaged.

Sources: DOR, 2018; BERK, 2018.

Independent taxi/for-hire drivers must register with the DOR if their gross annual income is above \$12,000. Taxi/for-hire owners who lease vehicles to independent drivers must register with DOR regardless of income.

⁹ Department of Revenue, State Tax Reporting for Taxi Drivers and Related Businesses, <https://dor.wa.gov/sites/default/files/legacy/Docs/Pubs/IndustSpecific/TaxiLimoTaxBrochure.pdf>.

Local Regulations

Across the state, many local jurisdictions including cities, counties, and ports have set their own regulations on taxi/for-hire drivers, vehicles, and companies.

COUNTY CODES

King County is the only county in Washington State that regulates taxi/for-hires, in part to serve as a regional regulatory model. Pierce County requires City of Tacoma licensing for taxi/for-hire drivers, owners, and vehicles operating in unincorporated Pierce County, as outlined in *Pierce County Code Chapter 5.26 For-Hire Transportation*. Outside of these two counties, taxi/for-hires are largely regulated by cities.

KING COUNTY AND CITY OF SEATTLE

Over the last few decades, both the City of Seattle and King County have addressed various regulatory aspects of the taxi/for-hire industry, including setting fixed rates, continuing closed entry, imposing stricter vehicle and driver standards, and, in 2014, converting vehicle licenses to a medallion system.

King County and Seattle regulate the taxi/for-hire industry in King County through a cooperative agreement. Under that agreement, a broad division of labor exists where **King County conducts all taxi/for-hire driver related licensing** (on behalf of the County and the City) and the **City of Seattle conducts all taxi/for-hire vehicle licensing** (on behalf of the City and County). Regulations in King County and Seattle are generally and intentionally aligned, and require the following for operators (owners, drivers, and dispatch companies/associations):

Taxi/for-hire drivers:

- Hold a Washington driver's license.
- Obtain a for-hire driver's license through King County (which the City contracts with for licensing). Licenses must be renewed annually. King County's annual license fee for taxi/for-hire drivers is **\$45**, and the City of Seattle's annual license fee is **\$50**. Obtaining a license includes an annual criminal background check and driving history/Department of Motor Vehicles (DMV) report review, successful completion of driver training and testing (for initial license), annual medical self-certification, and payment of relevant fees (background check and DMV report fees in addition to license fees).
- Obtain a City of Seattle business license. Business license fees range from a low of \$55 for businesses with annual gross income of less than \$20,000 to a high of \$2,400 for businesses at or over \$5,000,000 (pro-rated licenses are available after July 1).¹⁰
- If operating a taxi, the driver must be affiliated with a licensed taxicab association.

Taxi/for-hire vehicle medallion owners:

- Operate under the City's and County's medallion system and be affiliated with a licensed taxicab association or for-hire company.

¹⁰ City of Seattle, 2019 Rates, [Ordinance 125083](#).

- Annually renew their City of Seattle and/or King County taxi or for-hire vehicle license (issued by the City). Annual licensing includes verification of insurance, successful completion of a vehicle safety inspection completed by a City approved third-party mechanic, and payment of relevant fees. The annual City license fee for taxi/for-hire vehicles is **\$500**. On February 1, 2015, taxi/for-hire vehicle licenses transitioned to the medallion system. The medallion owner owns the medallion but is still subject to annual licensing requirements and fees. For taxi/for-hire vehicles also licensed to operate in King County, the annual vehicle license fee effective July 1, 2018, is **\$200** (previously \$450).

Taxi associations:

- Hold an annual taxi association license issued by the City of Seattle: **\$1,000**.¹¹
- Hold a City of Seattle business license (based on gross income).
- In King County, register and pay an annual taxi association/for-hire company license fee, based on the number of vehicles. This license fee was changed on October 1, 2018:¹²
 - 15 vehicles: **\$125** (previously \$250).
 - 16-25 vehicles: **\$250** (previously \$500).
 - 26 or more vehicles: **\$500** (previously \$1,000).
- Must have a minimum of 15 vehicles.
- Collect the Wheelchair Accessible Surcharge of \$0.10 per trip.

For-hire companies:

- Hold a City of Seattle business license (based on gross income).
- In King County, register and pay an annual taxi association/for-hire company license fee, based on the number of vehicles. This license fee was changed on October 1, 2018:
 - 1-15 vehicles: **\$125** (previously \$250).
 - 16-25 vehicles: **\$250** (previously \$500).
 - 26 or more vehicles: **\$500** (previously \$1,000).
- No vehicle minimums.
- Collect the Wheelchair Accessible Surcharge of \$0.10 per trip.

These fees are different for TNCs. There is no TNC company license fee, and there is no individual driver application fee for a TNC vehicle endorsement or an individual TNC driver's license. Instead, a TNC licensing fee, assessed based on the number of trips provided by each company, is paid quarterly by the company. For all trips originating in the City of Seattle, the per-trip fee is \$0.14. For all trips originating in King County (outside of Seattle city limits), the per-trip fee is \$0.23.

An additional Wheelchair Accessible Surcharge of \$0.10 per trip is collected from the TNC each quarter (applies to taxi and for-hire vehicle trips as well). The surcharge is used to help offset the operational

¹¹ SMC 6.310.150.

¹² King County, Notice of Regulatory Fee Changes, <https://www.kingcounty.gov/depts/records-licensing/licensing/taxi-for-hire-transportation-networks/notices-regulations/Fee-Changes.aspx>, accessed December 2018.

costs incurred by owners and operators of wheelchair accessible taxi (WAT) and for-hire vehicles, including costs associated with purchasing and retrofitting an accessible vehicle, extra fuel and maintenance costs, and time involved in providing WAT trips. Funds are distributed by reimbursement for documented, itemized costs.

Exhibit 6 summarizes applicable driver, vehicle medallion owner, and association/company fees in King County and the City of Seattle.

Exhibit 6. Taxi/For-Hire Fees in King County and Seattle

WHO PAYS	FEE	COLLECTED BY	AMOUNT
Driver (<i>outside the licensing process initiated by TNCs</i>)	Driver's license application fee	King County	\$45
	Driver's training and testing	King County	\$0
	Fingerprinting and criminal background check (first time applicants)	King County	\$32
	Criminal background check (renewal or reactivation applicant)	King County	\$24
	Driver abstract (pass-through fee)	King County	\$16
	City of Seattle for-hire driver's license (if operating in Seattle)	King County	\$50
	City of Seattle business license	City of Seattle	\$55-\$2,400 based on gross income
Vehicle medallion owner	Vehicle license fee	City of Seattle	\$500/year
	Vehicle license fee	King County	\$200/year
	Taxi association/for-hire company regulatory license	King County	1-15 vehicles: \$125 16-25 vehicles: \$250 16 or more vehicles: \$500
Taxi association/for-hire company	Taxi association regulatory license	City of Seattle	\$1000/year
	City of Seattle business license	City of Seattle	\$55-\$2,400 based on gross income

Sources: Seattle Municipal Code 6.310, King County Code 6.64; City of Seattle Ordinance 125083; King County [Notice of Regulatory Fee Changes](#); Seattle [Taxicab Information Overview](#); Seattle [For-Hire Vehicle Information Overview](#); accessed December 2018.

Exhibit 7 summarizes King County and City of Seattle regulations for taxis, for-hire vehicles, and TNCs. Taxi and for-hire regulations are described in detail following the table.

Exhibit 7. King County and City of Seattle Regulations for Taxis, For-Hire Vehicles, and TNCs

	TAXIS	FOR-HIRE VEHICLES	TNCs
Association (Organization affiliation)	<ul style="list-style-type: none"> Must be licensed and affiliated with a single licensed taxi association. 	<ul style="list-style-type: none"> Must be licensed and affiliated with a single for-hire company. 	<ul style="list-style-type: none"> Must be licensed and affiliated with a TNC. TNC drivers and vehicles may affiliate with multiple TNCs and operate simultaneously on those TNCs.
Vehicle Marking	<ul style="list-style-type: none"> Vehicles must be painted one solid color with signs or lettering that include the words taxi, cab, or taxicab. Must meet taxi association’s approved color scheme. May use vehicle lighted top light. 	<ul style="list-style-type: none"> Vehicles must be painted more than one color. Must be clearly marked as “flat rate” and cannot be marked with the words “taxi,” “cab,” or “taxicab.” May not use vehicle top lights. 	<ul style="list-style-type: none"> Maintain TNC trade dress while active on TNC dispatch system. May not use vehicle top lights.
Rates/Fares	<ul style="list-style-type: none"> City and County set rates for fares, per mile or per minute, recorded by taximeter. Taxis may operate on an approved application dispatch system (smartphone “app”). If trip is provided through the app, taximeter is not engaged. Application dispatch systems are subject to the same requirements, including fare transparency, as those used by TNCs., and include the same rate flexibility. 	<ul style="list-style-type: none"> Charge a flat rate per trip, rather than metered fare. No meter inside the vehicle. Rates are filed annually. Rate books are required to be in the vehicle. For-hire vehicles may operate on an approved application dispatch system. If trip is provided through the app, rate book does not apply. Application dispatch systems are subject to the same requirements, including fare transparency, as those used by TNCs., and include the same rate flexibility. 	<ul style="list-style-type: none"> Must provide written documentation or demonstration on the application showing rate structure transparently to a rider prior to confirming a ride. Total fare or fare range must be displayed before confirming a ride Rate by distance or time must be clearly displayed before confirming ride on the app Application dispatch system must be reviewed and approved at initial company application and annually. Rates may fluctuate as long as they are transparent to the rider prior to accepting the ride.

	TAXIS	FOR-HIRE VEHICLES	TNCS
Taximeter	<ul style="list-style-type: none"> Must be equipped with a taximeter and receipt-issuing mobile data terminal or receipt-issuing application dispatch system. 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A
Business License	<ul style="list-style-type: none"> Seattle business license required for taxi associations and drivers, renewed annually. 	<ul style="list-style-type: none"> Seattle business license required for drivers, renewed annually. 	<ul style="list-style-type: none"> Seattle business license required for company and driver, renewed annually.
Association/Company Regulatory License	<ul style="list-style-type: none"> Association license and fee (City and County). 	<ul style="list-style-type: none"> Company fee (County only). 	<ul style="list-style-type: none"> TNC license (City and County).
Driver License	<ul style="list-style-type: none"> Valid Washington driver's license required (exceptions for students and active military). For-hire driver's license required. The City contracts with King County for taxi, for-hire, and TNC driver licensing. 		
Vehicle License	<ul style="list-style-type: none"> Vehicles must operate under medallion system with established caps that limit the number of medallions issued. 	<ul style="list-style-type: none"> Vehicles must have TNC Vehicle Endorsement. No cap on the number of vehicles. 	
Payment Options	<ul style="list-style-type: none"> Cash, credit card, taxi scrip, contract/account. 	<ul style="list-style-type: none"> Application dispatch system only (electronic only). 	
Ride requests	<ul style="list-style-type: none"> Can use dispatch system, be hailed from the street, or pre-arranged via an app. 	<ul style="list-style-type: none"> Must use online-enabled TNC app or platform to connect passengers with drivers. 	
Criminal Background Checks	<ul style="list-style-type: none"> Required of drivers and vehicle owners. Background checks may either be 1) conducted with fingerprints forwarded to the FBI and Washington State Patrol (WSP) or 2) conducted by an approved third-party vendor. 	<ul style="list-style-type: none"> Required of drivers. Background checks may either be 1) conducted with fingerprints forwarded to the FBI and WSP or 2) conducted by an approved third-party vendor. 	
Driver Record Checks	<ul style="list-style-type: none"> Required at initial application and annually. May be provided by Washington State Department of Licensing (driver abstract) or by an approved third-party vendor. 		
Driver Training and Testing	<ul style="list-style-type: none"> Drivers must complete driver's training and pass an examination administered by King County or by an approved taxi association, for-hire vehicle company, TNC, or third-party vendor. 		

	TAXIS	FOR-HIRE VEHICLES	TNCS
Insurance Requirements	<ul style="list-style-type: none"> Minimum bodily injury liability limits: at least \$100,000 per person, \$300,000 per accident, \$25,000 property damage. 		<ul style="list-style-type: none"> Insurance minimums per Chapter <u>48.177 RCW</u>. Prior to accepting ride: minimum limits of at least \$50,000 per person, \$100,000 per accident, and \$30,000 for property damage. During ride: combined single limit coverage of \$1,000,000 and underinsured motorist coverage in the amount of \$1,000,000.
	<ul style="list-style-type: none"> Uninsured motorist limits: \$100,000 per person, \$300,000 per accident. (For TNCs, only applies while active on TNC dispatch system.) 		
Vehicle Requirements	<ul style="list-style-type: none"> Pass uniform vehicle safety inspection by a City-approved mechanic. <10 years old (Seattle only; currently no age restriction for County). 		
	<ul style="list-style-type: none"> Equipped with monitored silent alarm system and a monitored GPS. 		<ul style="list-style-type: none"> TNC vehicle endorsement, renewed annually.
Data Reporting	<ul style="list-style-type: none"> Taxi associations, for-hire vehicle companies, and TNCs must maintain and retain records for two years, submit quarterly electronic data reports for all requested trips in the City and County. 		
Wheelchair Accessibility	<ul style="list-style-type: none"> Must pay 10 cents per trip to City or County Wheelchair Accessible Services Fund. Used to offset higher operational costs of wheelchair accessible taxi ("WAT") services for owners and operators. 		
Alcohol/Drug Use	<ul style="list-style-type: none"> Zero-tolerance policy. 		
Antidiscrimination	<ul style="list-style-type: none"> Discriminatory charges, rebates, or reduced fares (except by contract) are not allowed. Drivers cannot discriminate against passengers or potential passengers based on geographic endpoints of the ride, race, color, national origin, religious belief/affiliation, sex, disability, age, or sexual orientation/identity. 		<ul style="list-style-type: none"> Rating platform may not be based on unlawful discrimination. Drivers cannot discriminate against passengers or potential passengers based on geographic endpoints of the ride, race, color, national origin, religious belief/affiliation, sex, disability, age, or sexual orientation/identity.

Sources: King County Code 6.64; 2014 City Ordinance 124524; Seattle Municipal Code 6.310; City of Seattle Department of Finance and Administrative Services [Taxicab Information Overview](#); [For-Hire Vehicle Information Overview](#), accessed December 2018.

King County

King County maintains interlocal agreements with 16 other cities besides Seattle, as well as the Port of Seattle. King County's Records and Licensing Services (RALS) Division Director is responsible for licensing any taxi/for-hire companies and drivers who wish to operate in the following areas:¹³

- All of unincorporated King County.
- The Port of Seattle, including Sea-Tac Airport (requires additional Port authorization).
- Auburn, Bellevue, Burien, Covington, Enumclaw, Federal Way, Issaquah, Kenmore, Kent, Kirkland, Maple Valley, Redmond, Renton, Sammamish, SeaTac, Seattle, and Shoreline.

Regulations governing for-hire transportation are outlined in [King County Code Chapter 6.64](#). This section of code includes regulations pertaining to taxis, for-hires, and TNCs, and their respective associations, drivers, and vehicles.

Driver Licensing and Fees

Driver's License. Taxi/for-hire drivers must obtain a for-hire driver's license from King County. Licenses expire on the anniversary date of their original licensure each year and must be renewed annually. Licenses may be valid for both King County and the City of Seattle, King County only, or the City of Seattle only.

The application submitted to RALS must include documentation that drivers meet the for-hire license requirements.

For-hire driver's license requirements:

- Must be 21 years of age.
- Must possess a valid Washington State driver's license.
- Must self-certify physical and mental fitness to drive (with Director authority to require medical doctor certification).
- Must complete a one-time driver training program and examination.
- Must complete the National Safety Council's Defensive Driving Course (4-hour DDC).
- Must pass a criminal background check.
- Taxi/for-hire drivers and taxi associations must hold a valid City of Seattle business license.

King County lowered the for-hire driver licensing fee effective October 1, 2018 from \$90 to \$45 as authorized by [King County Code 4A.750.100](#), which sets fees but gives the Director the authority to change fees. In addition to the County and City licensing fees, the County collects pass-through fees for background checks and driving abstract reports that are remitted to the service providers (Washington State Patrol, approved third-party providers).

¹³ King County, <https://www.kingcounty.gov/depts/records-licensing/licensing/taxi-for-hire-transportation-networks.aspx>, accessed December 2018.

For-hire driver license application fees:¹⁴

- \$45 application fee (previously \$90).
- \$0 (no fee) for training and testing, provided online.
- \$32 for fingerprinting and criminal background check for first time applicants (pass-through fee).
- \$24 for a criminal background check for renewal or reactivation applicants (pass-through fee).
- \$16 for a driver abstract (pass-through fee).
- \$50 for a City of Seattle for-hire driver's license (required if operating in the City of Seattle).

This process is different from TNC drivers, who instead first apply for an annual for-hire driver “permit” initiating the process with the TNC. The companies provide training and testing as part of onboarding the driver and prior to being allowed to operate.

- The TNC collects a driver's required application information, runs and reviews a driving history report and criminal background check report, provides online driver training and testing, requires proof of completing the National Safety Council's Defensive Driving Course (4-hour DDC), and collects proof of an annual vehicle safety inspection and submits candidates deemed suitable by the TNC to the County for a for-hire driver's permit and vehicle endorsement.
- The underlying “permit” is essentially the equivalent of a for-hire driver's license, but the fee structure differs. There is no individual driver application fee for a TNC for-hire driver permit or an individual TNC license. Instead, a TNC licensing fee, assessed based on the number of trips provided by each company, is paid quarterly by the company. For all trips originating in unincorporated King County and the municipalities that contract with King County, the per-trip fee was \$0.35 until October 1, 2018 when it was reduced to \$0.23. For all trips originating in the City of Seattle, the per-trip fee is \$0.14.
- An additional Wheelchair Accessible Surcharge of \$0.10 per trip is collected from the TNC each quarter (applies to taxi and for-hire vehicles trips as well). The surcharge is used to help offset the operational costs incurred by owners and operators of wheelchair accessible taxi and for-hire vehicles.

Regulatory officials note that some taxi drivers instead apply for a for-hire permit, which then does not require an application fee but also allows driving a taxi.

Driver Training and Testing

To be licensed in King County, taxi/for-hire drivers are required to complete a driver examination prior to their initial application.¹⁵ The examination is conducted online. King County provides study materials and required online training to help prepare for the test. King County does not charge a fee to drivers for online training or for the examination.

- The Online For-Hire Examination includes 40 questions: 25 on geography and 15 on other topics.

¹⁴ King County, <https://kingcounty.gov/depts/records-licensing/licensing/taxi-for-hire-transportation-networks/driver/application-fees.aspx>, accessed December 2018.

¹⁵ KCC 6.64.570 and 6.64.580.

- A score of 80% or higher is required to pass.
- Applicants have 45 minutes to complete the exam.

This process is different for TNC drivers, where the companies provide the training and testing for drivers as part of onboarding the driver and prior to being allowed to operate.

Criminal Background Checks

To apply for a taxi/for-hire license, a driver must consent to a background check, which can be provided in one of two ways:¹⁶

- **Fingerprinting.** Applicants may be referred for fingerprinting, and a criminal background check request submitted for a state and federal background investigation per RCW 36.01.300.
- **Approved third-party.** Alternatively, applicants may have a copy of a criminal background check provided directly from a third-party approved by the County's Director of the Department of Executive Services (DES). These third-parties must include:
 - Local, state, and national databases.
 - Access at least five years of database history.
 - Demonstrate competency in providing accurate information.

