

**CITY OF WASILLA
ORDINANCE SERIAL NO. 05-12**

AN ORDINANCE OF THE WASILLA CITY COUNCIL REPEALING CHAPTER 6.12 OF THE WASILLA MUNICIPAL CODE AND AMENDING WMC 1.20.030, DISPOSITION OF SCHEDULED OFFENSES – FINE SCHEDULE IN REGARD TO TAXI CABS AND CHAUFFEURS.

* **Section 1. Classification.** This ordinance is of a general and permanent nature and shall become part of the city code.

* **Section 2. Repeal of chapter.** WMC 6.12, Taxicabs, is repealed in its entirety:
[6.12.010 DEFINITIONS.

FOR THE PURPOSES OF THIS CHAPTER, THE FOLLOWING DEFINITIONS SHALL APPLY:

“CHAUFFEUR PERMIT” MEANS THAT PERMIT ISSUED PURSUANT TO SECTION 6.12.070.

“OPERATOR” MEANS A PERSON WHO OPERATES A TAXICAB BY EMPLOYMENT OR CONTRACT WITH A PERMIT HOLDER.

“PERMIT HOLDER” MEANS AN OWNER OR MANAGER OF A TAXICAB BUSINESS THAT HOLDS THE TAXICAB PERMIT ISSUED BY THE CITY CLERK.

TAXICAB” MEANS ANY MOTOR VEHICLE DESIGNED AND CONSTRUCTED TO TRANSPORT PASSENGERS NOT MORE THAN FIFTEEN (15) IN NUMBER, NOT INCLUDING THE OPERATOR, WHICH IS USED TO TRANSPORT PASSENGERS FOR PAY, WHICH IS NOT OPERATED OVER ANY DEFINITE AND DESIGNATED

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ROUTE WITHIN THE CITY LIMITS, AND THE DESTINATION OF WHICH IS DESIGNATED BY THE PASSENGER AT THE TIME OF TRANSPORTATION.

“TAXICAB PERMIT” MEANS A DOCUMENT ISSUED BY THE CITY CLERK THAT AUTHORIZES THE OPERATION OF A VEHICLE FOR THE PURPOSES OF A
6.12.020 TAXICAB PERMIT REQUIRED.

NO PERSON MAY ENGAGE IN THE OPERATION OF A TAXICAB BUSINESS WITHIN THE CITY WITHOUT FIRST OBTAINING A CITY BUSINESS LICENSE FOR THE BUSINESS AND A TAXICAB PERMIT FOR EACH TAXICAB TO BE OPERATED. THE PERMIT HOLDER MUST COLLECT AND REMIT SALES TAX AND MUST COMPLY WITH ALL OTHER CITY, BOROUGH AND STATE REGULATIONS.

6.12.030 APPLICATION FOR TAXICAB PERMIT.

EACH TAXICAB BUSINESS MUST OBTAIN AN APPLICATION FOR PERMIT FOR EACH VEHICLE TO BE OPERATED IN CONNECTION WITH A TAXICAB BUSINESS FROM THE OFFICE OF THE CITY CLERK ON AN ANNUAL BASIS. UPON RECEIPT OF THE COMPLETED TAXICAB PERMIT APPLICATION, THE CITY CLERK SHALL SUBMIT THE APPLICATION TO THE POLICE CHIEF FOR FINAL APPROVAL WITHIN THREE BUSINESS DAYS. TAXICAB PERMIT APPLICATION MUST BE ACCOMPANIED BY THE FOLLOWING INFORMATION:

- A. THE NAME AND BUSINESS IDENTIFICATION NUMBER OF THE BUSINESS THAT IS APPLYING FOR THE TAXICAB PERMIT;
- B. THE MAKE, MODEL, SERIAL NUMBER, LICENSE PLATE NUMBER, AND CURRENT REGISTRATION RECORD OF THE VEHICLE TO BE PERMITTED;

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C. A COPY OF THE STATE OF ALASKA VEHICLE REGISTRATION OF THE VEHICLE TO BE OPERATED;

