



# City of Chicago



SO2014-8352

Office of the City Clerk

## Document Tracking Sheet

**Meeting Date:** 10/8/2014

**Sponsor(s):** Emanuel (Mayor)  
Beale (9)  
Thompson (16)  
Mitts (37)  
Silverstein (50)  
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O'Connor (41)  
Suarez (31)  
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Burns (4)  
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Ervin (28)  
Cullerton (38)  
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Smith (43)  
Graham (29)  
Maldonado (26)

**Type:** Ordinance

**Title:** Amendment of Municipal Code Chapters 9-104, 9-112 and 9-114 establishing Taxi Driver Fairness Ordinance of 2014

**Committee(s) Assignment:** Joint Committee: License and Consumer Protection;  
Transportation and Public Way

SUBSTITUTE  
ORDINANCE

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:**

**SECTION 1.** This ordinance shall be known as the Taxi Driver Fairness Ordinance of 2014.

**SECTION 2.** Chapter 9-104 of the Municipal Code of Chicago is hereby amended by deleting the language struck through and by inserting the language underscored, as follows:

**9-104-040 License – Suspension and revocation.**

(a) Except as otherwise provided in this code, if any licensee violates any traffic law or any of the ~~provisions of this chapter or chapter 9-112, chapter 9-114 or chapter 9-115~~ or rules or regulations adopted pursuant to this chapter, ~~or chapter 9-112, chapter 9-114 or chapter 9-115~~, the commissioner may seek revocation or suspension of the licensee's license and/or the imposition of a fine up to ~~\$1,000.00~~ \$400.00 and/or the issuance of an order of restitution or other appropriate equitable relief. The commissioner also may order any licensee again to successfully complete the course of study or examination, or both, as provided for in subsection 9-104-030(2)(e) prior to the reinstatement of the license. The commissioner shall promulgate rules and regulations regarding the lengths of suspension and the amounts of fines to be imposed, and the types of equitable relief to be ordered, for specific violations.

(b) Notwithstanding any other provision of this chapter, whenever the Illinois driver's license, or the driver's license of another state, district or territory of the United States, of a licensee has been revoked or suspended by the Secretary of State or other authorized agency, the licensee's public chauffeur license shall be subject to automatic suspension for the period that the driver's license is suspended or revoked. The suspension shall not be subject to any of the procedures described in this section. A suspension under this subsection (b) shall be in addition to and shall not ~~effect~~ affect any disqualification, suspension, revocation, fine or other penalty or sanction that otherwise may be applicable.

*(Omitted text is not affected by this ordinance)*

**9-104-140 Violation – Penalty.**

If any chauffeur violates ~~any provision of this chapter~~, chapter 9-112, chapter 9-114 or chapter 9-115 of this Code ~~or of this chapter~~ for which a penalty is not otherwise provided, such chauffeur shall be fined not less than \$75.00 nor more than ~~\$1,000~~ \$400.00 for each offense.

**SECTION 3.** Chapter 9-112 of the Municipal Code of Chicago is hereby amended by deleting the language struck through and by inserting the language underscored, as follows:

**9-112-030 Total number of licenses.**

The total number of licenses that each licensee holds will be based on the total licenses in each corporation, or legal entity, in which he holds a 25 percent or greater share of ownership interest including, but not limited to, stocks and shares.

No person shall own in whole or in part, directly or indirectly, or have a security interest in more than 25 percent of, the authorized licenses issued under Chapters 9-112 and 9-114.

**9-112-070 Specifications for taxicab vehicles.**

The commissioner may issue licenses for motor vehicles to operate as taxicabs according to the following:

(a) Vehicles having a manufacturer's rated seating capacity of ten or more persons, including the driver, may not be licensed as taxicabs.

(b) A vehicle must meet applicable federal motor vehicle safety standards for vehicles of its size, type and proposed use, in order to be licensed as a taxicab.

(c) Age of vehicle. A licensee cannot operate a vehicle as a licensed taxicab beyond the following vehicle age:

(1) Four years for vehicles that are not designated pursuant to the department's list of authorized vehicles as wheelchair accessible or fuel efficient.

(2) ~~Six~~ Seven years for vehicles that are designated pursuant to the department's list of authorized vehicles as fuel efficient.

(3) Seven years for vehicles that are designated pursuant to the department's list of authorized vehicles as wheelchair accessible.