Driving History/Abstract Review

A driver must provide, or authorize the Director to obtain, a driver abstract report from DOL. King County uses a third-party company to provide department of motor vehicle (DMV) driving history reports from the Driver License Compact, consisting of DMV driver data provided from 45 states, including Washington.

Vehicle/Medallion Requirements

Under the cooperative agreement between King County and Seattle, ***all taxi and for-hire vehicles are licensed by the City of Seattle*** (for the City and on behalf of the County).

See *City of Seattle Vehicle Requirements*, page 27.

Insurance Requirements

See *City of Seattle Insurance Requirements*, page 28.

Data Reporting

See *City of Seattle Data Reporting*, page 31.

¹⁶ KCC 6.64.520.

Drug and Alcohol Use

Drivers may not operate vehicles under the influence of alcohol, narcotics, drugs, or prescription or over-the-counter medication that could impair the driver's performance or jeopardize safety of passengers.¹⁷

Antidiscrimination

Drivers may not make any discriminatory charges, make any rebates, or reduce charges to any person.¹⁸ The exception is for companies that can contract for specific rates to serve senior citizens or individuals with disabilities.

Passenger Complaints

The County, Seattle, and the Port of Seattle share a taxi complaint line, 206-296-TAXI. This number is visibly displayed in all City and County taxis. All complaints are investigated. Results may include assessment of monetary civil penalties and/or temporary or permanent license suspension through a notice and order process.¹⁹

Taxi (Metered) Regulations

King County follows the same taxi rate requirements as Seattle. King County and Seattle establish rates per their respective codes.

See *City of Seattle Taxi (Metered) Regulations*, page 32.

For-Hire (Flat Rate) Regulations

See *City of Seattle For-Hire (Flat Rate) Regulations*, page 33.

¹⁷ KCC 6.64.660.

¹⁸ KCC 6.64.760.

¹⁹ King County 2017 Annual Taxi Report.

City of Seattle

The City of Seattle began to regulate the taxi industry in 1914 with goals of increasing jobs, reducing fares, and reducing administrative burden. While some objectives were achieved, the industry experienced unintended consequences over the next few decades related to increases in rates, declines in ridership, increases in vehicle ages, and declines in medallion values.²⁰ Seattle passed legislation in 1984 and 1987 that partially re-regulated the industry, capping the number of taxi licenses and establishing a rate ceiling to preserve provider revenues, reduce driver turnover, and help drivers and companies meet safety requirements, while maintaining reasonable fares and response time for the customer.

The City of Seattle regulates taxi and for-hire ownership, drivers, and associations under *2014 City Ordinance 124524* and [Seattle Municipal Code Section 6.310](#). Seattle refers to “taxis” as the metered, single-color vehicles and refers to “for-hire” as flat rate, multi-colored vehicles without taximeters. Most of Seattle’s regulations apply to both taxis and for-hire vehicles. Taxis and for-hire vehicles only differ in their marking, rates, taximeter requirement for taxis, and taxi association license.

The following regulations apply to both metered taxis and flat rate for-hires.

Driver Licensing and Fees

King County conducts all taxi/for-hire driver related licensing (on behalf of the County and the City).

Required licenses for drivers, vehicle owners, and associations are outlined in [Seattle Municipal Code 6.310.130](#). Fees are listed in [Seattle Municipal Code 6.310.150](#).

See *King County Driver Licensing and Fees*, page 23.

Driver Training and Testing

See *King County Driver Training and Testing*, page 24.

Criminal Background Checks

King County completes criminal background checks (on behalf of the County and the City).

See *King County Background Checks*, page 25.

Driving History/Abstract Review

See *King County Driving History/Abstract Review*, page 25.

Vehicle Requirements

Vehicles must be registered with the State of Washington and associated with either a taxi association or a for-hire vehicle company. All taxis, for-hire vehicles, and TNC vehicles must undergo a uniform vehicle safety inspection by a City-approved vehicle safety inspection mechanic.²¹

²⁰ Craig Leisy, Manager (Retired), Regulatory Compliance and Consumer Protection, City of Seattle, “Taxicab Deregulation and Reregulation in Seattle: Lessons Learned”, Presentation at International Association of Transportation Regulators Conference,” 2001.

²¹ SMC 6.310.330.J.

Safety certificate. All taxis and for-hire vehicles in King County and City of Seattle must have a certificate of safety by a mechanic approved by the Director of Finance and Administrative Services (FAS) with the City of Seattle. Seattle maintains a list of City-approved vehicle safety inspection mechanics on its website.²²

The City-approved mechanic must check the following:²³

- Foot brakes
- Emergency brakes
- Steering mechanism
- Windshield
- Rear window and other glass
- Windshield wipers
- Headlights
- Tail lights
- Turn indicator lights
- Stop lights
- Front seat adjustment mechanism
- Doors, including that doors properly open, close, and lock
- Horn
- Speedometer
- Bumpers
- Muffler and exhaust system
- Condition of tires, including tread depth
- Interior and exterior rear-view mirrors
- Safety belts and air bags for driver and a passenger or passengers
- Other items reasonably required by the Director

The vehicle owner or taxicab association must keep all maintenance and service records for three years.

Taximeter. Taxis must include a taximeter installed at the right side of the driver, either adjoining the cowl or dashboard, and except for special service vehicles, should only include one fare rate (two fare rates if operating in both the City and County). The taximeter is inspected annually by the City and following repair and/or replacement. Taximeter rates are set by regulation.

Taxi associations. Associations must have at least 15 affiliated vehicles to comply with licensing requirements in the City and County.

Vehicle age. In Seattle, taxi and for-hire vehicles must be no more than 10 years old.²⁴ King County currently has no an age restriction for vehicles.

Medallions

Both taxis and for-hire vehicle owners are required to own or lease a medallion. Owners can change the vehicle operating under a medallion without affecting that medallion. The medallion can be valid in the City, County, or both the City and County. The City of Seattle licenses King County and dual taxi and for-hire vehicles under contract for the County.

²² City of Seattle, <https://www.seattle.gov/business-regulations/taxis-for-hires-and-tncs/vehicle-safety-inspections>, accessed December 2018.

²³ KCC 6.64.360.

²⁴ SMC 6.310.320.C.

Medallion ownership. On February 1, 2015, all City taxi and for-hire vehicle licenses transitioned to the medallion system.²⁵ At that time, existing license holders received one medallion for each taxi or for-hire vehicle license after paying a \$100 one-time fee.²⁶ The City administered the medallion conversion process on behalf of King County.

The medallion system deems a taxi or for-hire vehicle license to be intangible property. Medallion owners have historically been able to use the medallion as collateral to secure a loan from a bank or other financial institution.

In 2014, the City of Seattle authorized 200 new taxi medallions to be issued over the following four years (35 medallions in 2015, and 55 medallions annually in 2016, 2017, and 2018). The 2018 taxi medallion lottery drawing was conducted on March 23, 2018. Those licenses that existed prior to 2015 were converted to medallions.²⁷

Current counts of medallions in Seattle are shown in Exhibit 8 below.

Exhibit 8. Medallion Count, 2018

	CITY ONLY	COUNTY ONLY	DUAL	TOTAL
For-Hire	0	273	198	471
Taxi	451	189	408	1,048

Source: City of Seattle, 2018.

Medallion leasing. Medallion owners (licensees) may lease to another party who wishes to use the medallion to place his or her own vehicle into service as a taxi/for-hire vehicle. While all medallions are owned by private entities (subject to licensing laws), some of those are then leased to other private persons. To lease a medallion, each medallion lessor must file a notarized Medallion Lease Summary Sheet with the City’s FAS Director.²⁸

Medallion value. The City of Seattle provided self-reported average taxi market values compiled from information reported on anonymous *Taxicab License Transfer Price* forms. Prior to conversion to the medallion system, taxi/for-hire vehicle licenses were transferrable, and owners could sell transfer rights. The conversion to the medallion system created an intangible property right that owners can borrow against. In general, values of licenses rose until around 2014, which is around the time the ordinance was changed to incorporate TNCs. Vehicle licenses were converted to medallions on February 1, 2015.

²⁵ SMC 6.310.315.A, KCC 6.64.101.A.

²⁶ City of Seattle, <https://www.seattle.gov/business-regulations/taxis-for-hires-and-tncs/medallions>, accessed December 2018.

²⁷ SMC 6.310.135.

²⁸ Medallion Lease Summary Sheet, <https://www.seattle.gov/Documents/Departments/FAS/RegulatoryServices/Medallion%20Transition/Medallion-lease-form.pdf>.

Below are a few trends from the self-reported data:²⁹

- The Seattle median taxi license/medallion value consistently hovered between \$100,000-\$150,000 between 2006 and 2014, then dropped over the next few years and was last reported at \$18,000 in the first half of 2017. The mean values were around the same.
- The King County median taxi license/medallion value consistently hovered between \$60,000-\$180,000 between 2006 and 2012, then decreased to the last reported value of \$15,000 in the first half of 2017. The mean values were around the same.
- The dual City/County median taxi license/medallion value hovered between \$135,000-\$204,000 between 2006 and 2014, then dropped over the next few years, and was last reported at \$32,000 in the first half of 2017. The mean values were around the same.

In addition to the conversion to medallions, additional medallions, and inclusion of TNCs, other factors, such as changes to the Port of Seattle's contracts for services at Sea-Tac Airport, may have affected the value of taxi medallions over the years. Prior to 2009, the Port of Seattle contract only required vehicles to have County licenses and required all vehicles to be taxis. As of 2009, a new contract required vehicles to have dual medallions and included both taxi and for-hire vehicles. In 2016, TNCs were authorized at the airport under a pilot program and now compete with taxis and other car services.

Medallion transfer. Owners can transfer a medallion to a new owner by completing and submitting a voluntary medallion transfer form to the Regulatory Compliance and Consumer Protection. Medallion owners are not charged for a change of ownership upon transfer if completed at license renewal time.³⁰

Medallion renewal. Medallion renewal requires:

- Medallion application.
- Vehicle registration in Washington State.
- Certificate of safety from a City-approved mechanic.
- Insurance binder.
- Proof of taxicab association membership.
- Consent to a criminal background check by all owners.

There is no medallion renewal fee. The 2018 medallion renewal period was from September 1 - November 30, 2018. This is an extension due to a new technology system to process renewals. The regular renewal schedule, April 1-June 30, resumes in 2019.

²⁹ Taxicab License Market Values, 1991-2017, provided by City of Seattle, 2018. The taxicab license market values were compiled from unverified information reported on anonymous *Taxicab License Transfer Price* forms submitted to the City of Seattle by taxicab licensees. There is no back up documentation to verify the purchase/sales prices. Prices may not be representative.

³⁰ SMC 6.310.150.2.C.iii.

Insurance Requirements

Vehicle License applicants (owners or medallion lessees) must submit proof of a vehicle insurance policy per [Chapter 46.72 RCW](#) (or [Chapter 48.177 RCW](#) if approved for the limited purpose of determining minimum insurance compliance). State law requires that every for-hire operator is required to deposit a surety bond of at least \$100,000 for one person, \$300,000 for on act of negligence, and \$25,000 for property damage.

The City of Seattle and King County also require the following:³¹

- Minimum underinsured motorist coverage of \$100,000 per person and \$300,000 per accident.
- Insurance policies must be issued by an admitted Washington carrier with an A.M. Best Rating of at least B VII.
- In King County, policies must name the County, its officers, officials, agents, and employees as an additional insured; in the City of Seattle, policies must name the City as an additional insured.
- Aggregate limits or named or named driver requirements or exclusions are not allowed.
- The insurer must notify the City, in writing, of any cancellation at least 30 days before the cancellation takes effect.

Data Reporting

All taxi associations, for-hire vehicle companies, and TNCs are required to maintain and retain accurate complete for two years and to submit quarterly electronic data reports for all requested trips in the City of Seattle and King County. This data includes:

- Total number of rides provided by each taxi/for-hire vehicle licensee or TNC.
- Type of dispatch for each ride, including whether by hail, telephone or application dispatch.
- Percentage or number of rides picked up in each zip code.
- Pickup and drop off zip code of each ride.
- Percentage by zip code of rides requested by telephone or application dispatch but not provided.
- Vehicle collisions, including the name of the driver, identification of the vehicle, collision fault, injuries and estimated damage.
- Number of requested rides for an accessible vehicle.
- Crimes against drivers.
- Passenger complaints.
- Any other data determined by the Directors of King County's DES and Seattle's FAS as necessary to ensure compliance. All reporting is submitted directly to the City.

City and County regulatory officials noted that compliance with data reporting requirements varies.

³¹ KCC 6.64.350, SMC 6.310.300.

Drug and Alcohol Use

See *King County Drug and Alcohol Use*, page 26.

Antidiscrimination

See *King County Antidiscrimination*, page 26.

Passenger Complaints

See *King County Passenger Complaints*, page 26.

Taxi (Metered) Regulations

Marking

Taxi vehicles must follow these requirements:

- Taxis must be painted **one solid color** with signs or lettering that include the words “taxi,” “cab,” or “taxicab.”
- Taxis must meet the taxi association’s approved color scheme.
- Taxis may use vehicle lighted top lights.
- Taxis must display the vehicle license plate on the rear exterior of the vehicle indicating the taxi vehicle number.
- Taxis must display the consumer complaint hotline providing consumer complaints to the City, County, and Port of Seattle.
- In King County, they must adhere to display standards for rates, consumer information boards, and an enlarged image of the current for-hire license.

Taxi Meter Rates

Taxi meter rates are set by the Directors of Seattle’s Department of FAS and King County’s DES.

- Drop charge: \$2.60 for passengers for the first one-ninth of a mile.
- Distance charge: \$2.70 per mile (\$0.30 for each one-ninth of a mile or fraction thereof after the first one-ninth of a mile).
- Time charge (charged when the taxi speed is less than 11 miles per hour, or when the customer asks the driver to wait): \$0.50 per minute (\$0.30 per 36 seconds).
- Additional per passenger charge for more than two persons, excluding children under 12 years old: \$0.50.

While these taxi rates are posted, the full calculated fare is not displayed until the ride reaches its destination.

Application dispatch system. Taxis may operate on an approved application dispatch system (mobile app or online app); if a trip is provided through the app, the taximeter is not engaged. If the taxi association is using an application dispatch system (which would allow a taxi, for-hire, or TNC to operate

without regulated fees), the rates must be transparent to the customer before the customer confirms the ride. This includes any variable fees or possible surcharges.

Wheelchair Accessible Services Fund. Taxis are required to pay a surcharge of 10 cents per ride for the Wheelchair Accessible Services Fund. This fee is included in the drop charge listed above.

Temporary fuel surcharge. To cover increased fuel costs, the Director of Seattle’s FAS may approve a temporary fuel surcharge rate to the meter rate any time the price of fuel published by American Automobile Association exceeds a fuel surcharge trigger charge established by the Director.

Sea-Tac Airport. Taxis are required to charge a flat rate for trips to Sea-Tac Airport from the downtown Seattle hotel district unless the vehicle is using an application dispatch system. The rate must be filed with the Director of Seattle’s FAS and displayed conspicuously in the taxi.

Coupons or discounts are not allowed, except when the taxi is using an application dispatch system or when the rates are covered by a contract.

Association

Taxis must be licensed and affiliated with a licensed taxi association.

Taximeter

Taxi vehicles must be equipped with a receipt-issuing taximeter and data terminal or application dispatch system.

For-Hire (Flat Rate) Regulations

Marking

For-hire (flat rate) vehicles must be painted more than one color. They must be clearly marked as “flat rate” and cannot be marked with the words “taxi,” “cab,” or “taxicab.” Additionally:

- For-hire vehicles may not use vehicle top lights.
- For-hire vehicles must display the consumer complaint hotline providing consumer complaints to the City, County, and Port of Seattle.
- In King County, for-hire vehicles must adhere to display standards for rates, consumer information boards, and an enlarged image of the current for-hire license.

For-Hire Rates

If the for-hire vehicle company is **not** using an online dispatch application, the company must file all rates and charges with the Director of Seattle’s Department of FAS. This includes any rate structures that vary by time of day. All rates and charges, including any senior citizen discount rates, must be clearly displayed in the inside of the for-hire vehicle.

- Charges for services must be based on one of the following:
 - Written contract.
 - Flat rate per trip.
 - By zone, with zone boundaries established for all for-hire vehicle companies by FAS.
 - By an hourly rate with minimum increments of one half-hour.

- Charges by zone or hourly rates may vary by time of day.
- Coupons or discounts are not allowed, except when using an application dispatch system.
- If the for-hire vehicle company is using an online dispatch application, the rates must be transparent to the customer.

For flat rate rides, the customer will know the total fare before beginning a trip.

Application dispatch system. For-hire vehicles may operate on an approved application dispatch system. If a trip is provided through the app, the rate book does not apply. If the for-hire vehicle company is using an application dispatch system, the rates must be transparent to the customer before the customer confirms the ride. This includes any variable fees or possible surcharges.

Wheelchair Accessible Services Fund. For-hire companies are required to pay a surcharge of 10 cents per ride for the Wheelchair Accessible Services Fund.

King County Cities

As previously discussed, King County’s licensing jurisdiction includes unincorporated King County, 17 cities (including Seattle), and the Port of Seattle.

- Thirteen cities explicitly adopt *King County Code* by reference; as a result, as *King County Code* changes, the cities’ codes also change accordingly, giving King County licensing and enforcement authority while also retaining some enforcement authority at the local level.
- Three cities adopt *King County Code* in substantially similar language, and those cities’ codes must be updated each time *King County Code* is changed.
- Seattle’s code is substantially similar to King County’s but also includes elements unique to the City.

In addition to the County license, some cities also require a separate City business license. See **Appendix B. Jurisdictions Adopting King County Code** for a summary of King County cities, including whether they explicitly adopt *King County Code* 6.64.

MUNICIPAL CODES THROUGHOUT WASHINGTON STATE

This exhibit summarizes key regulatory areas of municipal taxi and for-hire codes across Washington. King County cities are separately summarized in **Appendix B. Jurisdictions Adopting King County Code**. This table summarizes regulations that are explicitly described in municipal codes and relevant ordinances and/or fee charts.

