

ORDINANCE NO.

AN ORDINANCE AMENDING CITY CODE CHAPTER 13-2 RELATING TO CHARTER SERVICES TO REVISE DEFINITIONS AND REQUIREMENTS.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. City Code Section 13-2-1 (*Definitions*) is amended to add the following new definitions to read as follows and to renumber the remaining definitions accordingly:

- (1) CHARTER BUS SERVICE means transportation provided for compensation at the request of a third party for the exclusive use of a vehicle with a capacity of at least sixteen persons or more, including the driver, on a reservation basis, using motorized vehicles such as vans, minibuses, buses or motor coaches on irregular routes and schedules providing solely point-to-point intra-city service. Charter bus service does not include services owned, contracted, or subcontracted by a governmental entity or independent or consolidated school district, services provided by a charter van, or pursuant to a corporate contract.
- (2) CHARTER BUS SERVICE PERMIT means the required permit a Charter Bus Service Provider must obtain from the City in order to operate point to point intra-City routes that originate and terminate within the City limits. A permit is not required for charter bus service that has a valid federal operating authority or state authorization and passes through the City or conducts a trip that does not solely originate and terminate within the City limits.
- (3) CHARTER BUS SERVICE PROVIDER means an individual or entity that provides Charter Bus Service.
- (4) CHARTER VAN SERVICES means transportation provided for compensation at the request of a third party for the exclusive use of a chauffeured motorized vehicle bus with a passenger capacity of a minimum of six, but a maximum of 15 persons, including the driver, on irregular routes and schedules providing solely point-to-point intra-city service.

PART 2. City Code Section 13-2-1(15) (*Ground Transportation Service Vehicle Service*) is amended to read as follows:

- ([15]19) GROUND TRANSPORTATION SERVICE VEHICLE means a chauffeured vehicle used to transport passengers on City streets for compensation, excluding vehicles used for charter bus service.

PART 3. City Code Section 13-2-1(16) (*Holder*) is amended to read as follows:

- ([16]20) HOLDER means a person who is authorized to operate a ground transportation service, and includes the agents, servants, or employees of the holder. Holder includes a franchise holder but excludes a charter bus service provider.

PART 4. City Code Section 13-2-1(22) (*Permittee*) is amended to read as follows:

([22]26) PERMITTEE means an individual or entity that applies to the department for a permit described in this chapter and who has been issued an [chauffeur's] approved valid permit [to drive a ground transportation service vehicle] by the City.

PART 5. City Code Section 13-2-1(23) (*Prearranged Service*) is amended to read as follows:

([23]28) PREARRANGED SERVICE means ground transportation service provided by a ground transportation service operating authority that is scheduled by an initial reservation a minimum of one half hour in advance of the trip, excluding performance under a corporate contract or by a charter bus service.

PART 6. City Code Section 13-2-3(*Operating Authority or Taxicab Franchise Required*) is amended to read as follows:

§ 13-2-3 - OPERATING AUTHORITY OR TAXICAB FRANCHISE REQUIRED.

(A) Except as provided by Subsections (B) and (C), a person may not provide or operate a ground transportation service that picks up passengers within the city or represent the person's business to the public as a ground transportation service unless that person obtains an authority to operate the ground transportation service under Section 13-2-161 (*Operating Authority Application Required*) or a taxicab franchise to operate a taxicab service under Section 13-2-[3]403 (*Franchise Application Required*).

(B) A business with an Operating Authority issued by the City is subject to all provisions of this Chapter regardless of where the passenger pick up occurs.

(C) This section does not apply to the operation of:

(1) a vehicle owned, operated, or subcontracted by the federal government, the state, or a political subdivision when providing service exclusively to the governmental entity;

(2) a vehicle used exclusively for funeral services;

(3) a courtesy vehicle that:

(a) routinely provides transportation between the principal place of business of a courtesy vehicle provider and a public transportation terminal;

(b) is used by an automotive repair business, car dealership, or similar business operation to transport customers to or from their work or home and the business; or

(c) is operated by a corporation that qualifies for exemption from taxation under Section 501(c)(3) of the Internal Revenue Code;

(4) ~~[a vehicle that only provides a service that is regulated by the state or federal government]~~
charter bus service operating intra-city service with a valid charter bus service permit issued by the City;

(5) an ambulance;

(6) a vehicle rented without a driver;

(7) a vehicle owned or operated by a person providing transportation incidental to household caregiving services;

(8) rideshare.

(D) A driver operating a ground transportation service vehicle without an authority to operate the ground transportation service under Section 13-2-161 (*Operating Authority Application Required*) or a taxicab franchise to operate a taxicab service under Section 13-2-[3]403 (*Franchise Application Required*) or a chauffeur's permit under Section 13-2-101 (*Chauffeur's Permit Required*) may transport a passenger from a point outside the city to one or more points within the city, or may transport the passenger across the city, but may not pick up a new passenger within the city.

(E) A driver operating a taxicab under Subsection (C) shall keep the taximeter running while transporting a passenger within or across the city, or while waiting for a passenger within the city.

(F) It is presumed that an individual picked up within the city by a ground transportation service vehicle is a passenger.

PART 7. City Code Section 13-2-13 (*Enforcement*) is amended to read as follows:

§ 13-2-13 - ENFORCEMENT.

(A) The city manager may issue orders to enforce this chapter. Failure to comply with an order of the department is an offense under this chapter.

(B) The city manager, the department, the Police Department, and the Department of Aviation, shall enforce this chapter, rules adopted under this chapter, and orders issued under this chapter.

(C) A police officer may impound a ground transportation service vehicle operated in violation of Code Section 13-2-3 (*Operating Authority or Taxicab Franchise Required*) or Code Section 13-2-253 (*Charter Bus Service Permit Required*).

PART 8. City Code Section 13-2-75 (*Access to Service for Disabled Persons*) is amended to read as follows:

§ 13-2-75 - ACCESS TO SERVICE FOR DISABLED PERSONS.

A holder or permittee shall comply with all applicable federal and state laws regarding accessibility for disabled persons, and may not allow its drivers to refuse to accept a passenger who is disabled, or to charge a higher fare or additional fee to a person who is disabled, based on the person's disability, use of a support dog, wheelchair, crutches, or other mobility assistance device.

PART 9. City Code Section 13-2-121 (*Exemption from Chauffeur's Permit Requirement*) is amended to read as follows:

§ 13-2-121 - EXEMPTION FROM CHAUFFEUR'S PERMIT REQUIREMENT.

A driver of a ground transportation service vehicle that has an operating authority permit under Section 13-2-166 (*Operating Authority Permit*) [~~and an occupancy capacity of 16 persons or greater, including~~]

1 ~~the driver,]~~ or has a valid charter bus service permit is exempt from the permit requirement of Section
2 13-2-101 (*Chauffeur's Permit Required*) if the driver possesses a valid Class "B" or "C" commercial
3 driver's license with a passenger endorsement issued to the driver by the State of Texas or an equivalent
4 commercial driver's license issued by another state, and a certificate stating that the driver is physically
5 qualified to drive a commercial motor vehicle issued by a qualified medical examiner under 49 Code of
6 Federal Regulations Section 391.41.