*(Omitted text is not affected by this ordinance)*

**9-112-100 Qualifications for license.**

*(Omitted text is not affected by this ordinance)*

~~(d) No person shall be qualified for a public vehicle license under Chapter 9-114 and a taxicab medallion license at the same time.~~

**9-112-220 Lease rate regulations.**

*(Omitted text is not affected by this ordinance)*

(d) Any licensee who imposes a lease rate or other charge in excess of that which is permitted under this ~~section~~ chapter and rules promulgated thereunder, or who fails to provide financial information that is required under subsection (c), or who otherwise violates this section shall be subject to a fine as set forth in section 9-112-630, restitution payable to the chauffeur who was overcharged, and shall be subject to the suspension or revocation of the licensee's ~~taxicab~~ license in the manner provided in this chapter and the rules and regulations adopted under this chapter. Each day that a violation continues, and each unlawful lease that is executed, shall constitute a separate and distinct offense. In addition, the commissioner may request the city to bring an action in an appropriate court for injunctive or other equitable relief for violations of this section.

*(Omitted text is not affected by this ordinance)*

**9-112-230 Tiered lease rate structure.**

(a) ~~Starting upon the effective date of this chapter, the~~ The following tiered lease structure with stated lease rate caps applies:

<b>Tier</b>	<b>Vehicle MPG</b>	<b>12 Hour Daily Maximum Lease Rate</b>	<b>12 Hour Weekly Maximum Lease Rate</b>	<b>24 Hour Daily Maximum Lease Rate</b>	<b>24 Hour Weekly Maximum Lease Rate</b>
1	Greater than or equal to ( $\geq$ ) 36 mpg or greater than or equal to ( $\geq$ ) 21 mpg natural gas vehicle	\$74 per 12 hour shift	\$518 total for seven consecutive 12 hour shifts	\$101 per 24 hour shift	\$707 total for seven consecutive 24 hour shifts
2	Between 25 to 35 mpg or less than or equal to ( $\leq$ ) 20 mpg natural gas vehicle	\$69 per 12 hour shift	\$483 total for seven consecutive 12 hour shifts	\$93 per 24 hour shift	\$651 total for seven consecutive 24 hour shifts
3	Less than or equal to ( $\leq$ ) 24 mpg	\$59 per 12 hour shift	\$413 total for seven consecutive 12 hour shifts	\$85 per 24 hour shift	\$595 total for seven consecutive 24 hour shifts

<b><u>Tier 1 Vehicles Greater than or equal to 36 mpg or greater than or equal to 21 mpg natural gas vehicle</u></b>	<b><u>12 Hour Daily Maximum Lease Rate</u></b>	<b><u>12 Hour Weekly Maximum Lease Rate</u></b>	<b><u>24 Hour Daily Maximum Lease Rate</u></b>	<b><u>24 Hour Weekly Maximum Lease Rate</u></b>
<u>1 year or newer vehicle age</u>	<u>\$72 per 12 hour shift</u>	<u>\$504 total for seven consecutive 12 hour shifts</u>	<u>\$99 per 24 hour shift</u>	<u>\$693 total for seven consecutive 24 hour shifts</u>
<u>Older than 1 year but 2 years or newer vehicle age</u>	<u>\$71 per 12 hour shift</u>	<u>\$497 total for seven consecutive 12 hour shifts</u>	<u>\$95 per 24 hour shift</u>	<u>\$665 total for seven consecutive 24 hour shifts</u>
<u>Older than 2 years vehicle age</u>	<u>\$59 per 12 hour shift</u>	<u>\$413 total for seven</u>	<u>\$85 per 24 hour shift</u>	<u>\$595 total for seven</u>

		<u>consecutive 12 hour shifts</u>		<u>consecutive 24 hour shifts</u>
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<b><u>Tier 2 Vehicles Between 25 to 35 mpg or less than or equal to 20 mpg natural gas vehicle</u></b>	<b><u>12 Hour Daily Maximum Lease Rate</u></b>	<b><u>12 Hour Weekly Maximum Lease Rate</u></b>	<b><u>24 Hour Daily Maximum Lease Rate</u></b>	<b><u>24 Hour Weekly Maximum Lease Rate</u></b>
<u>1 year or newer vehicle age</u>	<u>\$69 per 12 hour shift</u>	<u>\$483 total for seven consecutive 12 hour shifts</u>	<u>\$93 per 24 hour shift</u>	<u>\$651 total for seven consecutive 24 hour shifts</u>
<u>Older than 1 year but 2 years or newer vehicle age</u>	<u>\$59 per 12 hour shift</u>	<u>\$413 total for seven consecutive 12 hour shifts</u>	<u>\$85 per 24 hour shift</u>	<u>\$595 total for seven consecutive 24 hour shifts</u>
<u>Older than 2 years vehicle age</u>	<u>\$54 per 12 hour shift</u>	<u>\$363 total for seven consecutive 12 hour shifts</u>	<u>\$78 per 24 hour shift</u>	<u>\$539 total for seven consecutive 24 hour shifts</u>