Exhibit 9. Summary of Local Jurisdiction Taxi and For-Hire Codes: Cities Outside King County

	LICENSES	BACKGROUND CHECKS	VEHICLE REQUIREMENTS	INSURANCE	RECORDS	DRUG / ALCOHOL	ENFORCEMENT
Bellingham	<ul style="list-style-type: none"> ▪ Business license: \$40 (one-time); state application fee \$19 ▪ City driver's license: \$20/yr ▪ Vehicle license: \$20/vehicle/yr 	<ul style="list-style-type: none"> ▪ Fingerprinting/background check (City Police): \$35 fee 	<ul style="list-style-type: none"> ▪ Inspected by Police department ▪ \$35 inspection; \$20/yr reinspection 	<ul style="list-style-type: none"> ▪ \$100,000 personal ▪ \$300,000 accident ▪ \$50,000 property damage 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ Enforced by Police Department ▪ Misdemeanor; fine/imprisonment
Bremerton	<ul style="list-style-type: none"> ▪ Business license: \$75/yr ▪ Taxi certificate: \$30/yr ▪ For-hire driver's certificate: \$30/yr ▪ Vehicle license: \$10/vehicle/yr 	<ul style="list-style-type: none"> ▪ Fingerprinting/background check (City Police): \$10 background check; \$10 fingerprints 	<ul style="list-style-type: none"> ▪ Inspected by Police Chief ▪ Police may order inspection by certified mechanic 	<ul style="list-style-type: none"> ▪ Per State law 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ Prohibited 	<ul style="list-style-type: none"> ▪ Enforced by Police Chief ▪ Misdemeanor; suspend/revoke license
Camas	<ul style="list-style-type: none"> ▪ Taxi license: \$42/yr + \$13/vehicle ▪ Driver's license: \$6/yr 	<ul style="list-style-type: none"> ▪ Fingerprinting/background check (City Police): \$5 fee 	<ul style="list-style-type: none"> ▪ Inspected by Police department ▪ Must comply with State law 	<ul style="list-style-type: none"> ▪ Per State law 	<ul style="list-style-type: none"> ▪ Must retain records, submit annually to City Council 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ Enforced by Police Department ▪ Misdemeanor; fine/imprisonment

	LICENSES	BACKGROUND CHECKS	VEHICLE REQUIREMENTS	INSURANCE	RECORDS	DRUG / ALCOHOL	ENFORCEMENT
Edmonds	<ul style="list-style-type: none"> Business operator's license: \$100 investigation fee; \$30/vehicle/yr Drivers: \$20 investigation fee; \$5/yr 	<ul style="list-style-type: none"> Police will investigate applicant 	<ul style="list-style-type: none"> <i>Not described</i> 	<ul style="list-style-type: none"> Per State law 	<ul style="list-style-type: none"> <i>Not described</i> 	<ul style="list-style-type: none"> <i>Not described</i> 	<ul style="list-style-type: none"> Enforced by City Suspend/revoke license
Everett	<ul style="list-style-type: none"> City business license: \$75/yr For-hire license: 10 or fewer drivers: \$500/yr; more than 10 drivers: \$1000/yr 	<ul style="list-style-type: none"> Criminal background check 	<ul style="list-style-type: none"> Inspected by independent ASE-certified mechanic 	<ul style="list-style-type: none"> Per State law 	<ul style="list-style-type: none"> Must retain 6 yrs of data Random audits 	<ul style="list-style-type: none"> Zero-tolerance policy 	<ul style="list-style-type: none"> Enforced by City Clerk and Police Department Suspend/revoke license
Forks	<ul style="list-style-type: none"> City license: \$100/2 yrs 	<ul style="list-style-type: none"> <i>Not described</i> 	<ul style="list-style-type: none"> Must be in good condition 	<ul style="list-style-type: none"> Per State law 	<ul style="list-style-type: none"> <i>Not described</i> 	<ul style="list-style-type: none"> <i>Not described</i> 	<ul style="list-style-type: none"> Enforced by City Revoke license
Kelso	<ul style="list-style-type: none"> City license: new \$160 + \$10/vehicle/yr; renew \$120 + \$10/vehicle/yr Driver license: new \$50; renew \$35/yr 	<ul style="list-style-type: none"> Driver background and training 	<ul style="list-style-type: none"> Per industry practices 	<ul style="list-style-type: none"> Per industry practices 	<ul style="list-style-type: none"> Subject to audit 	<ul style="list-style-type: none"> <i>Not described</i> 	<ul style="list-style-type: none"> Enforced by City Council Misdemeanor; suspend/revoke license; fine/imprisonment

	LICENSES	BACKGROUND CHECKS	VEHICLE REQUIREMENTS	INSURANCE	RECORDS	DRUG / ALCOHOL	ENFORCEMENT
Kennewick	<ul style="list-style-type: none"> Business license: 10 or fewer drivers \$300/yr; 11-40 drivers \$700/yr; 41 or more drivers \$2,000/yr Driver license: \$55/yr 	<ul style="list-style-type: none"> Criminal background check (taxi company/third-party) 	<ul style="list-style-type: none"> Inspected by ASE-certified mechanic 	Either <ul style="list-style-type: none"> \$100,000 personal \$300,000 accident \$50,000 property damage Or <ul style="list-style-type: none"> \$500,000 combined 	<ul style="list-style-type: none"> Must keep records of all trips in 1 year 	<ul style="list-style-type: none"> Zero-tolerance policy 	<ul style="list-style-type: none"> Enforced by License Officer and Police Department Suspend/revoke license; fine
Lacey	<ul style="list-style-type: none"> Business license: \$25 (one-time) Vehicle license: \$30/vehicle (reduced to \$10 if licensed in Olympia or Tumwater) Drivers Occupational Permit: new \$70 (permit + background check); renew \$30/yr Honors occupational permits issued by Olympia, Tumwater, Yelm 	<ul style="list-style-type: none"> Fingerprinting/criminal background check (Police/WSP/FBI) / 3 yrs 	<ul style="list-style-type: none"> Must be safe 	<ul style="list-style-type: none"> Per State law 	<ul style="list-style-type: none"> Not described 	<ul style="list-style-type: none"> Not described 	<ul style="list-style-type: none"> Enforced by City Misdemeanor
Lake Stevens	<ul style="list-style-type: none"> Business license: new \$40, renew \$25/yr 	<ul style="list-style-type: none"> City Planning and Community Development Department will investigate drivers 	<ul style="list-style-type: none"> Inspected by Police Department 	<ul style="list-style-type: none"> Per State law 	<ul style="list-style-type: none"> Must record all trips Subject to inspection 	<ul style="list-style-type: none"> Not described 	<ul style="list-style-type: none"> Enforced by City Misdemeanor; fine/imprisonment

	LICENSES	BACKGROUND CHECKS	VEHICLE REQUIREMENTS	INSURANCE	RECORDS	DRUG / ALCOHOL	ENFORCEMENT
Longview	<ul style="list-style-type: none"> Transportation License: 10 or fewer drivers \$300/yr; 11-40 drivers \$700/yr; 41 or more drivers \$2,000/yr 	<ul style="list-style-type: none"> Criminal background check (taxi company/TNC /third-party) Driver license history check 	<ul style="list-style-type: none"> Inspected by approved mechanic 	<ul style="list-style-type: none"> Per State law 	<ul style="list-style-type: none"> Must retain records of all trips for 1 year City may audit 	<ul style="list-style-type: none"> Zero-tolerance policy 	<ul style="list-style-type: none"> Enforced by City Manager Suspend/revoke license
Lynnwood	<ul style="list-style-type: none"> Business license: \$175/yr Vehicle license: \$20/vehicle/yr 	<ul style="list-style-type: none"> Fingerprinting/background check: new \$56 	<ul style="list-style-type: none"> Inspected by certified mechanic 	<ul style="list-style-type: none"> Per State law 	<ul style="list-style-type: none"> Must record all trips 	<ul style="list-style-type: none"> Prohibited 	<ul style="list-style-type: none"> Enforced by City's Community Development Director Suspend/revoke license; misdemeanor fine/imprisonment
Marysville	<ul style="list-style-type: none"> Business license: \$165/yr Driver's permit: new \$45; renew \$35/yr 	<ul style="list-style-type: none"> Fingerprinting/background check (City Police) 	<ul style="list-style-type: none"> Subject to inspection by Police Chief 	<ul style="list-style-type: none"> \$100,000 personal \$300,000 accident \$50,000 property damage 	<ul style="list-style-type: none"> Must record all trips 	<ul style="list-style-type: none"> <i>Not described</i> 	<ul style="list-style-type: none"> Enforced by City Suspend/revoke license

	LICENSES	BACKGROUND CHECKS	VEHICLE REQUIREMENTS	INSURANCE	RECORDS	DRUG / ALCOHOL	ENFORCEMENT
Monroe	<ul style="list-style-type: none"> ▪ Business license: \$50/yr ▪ Application fee: \$15 (one-time, applied to license fee if approved) ▪ City taxi license: \$50/yr for first vehicle + \$10/yr for additional vehicles ▪ Drivers: new \$20 application fee (includes fingerprint); renew \$5/yr 	<ul style="list-style-type: none"> ▪ Fingerprinting/background check (City Police) 	<ul style="list-style-type: none"> ▪ Subject to inspection at all times by Chief of Police 	<ul style="list-style-type: none"> ▪ \$100,000 personal ▪ \$300,000 accident ▪ \$50,000 property damage ▪ \$15,000/person & \$30,000/accident uninsured motorist 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ Enforced by City ▪ Suspend/revoke license
Moses Lake	<ul style="list-style-type: none"> ▪ Business license: \$85/yr ▪ Taxi driver's license: \$85/yr 	<ul style="list-style-type: none"> ▪ Fingerprinting/background check: \$20 criminal history check; \$15 fingerprinting 	<ul style="list-style-type: none"> ▪ Must be in safe condition per RCW 46.72 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ Enforced by City ▪ Civil infraction; suspend/revoke license
Mount Vernon	<ul style="list-style-type: none"> ▪ City license: \$75/yr + \$25/vehicle/yr 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ Per State law 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ Enforced by City ▪ Misdemeanor
Oak Harbor	<ul style="list-style-type: none"> ▪ City taxi license: \$50/yr (first two vehicles); \$25/yr (each additional vehicle) 	<ul style="list-style-type: none"> ▪ Criminal background check 	<ul style="list-style-type: none"> ▪ Subject to inspection by Chief of Police 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ Enforced by City Council ▪ Cancel license
Okanogan	<ul style="list-style-type: none"> ▪ City license: \$40/yr 	<ul style="list-style-type: none"> ▪ Criminal background check and driving record (City Police) 	<ul style="list-style-type: none"> ▪ Inspected by Police 	<ul style="list-style-type: none"> ▪ Adequate insurance required 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ Enforced by City Council ▪ Revoke/suspend license; misdemeanor, fine

	LICENSES	BACKGROUND CHECKS	VEHICLE REQUIREMENTS	INSURANCE	RECORDS	DRUG / ALCOHOL	ENFORCEMENT
Olympia	<ul style="list-style-type: none"> ▪ Business license: new \$30, renew \$30/yr ▪ Vehicle license: \$30/yr (reduced to \$10 if licensed in Lacey or Tumwater) ▪ Drivers Occupational Permit: new \$70 (permit + background check); renew \$30/yr ▪ Honors occupational permits issued by Lacey, Tumwater, Yelm 	<ul style="list-style-type: none"> ▪ Fingerprinting and criminal background check (City Police) / 3 yrs 	<ul style="list-style-type: none"> ▪ Must be safe condition ▪ May be inspected by Police 	<ul style="list-style-type: none"> ▪ \$500,000 for each occurrence 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ Prohibited 	<ul style="list-style-type: none"> ▪ Enforced by City ▪ Misdemeanor; fine/imprisonment
Omak	<ul style="list-style-type: none"> ▪ City taxi license: \$30/yr + Chauffeur Fee \$15/yr/vehicle ▪ Maximum of two carriers 	<ul style="list-style-type: none"> ▪ Criminal background check (City Police) 	<ul style="list-style-type: none"> ▪ Inspected by Police 	<ul style="list-style-type: none"> ▪ Insurance required. 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ Enforced by City ▪ Civil infraction; suspend/revoke license
Pasco	<ul style="list-style-type: none"> ▪ For-hire company business license: 10 or fewer drivers: \$300/yr; 11-40 drivers: \$700/yr; 41 or more drivers: \$2,000/yr ▪ Driver's business license: \$40/yr 	<ul style="list-style-type: none"> ▪ Fingerprinting/ criminal background check (City Police) 	<ul style="list-style-type: none"> ▪ Inspected by ASE-certified mechanic 	Either <ul style="list-style-type: none"> ▪ \$100,000 personal ▪ \$300,000 accident ▪ \$50,000 property damage Or <ul style="list-style-type: none"> ▪ \$500,000 combined 	<ul style="list-style-type: none"> ▪ Must keep trip records for 1 yr ▪ Must keep driver records for 1 yr after 	<ul style="list-style-type: none"> ▪ Zero-tolerance policy 	<ul style="list-style-type: none"> ▪ Enforced by Licensing Officer and Police Department ▪ Suspend/revoke license; fine

	LICENSES	BACKGROUND CHECKS	VEHICLE REQUIREMENTS	INSURANCE	RECORDS	DRUG / ALCOHOL	ENFORCEMENT
Port Orchard	<ul style="list-style-type: none"> ▪ Driver's license: \$30/yr ▪ Vehicle permit: \$20/yr 	<ul style="list-style-type: none"> ▪ Fingerprinting (City Police) 	<ul style="list-style-type: none"> ▪ Inspected by Police ▪ Police can order inspection by certified mechanic if cause to believe not safe 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ Must retain trip records for at least 3 yrs 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ Enforced by City Council ▪ Suspend/revoke license; fines
Port Townsend	<ul style="list-style-type: none"> ▪ Business license: \$100/yr + \$50/yr additional vehicle ▪ Driver fee: \$50/driver/yr 	<ul style="list-style-type: none"> ▪ Criminal background check (City Police) 	<ul style="list-style-type: none"> ▪ Inspected by certified mechanic ▪ May be inspected by Police 	<ul style="list-style-type: none"> ▪ Per State law 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ Prohibited 	<ul style="list-style-type: none"> ▪ Enforced by City ▪ Suspend/revoke license
Pullman	<ul style="list-style-type: none"> ▪ Transportation License: 10 or fewer drivers \$300/yr; 11-40 drivers \$700/yr; over 41 drivers \$2,000/yr 	<ul style="list-style-type: none"> ▪ Criminal background check (Taxi company/certified third-party) 	<ul style="list-style-type: none"> ▪ Inspected by approved mechanic 	Either <ul style="list-style-type: none"> ▪ \$100,000 personal ▪ \$300,000 accident ▪ \$50,000 property damage Or <ul style="list-style-type: none"> ▪ \$500,000 combined 	<ul style="list-style-type: none"> ▪ Must retain records of all trips for 1 yr ▪ City may audit 	<ul style="list-style-type: none"> ▪ Zero-tolerance policy 	<ul style="list-style-type: none"> ▪ Enforced by License Officer ▪ Suspend/revoke license
Quincy	<ul style="list-style-type: none"> ▪ City license: \$15/yr application fee, \$5/additional vehicle/yr ▪ Driver examination fee: \$2.50 (one-time) 	<ul style="list-style-type: none"> ▪ City Council will investigate driver background 	<ul style="list-style-type: none"> ▪ Inspected by City Council 	<ul style="list-style-type: none"> ▪ Insurance required 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ Enforced by City Council ▪ Civil infraction; suspend/revoke license

	LICENSES	BACKGROUND CHECKS	VEHICLE REQUIREMENTS	INSURANCE	RECORDS	DRUG / ALCOHOL	ENFORCEMENT
Richland	<ul style="list-style-type: none"> Business license: 10 or fewer drivers \$300/yr; 11-40 drivers \$700/yr; over 41 drivers \$2,000/yr 	<ul style="list-style-type: none"> Criminal background check (Taxi company/TNC / third-party) 	<ul style="list-style-type: none"> Inspected by certified mechanic 	Either <ul style="list-style-type: none"> \$100,000 personal \$300,000 accident \$50,000 property damage Or <ul style="list-style-type: none"> \$500,000 combined 	<ul style="list-style-type: none"> Must retain records at least 1 yr 	<ul style="list-style-type: none"> Zero-tolerance policy 	<ul style="list-style-type: none"> Enforced by License Officer Suspend/revoke license; fine
Spokane	<ul style="list-style-type: none"> Vehicle license: \$100/yr Driver's license: \$44/yr Taximeter registration fee: \$25/yr 	<ul style="list-style-type: none"> Fingerprinting, medical exam, drug screen (City Police) 	<ul style="list-style-type: none"> Inspected by Licensing Officer/Police Vehicle inspection fee: \$100 	<ul style="list-style-type: none"> Per State law 	<ul style="list-style-type: none"> Must retain records 5 yrs 	<ul style="list-style-type: none"> <i>Not described</i> 	<ul style="list-style-type: none"> Enforced by Licensing Officer Civil infraction
Sunnyside	<ul style="list-style-type: none"> Application fee: \$200 (one-time) City license: \$50/yr/operator 	<ul style="list-style-type: none"> Criminal history records check (City Police) 	<ul style="list-style-type: none"> Inspected by certified mechanic 	<ul style="list-style-type: none"> \$100,000 personal \$300,000 accident \$50,000 property damage 	<ul style="list-style-type: none"> <i>Not described</i> 	<ul style="list-style-type: none"> Prohibited 	<ul style="list-style-type: none"> Enforced by City Manager Suspend/revoke license

	LICENSES	BACKGROUND CHECKS	VEHICLE REQUIREMENTS	INSURANCE	RECORDS	DRUG / ALCOHOL	ENFORCEMENT
Tacoma	<ul style="list-style-type: none"> ▪ Business license: \$25/yr for annual gross income of \$12,000 or less; \$110/yr for income \$12,000-\$250,000; \$250/yr for income over \$250,000 ▪ Driver's license: \$50 for 2 yrs ▪ Vehicle license: \$75/yr ▪ Taximeter inspection: \$50/yr 	<ul style="list-style-type: none"> ▪ Fingerprinting/criminal background check (WSP/FBI/third-party) 	<ul style="list-style-type: none"> ▪ Inspected by certified mechanic 	<ul style="list-style-type: none"> ▪ Per State law 	<ul style="list-style-type: none"> ▪ City may examine dispatch and trip records 	<ul style="list-style-type: none"> ▪ Zero-tolerance policy 	<ul style="list-style-type: none"> ▪ Enforced by City ▪ Suspend/revoke license
Toppenish	<ul style="list-style-type: none"> ▪ Business license: \$50/yr for 1-2 employees, \$10/yr for additional employee, up to \$600 	<ul style="list-style-type: none"> ▪ Police Department will investigate applicants 	<ul style="list-style-type: none"> ▪ Vehicle must be in good condition 	<ul style="list-style-type: none"> ▪ Insurance required 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ Enforced by City ▪ Infraction
Tumwater	<ul style="list-style-type: none"> ▪ Business license: new \$50, renew \$20/yr ▪ Drivers Occupational Permit: new \$70 (permit + background check); renew \$30/yr ▪ Honors occupational permit issued by Olympia, Lacey, Yelm 	<ul style="list-style-type: none"> ▪ Fingerprinting/criminal background check (City Police/WSP/FBI) / 3 yrs 	<ul style="list-style-type: none"> ▪ May be inspected if passenger complaint 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ Enforced by City ▪ Misdemeanor

	LICENSES	BACKGROUND CHECKS	VEHICLE REQUIREMENTS	INSURANCE	RECORDS	DRUG / ALCOHOL	ENFORCEMENT
Vancouver	<ul style="list-style-type: none"> ▪ Taxi company: Special License \$200/yr ▪ Business license: no fee if gross annual income under \$12,000, \$200 + \$90/FTE if gross annual income over \$12,000; \$19 state application fee (one-time) 	<ul style="list-style-type: none"> ▪ Driving history and criminal background check 	<ul style="list-style-type: none"> ▪ Inspected by ASE-certified mechanic ▪ Accepts safety certificate issued in accordance with Portland City Code 	<ul style="list-style-type: none"> ▪ \$100,000 personal ▪ \$300,000 accident ▪ \$50,000 property damage 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ Enforced by City Manager/Police
Walla Walla	<ul style="list-style-type: none"> ▪ Business license: \$50 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ Insurance required 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ Enforced by City ▪ Misdemeanor
Yakima	<ul style="list-style-type: none"> ▪ Business license: \$42.90/yr ▪ Taxi license: \$55/yr ▪ City driver's license: \$11 + \$10 application fee ▪ Licenses limited to one taxi per 2,000 population 	<ul style="list-style-type: none"> ▪ Fingerprinting/criminal background check (City Police/WSP/FBI): \$12 background check, \$10 fingerprinting, \$38 WSP 	<ul style="list-style-type: none"> ▪ Inspected by ASE-certified mechanic or Yakima Police Department 	<ul style="list-style-type: none"> ▪ Per State law 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ Prohibited 	<ul style="list-style-type: none"> ▪ Enforced by City Manager ▪ Misdemeanor
Yelm	<ul style="list-style-type: none"> ▪ Business license: new \$35, renew \$25 ▪ Drivers Occupational Permit: new \$70 (permit + background check) ▪ Honors occupational permits issued by Olympia, Tumwater, Lacey 	<ul style="list-style-type: none"> ▪ Fingerprinting and criminal background check (City Police) / 3 yrs 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ <i>Not described</i> 	<ul style="list-style-type: none"> ▪ Enforced by City ▪ Misdemeanor

AIRPORTS

Seattle-Tacoma International Airport (Port of Seattle)

The Port of Seattle regulates taxis, for-hires, and TNCs out of Seattle-Tacoma International Airport (Sea-Tac Airport). The Port maintains an interlocal agreement with King County for enforcement and licensing. All operators starting a business at Sea-Tac Airport are required to have a current agreement on file. There are two general types of commercial transportation service, on-demand and pre-arranged. On-demand providers include taxis, flat rate, limos, and TNCs. Pre-arranged providers include limos, TNCs, shuttles, airporters, crew vans, and some taxis (belled in).