7
8 **PART 10.** City Code Chapter 13-2 (*Ground Transportation Passenger Services*), Article
9 1. (*General Provisions*), Division 1. (*General Provisions*), Subpart D. (*Charter Service*)
10 is hereby repealed in its entirety and replaced with the following language to read as
11 follows, and renumbering all subsequent sections accordingly:

12 **Subpart D. – Charter Bus Service**

13 **§ 13-2-251 - FINDINGS.**

14 The Council finds:

15 (1) Numerous festivals, road races, and other special events occur throughout the year in the City,
16 and the City is a destination point for masses of visitors;

17
18 (2) special events range from very small neighborhood-level events to large-scale productions
19 bringing in hundreds of thousands of visitors and attendees;

20
21 (3) events held in the City impact public safety and impede the flow of pedestrian and vehicular
22 traffic, and the thousands of visitors to the City need safe passage from point to point within the City
23 limits;

24
25 (4) the City's concern and promotion of the public's health, safety and welfare is of utmost
26 importance, and visitors and citizens of the City alike must be protected from non-permitted charter
27 services providing point to point service within the City by the imposition of reasonable regulation over
28 such services within the City limits;

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30 (5) federal law permits the City to regulate vehicle safety and insurance requirements for charter bus
31 service;

32
33 (6) these regulations will help to protect and ensure that charter bus services use mechanically safe
34 vehicles, operate their service in a safe manner, and that companies meet minimum insurance coverage
35 requirements;

36
37 (7) there is a history in Texas of incidents involving charter bus vehicles, including an incident in
38 April 2013, involving a charter bus crash in Irving, Texas, killing two passengers and injuring dozens
39 more; and in August 2008, near Sherman, Texas, a charter bus crash with a driver with a criminal record
40 and owned by a company with a history of safety violations, killing seventeen passengers;

41
42 (8) since the City began regulation of charter bus vehicles and required permits for their operation,
43 these sorts of deadly accidents have not occurred here;

(9) these regulations are the minimum level needed to regulate point to point charter service transportation within the City, and further protects the public by giving City regulators vital information about the operators and drivers of charter buses;

(10) these regulations also give the City the ability to revoke permits for charter bus operators who do not meet minimum safety or insurance criteria or otherwise comply with regulations which are crucial to ensuring vehicle safety for charter bus service in the City; and

(11) the purpose of the following regulations is not to generate revenue but as enumerated above, to protect the public health, safety, and welfare.

§ 13-2-252 – CHARTER BUS SERVICE PERMIT APPLICABILITY.

A person or entity shall not provide charter bus service that picks up, transports, and delivers passengers from point-to-point locations within the city or represent the person's business to the public as providing charter bus service unless that person or entity submits a written application to the department on a form prescribed by the department and is issued a permit to operate the charter bus service. The application must be sworn to or affirmed.

§ 13-2-253 - CHARTER BUS SERVICE PERMIT REQUIRED.

(A) The application must include:

(1) The name, address, telephone number, and driver's license number of the applicant, and each officer, director, partner, and any other person who will participate in the business decisions of, or who has the authority to enter contracts on behalf of, the charter bus service.

(2) Certified copies of any documents required by state law to be filed for the business entity to legally exist, and a statement from the Secretary of State certifying that the business is in good standing if state law requires the entity to file documents with the Secretary of State.

(3) For each person described in Subsection (B)(1), a description of all criminal convictions, and a criminal history certified by the Texas Department of Public Safety within the 30 days preceding the date the application is submitted.

(4) If a person described in Subsection (B)(1) has been a resident of Texas for less than three years preceding the date of the application, the criminal history must be certified by the corresponding governmental authority in the former state of residence within 30 days preceding the submission of the application.

(5) The total number of vehicles to be used in the proposed service, including for each vehicle the year, make, model, vehicle identification number, manufacturer's rated seating capacity, state license plate number, and the body style.

(6) For each vehicle listed, the applicant shall provide annually proof of a current passing vehicle inspection conducted by the appropriate federal or state authority.

(7) provide the department with a current list of drivers, the driver's license number of each driver, and a photocopy of each driver's license.

(8) A description of the applicant's charter bus service experience.

(9) A detailed description of the proposed service.

(10) Proof of insurance coverage required under applicable state or federal law.

(11) An affidavit that there are no outstanding judgments that arise out of circumstances related to ground transportation service against a person described in Subsection (B)(1).

(12) Proof of a valid and current operating authority issued by the federal and/or state government.

(13) Additional information required on the application form prescribed by the department.

§ 13-2-254 - PERMIT FEES REQUIRED.

(A) An application for a charter bus service permit must be accompanied by an application fee established by separate ordinance.

(B) A person who applies for multiple operating authorities or permits on one application shall pay only one application fee.

(C) In addition to the application fee, a permittee shall pay to the City an annual fee for each vehicle authorized in the permit. The fee shall be determined by the occupancy capacity of the vehicle.

(D) A permittee may pay the fee in quarterly installments in accordance with the City's fiscal year. If a permittee makes quarterly payments, the first payment is due immediately on approval of the permit and shall be prorated from the month the permit is approved. Subsequent payments are due no later than five business days before the beginning of the quarter for which the payment is due.

(E) The permittee shall pay the application fee and vehicle fees before placing any charter bus vehicle into service.

(F) If a permit is amended to increase the number of charter bus vehicles, the annual fee for each additional vehicle shall be prorated from the month the amendment is approved.

(G) Fees paid to the department under this chapter are non-refundable.

§ 13-2-255 - STANDARDS FOR ISSUING AND DENYING CHARTER BUS SERVICE PERMIT.

In a decision to approve or deny an initial or renewal application for charter bus service permit, the department shall consider whether:

(1) all applicable requirements of this chapter have been met;

(2) a previous charter bus, state authority, or federal operating authority of the applicant has been revoked;

(3) the applicant advertised, offered, or provided charter bus service before the application was approved in violation of Section 13-2-253 (*Charter Bus Service Permit Required*); and

(4) the criminal history of the applicant, if any, may adversely affect the applicant's ability to provide safe charter bus service to the public.

§ 13-2-256 - CONTENTS OF CHARTER BUS SERVICE PERMIT.

A charter bus service permit must contain the following conditions and limitations:

(1) number and type of authorized vehicles;

- 1 (2) maximum and minimum number of passengers that may be transported in each vehicle;
- 2 (3) that the permittee will own, lease, or contract for control of every charter bus service vehicle used
- 3 in providing the ground transportation service; and
- 4 (4) any other conditions or limitations considered necessary by the department and not in conflict
- 5 with any other law.

6 **§ 13-2-257 - APPEAL OF APPLICATION DENIALS.**

7 (A) The department shall notify an applicant in writing of the denial of an application and the reason

8 for the denial. The notice must include a statement of the applicant's right to appeal.

9 (B) An applicant may appeal a denial of the application to the director. The appeal must be made in

10 writing no later than the 30th business days after the notice of denial is mailed to the applicant.

11 (C) The director shall issue a decision on the appeal not later than the 30th day after receipt of the

12 written appeal.

13 **§ 13-2-258 - CHARTER BUS PERMIT TERM.**

14 A permit is valid for a 24-month period from the date of issuance, unless the permit is revoked or

15 suspended before the period expires.

16 **§ 13-2-259 - AMENDMENT TO CHARTER BUS SERVICE PERMIT.**

17 (A) To amend a charter bus service permit, a permittee must submit a written request to the department

18 describing in detail the proposed amendment.

19 (B) The department may approve or deny an amendment to a permittee's permit. If the department

20 approves an amendment, the department shall issue an amended permit.