D. PROOF OF LIABILITY INSURANCE FOR THE VEHICLE AS PROVIDED BY SECTION 6.12.050;

E. A VEHICLE INSPECTION CERTIFICATE, AS PROVIDED BY SECTION 6.12.050;

F. A SEVENTY-FIVE DOLLAR (\$75.00) TAXICAB PERMIT FEE FOR EACH TAXICAB TO BE OPERATED; AND

G. A COPY OF A CRIMINAL BACKGROUND CHECK FROM THE ALASKA STATE TROOPERS, DATED WITHIN TEN (10) BUSINESS DAYS OF THE APPLICATION FOR TAXICAB PERMIT. AT THE DISCRETION OF THE CHIEF OF POLICE, A FEDERAL CRIMINAL HISTORY CHECK MAY ALSO BE CONDUCTED.

6.12.040 TAXICAB PERMIT.

A. TAXICAB PERMIT WILL NOT BE ISSUED TO A BUSINESS OWNER WHO HAS BEEN CONVICTED OF A FELONY OR CRIME INVOLVING FRAUD, DISHONESTY, DECEPTION, CHILD MOLESTATION, OR SIMILAR CRIME.

B. UPON APPROVAL OF THE APPLICATION BY THE POLICE CHIEF, THE CITY CLERK SHALL ISSUE A TAXICAB PERMIT TO THE APPLICANT. THE TAXICAB PERMIT SHALL CONTAIN:

1. THE NAME OF THE BUSINESS THAT THE TAXICAB PERMIT IS ISSUED; AND

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2. PRESENT A CERTIFICATE OF INSURANCE LIABILITY INSURANCE IN ACCORDANCE WITH AS 28.22, MANDATORY MOTOR VEHICLE INSURANCE THE MAKE, MODEL, SERIAL NUMBER, AND LICENSE PLATE NUMBER.

C. A TAXICAB PERMIT SHALL BE NON-TRANSFERABLE, NONASSIGNABLE, AND NON-REFUNDABLE.

D. A TAXICAB PERMIT SHALL BE VALID FROM JANUARY 1ST THROUGH DECEMBER 31ST OF EACH YEAR. A TAXICAB PERMIT ISSUED AFTER DECEMBER 1ST OF EACH YEAR WILL BE ISSUED FOR THE FOLLOWING CALENDAR YEAR. APPLICATION FOR RENEWAL OF A TAXICAB PERMIT SHALL BE MADE BEFORE FEBRUARY 1ST OF EACH YEAR. THE SAME INFORMATION AND FEE AS REQUIRED FOR THE ISSUANCE OF AN ORIGINAL PERMIT SHALL ACCOMPANY AN APPLICATION FOR RENEWAL.

E. A TAXICAB PERMIT WILL NOT BE RENEWED UNLESS THE PERMIT HOLDER IS IN COMPLIANCE WITH THE CITY SALES TAX ORDINANCE, AND HAS COLLECTED, REPORTED, AND FULLY PAID THE SALES TAXES DUE.

6.12.050 INSURANCE REQUIREMENT.

A. A TAXICAB PERMIT MAY NOT BE ISSUED UNLESS THE BUSINESS FILES A CERTIFICATE OF LIABILITY INSURANCE FROM AN INSURANCE COMPANY AUTHORIZED TO DO BUSINESS IN THE STATE OF ALASKA.

B. EACH VEHICLE SHALL BE INSURED IN THE FOLLOWING AMOUNTS:

1. LIABILITY COVERAGE WITH LIMITS OF NOT LESS THAN ONE HUNDRED THOUSAND DOLLARS (\$100,000.00) PER PERSON AND THREE HUNDRED THOUSAND DOLLARS (\$300,000.00) PER ACCIDENT FOR BODILY

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INJURY, AND NOT LESS THAN FIFTY THOUSAND DOLLARS (\$50,000.00) PER ACCIDENT FOR PROPERTY DAMAGE; AND

2. UNINSURED OR UNDERINSURED MOTORIST COVERAGE WITH LIMITS OF NOT LESS THAN ONE HUNDRED THOUSAND DOLLARS (\$100,000.00) PER PERSON AND THREE HUNDRED THOUSAND DOLLARS (\$300,000.00) PER ACCIDENT FOR BODILY INJURY, AND FIFTY THOUSAND DOLLARS (\$50,000.00) PER ACCIDENT FOR PROPERTY DAMAGE.