Belled-In For-Hire Service

Belled-in/For-Hire Cabs are vehicles responding to a pre-arranged pickup request. The Port of Seattle does not restrict the number of vehicles that may participate as a Belled-In Taxi. Authorized service providers include those that are a for-hire vehicle service authorized by King County pursuant to [Chapter 46.72 RCW](#) and/or [Chapter 81.72 RCW](#), where the operator transports passengers that pre-arrange transportation from the airport. Pre-arrangement is made directly with the driver or dispatched from a taxi company dispatch center.³² Permitted Belled-In/For-Hire Cabs may pick up on the Arrival Drive.

Application. To apply for a Belled-In For-Hire permit to operate at Sea-Tac Airport, a vehicle owner needs to submit the following:

- Current vehicle registration.
- Current DOL Certificate.
- Certificate of liability insurance, with the certificate holder made out to Port of Seattle.
- Current driver's license.
- Current For-Hire Driver's License/For-Hire Permit issued by King County or Chauffeur Credential Badge.

Fee. The fee for belled-in taxis is \$660 for an annual per-vehicle permit.³³

On-Demand Taxi/For-Hire Service

On-Demand Taxi/For-Hire vehicles provide services without pre-arranged customers. The Port of Seattle currently has an exclusive contract with **Eastside for Hire** (ESFH) for on-demand taxi/flat rate for-hire services. *E-Cab* is their metered taxi service, and *Flat Rate For Hire* is their for-hire service. The contract required ESHF to initially provide a minimum of 300 vehicles using both metered taxis and flat rate for-hire vehicles.

Background. After issuing a Request for Proposals in 2016, the Port announced ESHF as the winner of the competitive process. The criteria included factors such as customer service levels, deadhead trip reduction targets, environmental impact goals, trip fees, and Port revenues, among others.

³² Port of Seattle, Notification of New Operating Agreement Requirements, June 2018, <https://www.portseattle.org/sites/default/files/2018-05/Belled-In%20packet.pdf>.

³³ Port of Seattle, Schedule of Ground Transportation Service Charges, <https://www.portseattle.org/sites/default/files/2018-05/2018%20Tariff.pdf>.

Prior to this:

- In 2015, months before the end of the previous contract, the Port had proposed extending the existing contract holder to allow taxi service companies more time to understand the potential impact of TNCs on their business, but non-contracted taxi service companies rejected that recommendation.
- In early 2016, the Port issued the on-demand RFP while a separate pilot program was developed for TNCs, which commenced March 31, 2016.
- Later that year, the Port issued an addendum (Addendum 5) to the RFP allowing responders to amend their financial proposals based on early data reflecting introduction of TNCs and their effects to the on-demand providers. Three of the five respondents reduced their financial proposal to the Port.³⁴

Contract. ESFH is a Tukwila-based business providing management, advocacy, technological support, and dispatching services to over 1,000 licensed taxi and flat rate for-hire vehicle owners and operators. ESFH hired Standard Parking (SP+) to run the day-to-day curbside operations. The new contract started on October 1, 2016, with ESFH taking over from the previous contractor, Puget Sound Dispatch/Yellow Cab.

The contract includes the following details:³⁵

- A three-year contract with options to extend for two one-year periods.
- 61% percent taxis, 39% flat rate, for-hire vehicles, and up to 50 wheelchair accessible vehicles.
- Vehicles meeting 45 MPG or greater standards.
- A maximum customer wait time of 5 minutes.
- 75% of the new taxi (metered) fleet reserved for taxis operators with Yellow Cab (the previous contract holder).
- A minimum annual guarantee of \$4 million in revenue during the first year of the contract.
- A pickup fee of **\$6 per trip** (paid to the Port).

Responding to the original RFP, ESFH proposed \$7/pickup, which would escalate to \$9/pickup by year 5. In 2017, the Port Commission voted to lower the rate to \$6/pickup, as the TNC rate was simultaneously raised to \$6, in an attempt to reach parity. The Commission also eliminated the escalation.

Driver fees. When the Port of Seattle awarded ESFH the on-demand taxi/for-hire service contract, drivers paid ESFH a minimum of \$3,975 per driver to join the fleet. Drivers pay a \$155 weekly dispatch fee, which includes \$95 for curb management services provided by SP+³⁶ and \$60 dispatch fee to ESFH, as well as a \$6 per trip fees. Vehicle owners also paid to convert their vehicles to ESFH branding.

³⁴ Port of Seattle, <https://www.portseattle.org/news/demand-taxifor-hire-rfp-addendum-5-responses-available-today>, accessed December 2018.

³⁵ Port of Seattle, <https://www.portseattle.org/news/demand-taxifor-hire-rfp-addendum-5-responses-available-today>, accessed December 2018.

³⁶ The Port has subsequently taken over financial responsibility for the SP+ contract.

2017 Audit report. In December 2017, the Port conducted an internal audit of ESFH.³⁷ The contract required ESFH to initially provide a minimum of 300 vehicles using metered taxis and flat rate for-hire vehicles. The Port would issue permits for an additional 50 wheelchair accessible vehicles. As of July 31, 2017, ESFH had 405 owner/operated vehicles with approximately 600 drivers. 60% of vehicles were taxis, 40% were flat rate for-hire.

The audit found that ESFH did not comply with all contract requirements:

- ESFH did not comply with contract requirements relating to technology activity tracking; ESFH's manual counting of vehicle trips is, on average, 5,162 lower than the Port's monthly Automated Vehicle Identification (AVI) data.
- ESFH did not achieve targets to reduce deadheading (passenger-less trips) and as a result paid liquidated damages to meet the contract requirements. The stated purpose of deadheading targets, as articulated by the Port of Seattle Commission, is to reduce emissions and other potential negative environmental impacts. The audit mentions that TNCs Uber and Lyft began a pilot program known as Re-match, which allows vehicles delivering passengers to Sea-Tac Airport to go directly to the third floor of the parking garage if requested by an outbound passenger within three minutes of passenger drop-off. ESFH has the ability to implement the same feature but has not done so, presumably due to the difficulty of requiring drivers to use this mobile dispatch tracking system.³⁸

ESFH proposed fleet reduction. In April 2018, ESFH stated its intent to reduce the 405-vehicle fleet to 320 vehicles. Drivers had the option to pay \$9,000 to remain in the fleet or to take a \$20,000 buyout.³⁹ ESFH announced plans to terminate drivers and impose additional fees on those remaining in the fleet. After the Port notified ESFH its fleet reduction was not permitted under its contract, ESFH announced that it would no longer reduce its fleet and would rescind the terminations.⁴⁰

³⁷ Port of Seattle, Internal Audit Report: Eastside For Hire, Inc, December 2017.

https://www.portseattle.org/sites/default/files/2018-03/2017_Eastside_for_Hire.pdf.

³⁸ Port of Seattle, Internal Audit Report: Eastside For Hire, Inc, December 2017.

https://www.portseattle.org/sites/default/files/2018-03/2017_Eastside_for_Hire.pdf.

³⁹ KUOW, <http://kuow.org/post/taxi-drivers-protest-ultimatum-sea-tac-airport>, accessed December 2018.

⁴⁰ Port of Seattle, <https://www.portseattle.org/news/update-port-seattle-eastside-hire-driver-termination-proposal>, accessed December 2018.

Spokane International Airport

The City and County of Spokane jointly own Spokane International Airport, operated by the Spokane Airport Board, which consists of seven appointees from two governmental bodies. The Airport is funded through airport-generated revenue and grants. Spokane only has taxis (which it refers to as “for-hire”).

Taxi companies must maintain an operating agreement with the Airport to pickup/drop-off passengers. There is no exclusivity agreement; any taxi company can enter into an agreement with the Airport.

As of September 2018, the Airport has agreements with 44 taxi companies; together, these companies operate 130-140 vehicles.

The Airport can hold up to 12 taxis in the taxi staging area, and it hires a third-party to manage the flow of taxis and all ground transportation operators. Taxis and TNCs operate from different pickup/drop-off areas at the airport.

Licensing. Taxis (metered) are required to maintain the following licenses:

- Washington State Business License.
- Washington State For-Hire Vehicle License.
- City of Spokane Business Registration.
- City of Spokane For-Hire Driver License.
- City of Spokane For-Hire Vehicle License.

Trip fee. In 2018, taxis were charged a \$1.25 per trip fee for pick up or drop off. This fee increased to \$1.50 in 2019 and will increase to \$1.75 in 2020, and \$2.00 in 2021. ***TNCs pay the same per trip fee.***

Vehicle requirements. All ground transportation operators except for TNCs are required to use transponders, which are operated through the airport revenue control system. The Airport inspects taxi vehicles to ensure vehicle requirements are met. ***For TNCs, the Airport does not inspect vehicles but requires TNCs to ensure annual vehicle inspections are conducted.***

Appendix A. Driver Survey and Focus Group Summary

INTRODUCTION

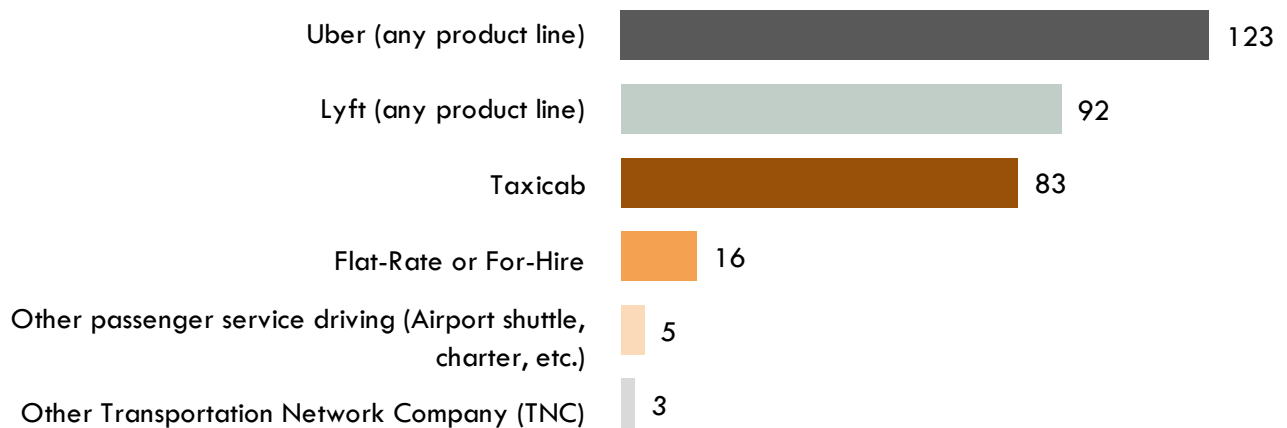
This Appendix summarizes the results of the driver survey, which collected information on taxi, for-hire, and transportation network company (TNC) drivers across the state as well as a series of focus groups with drivers and dispatch companies.

DRIVER SURVEY

The driver survey was conducted online, primarily distributed through email and text message to taxi/for-hire drivers through associations and companies and to TNC drivers through Drive Forward. The online survey was available to collect responses from October 24, 2018 through November 15, 2018. The survey is not intended to be a representative sample of all Washington State drivers.

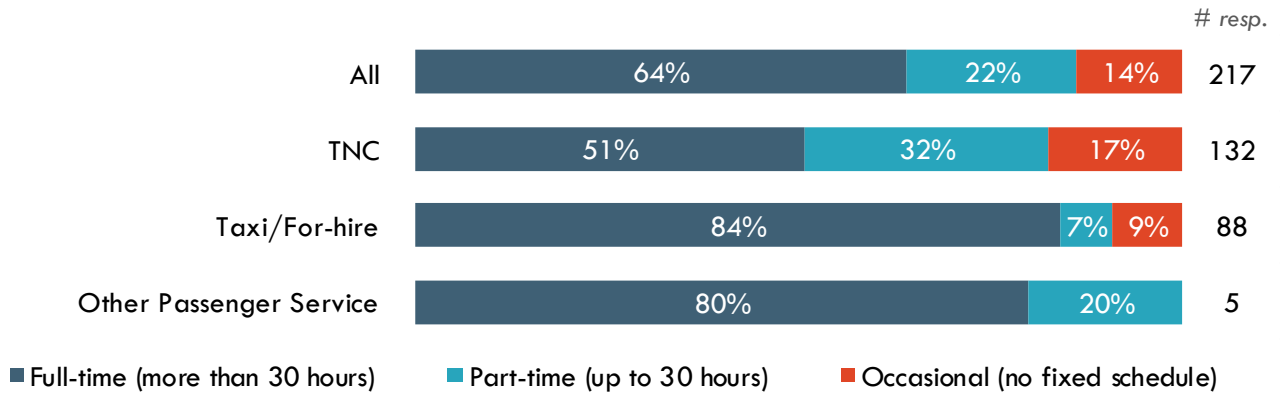
- A total of 220 drivers completed the survey regarding services they currently drive for. Of all survey respondents, 132 currently drive for any TNC. 91 currently drive for any taxi or for-hire (flat rate) company. Five respondents drive for another passenger driving service. Drivers can drive for more than one type of service, and they selected all services they drive for.
- Most drivers who completed the survey drive full-time (30 hours or more). 84% of taxi and for-hire drivers reported driving full-time, and 51% of TNC drivers reported full-time.
- 91% of all drivers have been driving passengers for over a year.

Exhibit A-1. For which service(s) do you currently drive? (select all that apply) (n=220)



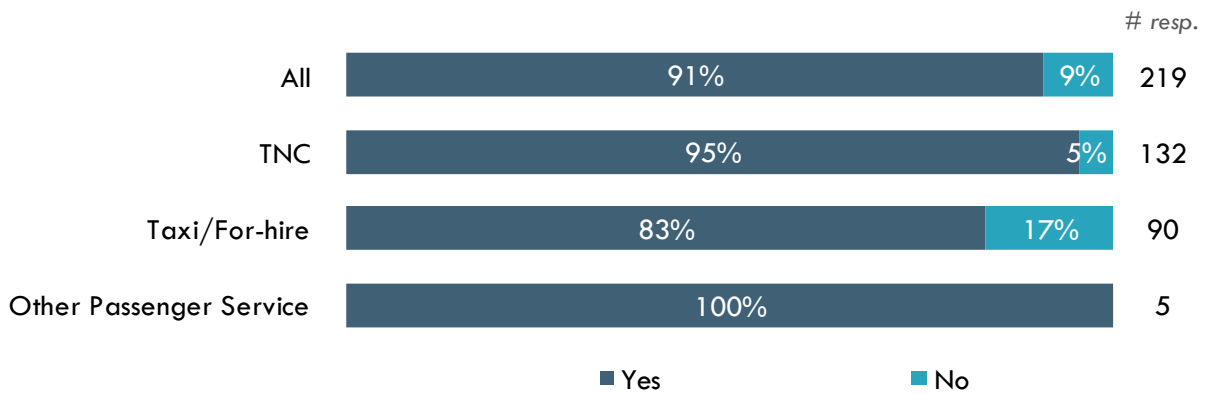
Source: BERK, 2018.

Exhibit A-2. Do you consider yourself to be a full-time, part-time, or occasional driver? Please include time spent looking for fares or on the app/dispatch system without a passenger in the vehicle. (n=217)



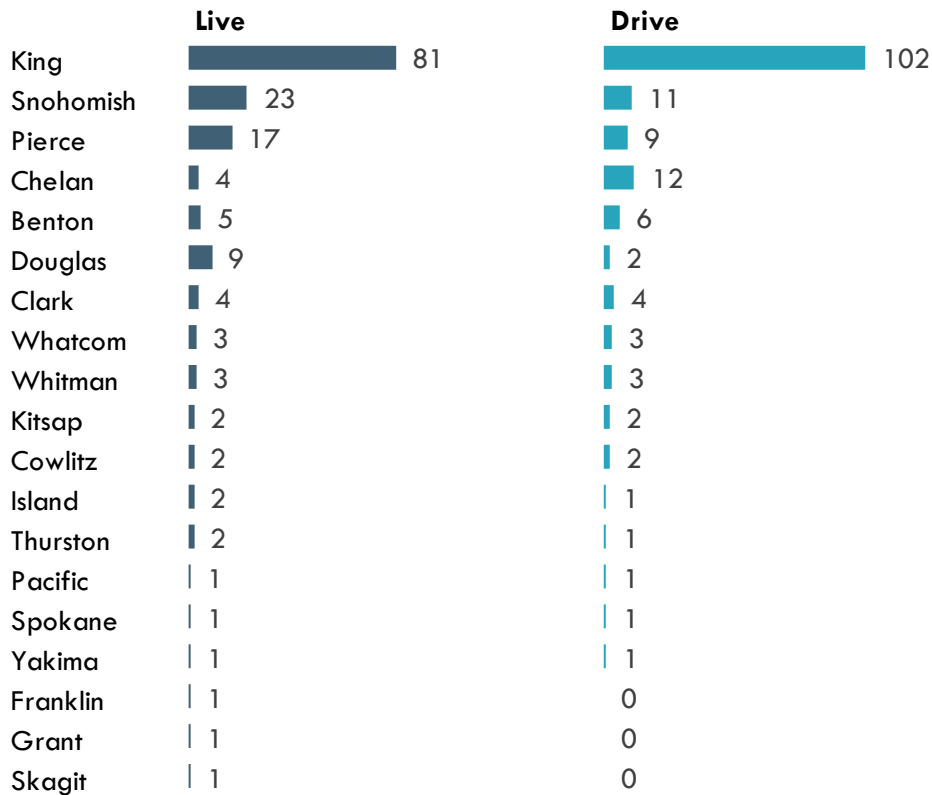
Source: BERK, 2018.

Exhibit A-3. Have you driven passengers for pay for more than 1 year? (n=219)



Source: BERK, 2018.