21 **§ 13-2-260 - RENEWAL; REPLACEMENT.**

22 (A) To renew a charter bus permit, a permittee must submit a written application not earlier than the

23 30th day before the expiration date of the permit and not later than the expiration date of the permit,

24 accompanied by the renewal fee. Renewal application is made on a form prescribed by the department.

25 (B) The department shall deny a renewal application:

- 26 (1) for a permit that has been revoked;
- 27 (2) during a period in which a permit is suspended;
- 28 (3) if any of the conditions exist for denial of an initial application for a permit; or
- 29 (4) that is received by the department after the deadline stated in Subsection (A).

30 (C) An expired permit is not renewable and the individual must apply for a new permit.

31 (D) A lost or destroyed permit may be replaced on written application by the permittee. The

32 application must state the reason replacement is required and be accompanied by the replacement fee.

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1 **§ 13-2-261 - EXPIRED PERMIT.**

2 To obtain a new charter bus service permit, the permittee of an expired permit must submit a new
3 application under Section 13-2-253 (*Charter Bus Service Permit Required*).

4 **§ 13-2-262 - AUTOMATIC REVOCATION OR SUSPENSION OF CHARTER BUS SERVICE**
5 **PERMIT.**

6 (A) A charter bus service permit is automatically revoked on the occurrence of the following:

7 (1) a principal owner of the permittee of the charter bus permit is convicted of an offense under
8 Section 13-2-278 (*Sale of Alcoholic Beverages, Controlled Substances Prohibited*) or 13-2-279
9 (*Criminal Conduct Prohibited*); or

10 (2) the permittee of the charter bus permit violates Section 13-2-266 (*Transfer Prohibited*).

11 (B) A charter bus permit is automatically suspended if the insurance coverage required by Section 13-
12 2-269 (*Insurance Required*) lapses.
13

14 **§ 13-2-263 - REVOCATION OR SUSPENSION OF CHARTER BUS SERVICE PERMIT.**

15 (A) The department may revoke or suspend a permit if the permittee:

16 (1) submits a written request or application containing false or misleading information, or omits
17 required information;

18 (2) is convicted of an offense for which the department may deny an application for an charter bus
19 permit;

20 (3) fails to comply with a provision of this chapter;

21 (4) fails to comply with a condition of the permit;

22 (5) fails to pay the permit fee when due;

23 (6) fails to provide scheduled service, if applicable; or

24 (7) fails to pay an outstanding final judgment that arises out of circumstances related to charter bus
25 service against the permittee or a person described in Section 13-2-253 (*Charter Bus Service Permit*
26 *Required*).

27 (B) The department shall provide written notice to the permittee of the revocation or suspension of a
28 charter bus service permit not later than the 10th business day after the action is taken.

29 **§ 13-2-264 - APPEAL OF REVOCATION OR SUSPENSION OF PERMIT.**

30 (A) A permittee whose permit is suspended or revoked may appeal the revocation or suspension to the
31 director of the department not later than the 30th day after the notice of suspension is mailed by the
32 department.

33 (B) An individual whose permit is suspended or revoked may not drive a charter bus service vehicle
34 during the pendency of an appeal.
35

1 **§ 13-2-265 - TRANSFER PROHIBITED.**

2 A permittee may not transfer or assign a charter bus service permit.

3 **§ 13-2-266 - ENFORCEMENT.**

4 A driver or permittee that fails to comply with this article shall be subject to Section 13-2-13
5 (*Enforcement*).

6 **§ 13-2-267 - VEHICLE TO DISPLAY PERMIT.**

7 A person may not drive or allow another to drive a vehicle as a charter bus service vehicle unless the
8 vehicle displays a permit or other insignia issued by the City to be located beneath the United States
9 Department of Transportation or Texas Department of Transportation registration number of the vehicle.

10 **§ 13-2-268 - INSURANCE REQUIRED.**

11 Before a permittee may operate any charter bus service in the City the applicant must obtain a public
12 liability policy issued by a licensed insurance company and must furnish a certificate of insurance for
13 the policy upon the request of the City. The policy must comply with all applicable current state and
14 federal requirements.

15 **§ 13-2-269 - CHARTER SERVICE ORDER.**

16 A driver operating a charter bus service vehicle shall keep in the vehicle, in written or electronic form, a
17 charter service order containing the information described below, and shall allow a person designated
18 under Section 13-2-13(B) (*Enforcement*) or Section 13-2-14 (*Enforcement Officers*) to inspect the
19 charter service order upon request. A charter service order must include the following information:

- 20 (1) date of the trip, the name, address, and phone number of the person or group who booked or
21 paid for the service;
- 22 (2) the name, address, and phone number of at least one passenger transported on the trip;
- 23 (3) the pickup location, intermittent stops and the drop off location for the trip;
- 24 (4) the date and time the reservation was made, and the scheduled and actual passenger pick- up
25 time;
- 26 (5) state the rate for services, if charged on an hourly rate, and total amount of fare paid for each
27 passenger or group of passengers using the service; and
- 28 (6) identify the owner of the vehicle used to provide charter service and identify the permittee, if
29 different, by name, address and telephone number.

30 **§ 13-2-270 - LOADING AND UNLOADING.**

31 A driver may not load or unload passengers in the roadway of a street, but shall drive to the right-hand
32 sidewalk as nearly as possible, except on one-way streets where passengers may be discharged at either
33 the right-hand or left-hand sidewalk, or at the side of a roadway without a sidewalk.

1 **§ 13-2-271 - ALTERNATIVE TRANSPORTATION.**

2 When a charter bus service vehicle becomes inoperable, the driver shall immediately notify the
3 permittee's dispatcher or home office that the vehicle has become inoperable. The permittee shall then
4 immediately provide alternative transportation to passengers occupying the inoperable vehicle.

5 **§ 13-2-272 - DRIVER CREDENTIALS.**

6 (A) A person may not drive a charter bus service vehicle unless they are duly licensed by a state to drive
7 the type of vehicle in service.

8
9 (B) While on duty, a driver of a charter bus service vehicle shall allow enforcement personnel and
10 customers to examine, on request, the driver's commercial driver's license.

11 (C) The department may maintain records regarding an individual who drives a charter bus service
12 vehicle.

13 **§ 13-2-273 - USE OF AIR CONDITIONING OR HEATING.**

14 The vehicle's air conditioning or heating equipment shall be operated when the vehicle is in service
15 unless a passenger requests that the equipment not be operated.

16 **§ 13-2-274 - DISPOSITION OF ABANDONED PROPERTY.**

17 If practicable, a driver shall promptly attempt to return to a passenger property that is left by the
18 passenger in a charter bus service vehicle. If unable to locate the passenger, the driver shall deliver the
19 property to a secure location for safekeeping not later than 24 hours after discovery of the property and
20 retain the property for a reasonable time to allow the passenger to claim the property.

21
22 **§ 13-2-275 - COMPLIANCE WITH THIS CHAPTER REQUIRED.**

23 A permittee shall comply with the applicable provisions of the permit issued, this chapter, rules
24 adopted under this chapter, orders issued under this chapter, and applicable federal, state, and local laws
25 and rules.

26 **§ 13-2-276 - ACCESS TO SERVICE FOR DISABLED PERSONS.**

27 A permittee shall comply with all applicable federal and state laws regarding accessibility for disabled
28 persons, and may not allow its drivers to refuse to accept a passenger who is disabled, or to charge a
29 higher fare or additional fee to a person who is disabled, based on the person's disability, use of a
30 support dog, wheelchair, crutches, or other mobility assistance device.