C. EVERY INSURANCE POLICY OR CERTIFICATE OF INSURANCE SHALL CONTAIN A CLAUSE OBLIGATING THE INSURER OR SURETY TO GIVE THE CITY CLERK WRITTEN NOTICE NO LESS THAN TWENTY (20) DAYS BEFORE THE CANCELLATION, EXPIRATION, NONRENEWAL, LAPSE OR OTHER TERMINATION OF SUCH INSURANCE.

D. A LAPSE, CANCELLATION, EXPIRATION, NON-RENEWAL, OR TERMINATION OF INSURANCE COVERAGE SHALL BE A VIOLATION OF THIS CHAPTER AND SHALL CONSTITUTE AN AUTOMATIC SUSPENSION OF A TAXICAB PERMIT UNTIL THE POLICY IS REINSTATED.

6.12.060 VEHICLE INSPECTIONS.

A. AT THE TIME OF APPLICATION FOR A TAXICAB PERMIT, AND ANNUALLY THEREAFTER, A VEHICLE LICENSED UNDER THIS CHAPTER MUST BE INSPECTED. THE POLICE CHIEF SHALL INSPECT EACH VEHICLE OR DESIGNATE A CERTIFIED AUTOMOTIVE SHOP TO INSPECT THE VEHICLE. THE POLICE CHIEF SHALL DESIGNATE THE INSPECTION SCHEDULE. THE PERMIT HOLDER SHALL BE RESPONSIBLE FOR SCHEDULING THE INSPECTION AND

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ANY EXPENSES INCURRED. THE POLICE CHIEF SHALL HAVE AUTHORITY TO PERFORM SPOT CHECKS ON ALL VEHICLES HOLDING A PERMIT TO DETERMINE COMPLIANCE WITH THE REQUIREMENTS OF THIS CHAPTER AND THE SAFETY OF THE VEHICLE.

B. THE PERMIT HOLDER SHALL NOTIFY THE POLICE CHIEF IMMEDIATELY OF ANY DAMAGE OF A VEHICLE LICENSED UNDER THIS CHAPTER. A LICENSED VEHICLE INVOLVED IN AN ACCIDENT MAY NOT BE PLACED IN SERVICE UNTIL IT IS INSPECTED AND RESULTS OF THE INSPECTION FORWARDED TO THE CITY CLERK.

C. TAXICABS MUST BE EQUIPPED WITH A LIGHT OR OTHER RECOGNIZABLE EMBLEM, MOUNTED ON THE ROOF AND SIDE-DOOR DECALS OR EMBLEMS ON EACH SIDE OF THE VEHICLE, IDENTIFYING THE VEHICLE AS A TAXICAB, DISTINGUISHABLE FROM THE OTHER VEHICLES USING PUBLIC ROADWAYS.

6.12.070 CHAUFFEUR PERMIT.

A. EACH OPERATOR OF A VEHICLE USED FOR A TAXICAB BUSINESS MUST OBTAIN AN APPLICATION FOR A CHAUFFEUR'S PERMIT FROM THE OFFICE OF THE CITY CLERK ON AN ANNUAL BASIS. EACH APPLICANT MUST BE AT LEAST NINETEEN (19) YEARS OF AGE. UPON RECEIPT OF THE COMPLETED APPLICATION, THE CITY CLERK SHALL SUBMIT THE APPLICATION TO THE POLICE CHIEF FOR FINAL APPROVAL WITHIN THREE BUSINESS DAYS. THE CHAUFFEURS PERMIT APPLICATION MUST BE ACCOMPANIED BY THE FOLLOWING INFORMATION:

Bold and underline added. [CAPS AND BRACKETS, DELETED.]