<b><u>Tier 3 Vehicles Less than or equal to 24 mpg</u></b>	<b><u>12 Hour Daily Maximum Lease Rate</u></b>	<b><u>12 Hour Weekly Maximum Lease Rate</u></b>	<b><u>24 Hour Daily Maximum Lease Rate</u></b>	<b><u>24 Hour Weekly Maximum Lease Rate</u></b>
<u>Any allowable vehicle age</u>	<u>\$54 per 12 hour shift</u>	<u>\$363 total for seven consecutive 12 hour shifts</u>	<u>\$78 per 24 hour shift</u>	<u>\$539 total for seven consecutive 24 hour shifts</u>

1. All miles per gallon (mpg) are based upon the "combined" city and highway mile estimates as published by the United States Department of Energy/United States Environmental Protection Agency ([www.fueleconomy.gov](http://www.fueleconomy.gov)) for the specific make, model, and year vehicle. Where the [www.fueleconomy.gov](http://www.fueleconomy.gov) website does not publish the "combined" vehicles estimated mpg, the calculation used will be the published city + highway estimates divided by 2.
2. "Weekly Lease" is the corresponding 12-hour or 24-hour shift rate multiplied by 7 days [Reserved].
3. "Natural Gas" vehicles are those vehicles which use compressed natural gas or liquid natural gas as their primary fuel.
4. The above listed maximum lease rate or "cap" is the maximum lease rate that licensees are allowed to charge lease chauffeurs; however, a lease rate may be negotiated and contracted lower than the maximum listed "cap".
5. Where the vehicle fuel or engine type is not specifically mentioned it means that all other types of vehicles including internal combustion engine (ICE) and hybrid (ICE + electric) vehicles are referenced.
6. The commissioner will categorize each motor vehicle approved by the commissioner for operation as a licensed taxicab into one of the above three (3) tiers in order to clarify the allowable maximum lease rate "caps" for that approved vehicle. The commissioner will revise and post the "Approved Vehicle List" with lease tiers on the department's website.

7. The above-listed maximum lease rates include all charges, including taxes and insurance. Licensees shall not charge any extras or surcharges above the listed maximum lease rates unless such charges are permitted pursuant to rules and regulations promulgated under this chapter.

8. Licensees are responsible to ensure and to pay for needed vehicle repairs and maintenance to ensure the safety of the public chauffeur and the public.

(b) A lessor of a taxicab shall provide a lessee of a taxicab with an accurate and dated receipt detailing the charges for the lease of a taxicab and a completed and fully executed copy of the lease agreement detailing the charges for the lease of a taxicab prior to the delivery of a taxicab. Any lessor who violates this section shall be fined as provided in section 9-112-630 of this Code.

(c) The commissioner by rule may assert additional lease restrictions and terms.

(d) No person shall charge more than the lease rates set forth in this section by entering into consecutive leases with the same driver. No person shall charge more than the 24-hour lease rate by entering into two consecutive 12-hour daily leases with the same driver. No person shall charge more than the 24 hour weekly lease for any 7 consecutive days of a 24-hour daily lease with the same driver. No person shall charge more than the 12 hour weekly lease for any 7 consecutive days of a 12-hour lease with the same driver.

#### **9-112-240 Medallion license only lease agreements.**

(a) A medallion license only lease agreement is an agreement where the lessor is the licensee and the lessee has an ownership interest in the vehicle to be used with the license.

(b) Medallion license only leases must be for at least a continuous one-week period.

(c) The maximum weekly lease rate for a medallion license only lease is \$275.00 per week for non-wheelchair accessible vehicles; and \$350 per week if the medallion is leased for use on a wheelchair accessible vehicle. Lessors shall not charge any extras or surcharges above the listed maximum lease rates in this section unless such charges are permitted pursuant to rules and regulations promulgated under this chapter.

(d) Any lessor who violates this section shall be fined as provided in Section 9-112-630 of this Code.

#### **9-112-410 Advertising signs permitted when.**

*(Omitted text is unaffected by this ordinance)*

(j) In the event that the licensee receives any income from any advertising maintained on or in the vehicle, a percentage portion of such income shall be distributed to any public chauffeur leasing that same vehicle. The commissioner shall promulgate rules governing the amount of distribution percentage and the method of distribution.