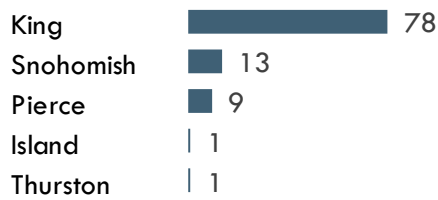
Exhibit A-4. In which county do you live/drive most? (n=161)



Source: BERK, 2018.

Of the 102 respondents who drive most in King County, 78 live in King County, followed by 13 who live in Snohomish County, 9 in Pierce County, and one each in Island County and Thurston County (see Exhibit A-5 below).

Exhibit A-5. Where King County Drivers Live (n=102)



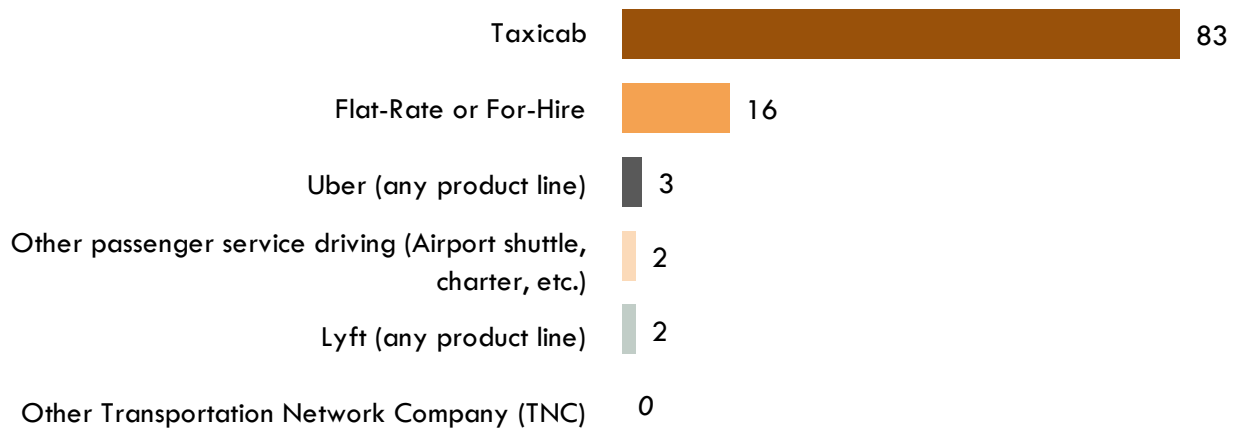
Source: BERK, 2018.

Current Taxi/For-Hire Drivers

Only taxi/for-hire drivers responded to the following questions.

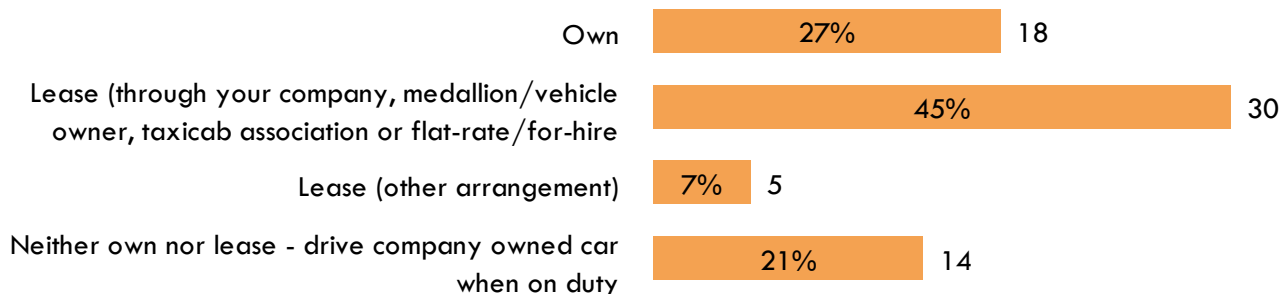
- Of the 91 drivers who currently drive for a taxi or flat rate for-hire service, only five also drive through another service.
- The most common ownership for taxi/for-hire drivers is leasing (45%), followed by owning their vehicle (27%) and driving a company-owned car (21%).
- Dispatch was the most commonly used form of arranging a ride, with 41% of drivers indicating that trips very often came from dispatch. This was followed by pre-arranged medical or disabled passenger transport, other pre-arranged trips, airport/cruise terminal pickups, and lastly taxi stands or street hails.
- When asked about potential regulatory ideas, taxi/for-hire survey participants felt that the most helpful fare regulation idea is the equalization of fares charged to taxis and flat rate for-hire vehicles. They felt that the most helpful idea about regulating costs of doing business is changing insurance standards for taxis and for-hire vehicles.

Exhibit A-6. Current taxi and for-hire drivers only: For which service(s) do you currently drive? (select all that apply). (n=91)



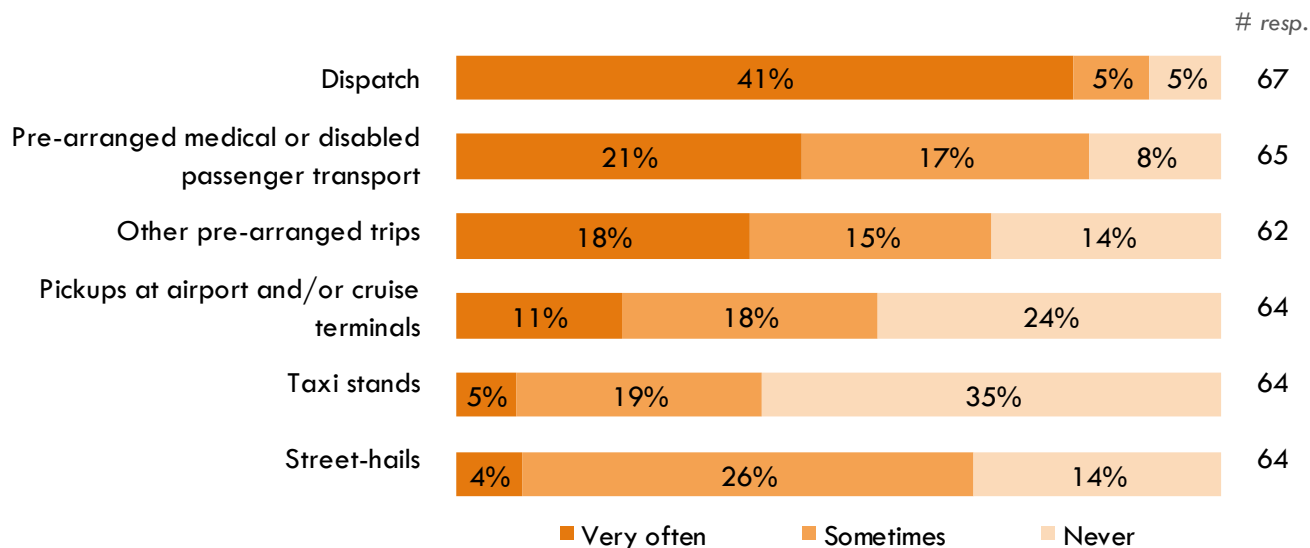
Source: BERK, 2018.

Exhibit A-7. Current taxi and for-hire drivers only: When driving a taxi/flat rate, what is your vehicle ownership status? (n=67)



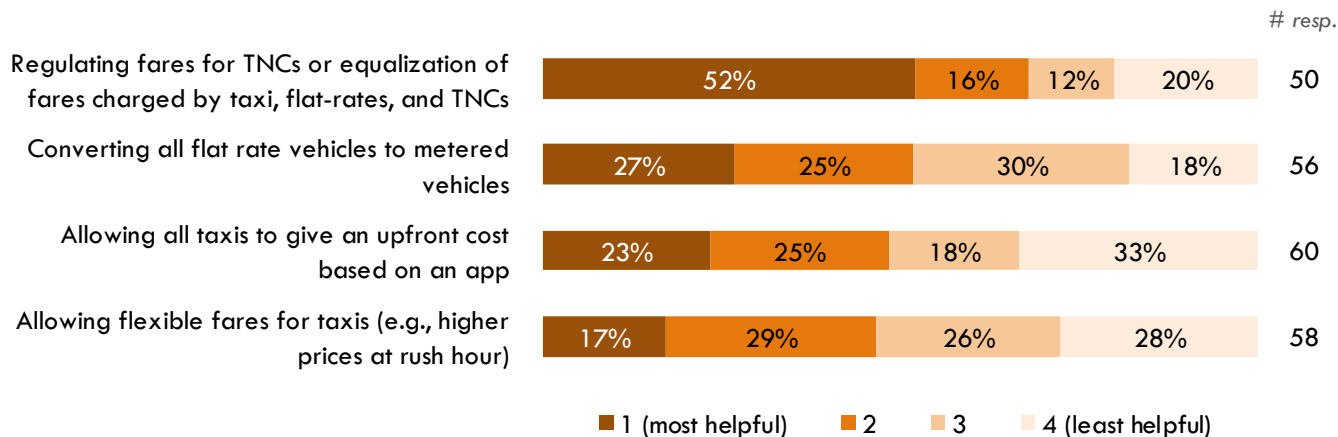
Source: BERK, 2018.

Exhibit A-8. Current taxi and for-hire drivers only: When driving a taxi/flat rate, how often do your trips come from the following sources? (n=67)



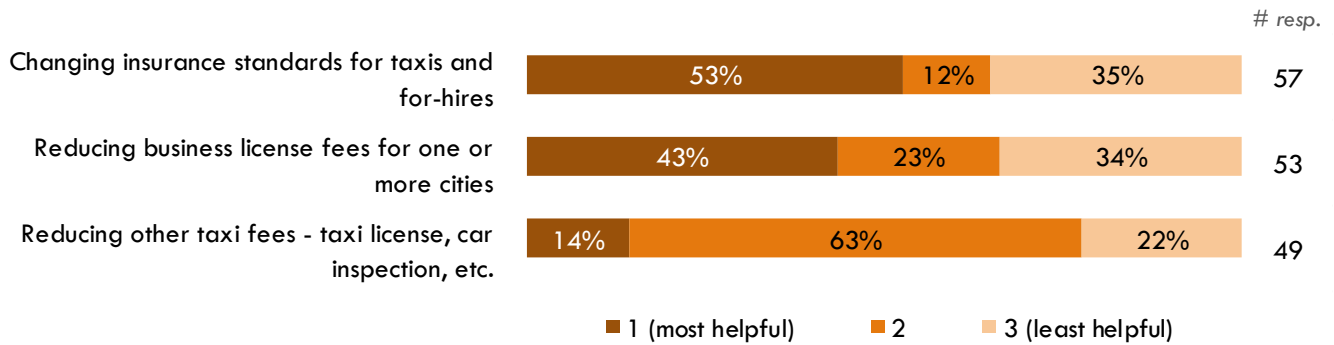
Source: BERK, 2018.

Exhibit A-9. Current taxi and for-hire drivers only: REGULATING FARES: Please rank the following ideas from 1 (most helpful) to 4 (least helpful). (n=67)



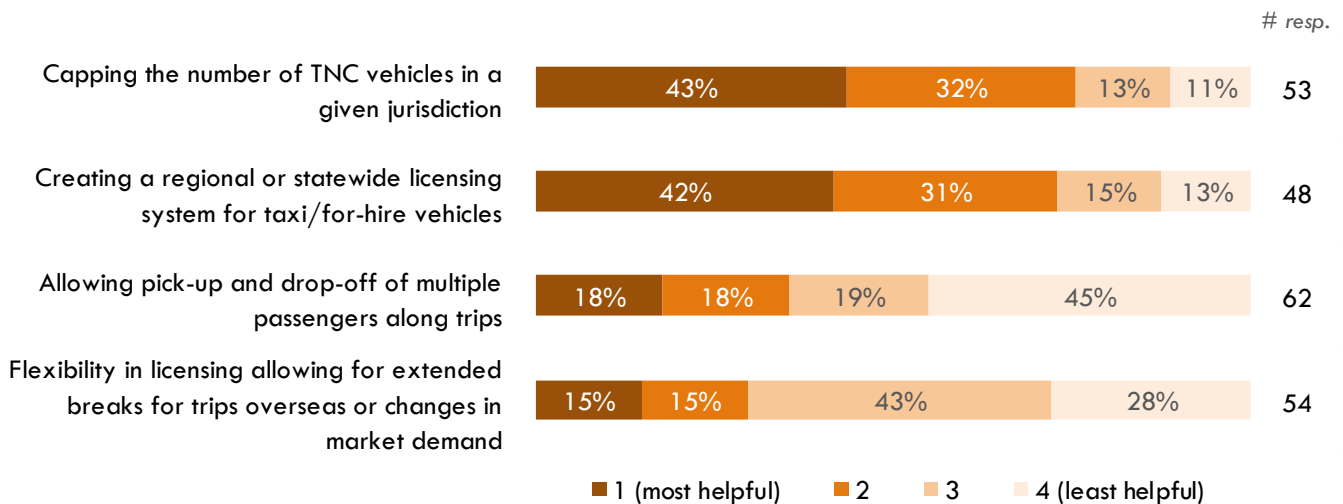
Source: BERK, 2018.

Exhibit A-10. Current taxi and for-hire drivers only: REGULATING COSTS OF DOING BUSINESS: Please rank the following ideas from 1 (most helpful) to 3 (least helpful).



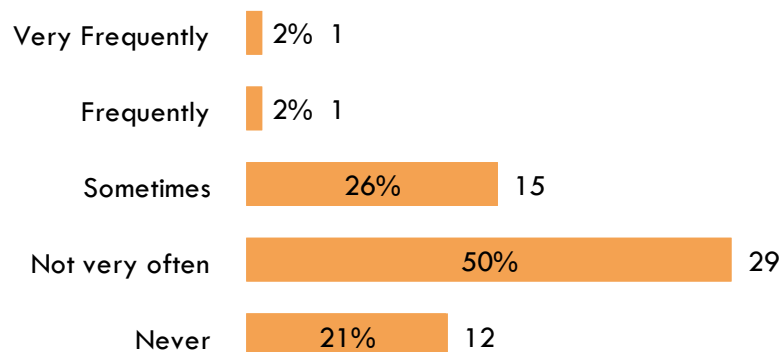
Source: BERK, 2018.

Exhibit A-11. Current taxi and for-hire drivers only: OTHER REGULATIONS: Please rank the following ideas from 1 (most helpful) to 4 (least helpful). (n=63)



Source: BERK, 2018.

Exhibit A-12. Current taxi and for-hire drivers only: As a driver, how often do you feel unsafe or at risk from your passengers or others? (n=163)



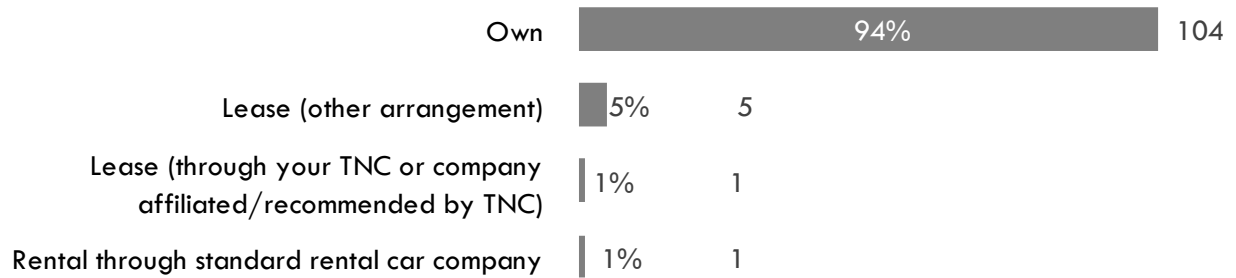
Source: BERK, 2018.

Current Transportation Network Company Drivers

Only TNC drivers responded to the following questions.

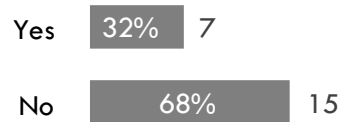
- A large majority (94%) of current TNC drivers own their own vehicle, followed by leasing the vehicle (5%). Most of those who lease their vehicle indicated that they would not do so if they did not drive for a TNC.

Exhibit A-13. Current TNC drivers only: When driving for a TNC, what is your vehicle ownership status? (n=111)



Source: BERK, 2018.

Exhibit A-14. Current TNC drivers only: If you lease a vehicle, would you lease it if you did not drive for a TNC? (n=22)



Source: BERK, 2018.

FOCUS GROUPS

The objectives of the focus groups were to gain a better understanding of trends, challenges, and opportunities in the taxi/for-hire industry as viewed by drivers and dispatch companies, especially in relation to growth of TNCs, local and state regulations, other competition, and overall costs related to participating in this industry.

Methodology

A series of focus groups were conducted with different industry stakeholders. Separate conversations were held with drivers and dispatch company owners. Participants were given a description of the JTC study and a list of questions in advance of the meeting. Dispatch company owners were invited individually or through their membership and attendance at an Evergreen Taxi Association meeting. Drivers were gathered by the Western Washington Taxicab Operators Associations.

In total, approximately 28 individuals participated in three different focus groups held in the City of Seattle and the City of SeaTac. There were nine different companies represented in discussions that operate in Clark, Chelan, King, Mason, Pierce, and Thurston counties. In addition, dispatch company owners were interviewed by phone from Spokane, Whatcom, and Whitman counties.

Observations

Drivers

- **Driver testing and experience.** Long-time drivers took pride in their experience and training. There used to be a requirement to take a license test in-person with an in-class requirement and, in some jurisdictions, drivers were expected to know key geographic features and landmarks. Now, with app-based maps, some new drivers have very little knowledge of their cities and with ability to take tests online, multiple drivers noted instances of people taking online classes/tests for someone else.
- **Financial losses.** Drivers bought taxis and licenses for \$200,000-300,000 and can now sell their business for about \$10,000.
- **Increasing hours.** Drivers used to work 10-12 hours a day for five or six days a week (typically 50-60 hours a week) but now it takes some drivers 16 hours a day for six or seven days a week (around 70-80 hours a week) to make the same amount of money. A single car used to support two drivers but given increased hours needed to make a consistent salary, that is impossible. Drivers report a large social impact on family life. They spoke about only seeing their children once a week, having no social interactions, and physical deterioration brought about by their need to sit all day. One driver described it as feeling he was “depreciating like a car.”
- **Safety – hours worked.** The length of time that drivers work to support themselves makes them unsafe due to lack of sleep and exhaustion. However, they said that they must work long hours because of declining customer base.
- **Safety – child seats.** Taxi/for-hire vehicles have strict rules and don’t allow children without a safety seat. While TNCs have the same rules, taxi drivers believe that TNCs drivers allow children without safety seats while taxi drivers still abide by this restriction.

- **Safety – public complaints and record.** Drivers stated that customers can make complaints directly to a local government and that taxis are easily identifiable with distinct coloring, dispatch company name on the side, and a unique car number. TNCs are harder to identify and have no such similar public reporting. Instead, customer complaints are generally reported directly to the company. Taxi drivers complain that their safety record is accessible to the public which is not the case for TNCs.
- **Part-time TNC vs. full-time taxi.** Many taxi drivers made investments and decisions based on earning a living wage from driving full-time, which requires a certain amount of business with corresponding fares. They feel they cannot compete against a large number of part-time drivers who are not depending on fares for their entire livelihood.