1. A COPY OF A VALID ALASKA DRIVER'S LICENSE;

2. A COPY OF THE CURRENT DRIVING RECORD FROM THE STATE OF ALASKA, DEPARTMENT OF MOTOR VEHICLES, DATED WITHIN TEN (10) BUSINESS DAYS OF THE APPLICATION FOR CHAUFFEURS PERMIT;

3. A COPY OF A CRIMINAL BACKGROUND CHECK FROM THE ALASKA STATE TROOPERS, DATED WITHIN TEN (10) BUSINESS DAYS OF THE APPLICATION FOR CHAUFFEURS PERMIT. AT THE DISCRETION OF THE CHIEF OF POLICE, A FEDERAL CRIMINAL HISTORY CHECK MAY ALSO BE CONDUCTED;

4. A FIFTY DOLLAR (\$50.00) CHAUFFEUR PERMIT FEE.]

B. A CHAUFFEUR PERMIT ISSUED IS VALID FOR ONE YEAR FROM THE DATE OF ISSUANCE BY THE CITY CLERK. AN APPLICATION FOR RENEWAL OF A CHAUFFEUR'S PERMIT SHALL BE MADE NOT LATER THAN THIRTY (30) DAYS PRIOR TO EXPIRATION, AND SHALL BE ACCOMPANIED BY THE SAME INFORMATION AND FEE AS REQUIRED FOR THE ISSUANCE OF AN ORIGINAL PERMIT.

C. IF AN OPERATOR HOLDING A CHAUFFEUR PERMIT HAS A LEASE WITH A TAXICAB PERMIT HOLDER, THE OPERATOR MUST OBTAIN A SEPARATE CITY BUSINESS LICENSE PRIOR TO THE OPERATION OF THE VEHICLE WITH THE TAXICAB PERMIT HOLDER. THE OPERATOR MUST COLLECT AND REMIT SALES TAX, AND MUST COMPLY WITH ALL OTHER CITY, BOROUGH AND STATE REGULATIONS.

12.080 CHAUFFEUR QUALIFICATIONS.

Bold and underline added. [CAPS AND BRACKETS, DELETED.]

A. A CHAUFFEUR PERMIT MUST NOT BE ISSUED TO AN APPLICANT IF WITHIN ONE YEAR PRIOR TO THE DATE OF APPLICATION, THE APPLICANT HAS ONE OR MORE OF THE FOLLOWING:

1. TRAFFIC VIOLATIONS TOTALING TWELVE (12) POINTS WITHIN ONE YEAR UNDER ALASKA STATUTE;

2. TRAFFIC VIOLATIONS TOTALING EIGHTEEN (18) POINTS WITHIN TWENTY-FOUR (24) MONTHS UNDER ALASKA STATUTE; OR

3. A CONVICTION OF DRIVING WHILE LICENSE IS SUSPENDED OR REVOKED.

B. A CHAUFFEUR PERMIT WILL NOT BE ISSUED TO AN APPLICANT IF WITHIN FIVE YEARS PRIOR TO THE DATE OF APPLICATION, THE APPLICANT HAS ONE OR MORE OF THE FOLLOWING CONVICTIONS ENTERED BY A COURT OF LAW:

1. PROSTITUTION, SOLICITATION FOR THE PURPOSE OF PROSTITUTION, OFFERING TO SECURE ANOTHER FOR THE PURPOSE OF PROSTITUTION, MAINTAINING A VEHICLE FOR THE PURPOSE OF PROSTITUTION, OR ACCEPTING MONEY FOR A PROSTITUTE;

2. SALE, TRANSPORTATION, POSSESSION OR USE OF ANY CONTROLLED SUBSTANCE AS DEFINED IN A.S. 11.71.140-11.71.190;

3. ANY MISDEMEANOR WHICH INCLUDES, AS AN ELEMENT, THE USE OF OR THREAT OF FORCE UPON A PERSON; OR

4. RECKLESS OR CARELESS DRIVING.

Bold and underline added. [CAPS AND BRACKETS, DELETED.]

C. A CHAUFFEUR PERMIT WILL NOT BE ISSUED TO AN APPLICANT WHO HAS BEEN CONVICTED OF A FELONY OR CRIME INVOLVING FRAUD, DISHONESTY, DECEPTION, CHILD MOLESTATION, OR SIMILAR CRIME.

D. AN APPLICANT WHO HAS BEEN DENIED A CHAUFFEURS PERMIT MAY NOT APPLY FOR A PERMIT FOR A PERIOD OF ONE YEAR FROM THE DATE OF DENIAL.

6.12.090 DIRECT ROUTE.

THE OPERATOR SHALL FOLLOW THE MOST DIRECT ROUTE TO THE PASSENGER'S DESTINATION, UNLESS OTHERWISE DIRECTED BY THE PASSENGER.