31 **§ 13-2-277 - SALE OF ALCOHOLIC BEVERAGES, CONTROLLED SUBSTANCES**
32 **PROHIBITED.**

33 A driver or permittee may not sell or provide an alcoholic beverage or a controlled substance to a
34 passenger in a charter bus service vehicle.

35 **§ 13-2-278 - CRIMINAL CONDUCT PROHIBITED.**

36 A permittee may not knowingly allow a driver of a charter bus service vehicle to engage in criminal or
37 illegal conduct in connection with the driver's operation of the charter bus service vehicle.

1 **§ 13-2-279 - CERTAIN DRIVERS INELIGIBLE.**

2 An individual authorized to drive a charter bus service vehicle who is convicted of four or more offenses
3 under this chapter in a 12-month period is ineligible to drive a charter bus service vehicle for a one-year
4 period from the date of the conviction for the fourth offense.

5 **§ 13-2-280 - DRIVER'S DUTIES AND CONDUCT.**

6 (A) A driver shall comply with this chapter, rules established under this chapter, orders issued under this
7 chapter, and all applicable federal, state, and local laws and rules.

8
9 (B) While on duty, a driver shall act in a professional and courteous manner, and a driver may not:

10 (1) consume an alcoholic beverage, controlled substance, or other substance that could adversely
11 affect the driver's ability to drive a motor vehicle, and may not drive a vehicle while under the influence
12 of an alcoholic beverage, controlled substance, or other substance that could adversely affect the driver's
13 ability to drive a motor vehicle; or

14 (2) sell or otherwise provide an alcoholic beverage or a controlled substance to a passenger in a
15 ground transportation service vehicle.

16 (C) If a person is convicted of an offense prescribed in Subsection (B)(2) section, the conviction results
17 in the automatic revocation, without further notice, of all permits held by the person.

18 **§ 13-2-281 - UNLAWFUL ACTS.**

19 A driver may not knowingly:

20 (1) facilitate the commission of an unlawful act;

21 (2) solicit another person to engage in sexual conduct with another person for compensation;

22 (3) transport an individual who is engaged in the commission of an unlawful act, or otherwise aid or
23 promote an unlawful act; or

24 (4) permit an unlawful act to be conducted in the charter bus service vehicle.

25 **§ 13-2-282 - SAFETY INSPECTION.**

26 (A) A person may not place a vehicle in service that does not comply with the inspection requirements
27 of federal and state law, and the driver shall provide proof of a valid and current safety inspection upon
28 request from the City.

29 (B) A permittee shall make a charter bus service vehicle that is in service available for inspection by
30 the department at any time.

31 (C) When placing a charter bus service vehicle in service, a permittee must submit a report to the
32 department that includes current state vehicle inspection history for the vehicle on a form prescribed by
33 the department.

34 (D) The vehicle must be equipped with a chemical fire extinguisher of a capacity of one quart or
35 greater. The extinguisher must be mounted within the driver's reach.

36 (E) The vehicle must be equipped with a spare tire, a jack, and a lug nut wrench. The spare tire must be
37 appropriately mounted and meet state or federal safety requirements. This paragraph does not apply to a

vehicle modified to operate using alternative fuels or to allow the transport of disabled passengers if the modification prevents compliance with this paragraph.

(F) The vehicle must be in condition to provide dependable and safe mechanical operation.

(G) The vehicle must have a physical barrier securely anchored between the passenger and luggage compartments if the vehicle has no trunk compartment.

(H) The vehicle must be equipped with air conditioning and heating equipment operating within manufacturer's specifications.

§ 13-2-283 - REMOVAL OF VEHICLE FROM SERVICE.

(A) The department may order the removal of a charter bus service vehicle from service if the vehicle fails to meet the inspection standards prescribed by this chapter or applicable state or federal law.

(B) If an order to remove a charter bus service vehicle from service is issued to a driver for a vehicle that is occupied by a passenger, the driver may continue to the passenger's destination before removing the vehicle from service, unless the authority issuing the order determines that it would be unsafe to do so.

(C) The department shall notify the driver or permittee in writing of the inspection failure, identifying the vehicle, the driver, and the specific inspection standard violated.

(D) The department may allow a vehicle that fails to pass inspection to continue to operate if:

(1) the permittee or driver reports the vehicle damage or other failure to meet the required standards of applicable federal or state law;

(2) the vehicle's failure to meet the inspection standard does not affect the safe operation of the vehicle; and

(3) the vehicle is brought into compliance no later than the 10th day after the inspection failure occurs.

(E) The department's failure to issue an order to remove a vehicle from service is not a defense to an allegation of a violation under this chapter.

§ 13-2-284 - SUPPLEMENTAL VEHICLES.

(A) A permittee may request permission to operate additional vehicles of the type approved in the permit in place of temporarily disabled vehicles. This section may not be used in lieu of section 13-2-286 (*Special Events Applicability*).

(B) A request under this section must be filed with the department and include the following:

(1) the permittee's certification that the vehicle:

(a) qualifies under this chapter as a vehicle to be used in a limousine service, shuttle service, or charter service;

(b) is a type of vehicle approved in the permit; and

(c) meets safety standards.

(2) A description of the proposed supplemental vehicle including make, model, year, body style, color, and license number.

(3) The proposed use of the vehicle.

(4) Attest on the request that the supplemental vehicle will be a replacement of another vehicle, and not an additional vehicle in the fleet.

(C) Upon request of the department, the permittee shall submit a copy of proof of insurance for the vehicle with the supplemental vehicle request.

(D) The permittee shall pay the supplemental vehicle fee established by separate ordinance on the first City business day after the supplemental vehicle is placed in service.

(E) A copy of the supplemental vehicle report and proof of insurance must be kept in the supplemental vehicle when it is used to provide service. A driver of a supplemental vehicle must present a copy of the report on request of a scheduled customer or enforcement personnel described in Section 13-2-14 (*Enforcement Officers*).

(F) A supplemental vehicle permit is valid for a period of five days.

(G) The department shall adopt rules for the implementation of this section.

§ 13-2-285 - SPECIAL EVENTS APPLICABILITY.

(A) Prior to operating vehicles for the following listed special events, a charter bus service provider is required to obtain a special event permit from the department. Special Events for purposes of this section are limited to the following annual events:

(1) Austin City Limits (ACL);

(2) Circuit of the Americas (COTA) Events:

(a) America Le Mans Series;

(b) Formula One Grand Prix;

(c) Grand-Am Road Racing Series;

(d) Moto GP Series;

(e) V8 Supercar Series; and

(3) South by Southwest (SXSW).

§ 13-2-286 - SPECIAL EVENT PERMIT APPLICATION.

(A) Charter bus service providers may apply for Special Event temporary vehicle permits. The application must include:

(1) The make, model, and age of the vehicle the company will use to provide service during the Special Event;

(2) Proof of current insurance for each vehicle the company will use to provide service during the Special Event; and

(3) Proof that the each vehicle for which the company seeks a temporary permit has passed a safety inspection.

(B) A company may apply for Special Event Permit up to 42 days before the start of a Special Event, but no later than three working days before the Special Event. Applications received within 18 days of the Special Event will incur a fee for expedited processing, to be established under separate ordinance.

(C) Special Event Permits will be valid for up to 16 days.