Dispatch Companies

- **Marketing and regulatory problem; not a technology problem.** Dispatchers argue that their ability to compete is not simply tied to having an app or not. Even with an app, they note they cannot conduct multi-million-dollar advertising campaigns to build a competitive brand, especially with tourists (who often arrive with the TNC apps already on their phones). Even once taxi companies have an app, with fewer drivers it is hard to compete with the service offered by the TNCs. On the other hand, some taxi companies mentioned customer service was key to sustaining part of their business by cultivating a set of “regular” clients – especially those who for a variety of reasons (no smart phone, no credit card, or appreciating the personal touch) choose to remain taxi customers. In addition, taxi companies struggle to provide a comprehensive multi-jurisdiction business due to regulated and restricted markets created by airports, cities, and counties.
- **Taxis provide services TNCs are not providing.** Dispatch companies provide a stable source of business in contracts for non-emergency medical transportation for pharmacies, hospitals, nursing homes, and school contracts for at-risk kids or homeless children. TNCs are unable to fill this need for a variety of federal or contracting requirements, such as a criminal background checks done with fingerprints, regular drug testing, or additional training.
- **Struggling to find and keep drivers.** As street hails, airport, and hotel business has declined, dispatch companies have found it difficult to keep enough drivers busy for full-shifts. As a result, when meeting contract’s “peak” demand (e.g. during the start and the end of school days), dispatch companies often struggle to have enough drivers. This has led to a catch-22: fewer drivers, less ability to meet demand, growing frustration of customers due to waiting, and thus, less business. In addition, some dispatch companies report that it is simply getting harder to find qualified drivers who are willing to commit to regular shifts and meet all the taxi and contract requirements, especially when individuals can drive on their own schedule with fewer requirements for TNCs.

Themes Across All Focus Groups

- **Taxi/for-hire businesses offer the same service as TNCs.** Drivers and dispatch companies share the frustration that TNCs are treated as a different service than their industry by regulators with different fees and insurance rates. An oft-repeated refrain was that the only difference between taxis and TNCs is an app and that their basic service is identical.

- **Double standard regarding regulations and enforcement.** There is perceived disparate treatment taxi/for-hires feel they receive by state, county, city, and port staff that has created barriers to entry along with other regulations such as monthly inspections and fees. These standards do not apply to TNCs and taxis believe this higher burden is contributing to the decline of their industry.
- **Lack of dispatch business and increased competition at pickup spots.** It is difficult for taxi drivers to find rides besides those from airports or taxi stands outside hotels. Taxi stands are a declining source of business; drivers tell of seeing most people waiting outside of hotels using their phones to hail TNCs, next to a line of taxis waiting to provide rides. Some focus groups participants estimate that they've lost 70-80% of their business since TNCs entered the market. In addition, several mentioned what they saw as unfair, or potentially illegal, competition at hotels from limousines and black-car services who, they reported, had financial agreements with hotel employees to arrange pickups.
- **Unsustainability of current conditions.** All participants spoke about the current state of their industry as unsustainable. Some drivers said, "We have only one to two years left." They do not believe they will make enough money to sustain their business and are struggling with the physical and mental toll of the long hours.
- **Transportation for marginalized populations.** In addition to government contracted services, participants reported that taxi/for-hire vehicles are meeting vital needs not served by either public transportation or TNCs. Multiple participants mentioned their concern for those without smartphones or credit cards to obtain rides when the taxi industry finally collapses. All parties argued that there should be some consumer protection to maintain this aspect of their service.
- **Insurance.** Both drivers and dispatch company owners noted the discrepancy in cost between the insurance taxi/for-hire drivers are required by State law to carry versus the requirement for TNCs. Taxi operators claimed that their insurance cost approximately \$5,000 more per year for coverage than the personal vehicle insurance required for TNCs. (See *Taxi Insurance* on page 7.)
- **Cost of business.** In addition to higher insurance costs, drivers and dispatch companies noted the variety of costs related to acquiring multiple business and regulatory licenses, drug testing, background checks, vehicle inspections, meter inspections and other taxes that they must pay which increases their costs. Meeting the various requirements takes considerable time, increasing the cost of business.

Advice to State Leaders About Needed Regulatory Changes

While a few ideas had widespread agreement, there was no universal agreed on a set of regulatory changes among those in the industry, with differing, and occasionally contradictory views. Nevertheless, there were several ideas for regulators expressed by both drivers and dispatchers

- **Remove distinction between taxi and for-hire.** One idea with widespread agreement was to end the differentiation between flat rate for-hire vehicles and metered taxis by requiring all vehicles to have meters. Many flat rate drivers report that passengers do not understand the fee structure (e.g., passengers do not know when they cross zip codes) and a simple taximeter would be more transparent.

- **Dynamic pricing.** Another widely held idea was to allow taxis the ability to adjust their rates, including higher rates at periods of peak demand or simply providing promotional discounts to attract business.
- **Ease restrictions on licenses.** An example of the overly restrictive rules that apply to taxi companies is a City of Seattle rule that requires the withdrawal of a taxi license if it was not in active use for more than 60 days. This requirement stems from when taxis were the only available service and ensured there were enough vehicles on the street to meet consumer demand. This is now overly restrictive to drivers, many of whom are immigrants who regularly return to their home countries for significant periods of time. No such rule applies to TNC drivers.
- **Regional approach.** Some participants advocated for the adoption of a regional approach to licensing that would require all cities in a given county to be licensed for the county, provide a single license, and allow taxis to pick up and drop off anywhere in the county rather than needing multiple business licenses. One participant mentioned that this is the only way possible to compete with TNCs as they are 1,500 cars competing with 15,000.
- **Fixed rates for taxis and TNCs.** Some participants advocated for a fixed rate that is the same between taxis and TNCs. Alternatively, others proposed that the rate did not need to be set by the government, but there should be a minimum rate that both taxi and TNCs abide by.
- **Remove cap on taxis.** A few participants suggested there should be more taxis so that the incumbent taxi service could better meet demand and provide more competition for TNCs by increasing visibility and lowering wait times.
- **Cap on TNCs.** Some participants noted a need to cap the number of TNCs operating in a given jurisdiction. They argued that the abundance of individual drivers, while reducing the time a customer waits for a vehicle, creates almost unlimited competition, contributes to lower pay for drivers, and increases congestion on the roads.

Appendix B. Jurisdictions Adopting King County Code

JURISDICTION	RELEVANT MUNICIPAL CODE	ADOPTS KING COUNTY CODE?	CITY POWERS MAINTAINED
Auburn	5.20.230 Taxicab businesses	Adopt King County Code 6.64 by reference	
Bellevue	Chapter 5.16 For Hire Vehicles	Adopt King County Code 6.64 by reference	Enforcement
Burien	Chapter 5.55 Taxicabs and For-Hire Vehicles	Adopt King County Code 6.64 by reference	
Covington	N/A	Interlocal agreement with King County	
Enumclaw	Chapter 5.72 Taxicabs	Adopt King County Code 6.64 by reference	
Federal Way	Chapter 12.45 Taxicabs	Adopt King County Code 6.64 by reference	
Issaquah	Chapter 5.44 Taxis – Businesses and Drivers	Adopt King County Code 6.64 by reference	Issue notices of violation and court citations for violations of City ordinance
Kenmore	N/A	Interlocal agreement with King County	
Kent	Chapter 5.03 Taxicabs, Vehicles For Hire, and Transportation Network Companies	Adopt King County Code 6.64 by reference	City business license required
Kirkland	Chapter 7.44 Taxicabs and For-Hire Vehicles	Adopt King County Code 6.64 by reference	
Maple Valley	Chapter 5.15 Taxicabs	Adopt King County Code 6.64 by reference	
Redmond	Chapter 5.16 Taxicabs	Adopt King County Code 6.64 by reference	City business license required
Renton	N/A	Interlocal agreement with King County	
Sammamish	Chapter 6.05 Taxis – Businesses and Drivers	Adopt King County Code 6.64 by reference	Issue notices of violation and court citations for violations of City ordinance
SeaTac	Chapter 5.15 For-Hire Regulations	Adopt King County Code 6.64 by reference	Violation of these regulations is a violation of City ordinance and is subject to a fine.
Shoreline	Chapter 5.07.700 Taxis - Businesses and Drivers	Adopt King County Code 6.64 by reference	

Appendix C. Summary of Local Taxi/For-Hire Codes

- **Licenses and fees.**
 - Taxi/for-hire business owners are required to have a **City business license**. Businesses register through the State's Business Licensing Service with the City Finance Department. Fees are listed on [City of Bellingham's website](#):
 - Business license registration fee: \$40 (valid for life of business)
 - State application handling fee: \$19
 - Taxi/for-hire business owners are required to have a **vehicle license** from the finance department, renewed annually: \$20/vehicle.
 - Taxi/for-hire drivers must have a **Bellingham driver's license**, renewed annually: \$20/year.
 - Drivers are required to have a Washington State driver's license.
- **Driver background checks.** Applicants for a City driver's license must authorize the police department to take fingerprints and conduct a background investigation of the applicant. The investigation will review any felony, misdemeanor, and traffic conviction in the last 10 years.
 - Investigation fee: \$35 to police department
- **Vehicle requirements.**
 - The Bellingham police department must approve a vehicle inspection report, including:
 - Confirmation of state vehicle license and registration.
 - Proof of liability insurance.
 - Confirmation that vehicle is equipped in accordance with State law and City ordinances.
 - Taxis must be checked for an accurate taximeter; this does not apply to other vehicles.
 - Schedule of fare rates posted clearly.
 - Additional inspections required by Bellingham police department.
 - After inspection, the Bellingham police department will put a vehicle inspection sticker on the left rear window of the vehicle. Vehicles must be inspected at least once a year.
 - Vehicle inspection fee: \$35; \$20 for reinspection.
- **Insurance requirements.** Taxi/for-hire owners and operators must maintain liability insurance of at least \$100,000 for one person's personal injury, \$300,000 for all persons from one accident, and \$50,000 for property damage. Applicants must file proof of insurance with the finance department.
- **Enforcement.** Any police officer may enforce these regulations; any violation shall be a misdemeanor and upon conviction may be punished by a fine and/or imprisonment.

Bremerton: Municipal Code Chapter 5.12

- **Licenses and fees.**
 - Taxi owners must have the following licenses:
 - **City general business license**, renewed annually: \$75/year
 - **Taxi business certificate**, renewed annually: \$30/year
 - Taxi drivers must have a **for-hire certificate**, renewed annually: \$30/year
 - Fees are listed on the Bremerton City website ([2018 Rates](#), per *BMC Chapter 3.01*)
- **Driver background checks.**
 - All applicants for a taxi business certificate and for a taxi driver certificate must consent to be fingerprinted for criminal background checks.
 - The Chief of Police may request a state and nationwide background check. Applicant must submit fingerprints to Washington State Patrol, who would conduct a state background check and forward the fingerprints to the FBI for a nationwide background check.
 - Applicants are responsible for background check fees. ([2018 Rates](#), per *BMC Chapter 3.01*)
 - Criminal history check: \$10
 - Fingerprints: \$10
- **Vehicle requirements.**
 - Chief may perform initial check of taxi vehicle prior to issuing a taxi business certificate and vehicle decal and may perform annual checks.
 - The police department may inspect taxis based on citizen complaints.
 - The police department may order an inspection by an independent certified mechanic at the owner's expense, if there is a reason to believe that the taxi is not safe for transportation.
 - The **vehicle decal** must be displayed on the rear bumper of each vehicle to the left of the license plate.
 - Vehicle decal fee: \$10/vehicle/year
- **Insurance requirements.** All applicants for a taxi business certificate must have insurance complying with [Chapter 46.72 RCW](#), and must name the City as an additional insured.
- **Drug or alcohol use.** Drivers may not operate taxis while in possession of alcohol or controlled substances.
- **Enforcement.** Chief of Police has the authority to enforce these regulations. Any violation shall be an infraction, second or subsequent infractions within a six month period shall be a misdemeanor and may result in suspension or revocation of licenses.

Camas: Municipal Code Chapter 5.32

- **Licenses and fees.**
 - Any taxi operator or owner is required to obtain a license and **certificate** of public convenience and necessity.
 - Any taxi driver is required to hold a **taxi driver's license**.
 - Fees, per [2018 Fee Schedule](#):
 - Taxi license: \$42/year (half of fee if issued after July 1); plus \$13/vehicle
 - Taxi driver's license: \$6/year
 - Camas does not require a City business license, but business owners should meet any state requirements.
- **Driver background checks.**
 - Taxi drivers will undergo fingerprinting and background investigation prior to receiving a driver's license.
 - Application Fee: \$5
- **Vehicle requirements.**
 - Taxis will be inspected by the police department to determine if they are in safe operating condition and in compliance with State law.
- **Insurance requirements.**
 - Liability insurance for each taxi is required per State law. Proof of insurance must be provided to the City Clerk.
- **Data reporting and records retention.**
 - Every holder is required to keep records of receipts from expenses and must submit a summary report of receipts, expenses, and statistics of operation to the City Council each calendar year.
- **Enforcement.**
 - The police department has authority to enforce these regulations.

Edmonds: Municipal Code Chapter 4.60

- **Licenses and fees.**
 - Taxi owners and operators are required to have an **operator's license**.
 - Drivers are required to hold a **taxi driver's license**.
 - Fees:
 - Investigation fee: \$100 (waived if applicant has a current Edmonds business license)
 - Operator's license fee: \$30/year per taxi vehicle (\$15 if applied after June 30)
 - Driver investigation fee: \$20/driver
 - Driver's license: \$5/year per driver
- **Driver background checks.**
 - The police department will conduct an investigation of the applicant.
- **Insurance requirements.**
 - Insurance requirements follow State law. Taxi/for-hire owners and operators must maintain liability insurance of at least \$100,000 for one person's personal injury, \$300,000 for all persons from one accident, and \$25,000 for property damage.
- **Enforcement.**
 - The City enforces these regulations and may suspend or revoke licenses due to violations.

Everett: Municipal Code Chapter 5.68

▪ Licenses and fees.

- All taxi companies and TNCs are required to obtain a valid **city business license** (per [EMC Chapter 3.19](#)). The license is issued by the City Clerk.
- Taxi and TNC drivers who are independent contractors affiliated with a taxi or TNC are required to have a valid **City business license**.
 - Registration fee: \$75/year
 - Renewal fee: depends on gross earnings, see *Chapter 3.19*
- Taxi companies and TNCs are required to have a **for-hire license** to operate in the city; the license expires on December 31 each year and must be renewed annually.
- The **annual for-hire license fee** is based on the number of taxi or TNC drivers affiliated with the license applicant:
 - 1-10 drivers: \$500
 - More than 10 drivers: \$1,000
 - After June 30, the fee will be 50% of these rates

▪ Driver background checks.

- The taxi company or TNC is responsible for obtaining a criminal background check for each driver. The background check will include no less than seven years of history and include local, state, and national databases and publicly available national and state sex offender registries.

▪ Vehicle requirements.

- Vehicles must hold a certificate of safety issued by an independent motor vehicle mechanic, certified by the National Institute of Automotive Service Excellence (ASE).
- Vehicle must have a minimum of four doors, with two opening into the passenger seating area.
- The 28-point inspection must include the following:
 - Brake system;
 - Alignment;
 - Tires and wheel systems;
 - Suspension;
 - Steering system;
 - Transmission;
 - Fuel system;
 - Exhaust system, compliance with emission standards;
 - Belts and hoses;
 - Fluids;
 - Heater and AC;
 - Drivetrain and axles;
 - Lighting systems and turn signals;
 - Seat mechanisms and seat belts;
 - Airbags;
 - Door locks and windows;
 - Hood and trunk latches;
 - Speedometer and other gauges;
 - Battery and cables;
 - Cooling system;
 - Horn;
 - Wiring;
 - Glass;
 - Windshield and window glazing;
 - Wipers and washers;
 - Mirrors;
 - Body component soundness;
 - Vehicle frame.

- **Insurance.**
 - Drivers must comply with requirements in [Chapter 48.177 RCW](#) and [Chapter 46.72 RCW](#).
 - Drivers must maintain proof of insurance in the vehicle.
- **Data reporting and records retention.**
 - The City may audit the taxi company's and TNC's records to review compliance. If selected for a random audit, the taxi company or TNC must provide a complete list of all drivers currently affiliated with the company.
 - The company must retain records providing evidence of compliance with these regulations for at least six years from the date of the for-hire license. The records must include driver's criminal and driving histories, vehicle inspection reports, proof of insurance, and records of all trips made.
- **Drug and alcohol use.**
 - There is a zero-tolerance policy on the use and possession of drugs or alcohol while operating a vehicle.
- **Enforcement.**
 - The city clerk and Police have authority to enforce these regulations. Violations may result in suspension or revocation of licenses.

- **Licenses and fees.**
 - Taxi operators are required to secure a **City license**.
 - License fee: \$100 for each license period for each taxi; expires on December 31 of second year; the license must be renewed every two years.
 - Applicant must provide proof of compliance with applicable state laws regarding taxi vehicles.
- **Vehicle requirements.**
 - The vehicle must be kept in clean, neat, and orderly condition and in good repair.
- **Insurance requirements.**
 - The taxi operator must carry liability insurance and property damage insurance as required by State law.
 - Licensee must provide City with proof of insurance.
- **Enforcement.**
 - The City may enforce these regulations and may cancel any licenses due to violations of these provisions.

Kelso: Municipal Code Chapter 5.60

- **Licenses and fees.**
 - All taxis companies and TNCs are required to obtain a **special taxi license**, issued by Finance Director, effective for one year.
 - Fees, per Master Fee Schedule (Adopted 12/19/2017, [Resolution No.17-1192](#))
 - Taxi license: \$160 + \$10/vehicle for new license; \$120 + \$10/vehicle to renew.
 - Taxi driver: \$50 for new license; \$35 to renew.
- **Driver background checks.**
 - Drivers are subject to standards for driver background and training.
- **Vehicle requirements.**
 - Taxi companies and TNCs must comply with vehicle safety and maintenance standards, per best industry practices and published on the city website.
- **Insurance requirements.**
 - Taxi companies and TNCs must comply with insurance policies, per best industry practices and published on the city website.
- **Data reporting and records retention.**
 - Taxi companies are subject to audit.
- **Enforcement.**
 - City Council has authority to administer and enforce these regulations. Violations are considered misdemeanors and may be punished by fine and/or imprisonment. Licenses may be revoked or suspended.

- **Licenses and fees.**
 - Taxi companies and TNCs are required to have a **special business license**. Application fees are based on the number of employees:
 - 10 or fewer drivers: \$300/year
 - 11-40 drivers: \$700/year
 - 41 or more drivers: \$2,000/year
 - Drivers who are independent contractors, affiliated with licensed taxi companies or TNCs, are required to have a **driver's business license**. Kennewick partners with [Washington State's Business Licensing Service](#):
 - Business license fees: \$55/year
- **Driver background checks.**
 - The taxi company or a third-party must conduct a criminal background on all drivers. The background check must include at least seven years of database history and include local, state, and national criminal history databases and publicly accessible national sex offender registries.
- **Vehicle requirements.**
 - All vehicles must pass an inspection by an ASE-certified mechanic. This must include the 19-point inspection list.⁴¹
- **Insurance requirements.**
 - Taxi owners and operators are required to maintain liability insurance of at least \$100,000 for one person's personal injury, \$300,000 for all persons from one accident, and at least \$50,000 for property damage. A \$500,000 combined single limit policy may be substituted.
- **Data reporting and records retention.**
 - Taxi companies must maintain records for drivers operating in the City. Companies must maintain records of all trips made by all drivers for at least one year from the date of each trip.
- **Drug and alcohol use.**
 - There is a zero-tolerance policy for drug or alcohol use.
- **Enforcement.**
 - The License Officer and Police have authority to enforce these regulations. Violations may result in suspension or revocation of licenses and could result in a fine.