6.12.100 RATES AND RECEIPTS.

A. EACH OPERATOR OF EACH VEHICLE SHALL PROVIDE A PASSENGER WITH A RECEIPT WHEN REQUESTED. AN OPERATOR MAY NOT REQUIRE PAYMENT OF RATES GREATER THAN THOSE ESTABLISHED AND POSTED IN THE INTERIOR OF THE VEHICLE. THE POSTING OF RATES SHALL BE LEGIBLE TO PASSENGERS IN THE REAR MOST SEAT OF THE TAXICAB.

B. THE COUNCIL MAY REGULATE THE FARES AND CHARGES FOR THE USE OF ANY TAXICAB PERMITTED PURSUANT TO THIS CHAPTER. PRIOR TO THE ADOPTION OF REGULATIONS FOR FARES AND CHARGES A PUBLIC HEARING SHALL BE HELD AND NOTICE GIVEN TO ALL PERMIT HOLDERS.

6.12.110 ALCOHOLIC BEVERAGES AND CONTROLLED SUBSTANCES.

A. AN OPERATOR OF A VEHICLE SHALL NOT DRINK ALCOHOLIC BEVERAGES, BE UNDER THE INFLUENCE OF A DEPRESSANT,

Bold and underline added. [CAPS AND BRACKETS, DELETED.]

HALLUCINOGENIC, STIMULANT OR NARCOTIC DRUG, OR ANY OTHER CONTROLLED SUBSTANCE AS DEFINED BY AS 28.35.030 WHILE ON DUTY, OR FOR EIGHT HOURS PRIOR TO OPERATING THE VEHICLE.

B. AN OPERATOR OF THE VEHICLE SHALL NOT HAVE ALCOHOLIC BEVERAGES OR A CONTROLLED SUBSTANCE IN THEIR POSSESSION AT ANY TIME WHILE ON DUTY. AN OPERATOR SHALL NOT PURCHASE TO TRANSPORT, OR DELIVER ALCOHOL OR ANY OTHER CONTROLLED SUBSTANCE AT THE REQUEST OF ANY INDIVIDUAL OR PASSENGER. ANY TRANSPORTATION OF ALCOHOL IN A VEHICLE MUST BE BY A PASSENGER AS BAGGAGE. SUCH ALCOHOLIC BEVERAGES SHALL BE SEALED AND UNOPENED AS REQUIRED BY STATE LAW.

6.12.120 HEARING.

THE COUNCIL MAY HOLD AT LEAST ONE PUBLIC HEARING ANNUALLY TO INVESTIGATE THE QUALITY OF SERVICES OFFERED BY TAXICAB COMPANIES IN THE CITY.

6.12.130 SUSPENSION AND REVOCATION—REMEDIES AND PENALTIES.

A. TAXICAB AND CHAUFFEUR PERMITS ISSUED UNDER THIS CHAPTER MAY BE SUSPENDED OR REVOKED BY THE POLICE CHIEF. A TAXICAB OR CHAUFFEUR PERMIT SHALL BE REVOKED OR SUSPENDED IF THERE IS A FINDING THAT THE PERMIT HOLDER HAS:

1. WILLFULLY DONE OR PERMITTED TO BE DONE AN ACT IN VIOLATION OF A STATUTE, BOROUGH OR CITY LAW RELATING TO THE BUSINESS, PROFESSION OR OCCUPATION LICENSED;

Bold and underline added. [CAPS AND BRACKETS, DELETED.]

2. CONDUCTED THE PERMITTED BUSINESS, PROFESSION OR OCCUPATION IN SUCH A MANNER AS TO CONSTITUTE A THREAT TO PUBLIC HEALTH, SAFETY OR GENERAL WELFARE.

B. REMEDIES AND PENALTIES FOR VIOLATIONS OF THIS CHAPTER ARE AS PROVIDED IN CHAPTER 1.20.]

* **Section 3. Amendment of section.** WMC 1.20.030, Disposition of scheduled offenses – Fine schedule, in reference to the Taxicab and Chauffeurs Violations in the description of offense chart, is amended to delete reference to Taxicab and Chauffeurs Violations as follows:

Code Section	Description of Offense	Fine
[6.12.130]	[TAXICAB AND CHAUFFEURS VIOLATIONS]	[\$100]

Section 4. Effective date. This ordinance shall take effect upon adoption of the Wasilla City Council.