(D) Once issued, the Special Event Permit must be affixed to the center of its accompanying vehicle's dashboard or placard displayed on the vehicle's dashboard.

(E) The fee for Special Event Temporary Permits will be established by separate ordinance.

(F) The maximum number of temporary vehicle permits issued can be up to 100 percent of the applicant's fleet size. The maximum number of vehicle permits issued will be determined by event size.

(G) The applicant must describe the location of the proposed staging area for passenger loading and unloading.

§ 13-2-287 - SPECIAL EVENT PERMIT DENIAL, REVOCATION AND APPEAL PROCESS.

The denial, revocation and appeal process for a special event permit shall be the same as the process described in section 13-2-258 and sections 13-2-263 through 13-2-265.

PART 11. City Code Chapter 13-2 (*Ground Transportation Passenger Services*), Article 1. (*General Provisions*), Division 1. (*General Provisions*), is amended to replace Subpart E. (*Non-Motorized Services*) to read as follows, and re-letter subsequent subparts and renumber subsequent sections accordingly:

Subpart E. – Charter Van Service

§ 13-2-290 - CHARTER VAN SERVICE DESCRIBED.

Charter van service consists of transporting passengers using motorized vehicles such as vans, minibuses, buses or motor coaches to transport a group or individual passengers for prearranged service on irregular routes and schedules with a rate of fare based either on a flat rate for each passenger or on an hourly rate operated from locations within the city to locations inside the city (point-to-point and continuous trips) from the same point of origin or from various points of origin to a single point of destination. Charter van service does not include services owned, contracted, or subcontracted by a governmental entity or independent or consolidated school district, charter bus service or services provided under a corporate contract.

§ 13-2-291 - CHARTER VAN SERVICE REQUIREMENTS.

(A) A holder of a charter van service operating authority shall comply with Article 2 (*Ground Transportation Services Other Than Taxicabs*), Division 1 (*Operating Authority*).

(B) A holder must:

- (1) use vans, minibuses, buses, or motor coaches that comply with the following requirements to provide charter van service:

- (a) have an occupancy capacity of fifteen persons or less, including the driver;
- (b) have no top light or other electric identification sign;
- (c) not use a taximeter;
- (d) no checkered logo/pattern or insignia to represent the vehicle as a taxicab;
- (e) if a charter van service holder identifies its vehicles with outer logos or other identification markings, all vehicles used to provide charter services owned by the same holder shall have identical markings on all vehicles that are unique to that holder.

(2) provide the department with a current list of drivers licensed in the manner described in Section 13-2-121 (*Exemption from Chauffeur's Permit Requirement*), the driver's license number of each driver, and a photocopy of each driver's license.

(3) provide the department with a copy of proof of a passing annual vehicle inspection conducted by the City or the designated inspector authorized by the City to conduct inspections.

(4) not hold itself out as a taxi service as defined in Section 13-2-[3]401 (*Taxi Service Described*), and cannot accept passengers less than one half hour in advance of commencement of scheduled service.

(5) A driver operating a charter van service vehicle shall keep in the vehicle, in written or electronic form, a trip ticket containing the information described below, and shall allow a person designated under Section 13-2-13(B) (*Enforcement*) or Section 13-2-14 (*Enforcement Officers*) to inspect the trip ticket upon request. A trip ticket must include the following information:

- (a) date of the trip, the name, address, and phone number of the person or group who booked or paid for the service;
- (b) the name, address, and phone number of at least one passenger transported on the trip;
- (c) the pickup location, intermittent stops and the drop off location for the trip;
- (d) the date and time the reservation was made, and the scheduled and actual passenger pick-up time;
- (e) state the rate for services, if charged on an hourly rate, and total amount of fare paid for each passenger or group of passengers using the service; and
- (f) identify the owner of the vehicle used to provide charter service and identify the holder, if different, by name, address and telephone number.

PART 12. City Code Section 13-2-313 (*Non-Motorized Service Application Requirements*) is amended to read as follows:

§ 13-2-313 - NON-MOTORIZED SERVICE APPLICATION REQUIREMENTS.

(A) In addition to the application requirements under Section 13-2-161 (*Operating Authority Application Required*), an application for a non-motorized service operating authority must:

- (1) identify the streets and designate traffic lanes over which the non-motorized service will travel during specified time periods;
- (2) specify the off-street locations for parking and passenger loading and unloading; and

- 1 (3) specify the equipment the applicant proposes to use to provide the service.
- 2 (B) In addition to the application requirements under Section 13-2-161 (*Operating Authority*
- 3 *Application Required*), an application for a non-motorized service operating authority may not
- 4 include routes that use hike-and-bike trails or footpaths.
- 5 (C) The department may require additional information in the application process.
- 6 (D) In addition to the requirements of this section, a horse-drawn carriage service shall comply with
- 7 Section 13-2-[276]315 (*Additional Requirements for Horse-Drawn Carriage Service*).

8 **PART 13.** City Code Section 13-2-314 (*Non-Motorized Service Inspection*

9 *Requirements*) is amended to read as follows:

10 **§ 13-2-314 - NON-MOTORIZED SERVICE INSPECTION REQUIREMENTS.**

11

- 12 (A) Section 13-2-142 (*Inspection Standards*) does not apply to the inspection of non-motorized service
- 13 vehicles.
- 14 (B) To pass inspection under Section 13-2-141 (*Inspection Required*), a vehicle must comply with the
- 15 following inspection criteria:
- 16 (1) A vehicle and any equipment used to provide non-motorized service must be in safe, sanitary,
- 17 and clean condition.
- 18 (2) The interior of a vehicle used to provide non-motorized service must be clean.
- 19 (3) All portions of the interior upholstery of a vehicle used to provide non-motorized service must
- 20 match in color or be of similar shades, without noticeable tears or other damage.
- 21 (4) Missing, broken, or significantly damaged interior and exterior parts of a vehicle used to
- 22 provide non-motorized service must be repaired or replaced in a neat and inconspicuous
- 23 manner.
- 24 (5) The vehicle must conform with other equipment requirement prescribed by the department
- 25 under Section 13-2-165(4) (*Contents of Operating Authority*).
- 26 (C) In addition to the requirements of this section, a pedicab service shall comply with the requirements
- 27 of Section 13-2-[277]316 (*Additional Requirements for Pedicab Service*).
- 28 (D) After July 1, 2013, a tow-bike used with a trailer-type pedicab must pass an annual safety inspection
- 29 from a third-party provider approved by the Department.

30

31 **PART 14.** City Code Section 13-2-316 (*Additional Requirements for Pedicab Service*) is

32 amended to read as follows:

33 **§ 13-2-316 - ADDITIONAL REQUIREMENTS FOR PEDICAB SERVICE.**

34

- 35 (A) The requirements of this section apply to operation of a pedicab and are in addition to the
- 36 requirements in Section 13-2-[273]312 (*Non-Motorized Service Requirements*), 13-2-[274]313
- 37 (*Non-Motorized Service Application Requirements*), and 13-2-[275]314 (*Non-Motorized Service*
- 38 *Inspection Requirements*).
- 39 (B) An application for an operating authority must describe the fare structure or structures, which must
- 40 be posted in the pedicab in a manner approved by the department. Fare rates may be fixed,

1 negotiated with the passenger, or for tips only, and must be agreed upon prior to service being
2 rendered.