⁴¹ See *Similarities Across Cities*, page 10.

Lacey: Municipal Code Chapter 5.24

- **Licenses and fees.**
 - Taxi/for-hire companies are required to have a **City Business Endorsement**. This is processed by [Washington State's Business Licensing Services](#).
 - Lacey general business endorsement: \$25
 - For-hire vehicles are required to have a **vehicle license**.
 - Fees for vehicle license: \$30/vehicle (reduced to \$10 if the applicant has a for-hire vehicle license from Olympia or Tumwater).
 - Drivers are required to have an **occupational permit**. ([LMC Chapter 5.22](#))
 - Fees: \$70 (permit + background check); \$30 renewal.
 - Honors occupational permits issued by Olympia, Tumwater, and Yelm.
- **Driver background checks.** ([LMC Chapter 5.22](#))
 - Prior to be issued an occupational permit, drivers must consent to be fingerprinted for a criminal check. The applicant will be fingerprinted by the Police Department, forwarded to Washington State Patrol for state background check and FBI for nationwide background check.
 - The Chief of Police will perform a state and nationwide background check every three years.
- **Vehicle requirements.**
 - Vehicles may not be operated in an unsafe condition which constitutes a danger to the safety and welfare of passengers or the public.
- **Insurance requirements.**
 - Taxi licensees are required to have liability insurance of at least \$100,000 for one person, \$300,000 for one occurrence, \$25,000 for property damage.
- **Enforcement.**
 - These regulations are enforced by the City. Any violation is considered a misdemeanor.

Lake Stevens: Municipal Code Chapter 4.08

- **Licenses and fees.**
 - Taxi and for-hire owners are required to have a **City business license**.
 - Business license fee, per [Resolution No. 2018-011](#):
 - Business License Registration: \$40
 - Renewed annually for \$25
 - Drivers must have a Washington State driver's license.
- **Driver background checks.**
 - City Planning and Community Development Department will investigate drivers.
 - For-hire vehicle businesses must employ drivers who are free of conviction or bail forfeiture for a gross misdemeanor or felony within five years of the date of application, or a conviction or bail forfeiture for a lifetime disqualifying offense.
- **Vehicle requirements.**
 - Vehicles may be inspected from time to time by the Chief of Police in response to complaints received or observations that an inspection may be desirable.
 - Includes but is not limited to: standards regarding cleanliness, brakes, lights, tires, glass, seat belts, and any special equipment.
- **Insurance requirements.**
 - Insurance is required per [Chapter 46.72 RCW](#).
 - Applicants are required to file proof of compliance with the Planning and Community Development Department.
- **Data reporting and records retention.**
 - Any taxi business owner must keep a record of all trips made, together with the information required upon a passenger's receipt.
 - The records are open to inspection at all reasonable times by the Chief of Police or City Attorney.
- **Enforcement.**
 - These regulations are enforced by the City. Any violations are considered a gross misdemeanor and upon conviction may be punished by a fine or imprisonment.

Longview: Municipal Code Chapter 5.82

- **Licenses and fees.**
 - All taxi companies and TNCs are required to obtain a **Transportation License**. Licenses are effective for one year and must be renewed annually.
 - 10 or fewer drivers: \$300
 - 11-40 drivers: \$700
 - 41 or more drivers: \$2,000
- **Driver background checks.**
 - The taxi company or a certified third-party must conduct a criminal background check report for any drivers prior to permitting operation and biennially thereafter. The background check must include at least seven years of database history for local, state, and national criminal history and publicly accessible national sex offender registries.
 - The taxi company or a third-party must also conduct a driver's license history check report.
- **Vehicle requirements.**
 - Vehicles must be inspected by an approved mechanic. The inspection must include the 19-point inspection list.⁴²
 - Vehicle inspections may be passed in Washington or Oregon.
- **Insurance requirements.**
 - Taxi companies and TNCs must provide proof of insurance coverage for all drivers.
 - Taxi owners and operators must have liability insurance of at least \$100,000 for personal injury by one person, \$300,000 for one act of negligence, and \$25,000 for property damage. A \$325,000 combined single limit policy may be substituted.
- **Data reporting and records retention.**
 - Taxi companies must maintain records of all trips by all drivers for at least one year from the date of each trip.
 - The City may audit the taxi company or TNC. Audits may be conducted twice per license year, up to 20% of randomly selected taxi drivers, up to a maximum of 20 drivers that have operated within the last 180 days in the City.
 - Records of criminal background checks must be maintained for two years.
- **Drug and alcohol use.** There is a zero-tolerance policy for drug or alcohol use.
- **Enforcement.** The City Manager has authority to enforce these regulations. Violations may lead to suspension or revocation of licenses.

⁴² See *Similarities Across Cities*, page 10.

Lynnwood: Municipal Code Chapter 5.40

▪ Licenses and fees.

- For-hire businesses are required to obtain a **City business license**. Taxi/for-hire owner license applicants must consent to and pay the fee for fingerprinting for criminal background checks.
- Vehicle owners are required to obtain a **vehicle license**. Taxi/for-hire vehicle license applicants must consent to and pay the fee for fingerprinting for criminal background checks.
- Drivers are required to obtain a **for-hire driver's license**.
- Fees, per [LMC Chapter 3.104](#):
 - For-hire vehicle business license: \$175/year
 - Vehicle license: \$20/year/vehicle

▪ Driver background checks.

- Drivers are required to undergo fingerprinting and a criminal background check. Applicants are responsible for the costs of the fingerprinting.
- Investigation fee per each new vehicle driver: \$56 one-time fee.
- Medical examination and certification are required at the time of application and every two years afterward.

▪ Vehicle requirements.

- The vehicle must comply with color schemes specified in *LMC 5.40.100*; be no more than 10 years old; be inspected annually; and have a valid certificate of safety issued by an approved mechanic within the last license year. The certificate must state that the vehicle has passed an emissions test conducted by an authorized emissions specialist.
- The investigation must include:
 - Adequate braking system including emergency or auxiliary as per the manufacturer's allowable tolerance;
 - Adequate suspension system to prevent excessive motion when the vehicle is in operation;
 - Adequate steering system as per the manufacturer's allowable tolerance;
 - Exhaust system that is free of leaks, defects, or tampering and that meets State of Washington motor vehicle emissions standards;
 - No fluid leaks, including but not limited to motor oil, antifreeze, transmission fluid and brake fluid;
 - Air conditioning system free of CFC leaks, if the vehicle has such system;
 - No excessive noise;
 - Mechanically sound; and
 - Front end aligned.

- **Insurance requirements.**
 - Requirements follow State law, per *LMC 5.40.130C5 and LMC 5.40.130C6*.
- **Data reporting and records retention.**
 - Taxi owners must collect and store at least two years of trip sheet records, including daily logs, along with the driver's name, taxi number, and summary of trip sheet totals.
 - Taxi owners must collect annually the following information:
 - Number of service requests (trips);
 - Average number of taxicabs operating during the year;
 - Average number of operating hours per week per taxicab;
 - Total paid trip miles for the past year per taxicab; and
 - Number of complaints received regarding:
 - Driver conduct sorted by driving behavior, communication, personal dress or hygiene;
 - Vehicle condition sorted by appearance, mechanical or safety;
 - Service response; and
 - Lack of driver knowledge of route or requested destination;
 - Taxi owners must maintain a log of each oral/written customer complaint that the owner receives about the owner, lessee, or driver.
- **Drug and alcohol use.**
 - Drivers may not drink any alcoholic beverage while on duty or less than eight hours prior; possess open/unsealed containers of alcoholic beverages; ingest any illegal drugs on duty or less than eight hours prior; or ingest any legal drug that carries a warning not to drive a vehicle less than eight hours prior to being on duty.
- **Enforcement.**
 - The City's Community Development Director enforces these regulations and may suspend or revoke a license prior to a hearing if necessary to prevent a clear, substantial, and imminent hazard to life, safety, or property. Violations are considered a misdemeanor subject to fine and/or imprisonment.

- **Licenses and fees.**
 - For-hire businesses are required to have a **for-hire vehicle business license**.
 - Drivers are required to have a **for-hire driver's permit**.
 - Fees:
 - For-hire vehicle business license: \$165/year
 - Driver's permit: \$45 for initial permit; \$35 for renewal permit
- **Driver background checks.**
 - The police department will conduct fingerprinting and a background check for the last five years.
- **Vehicle requirements.**
 - Vehicles must be safe for operation and in accordance with city and state laws. Vehicles may be inspected at any reasonable time by the Police Chief.
- **Insurance requirements.**
 - Taxi company must maintain bodily injury liability of at least \$100,000 per person, \$300,000 per accident, and \$50,000 property damage liability.
- **Data reporting and records retention.**
 - Businesses must keep a chronological record of each call for service with the driver name, vehicle number, time and place of origin, end of each trip, and fee charged. Records are subject to the licensing specialist or Police Chief.
- **Enforcement.**

The City enforces these regulations and may suspend or revoke licenses due to violations. Violations are considered a misdemeanor and shall result in a fine or imprisonment.

Monroe: Municipal Code Chapter 5.16

- **Licenses and fees.**
 - Drivers are required to have a **City driver's license**.
 - Fees, per [Master Fee Schedule](#) (Effective January 1, 2018)
 - **Businesses:**
 - Business license fee: \$50/year
 - Application fee: \$15 (applicable to license fee if approved)
 - Taxi license: \$50/year + \$10/year for additional vehicles
 - **Taxi drivers:**
 - Application fee (includes fingerprint fee): \$20
 - Renewal fee of \$5/year
 - Taxi cab stand: \$30/year
- **Driver background checks.**
 - Chief of Police will take fingerprints and conduct an investigation of the applicant.
- **Vehicle requirements.**
 - Vehicles must be kept in good mechanical and sanitary conditions, and they are subject to inspection at any time by the Chief of Police.
- **Insurance requirements.**
 - Taxi must maintain bodily injury liability: \$100,000 per person, \$300,000 per accident, and \$50,000 property damage liability.
 - Uninsured motorist liability coverage: \$15,000 per person, \$30,000 per accident.
- **Enforcement.**
 - The City enforces these regulations and may suspend or revoke licenses due to violations.

Moses Lake: Municipal Code Chapter 5.40

- **Licenses and fees.**
 - Taxi companies are required to hold a **Business License**; licenses expire on December 31 of each year and must be renewed annually.
 - Taxi drivers are required to have a **Taxicab Drivers License**; these are issued for the calendar year and must be renewed annually.
 - **Limits to licenses.** The number of taxi licenses issued may be limited to a number determined by City Council based on public convenience and necessity. The City Council may increase the number if it determines that public convenience and necessity require a greater number of taxis.
 - Drivers must hold a Washington driver's license.
 - Fees, per [2018 Fee Schedule](#):
 - Business License: \$85/year
 - Taxi Driver License Application Fee: \$85/year
- **Driver background checks.**
 - All license applicants will undergo a background check, be fingerprinted, and have their photo taken by the Police Chief.
 - Fees, per [2018 Fee Schedule](#):
 - Criminal history check: \$20
 - Fingerprinting: \$15
- **Vehicle requirements.**
 - Vehicles must be in safe condition per [Chapter 46.72 RCW](#).
- **Enforcement.**
 - The City enforces these regulations and may suspend or revoke any licenses; any violation is deemed as a civil infraction.

Mount Vernon: Municipal Code Chapter 5.32

- **Licenses and fees.**
 - Taxi or for-hire operators are required to obtain a **license** from the Finance Director.
 - License fee: \$75 per year, plus \$25 per year for each vehicle.
 - Fee for stands: \$300 per year for each stand occupying an available parking space on a city street or city-owned parking lot.
- **Insurance requirements.**
 - Insurance is required per State law, [Chapter 46.72 RCW](#).
- **Enforcement.**
 - The City enforces these regulations, and any violation may be punishable as a misdemeanor.

- **Licenses and fees.**
 - Any person, firm, or corporation operating taxi or for-hire is required to obtain a **city license**. Licenses expire December 31st each year.
 - Fees, per [Master Fee Schedule](#):
 - \$50/year for the first two taxis operated by any person, firm, or corporation.
 - \$25/year for each additional taxi to the same owner.
 - Parking stall: \$5/month/parking stall.
 - Must also pay for State and County licenses.
- **Driver background checks.**
 - No person shall receive a taxi license or a taxi driver license who has been convicted of assault within the last 10 years, a felony in the last seven years, a gross misdemeanor in the last five years, or who has ever been convicted of sexual offenses.
- **Vehicle requirements.**
 - Vehicles must comply with requirements of DOL and with State law for the protection and safety of passengers.
 - Vehicles are subject to inspection at all reasonable times by the Chief of Police.
- **Enforcement.**
 - The City Council enforces these regulations and may cancel a license if used in violation of the ordinance, if the business is operated without licensed drivers, if fares are charged in excess of the approved schedule, or if the business is operated in an unsafe or fraudulent manner.

Okanogan: Municipal Code Chapter 5.12

- **Licenses and fees.**
 - Every person, firm, or corporation must obtain a **license** to carry passengers for hire or from any point within the city. Licenses expire on December 31 of each year.
 - No licensee may operate more than two vehicles.
 - Drivers are required to have a Washington State license.
 - After Council approval, the city clerk will issue a license upon payment of fee:
 - \$40/year (\$20/year after July 1) in 2018 (Per [Ordinance 1184](#))
- **Driver background checks.**
 - Prior to approving the application, the Chief of Police will investigate the driving record of each driver. Drivers must have less than three moving violations of state or city traffic laws in the preceding three years; and no record of criminal conviction of any felony or gross misdemeanor in the preceding five years.
- **Vehicle requirements.**
 - Prior to approving the application, the Chief of Police will perform a visual inspection of each vehicle to be used.
- **Insurance requirements.**
 - Taxis are required to have insurance coverage that the city council deems adequate in form, term, and amount.
- **Enforcement.**
 - The City Council enforces these regulations and may revoke or suspend a license due to violations. Violations are considered a misdemeanor and subject to a fine of not less than \$25 and not more than \$300.

Olympia: Municipal Code Chapter 5.68

- **Licenses and fees.**
 - Taxi/for-hire companies are required to have a **City Business License**. Licenses are processed by [Washington State's Business Licensing Services](#).
 - City business license: \$30 for a new license, \$30 to renew.
 - All for-hire vehicle operators are required to have a **vehicle license**.
 - License fee: \$30/vehicle/year, but reduced to \$10 if the application has a valid for-hire vehicle license from the City of Lacey or Tumwater.
 - For-hire drivers are required to have a **City occupational permit**, per [OMC Chapter 5.10](#).
 - Occupational permits apply to certain occupations that, by the nature of their work, present a heightened safety risk to the public. This includes door-to-door solicitors, for-hire drivers, and locksmiths.⁴³
 - License fee, per [City Website](#), is \$70 per year. This includes \$30 permit fee, \$35.25 State Patrol/FBI record check fee, \$4.75 fingerprinting fee.
 - Renewal: \$30 renewal fee when fingerprinted not required; \$70 when fingerprinting and background check required (every three years)
 - Olympia honors Occupational Permits issued by the cities of Lacey, Tumwater, and Yelm.
- **Driver background checks.**
 - Prior to being issued an occupational permit, drivers must consent to be fingerprinted for a criminal check. The applicant will be fingerprinted by the Police Department, forwarded to Washington State Patrol for state background check and FBI for nationwide background check.
 - The Chief of Police will perform a state and nationwide background check every three years.
- **Vehicle requirements.**
 - Vehicles must be properly equipped and in safe conditions, equipped with seat belts for all passengers. Vehicles will be inspected by the Police department upon receipt of a passenger complaint.
- **Insurance requirements.** Applicants must file proof of insurance with at least \$500,000 for each occurrence.
- **Drug and alcohol use.** Operating a vehicle under the influence of liquor or drugs is prohibited.
- **Enforcement.** The City enforces these regulations; violations will be deemed misdemeanors and may be subject to fine or imprisonment.

⁴³ City of Olympia, <http://olympiawa.gov/city-services/police-department/occupational-permits.aspx>, accessed December 2018.

Omak: Municipal Code Chapter 4.16

- **Licenses and fees.**
 - All persons, firms, or corporations are required to have a **city license** to carry passengers for hire from any point in the city. Fees, per [2018 Fee Schedule](#):
 - Taxi license: \$30/year (expires December 31; \$15 if licensed after July 1)
 - Chauffeur Fee: \$15/vehicle
 - **Limit to licenses.** The city will only authorize two licenses at most. Carriers who may be either individuals, firms, and/or corporations. If more than two carriers apply for a license, the council will determine which two applicants are most qualified to provide the best and safest service.
- **Driver background checks.**
 - Drivers must secure clearance from the Police Chief. Drivers may not have been convicted of a gross misdemeanor or felony within the last five years.
- **Vehicle requirements.**
 - The taxi vehicle will be inspected by Omak police department for proper equipment, safe operating conditions, cleanliness, and sanitary conditions. This includes a specific list of inspection items listed in [OMC Chapter 4.16](#).
- **Insurance requirements.**
 - Application for license must state the amount of character of insurance carried on each vehicle.
- **Enforcement.**
 - The City enforces these regulations and may suspend or revoke licenses due to violations. Violations are considered civil infractions.

Pasco: Municipal Code Chapter 5.45

- **Licenses and fees.**
 - Taxi companies are required to obtain a **for-hire company business license**. The license must be renewed annually. The cost for a company business license (per [PMC Chapter 3.07.050](#)):
 - 10 or fewer drivers: \$300/year
 - 11-40 drivers: \$700/year
 - 41 or more drivers: \$2,000/year
 - Drivers are required to obtain a **for-hire driver's business license** (renewed annually).
 - Driver's business license: \$40/year
- **Driver background checks.**
 - Drivers will be fingerprinted by the Pasco Police Department before receiving a license.
 - Fees, per [PMC Chapter 3.07.050](#)
 - Fingerprints: \$10
 - Photograph: \$5
 - Criminal history check: \$30
 - WSP/FBI criminal history check: \$34.75
- **Vehicle requirements.**
 - Vehicles must pass an inspection by an ASE-certified mechanic. Taxi companies must keep records of inspections for at least three years. Inspections must include 19-point inspection list.⁴⁴
- **Insurance requirements.**
 - Owners and operators of taxis are required to have liability insurance of at least \$100,000 for personal injury by one person, \$300,000 for all persons for one act of negligence, and at least \$50,000 for property damage. A \$500,000 combined single limit policy may be submitted.
- **Data reporting and records retention.**
 - Taxi companies are required to keep records of all trips made by all drivers for at least one year from the date of each trip, and individual records of each driver for at least one year after the driver's relationship with the company ends.
- **Drug and alcohol use.**
 - There is a zero-tolerance policy for drug or alcohol use.
- **Enforcement.**
 - The Licensing Officer and Police have authority to enforce this Ordinance. Violations may lead to suspension or revocation of licenses and/or fines.

⁴⁴ See *Similarities Across Cities*, page 10.