#### **9-112-430 License and other taxicab industry license transfers.**

*(Omitted text is unaffected by this ordinance)*

(c) ~~No person shall own in whole or in part, directly or indirectly, or have a security interest in more than 25 percent of, the authorized licenses [Reserved].~~

*(Omitted text is unaffected by this ordinance)*

**9-112-600 Taxicab rates of fare – Revision.**

*(Omitted text is unaffected by this ordinance)*

(e) For destinations beyond the city limits, the fare is straight meter to the City limits and meter and a half from the City limits to the final destination, except for airport service as specified in ~~9-112-460~~ 9-112-560 of this Code.

*(Omitted text is unaffected by this ordinance)*

**9-112-610 Recordkeeping – Financial reports.**

Every person licensed under this chapter shall keep and provide accurate books and records of account of his operations at his place of business in the city for a minimum of three years.

Upon request of the commissioner, licensees must submit requested financial reports or documents within ~~three~~ seven business days, and the commissioner reserves the right to audit the finances and reported data of any licensee.

~~The commissioner may by rule require licensees to file an annual financial report. The commissioner may by rule specify the form, format and deadline for taxicab medallion holders to submit annual financial reports. Such financial reports may include, but are not limited to: a profit and loss statement for the preceding calendar year, showing all his earnings and expenditures for operation, maintenance and repair of property, depreciation expense, premiums paid for workers compensation and public liability insurance, and taxes for unemployment insurance and social security, and all state and local license fees, property taxes and federal income taxes, and a balance sheet taken at the close of said year.~~

The commissioner, or the authorized committee of the city council, shall have access to the property, books, contracts, accounts and records during normal business hours at said place of business, for such information as may be required for the effective administration and enforcement of the provisions of this chapter, or for the adoption of any ordinances, rules or regulations affecting taxicab operations.

**9-112-630 Violation – Penalty.**

*(Omitted text is unaffected by this ordinance)*

(c) Any person who violates sections 9-112-220, ~~or section 9-112-230 or 9-112-240~~ of this Code shall be fined not less than \$1,000.00 nor more than \$5,000.00 for each offense.

**SECTION 4.** Chapter 9-112 of the Municipal Code of Chicago is hereby amended by adding new Section 9-112-565, underscored as follows:

**9-112-565 Consolidated taxicab electronic dispatch applications.**

(a) The commissioner is authorized to select an application or applications for the dispatching of taxicab vehicles. Applications shall be accessible by internet-enabled devices, a digital platform or telephone, or any other method approved by the commissioner. The commissioner is authorized to issue a solicitation, and to select an entity or entities, pursuant to such solicitation, to provide its dispatching service applications to taxicab vehicles. The regulations may also require the designated application providers to maintain and provide to the City verifiable records regarding the reliability of the dispatching service applications in responding to any request for service.

(b) The commissioner is also authorized to require every licensee's taxicabs to use one of the applications designated by the commissioner.

(c) The commissioner may allow the entity providing the application to assess fees, consistent with rules to be promulgated by the commissioner, covering the costs incurred by the entity providing the application in making the application available for use by the taxicabs, drivers and public.

(d) Nothing in this section shall be construed to prohibit a licensee from being affiliated with or dispatched by another two-way dispatch system in addition to the applications designated in subsection (a) above.

(e) The commissioner is authorized to adopt rules and regulations for the proper administration of this section.

**SECTION 5.** Chapter 9-114 of the Municipal Code of Chicago is hereby amended by deleting the language struck through and by inserting the language underscored, as follows:

**9-114-040 Qualifications for license.**

*(Omitted text is unaffected by this ordinance)*

(d) The total number of licenses that each licensee holds will be based on the total licenses in each corporation, or legal entity, in which the licensee holds a 25 percent or greater share of ownership interest including, but not limited to, stocks and shares. No person shall own in whole or in part, directly or indirectly, or have a security interest in more than 25 percent of, the authorized licenses issued under Chapters 9-112 and 9-114.

**SECTION 6.** The Mayor of the City of Chicago ("City") is hereby authorized to create a taxicab driver fairness task force consisting of, in addition to such other individuals as the Mayor may select, designees from the Department of Business Affairs and Consumer Protection and taxicab drivers. The task force shall review the city's current laws that regulate taxicab drivers and other pertinent issues with a view towards recommending changes to create and implement new laws, policies, and procedures towards fairness on how taxicab drivers are regulated. The Taxicab Driver Fairness Task Force shall make its initial recommendations for such changes to the Mayor no later than 90 days after the effective date of this ordinance, and shall make additional recommendations from time to time, as appropriate, thereafter. The task force that will be convened pursuant to this section is not part of the City's organizational structure, its members are informally appointed, and it shall conduct its proceedings informally without



governing bylaws. The task force's recommendations shall not bind the City. The members of the task force shall not receive compensation from the City for serving on the task force.

**SECTION 7.** This ordinance shall be effective 10 days after passage and publication.