3 (C) A pedicab service may operate:

- 4 (1) up to 24 hours a day, seven days per week;
- 5 (2) in bike lanes, on the Pfluger Bridge, the Lance Armstrong Bikeway, and the 3rd Street
6 Extension;
- 7 (3) on sidewalks adjacent to the bridges crossing Lady Bird Lake; and
- 8 (4) on public roadways on or within the following boundaries:
- 9 (a) 35th, 38th, and 38½ Streets on the north;
- 10 (b) Cherrywood Road, Chestnut Avenue, and Pleasant Valley Road on the east;
- 11 (c) Oltorf Street (West), Lamar Boulevard, and Barton Skyway on the south; and MoPac
12 Boulevard on the west, except as prohibited in subsections (D), (E), (F), (G), and (H); and
- 13 (d) other areas approved for operation by the director.

14 (D) A pedicab service may not operate on any roadway with a speed limit exceeding 35 miles per hour.

15 (E) A pedicab driver must:

- 16 (1) comply with the traffic laws and regulations applicable to vehicles in addition to the
17 requirements of this section;
- 18 (2) comply with the requirements of Section 13-2-54 (*Display and Inspection of Driver*
19 *Credentials*) and Section 13-2-55 (*Rest Periods for Drivers*);
- 20 (3) limit operation to the travel lane nearest the curb or edge of the roadway, except when
21 necessary to negotiate an obstruction, to turn onto another roadway, to enter a private driveway,
22 or if the pedicab is travelling faster than other traffic; and
- 23 (4) tow no more than one trailer, which may not be attached to a combination bike/passenger unit.

24 (F) A pedicab driver may not:

- 25 (1) operate a pedicab on sidewalks or sidewalk areas, except that a pedicab may use the sidewalks
26 adjacent to the bridges over Lady Bird Lake to cross the lake; or
- 27 (2) operate a pedicab on a hike and bike trail.

28 (G) In addition to the requirements of Section 13-2-[275]314 (Non-Motorized Service Inspection
29 Requirements), a pedicab must meet the standards specified in this subsection.

- 30 (1) A pedicab is limited to a maximum passenger capacity of 3, excluding the pedicab driver.
- 31 (2) A pedicab must meet the following dimensional requirements:
- 32 (a) a frame may not exceed 55 inches in width;
- 33 (b) a bicycle tire must be at least 1.5 inches in width;
- 34 (c) a trailer tire must be at least 1.5 inches in width; and
- 35 (d) all wheels must have a minimum of 32 spokes and be securely mounted to the vehicle.
- 36 (3) A pedicab must be maintained according to the following standards:
- 37 (a) all spokes must be tight and none may be missing or broken;

- (b) floorboards must have non-skid contact surfaces without holes;
 - (c) brakes must be capable of making a braked wheel stop within a distance determined by the department;
 - (d) after July 1, 2013, each pedicab trailer and single unit pedicab must be equipped with a disc brake system, or other reliable braking system, as approved by the department;
 - (e) if a trailer is used, it must be attached to the bicycle in a manner approved by the department;
 - (f) a pedicab must be equipped with a front white lamp visible from a distance of 500 feet;
 - (g) a pedicab must be equipped with two red lights mounted on the rear in a manner approved by the department, and visible from a distance of 500 feet;
 - (h) the passenger seat must be bench style and at least 17 inches deep unless the pedicab is equipped with individual bicycle style seats. No passenger seat may face to the rear.
 - (i) the pedicab paint may not be noticeably rusted, flaked, scraped, or faded. Paint repairs must be neat and inconspicuous;
 - (j) any sharp edges or open tubes must be capped in a manner approved by the department; and
 - (k) any additional requirements established by the department.
- (4) A trailer/pedicab unit must display the following:
- (a) a company name, telephone number, and individual unit number, with clear and legible lettering displayed in characters at least 1¾ inches in height and at least 1 inch in width, with colors contrasting the color of the pedicab;
 - (b) a permit decal, valid annual city inspection decal, and sign limiting the passenger capacity to 3 passengers; and
 - (c) a slow-moving vehicle emblem that:
 - (i) complies with Section 547.108 of the Texas Transportation Code;
 - (ii) is displayed on the rear of the pedicab and mounted in a manner approved by the department; and
 - (iii) uses a reflective surface visible day or night from a distance of 500 feet.
- (H) The department may immediately require a vehicle to be removed from service for any violation of a safety-related requirement of this section. The department may require a permit holder to make any non-safety related repairs within 10 days. A vehicle must be re-inspected following completion of repairs required by the department under this section.
- (I) A pedicab passenger older than 6 years must sit on a seat in the pedicab and not in any other place on or in the pedicab, including the lap of another passenger. If a passenger refuses to comply with this requirement, a driver must stop the pedicab and ask the passenger to exit the pedicab.

PART 15. City Code Article 3. – Taxi Service is amended to renumber the sections beginning with § 13-2-401.

PART 16. City Code Section 13-2-404 (*Recommendation on Franchise Application*) is amended to read as follows:

§ 13-2-404 - RECOMMENDATION ON FRANCHISE APPLICATION.

- (A) The city manager shall recommend to the council that the council grant or deny the taxicab franchise application. In evaluating a taxicab franchise application, the city manager may consider the following:
- (1) the service proposed;
 - (2) the number, kinds, and types of equipment to be used by the applicant;
 - (3) whether the applicant has demonstrated the public necessity and convenience for the taxicab franchise;
 - (4) the effect of the proposed taxicab service on existing taxicab services;
 - (5) the applicant's financial ability to provide the proposed service;
 - (6) the ground transportation service experience of an applicant and of any partner or person having an interest in the business if a partnership, and all officers, directors, and majority stock holders if a corporation;
 - (7) convictions, if any, of applicants, their officers, shareholders, or partners, for misdemeanor or felony crimes that directly relate to the duties and responsibilities of operating a taxicab business;
 - (8) whether a holder has continued to employ, contract with, or sponsor an individual that is not a safe and reliable driver as reflected by the official Texas Department of Public Safety records, other applicable traffic enforcement agency records, if applicable, or by the individual's criminal record;
 - (9) whether a previous operating authority or taxicab franchise has been revoked; and
 - (10) for the transfer of a franchise permit, the requirements of Section 13-2-[3]402(B) (*City Council Approval Required; General Standards; Franchise Permit Transfer*).
- (B) The city manager may not recommend that the council grant a franchise application unless the requirements of this chapter have been met.
- (C) If the city manager recommends denial of a taxicab franchise application, the city manager shall include the reason for that recommendation. A copy of the recommendation shall be provided to the applicant.

PART 17. City Code Section 13-2-405 (*Franchise Ordinances*) is amended to read as follows:

§ 13-2-405 - FRANCHISE ORDINANCES.

- (A) If the city manager finds the taxicab franchise applicant meets the requirements of this chapter, the city manager shall direct the city attorney to prepare the taxicab franchise ordinance for the City Council's consideration.