Port Orchard: Municipal Code Chapter 5.56

- **Licenses and fees.**
 - Taxi drivers are required to have a Washington State driver's license and a **City driver's license**: \$30/year (calendar year), issued by the city clerk.
 - Taxi vehicles are required to have a **vehicle permit**: \$20/year.
- **Driver background checks.**
 - Applicants for a driver's license must submit to fingerprinting by the Chief or designee and must submit photographs with the application.
- **Vehicle requirements.**
 - The taxi owner is responsible for ensuring that vehicles are kept in condition suitable for use.
 - The police department has authority to inspect taxis due to citizen complaint, or from time to time. If the police department believes the taxi is not in a safe condition, the Chief of Police may order an inspection by an independent certified mechanic at the owner's expense.
- **Data reporting and records retention.**
 - The taxi or for-hire vehicle owner must maintain daily trip sheet records and complaint logs for all licensed vehicles.
 - The for-hire vehicle owner must keep daily trip sheets and complaint logs for a minimum of three years
- **Enforcement.**
 - The City Council has authority to enforce these regulations. Violations may lead to suspensions or revocations of licenses and/or fines.

▪ **Licenses and fees.**

- For-hire operators are required to obtain a **city business license**.
- For-hire drivers are required to obtain a **driver's endorsement**.
- Fees:
 - Business license: \$100/calendar year (includes one vehicle), plus \$50/calendar year for each additional vehicle.
 - Driver fee: \$50 per driver/year.
 - All license fees are reduced to one-half of the annual fee if issued on or after July 1st.

▪ **Driver background checks.**

- The Chief of Police will conduct a background investigation and determine that the license to the operator and driver endorsement is consistent with the public health, safety, and welfare.
- The driver must not have been convicted of a felony crime against a person that directly relates to the business or operation of a for-hire vehicle, operating a motor vehicle under the influence of drugs or alcohol, or reckless driving within five years prior; or convicted of three or more moving violations during a one-year period during the five years preceding the application.

▪ **Vehicle requirements.**

- The applicant must file a certificate of inspection showing that all vehicles have been inspected by a reliable automotive concern, approved by the police chief and certified as safe for “for hire” operation by the automotive concern.
- Vehicles must be reexamined every 12 months.
- Vehicles must be available for inspection at any time by the police chief.

▪ **Insurance requirements.**

- The applicant for a business license must provide proof of insurance meeting State law, per [Chapter 46.72 RCW](#). Insurance must name the City as an additional insured.

▪ **Drug and alcohol use.**

- Drivers may not operate a for-hire vehicle under the influence of liquor or drugs.

▪ **Enforcement.**

The City enforces these regulations and may suspend or revoke licenses due to violations.

- **Licenses and fees.**
 - All taxi companies and TNCs are required to obtain a **Transportation License**. Licenses are effective for one year and must be renewed annually.
 - 10 or fewer drivers: \$300
 - 11-40 drivers: \$700
 - 41 or more drivers: \$2,000
- **Driver background checks.**
 - The taxi company or a certified third-party must conduct a criminal background check report for any drivers. The background check must include at least seven years of database history for local, state, and national criminal history and publicly accessible national sex offender registries.
 - The taxi company or a third-party must also conduct a driver's license history check report prior to operating and biennially thereafter.
- **Vehicle requirements.**
 - Vehicles must be inspected by an approved mechanic. The inspection must include at least the 19-point inspection test.⁴⁵
- **Insurance requirements.**
 - Taxi companies and TNCs must provide proof of insurance coverage for all drivers.
 - Taxi owners and operators must have liability insurance of at least \$100,000 for personal injury by one person, \$300,000 for one act of negligence, and \$50,000 for property damage. A \$500,000 combined single limit policy may be substituted.
- **Data reporting and records retention.**
 - Taxi companies must maintain records of all trips by all drivers for at least one year from the date of each trip.
 - The City may audit the taxi company or TNC. The City may audit the taxi company or TNC. Audits may be conducted twice per license year, up to 20% of randomly selected taxi drivers, up to a maximum of 20 drivers that have operated within the last 180 days in the City.
- **Drug and alcohol use.**
 - There is a zero-tolerance policy for drug or alcohol use.
- **Enforcement.**
 - The License Officer has authority to enforce these regulations. Violations may lead to suspension or revocation of licenses.

⁴⁵ See *Similarities Across Cities*, page 10.

Quincy: Municipal Code Chapter 5.16

- **Licenses and fees.**
 - All taxi operators are required to obtain a **City license**.
 - Application fee: \$15; plus \$5 for each additional taxi vehicle, effective for the calendar year.
 - Prior to issuing a license, City Council will make an investigation of the applicant to assess honesty, ability, moral and physical fitness, experience and age.
 - Drivers are required to take an examination by a physician to check for good health, and shall demonstrate to the City capability of handling a taxi and driving in traffic.
 - Examination Fee: \$2.50
- **Driver background checks.**
 - City Council will investigate driver backgrounds (“ability, moral and physical fitness, his experience and age; and shall inspect the vehicles to be used, and the site from which he intends to operate; and such other matters and conditions as they may deem proper”, QMC 5.16.060).
- **Vehicle requirements.** Prior to issuing a license, City Council will inspect the vehicles.
- **Insurance requirements.** Insurance is required as part of the license application.
- **Enforcement.** City Council has authority to enforce these regulations. Violations shall be considered civil infractions and may result in revocations or suspension of licenses.

Richland: Municipal Code Chapter 5.22

- **Licenses and fees.**
 - All taxis and TNCs are required to have a **special business license**, issued by a license officer.
 - 10 or fewer drivers: \$300/year
 - 11-40 drivers: \$700/year
 - 41 or more drivers: \$2,000/year
 - Taxi and TNC drivers are required to have a valid Washington State driver's license, proof of motor vehicle registration, and proof of current automobile liability insurance.
- **Driver background checks.** Taxi companies and TNCs are required to conduct, or have a third-party vendor conduct, a criminal background check for taxi and TNC drivers.
 - The taxi company or TNC must maintain records on background checks for two years.
 - The background check includes seven years of database history.
- **Vehicle requirements.**
 - Taxis and TNC vehicles must pass an inspection by a mechanic certified by the National Institute for Automotive Service Excellence, including the standard 19-point vehicle inspection checklist, plus heating and air conditioning systems.⁴⁶
- **Insurance requirements.**
 - Taxi owners and operators are required to maintain liability insurance of at least \$100,000 for one person's personal injury, \$300,000 for all persons from one act of negligence, and at least \$50,000 for property damage. A \$500,000 combined single limit policy may be substituted.
- **Data reporting and records retention.**
 - The taxi company is responsible for maintaining records on drivers, including the driver's name, age, address, social security number, criminal history, driver's license, motor vehicle registration, and proof of insurance. Trip records shall be kept for at least one year from the time of the trip.
- **Drug and alcohol use.**
 - Taxis and TNC companies must implement a zero-tolerance policy on the use of drugs or alcohol.
- **Enforcement.**
 - The license officer has authority to enforce these regulations. These regulations do not limit the city or Richland police department from enforcing all laws relating to motor vehicles or the operation of taxis and TNC vehicles. Violations may lead to suspension or revocation of licenses and/or fines.

⁴⁶ See *Similarities Across Cities*, page 10.

Spokane: Municipal Code Chapter 10.34

▪ **Licenses and fees.**

- A **vehicle license** is required before the vehicle may be owned, operated, or driven as a for-hire vehicle. Licenses are administered through the Business Office.
- Any for-hire driver is required to have a for-hire **driver's license**. Per [SMC Chapter 4.04](#).
- An interim for-hire driver's license will be issued to new drivers at no cost and good for 60 days. After that interim period, the driver must pay the driver's license fee.
- Fees, Per [SMC Chapter 8.02.0210](#).
 - Vehicle license fee: \$100, renewed annually.
 - Vehicle inspection fee: \$100; includes one reinspection at no additional cost. Additional vehicle inspections are charged \$100.
 - Taximeter annual registration fee: \$25, per [Chapter 19.94.175 RCW](#).
 - Driver's license fee: \$44; must be renewed annually.
 - For-hire vehicle license transfer fee: \$25.

▪ **Driver background checks.**

- Applicants for driver's licenses must provide fingerprints by the Spokane police department, a medical examination report, and an annual drug screen.

▪ **Vehicle requirements.**

- Vehicles must be inspected by the Licensing Officer or Police Officer.
- The vehicle must comply with emission standards, safety, and cleanliness regulations promulgated by the Fleet Services Director; and must be equipped with proper and serviceable seat belts for every passenger.
- The vehicle must comply with specified color schemes, per [SMC Chapter 10.34.060](#).

▪ **Insurance requirements.**

- Insurance requirements follow State law, per [Chapter 46.72 RCW](#).

▪ **Data reporting and records retention.**

- Vehicle license holders must keep all documents showing compliance with code, including certificates of inspection, trip sheets, vehicle maintenance records, and accident reports.
- Records must be kept for at least five years.

▪ **Enforcement.**

- The City's Licensing Officer enforces these regulations; any violation is a class one civil infraction.

Sunnyside: Municipal Code Chapter 5.40

- **Licenses and fees.**
 - A taxi business license is required to operate a taxi business in the City. The application will be reviewed by the Chief of Police and the Director of Public Works before approval by the City Clerk.
 - Application fee: \$200
 - Annual license fee: \$50/yr for each taxi operator
- **Driver background checks.**
 - The Chief of Police will conduct a criminal history records check of applicants and drivers.
- **Vehicle requirements.**
 - The Chief of Police may require the applicant to obtain an inspection by a qualified mechanic to ensure that vehicles are clean, properly equipped, in good appearance, and in safe condition.
- **Insurance requirements.**
 - Taxi owners and operators are required to maintain, and file with the City Clerk, liability insurance of at least \$100,000 for one person's personal injury, \$300,000 for all persons from one accident, and at least \$50,000 for property damage.
- **Drug and alcohol use.**
 - Any use of narcotic drugs or intoxicating liquor in connection with the use of any vehicle is prohibited.
- **Enforcement.**
 - The City Manager enforces these regulations. Violations may lead to suspension or revocation of licenses.

Tacoma: Municipal Code Title 6B.220

- City of Tacoma for-hire licenses and TNC licenses are also valid in **unincorporated areas of Pierce County** when maintained in good standing. A license from the City of Tacoma is required to operate or own a for-hire vehicle in unincorporated Pierce County (per [Pierce County Code 5.26.020](#)).
- **Licenses and fees.**
 - For-hire companies are required to obtain a **City business license**, based on gross income. ([Title 6B. 20.020](#))
 - Under \$12,000: \$25 fee
 - \$12,000 - \$250,000: \$110 fee
 - Over \$250,000: \$250 fee
 - For-hire drivers and vehicle owners all need a City license:
 - **For-hire driver license:** \$50; replacement \$5; must renew every other year.
 - **For-hire vehicle license:** \$75; replacement plate \$25.
 - **Taximeter inspection:** \$50; inspection rescheduling fee \$50; fee paid annually.
 - **Accessibility.** All for-hire transportation services companies must pay a \$0.10 per ride fee for all rides originating in the City of Tacoma for each affiliated for-hire vehicle that does not meet the criteria of an “Accessible For-Hire Vehicle” in 6B.220.130A: A vehicle designated or modified to transport passengers in wheelchairs or other mobility devices where passengers can board the vehicle via a ramp or lift.
 - **For-hire licenses are different from TNC licenses.** Each TNC must pay a \$15,000 licensing fee within 30 days of making their dispatch application services or app available within the City.
- **Driver background checks.**
 - Drivers must be fingerprinted and document a full criminal background check through WSP and FBI or through a Director-approved third-party vendor. If the background check is not conducted through a third-party vendor, the driver must consent to be fingerprinted and the City will conduct a state and national WSP and FBI background check. The check will include at least seven years of database history. Drivers provide or submit to an updated criminal background check every year.
- **Vehicle requirements.**
 - The vehicle must have a Certificate of Safety issued from an approved mechanic, stating that the vehicle has passed a uniform vehicle safety inspection.
- **Insurance requirements.** Vehicles must have liability insurance per State law.
- **Data reporting and records retention.** The City may examine any records related to insurance policies, dispatch records, or trip records.
- **Drug and alcohol use.** There is a zero-tolerance policy for drug or alcohol use.
- **Enforcement.** The City enforces these regulations and may suspend/revoke licenses due to violations.

Toppenish: Municipal Code Chapter 5.40

- **Licenses and fees.**
 - Taxi and for-hire operators are required to obtain a **City business license** and a **certificate of public convenience and necessity**.
 - Business license fees, [Per Fee Schedule](#):
 - \$50 for 1-2 employees, \$10 for each additional employee, up to a \$600 maximum.
 - Must be renewed annually. Partial year licenses are prorated but not less than \$25.
- **Driver background checks.** The police department will investigate applicants prior to granting the certificate of public convenience.
- **Vehicle requirements.** Vehicles must be kept in good operating condition.
- **Insurance requirements.** Applicants must file proof of insurance with the city clerk.
- **Enforcement.** The City enforces these regulations. Violations are classified as infractions.

Tumwater: Municipal Code Chapter 5.04

- **Licenses and fees.**
 - Taxi/for-hire companies are required to have a **City Business License**. Licenses are processed by [Washington State's Business Licensing Services](#).
 - The City business license: \$50 new, \$20 to renew.
 - Drivers are required to have an **occupational permit**. ([TMC Chapter 5.06](#))
 - Fees, per [Occupational Permit Master Application Packet](#): \$70/year, which includes \$23.88 permit fee; \$35.25 WSP/FBI record check fee; \$10.87 fingerprinting fee.
 - Renewal: \$30 renewal fee when fingerprinted not required; \$70 when fingerprinting and background check required (every three years).
 - Tumwater honors occupational permits issued by the cities of Lacey and Olympia.
- **Driver background checks.**
 - Prior to be issued an occupational permit, drivers must consent to be fingerprinted for a criminal check. The applicant will be fingerprinted by the Police Department, forwarded to Washington State Patrol for state background check and FBI for nationwide background check.
 - The Chief of Police will perform a state and nationwide background check every three years.
- **Vehicle inspection.**
 - Vehicles will be inspected upon passenger complaints.
- **Enforcement.**
 - The City enforces these regulations; any violation will be deemed guilty of a misdemeanor.

Vancouver: Municipal Code Chapter 5.76

- **Licenses and fees.**
 - Every taxi company and TNC must hold a city **Taxicab Company/TNC Special License**.
 - Special license application fee: \$200/year
 - Taxi and TNC drivers must hold a **City business license**, per [VMC Chapter 5.04](#), and must apply for this City business license through [Washington State's Business Licensing Service](#).
 - City business license fee: no fee if gross annual income under \$12,000; \$200 + \$90 per FTE if gross annual income over \$12,000
 - Business license application fee: \$19
 - *These regulations differ for TNCs. The TNCs are required to apply for a Special License, but the individual contractors are not required to do so.*
- **Driver background checks.**
 - Must comply with standards per best industry practices and published on the City website (Per [VMC 5.76 Administrative Rules](#)).
 - Drivers will be reviewed for driving history and criminal backgrounds within the last five years.
- **Vehicle requirements.**
 - Must comply with standards per best industry practices and published on the City website ((Per [VMC 5.76 Administrative Rules](#)).
 - Each taxi or TNC vehicle must pass an annual standardized vehicle safety test performed by an ASE-certified mechanic.
 - The City of Vancouver accepts valid and current safety certificates issued in accordance with Portland City Code 16.40.150.G for taxis and 16.40.250.H for TNCs.
- **Insurance requirements.**
 - Must comply with standards per best industry practices and published on the City website (Per [VMC 5.76 Administrative Rules](#)).
 - Each taxi or TNC vehicle must have liability insurance coverage of at least \$100,000 for one person, \$300,000 for one act of negligence, and \$25,000 for property damage.
 - Proof of insurance must be maintained in each vehicle or accessible on a smart phone by drivers while operating in the city.
- **Enforcement.**
 - The City Manager has authority to enforce these regulations. The Vancouver police department also have authority to enforce provisions relating to motor vehicles or the operation of taxicabs or TNC vehicles.

Walla Walla: Municipal Code Chapter 5.31

- **Licenses and fees.**
 - Incorporates [Chapter 46.72 RCW](#) and [Chapter 308.90 WAC](#) by reference.
 - Taxi owners are required to have a **City business registration**.
 - Required to have a **Washington State DOL permit** and **for-hire business license**.
 - Taxi operators are required to have a **state operator's license**.
 - Business license fee: \$50 (Per [Ordinance No. 2016-41](#)).
- **Vehicle requirements.**
 - Vehicles are required to have a **state vehicle certificate** from DOL.
- **Insurance requirements.**
 - Required to have bond or insurance policy kept on file with State DOL.
- **Enforcement.**
 - The City enforces these regulations; any violation is considered a misdemeanor.

Yakima: Municipal Code Chapter 5.78

- **Licenses and fees.** Taxi drivers must obtain a Yakima Business License for \$42.90/year.
- Additionally, any person, firm, or corporation driving or operating a for-hire vehicle is required to obtain a city license.
 - **Limit to licenses.** The city will only authorize taxi licenses such that the number of authorized taxis will not exceed the ratio of one taxi for each 2,000 people.
 - Fees:
 - Taxi license: \$55/year
 - City driver's license: \$11/year
 - City driver application fee: \$10
- **Driver background check.**
 - Applications for driver's licenses must include a criminal background check, covering at least seven years, through the Washington State Patrol and FBI. The background check may be conducted through an approved entity or through the City, which will include fingerprinting and state and national check through WSP and FBI.
 - Fees, per [Yakima Taxi Driver License Application](#):
 - Background check: \$12 (WATCH)
 - Fingerprinting: \$10 (Yakima Police Department)
 - Washington State Patrol: \$38 (WSP)
- **Vehicle requirements.**
 - Taxi vehicles must be equipped with a taximeter.
 - Vehicles must be inspected by an ASE certified mechanic or by the Yakima police department.
 - Inspection of the foot and emergency brakes, steering, windshield, rear window, other glass, windshield wipers, headlights, tail lights, turn indicator lights, braking lights, front seat adjustment mechanism, doors, horn, speedometer, bumpers, steering system, muffler, exhaust, tires, rear view mirrors, and safety belts.
- **Insurance requirements.**
 - All for-hire vehicle operators are required to file insurance with the State of Washington, per State law.
- **Drug and alcohol use.**
 - Driving the for-hire vehicle under the influence of drugs or intoxicating liquors is prohibited.
- **Enforcement.**
 - The City Manager enforces these regulations. Violations are considered misdemeanors.

Yelm: Municipal Code Chapter 5.02

For-hire businesses are regulated with general businesses

- **Licenses and fees.**
 - For-hire vehicles are required to have a **Yelm business license**.
 - Application fee: \$35
 - Annual renewal fee: \$25
 - Business are required to have Washington State Master Business License from the State Department of Revenue.
 - Drivers are required to have an **occupational permit**. ([YMC Chapter 5.03](#))
 - Fees, per [YMC Chapter 5.02](#): \$70/year. This includes a \$25 permit fee, \$35 background check, \$10 fingerprinting.
 - Yelm honors occupational permits issued by Olympia, Tumwater, and Lacey.
- **Driver background checks.**
 - Prior to approving applicants, the Police Chief will conduct a background check of drivers.
 - All applicants must consent to be fingerprinted for a criminal background check. The background check will be conducted every third year.
 - Prior conviction of a felony may be considered. Conviction of a felony will not be the sole reason for denying a permit unless such conviction was within the past 10 years and directly relates to the specific occupation, trade, vocation, or business for which the application is made.
- **Enforcement.**
 - Violations are considered misdemeanors. The City enforces these regulations.