ADOPTED by the Wasilla City Council on January 24, 2005.



DIANNE M. KELLER, Mayor

ATTEST:



KRISTIE L. SMITHERS, MMC
City Clerk

[SEAL]

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**CITY OF WASILLA
LEGISLATION STAFF REPORT**

**RE: ORDINANCE SERIAL NO. 05-12: REPEALING WMC CHAPTER 6.12,
TAXICABS.**

Agenda of: January 10, 2005

Date: January 4, 2005

Originator: Kristie Smithers, City Clerk and Don Savage, Police Chief

Route to:	Department	Signature/Date
X	Police	<i>[Signature]</i> 1/4/05
	Recreational and Cultural Services Library, Museum	
	Public Works Planning	
X	Finance *signature required	<i>[Signature]</i>
X	Clerk	<i>[Signature]</i>

REVIEWED BY MAYOR DIANNE M. KELLER:

[Signature: Dianne M. Keller]

FISCAL IMPACT: yes\$ or no

Funds Available yes no

Account name/number:

Attachments: none

SUMMARY STATEMENT:

Ordinance Serial No. 05-12 is presented for consideration. It repeals the regulation of taxicabs within the city.

Currently the only type of transportation business regulated by the city is taxicabs. We do not regulate limo services, shuttle buses, medical transport vans, tow trucks, school buses, or any other type of public or private transportation service.

After speaking with taxicab company owners they say that as a course of business they screen their drivers through standard hiring practices to ensure safe and reliable service to their customers.

Although the city would not regulate taxicabs, taxicab company owners would still be required to comply with sales tax and business license requirements when conducting business within city limits.

We are requesting that council adopt this ordinance on January 24, 2005 as taxicab permits are due for renewal in the month of January.

HISTORY:

It appears that in 1976, at the request of a taxicab company, the council enacted an ordinance regulating taxicabs within city limits. The taxicab company hoped that the regulation would include limiting the amount of permits available. By limiting permits, the permits would become extremely valuable (as is the case in Anchorage and Fairbanks).

In the end, the council did enact an ordinance regulating taxicabs; however, they did not limit the number of permits available. It also appears that it may have been a small source of revenue for the city. At that time the city had limited revenue resources (prior to the enactment of sales tax and business license fees).

In 1999 the council adopted an amendment to the taxicab ordinance. The amendment streamlined the administration of the ordinance and it simplified the process for obtaining a chauffeur permit.

In 2002 the State raised its business license fee to \$200. As a result of the fee increase we have had a decline in the number of persons complying with our chauffeur permit requirement.

To operate a taxicab business in the city, the owner must obtain a state, borough and city business license plus they are charged an additional \$75 per vehicle by the city. In 2004, 11 taxicab permits were issued.

In 2004 the city issued seven chauffeur permits. There are two circumstances in which taxicab permit holders collect and remit sales tax. Some taxicab companies obtain taxicab permits from the city and then lease the permitted vehicle to the chauffeur. In doing so the burden of collection and remittance of sales tax is placed on the chauffeur costing them over \$360 (\$50 for chauffeur permit and \$310 for business license, background checks, etc.) to obtain a permit from the city. Because they operate as an independent contractor, they are required to comply with the city's business license requirements.

Other taxicab permit holders treat the chauffeurs as employees of the company and collect and remit sales tax for their drivers. In this case it costs the drivers approximately \$90 (\$50 for chauffeur permit and \$40 for background check, etc.) to obtain a chauffeur permit from the city.

The fine for taxicab and chauffeur permit violations is \$100 per incident. Therefore in most cases, it costs more money to obtain a valid permit from the city than the fine for the violation.

The Municipality of Anchorage highly regulates their taxicab industry. They have a transportation commission with staff. Taxicab permits are extremely valuable as only a limited amount exist.

In the valley, taxicabs are regulated by the city of Palmer although their requirements differ from ours. Taxicabs are not regulated by the Mat-Su Borough or the city of Houston.