(B) In addition to the requirements for a franchise under Article XI (*Franchises and Public Utilities*) of the City Charter, a taxicab franchise ordinance submitted to the council must include the following provisions:

- (1) the period for which the taxicab franchise is granted, and that the taxicab franchise remains in effect for that period unless, on review, the council finds that the taxicab franchise is subject to forfeiture or cancellation for good cause;
- (2) a requirement that the taxicab franchise maintain an active fleet of at least 25 taxicabs;
- (3) a requirement that the franchise holder comply with the provisions of this chapter and all amendments to this chapter enacted during the period of the taxicab franchise;
- (4) a requirement that the taxicab franchise is subject to forfeiture on the holder's conviction for violations of the provisions of this chapter or on a showing that the taxicab franchise holder has substantially breached the terms of the taxicab franchise;
- (5) a requirement that the taxicab franchise is subject to forfeiture if the franchise holder fails to pay an outstanding final judgment that arises out of circumstances related to ground transportation service against the franchise holder or a person described in Section 13-2-[3]403(B)(1) (*Franchise Application Required*);
- (6) a requirement that the franchise holder maintain complete records of all dispatched calls, all expenses incurred in connection with the operation of the taxicab service business, and all revenues derived from the taxicab business;
- (7) a requirement that the franchise holder own, lease, or contract for control of each taxicab used in the taxicab franchise; and
- (8) authorization for the department to inspect all records of a taxicab franchise in accordance with Section 13-2-[3]406(D) (*Recordkeeping Requirements*).

PART 18. City Code Section 13-2-406 (*Recordkeeping Requirements*) is amended to read as follows:

§ 13-2-406 - RECORDKEEPING REQUIREMENTS.

- (A) A franchise holder shall maintain records of its taxicab business, operations, receipts, and other documents required by this chapter, the taxicab franchise agreement, and the department.
- (B) A franchise holder shall maintain a record required by this section at the principal place of business of the franchise for a 90-day period after the date of creation of the record. After the 90-day period the records may be stored at another location within the city. The franchise holder shall provide the department with the address of the records storage location.
- (C) Except as provided in this section, a franchise holder shall keep the records for the term of the franchise. The records used to compile the reports required under Section 13-2-[3]407(B) (*Reports Required*) shall be maintained for 12 months after the date of creation of the records.
- (D) The franchise holder shall make all records maintained at the principal place of business for the 90-day retention period available to the department for examination and inspection without notice. The franchise holder shall make records maintained after the 90-day retention period available to the department for examination and inspection on 24 hours notice.

PART 19. City Code Section 13-2-408 (*Granting of Taxicab Franchise Through Annual Reservation of Franchise Permits*) is amended to read as follows:

§ 13-2-408 - GRANTING OF TAXICAB FRANCHISE THROUGH ANNUAL RESERVATION OF FRANCHISE PERMITS.

- (A) If the department determines that an increase in the number of franchise permits is necessary under Section 13-2-[3]422 (*Calculation of Necessary Franchise Permits*), the department shall reserve 25 percent of the additional franchise permits for allocation to future franchise applicants. The department shall allocate the remaining 75 percent of the additional franchise permits as prescribed by Section 13-2-[3]424 (*Allocation of Additional Franchise Permits*).
- (B) The department shall hold the franchise permits reserved under Subsection (A) until 50 franchise permits are held in reserve. Upon the reservation of 50 franchise permits, the department shall publish a notice in a newspaper of general circulation in the city of the availability of 50 franchise permits for a new taxicab franchise.
- (C) When not less than 50 franchise permits are held in reserve, the city council may grant the reserved permits to an applicant who meets the requirements of this chapter for a new taxicab franchise. If more than one applicant who meets the requirements of this chapter applies for a new franchise under this section, the council shall award the franchise in accordance with Section 13-2-[3]410 (*Selection Of Franchisee*).
- (D) If no qualified person applies for a new franchise when 50 or more reserved permits are available, the department shall allocate an equal number of the reserved permits to each eligible franchise holder under Section 13-2-[3]424 (*Allocation of Additional Franchise Permits*).

PART 20. City Code Section 13-2-409 (*Granting of Taxicab Franchise Under Certain Circumstances*) is amended to read as follows:

§ 13-2-409 - GRANTING OF TAXICAB FRANCHISE UNDER CERTAIN CIRCUMSTANCES.

- (A) The city council may grant one or two additional taxicab franchises if:
 - (1) there have been fewer than five taxicab franchise holders in the city for five consecutive years; and
 - (2) the department has determined that at least one additional permit is necessary under Section 13-2-422 (*Calculation of Necessary Franchise Permits*).
- (B) The council may not allocate more than 50 permits to a franchise applicant under this section.
- (C) If the number of applicants who meet the requirements of this chapter is greater than the number of franchises the council may grant under this section, the council shall award a franchise in accordance with Section 13-2-[3]410 (*Selection Of Franchisee*).
- (D) If there have been fewer than five taxicab franchise holders in the city for five consecutive years, and the number of surplus franchise permits issued by the department is twelve or fewer under the formula in Section 13-2-[3]422 (*Calculation of Necessary Franchise Permits*), the department shall submit a report to the council advising the council on an appropriate mechanism to determine how a franchise may be awarded under this section.

PART 21. City Code Section 13-2-410 (*Selection of Franchisee*) is amended to read as follows:

§ 13-2-410 - SELECTION OF FRANCHISEE.

- (A) This section prescribes the method for selecting among multiple applicants when required by Section 13-2-[3]408(C) (*Granting Of Taxicab Franchise Through Annual Reservation Of Franchise Permits*) or Section 13-2-[3]409(C) (*Granting Of Taxicab Franchise Under Certain Circumstances*).
- (B) The council shall award the franchise to the applicant that the city council determines is best qualified after considering:
- (1) the information required by Section 13-2-[3]403 (*Franchise Application Required*);
 - (2) the criteria and recommendation prescribed by Section 13-2-[3]404 (*Recommendation on Franchise Application*); and
 - (3) criteria reasonably relating to the operation of a taxicab franchise promulgated by the city manager.

PART 22. City Code Section 13-2-423 (*Additional Franchise Permits*) is amended to read as follows:

§ 13-2-423 - ADDITIONAL FRANCHISE PERMITS.

- (A) The department may issue additional franchise permits to reach the number of necessary permits calculated under in Section 13-2-[3]422 (*Calculation of Necessary Franchise Permits*). A fraction of an additional permit shall be rounded down to the nearest whole number.
- (B) The number of franchise permits authorized for each franchise holder may not be reduced if the number of authorized franchise permits issued exceeds the number of franchise permits determined to be necessary under Section 13-2-[3]422 (*Calculation of Necessary Franchise Permits*).

PART 23. City Code Section 13-2-424 (*Allocation of Additional Franchise Permits*) is amended to read as follows:

§ 13-2-424 - ALLOCATION OF ADDITIONAL FRANCHISE PERMITS.

- (A) If the department determines that an increase in the number of franchise permits is necessary under Section 13-2-[3]422 (*Calculation of Necessary Franchise Permits*), the department shall allocate the additional franchise permits to each eligible franchise holder as follows:
- (1) A franchise holder who holds 60 percent or more of the City's franchise permits is not eligible to receive additional franchise permits, unless:
 - (a) the department has published a notice of the availability of franchise permits for a new taxicab franchise in accordance with Section 13-2-[3]408 (*Granting Of Taxicab Franchise Through Annual Reservation Of Franchise Permits*);
 - (b) no applicant who meets the requirements of this chapter applies for a new franchise within 30 days of the date of publication; and
 - (c) the franchise holder is eligible under Section 13-2-[3]425 (*Eligibility For Additional Franchise Permits*) and request the permits in accordance with Section 13-2-[3]426 (*Request For Additional Franchise Permits*).

- (2) The franchise holders who are eligible to receive additional permits and who request the permits shall each receive an equal number of the additional franchise permits, and
- (3) If no franchise holder is eligible to receive additional franchise permits or if no franchise holder requests additional franchise permits then the additional permits shall be reserved for allocation to future franchise applicants.
- (B) Following the department's calculation of the total number of franchise permits under Section 13-2-[3]422 (*Calculation of Necessary Franchise Permits*), the department shall notify franchise holders of the total number of additional franchise permits to be allocated and the total number of franchise permits for which each franchise holder may be eligible.

PART 24. City Code Section 13-2-426 (*Request For Additional Franchise Permits*) is amended to read as follows:

§ 13-2-426 - REQUEST FOR ADDITIONAL FRANCHISE PERMITS.

- (A) To request additional franchise permits, a franchise holder must submit a report from a certified public accountant, licensed by this state and not affiliated with the franchise, certifying that the franchise holder has satisfied the use rate requirement under Section 13-2-[3]425 (*Eligibility for Additional Franchise Permits*) and that all vehicles were used as reported.
- (B) The report must be submitted to the department not later than May 15th. A franchise holder that does not submit the report by the deadline is ineligible to receive additional franchise permits.
- (C) When a franchise holder becomes ineligible to receive additional franchise permits, the department shall reallocate the additional franchise permits initially allocated to the ineligible franchise holder.

PART 25. City Code Section 13-2-427 (*Distribution of Additional Permits*) is amended to read as follows:

§ 13-2-427 - DISTRIBUTION OF ADDITIONAL PERMITS.

- (A) The department shall distribute additional franchise permits to qualified franchise holders that comply with Sections 13-2-[3]425 (*Eligibility for Additional Franchise Permits*) and 13-2-[3]426 (*Request for Additional Franchise Permits*) within 60 days of the deadline prescribed in Section 13-2-[3]426(B) (*Request for Additional Franchise Permits*).
- (B) The department shall reduce the number of additional franchise permits allocated to coincide with the number of additional franchise permits in use for a franchise holder that receives additional franchise permits but does not increase its total fleet to the new allocated level within 90 days of the distribution of additional franchise permits.
- (C) All franchise permits previously allocated to a franchise holder must be assigned to a vehicle that is in service before newly allocated franchise permits are assigned.

PART 26. City Code Section 13-2-428 (*Evaluation of Calculation of Necessary Permits*) is amended to read as follows:

§ 13-2-428 - EVALUATION OF CALCULATION OF NECESSARY PERMITS.

Annually, the director may consider the department's calculation of the number of permits under Section 13-2-[3]422 (*Calculation of Necessary Franchise Permits*) and recommend to the council a change in the calculation or any change the director determines is appropriate.

PART 27. City Code Section 13-2-429 (*Franchise Permit Fee*) is amended to read as follows:

§ 13-2-429 - FRANCHISE PERMIT FEE.

- (A) Except as provided in Subsection (B), a franchise holder shall pay to the City an annual franchise permit fee for each vehicle authorized in the taxicab franchise before placing any taxicab into service.
- (B) The franchise holder may pay the fee in quarterly installments in accordance with the City's fiscal year. If the franchise holder makes quarterly payments, the first payment is due immediately on approval of the franchise permit. Subsequent payments are due no later than the fifth business day before the beginning of the quarter for which the payment is due.
- (C) A fee for an additionally allocated franchise permit must include payment for the entire quarter in which the permit is distributed and may be paid as provided in Subsection (B).
- (D) The fee prescribed by this section does not apply to a permit issued under Section 13-2-[4]502 (*Special Franchise Permits*).

PART 28. City Code Section 13-2-441 (*Number of Taxicabs Placed in Service*) is amended to read as follows:

§ 13-2-441 - NUMBER OF TAXICABS PLACED IN SERVICE.

- (A) A franchise holder may not operate more taxicabs than the number authorized by the taxicab franchise ordinance and by Sections 13-2-[3]431 (*Multiple Franchises Prohibited*) and 13-2-[4]502 (*Special Franchise Permits*).
- (B) A franchise holder may place into service only the number of vehicles for which the franchise holder has paid all charges required by the Code.

PART 29. City Code Section 13-2-464 (*Taximeter Required*) is amended to read as follows:

§ 13-2-463 - TAXIMETER REQUIRED.

- (A) A person may not drive or allow another person to drive a taxicab unless the taxicab is equipped with an operational taximeter that displays an accuracy seal, certifying its accuracy in accordance with procedures determined by the department.
- (B) For purposes of determining a fare for taxicab service, a person may not use a device other than a taximeter for measuring distance or time.
- (C) Except as provided by Subsection (D), a person may not drive or allow another person to drive a taxicab unless an accurate taximeter is used to determine the fare to be charged.
- (D) Taximeter rates of fare do not apply to:
 - (1) a trip to a destination outside the corporate city limits if the taximeter is kept in operation while the taxicab has a passenger within the corporate limits of the city;
 - (2) on written approval of the department, a trip under a contract with a governmental agency, a nonprofit organization, or as otherwise reasonably necessary to provide a public service; or
 - (3) a rate change approved under Section 13-2-[3]470 (*Decision on Rate Application*).

PART 30. City Code Section 13-2-474 (*Minimum Airport Departure Fee*) is amended to read as follows:

§ 13-2-474 - MINIMUM AIRPORT DEPARTURE FEE.

The minimum fee for any taxicab trip departing from Austin Bergstrom International Airport (ABIA) shall be equal to the mileage fee for a four (4) mile trip, excluding any waiting time fee, plus the surcharge for trips departing ABIA. The amount of the fee shall be posted on the Rate Card described in Section 13-2-[3]462, and posted by ABIA staff at the ABIA designated taxicab departure area.

PART 31. City Code Section 13-2-481 (*Additional Taxicab Inspection Standards*) is amended to read as follows:

§ 13-2-481 - ADDITIONAL TAXICAB INSPECTION STANDARDS.

In addition to the requirements of Section 13-2-142 (*Inspection Standards*), a taxicab must comply with Sections 13-2-[3]466 (*Taximeter Standards*) and 13-2-[3]467 (*Taximeter Inspections*) to pass inspection.

PART 32. City Code Section 13-2-504 (*Eligibility for Special Franchise Permits*) is amended to read as follows:

§ 13-2-504 - ELIGIBILITY FOR SPECIAL FRANCHISE PERMITS.

- (A) The department may reallocate a special permit that is not used by the franchise holder as required by Section 13-2-[4]503(A) (*Use of Special Permits*) to a franchise holder that has complied with that section. A franchise holder to whom a special permit is reallocated must use the permit within the deadline in Section 13-2-[4]503(A) (*Use of Special Permits*).
- (B) For a franchise holder to qualify for special franchise permits during the second and succeeding years after this ordinance takes effect, each modified ground transportation service vehicle for which a special permit was issued during the preceding year must have been in operation for at least 12 hours a day for 274 days of the preceding 12-month period.

PART 33. City Code Section 13-2-316 (*Additional Requirements for Pedicab Service*) is amended to read as follows:

§ 13-2-506 - EXCEPTION TO OWNER-OPERATOR REQUIREMENT.

The 40 percent owner-operator requirement prescribed in Section 13-2-[3]442(A) (*Owner-Operated Taxicabs*) does not apply to modified ground transportation service vehicles.

PART 34. This ordinance takes effect on _____, 2014.

PASSED AND APPROVED

§
§
§

_____, 2014

Lee Leffingwell
Mayor

APPROVED: _____

Karen M. Kennard
City Attorney

ATTEST: _____

Jannette S. Goodall
City Clerk