

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF REQUESTING	)	RESOLUTION NO. 02-3197
INFORMAL ADVICE FROM THE	)	
METROPOLITAN POLICY ADVISORY	)	Introduced by Councilor Rex Burkholder
COMMITTEE REGARDING TAXI	)	
REGULATION ON A REGIONAL BASIS	)	

WHEREAS, a request from State Representative Charlie Ringo has been received concerning Metro's authority to enhance the ability of the taxi industry to be truly regional; and

WHEREAS, the City of Portland has been the de facto regulatory agency for taxicabs in most of the region; and

WHEREAS, currently taxicabs from outside the City of Portland are permitted to make trips into Portland, but are not allowed to take a fare for the return trip back to their point of origin or elsewhere; and

WHEREAS, Metro is responsible for the overall planning of the transportation system in the regional area; and

WHEREAS, several State legislators have written the Metro Council encouraging a region-wide taxi service licensing process; and

WHEREAS, taxicab service is a service currently regulated by cities within the Metro region; and

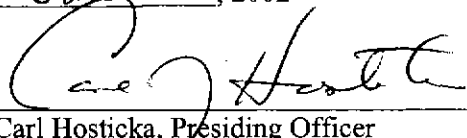
WHEREAS, Section 7 (2) of the Metro Charter prohibits the Metro Council from declaring any service currently regulated or provided by local government to be a matter of metropolitan concern unless the Metropolitan Policy Advisory Committee (MPAC) or the voters expressly approve the action; and

WHEREAS, prior to initiating a formal process to seek MPAC approval of declaring taxicab service a matter of metropolitan concern, the Metro Council desires to seek informal advice from MPAC on this issue; and

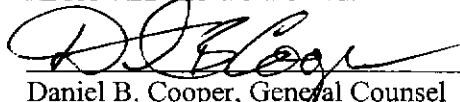
WHEREAS, MPAC and local jurisdictions may propose alternative means to meet the concerns raised by the taxicab industry, State Representative Charlie Ringo and others; now therefore

BE IT RESOLVED that the Metro Council requests that MPAC advise the Metro Council on appropriate measures regarding the regulation of the taxicab industry, including but not limited to whether Metro should initiate a formal process to seek MPAC approval for regional regulation of taxicabs.

ADOPTED by the Metro Council this 20<sup>th</sup> day of June, 2002

  
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 Carl Hosticka, Presiding Officer

APPROVED AS TO FORM:

  
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 Daniel B. Cooper, General Counsel

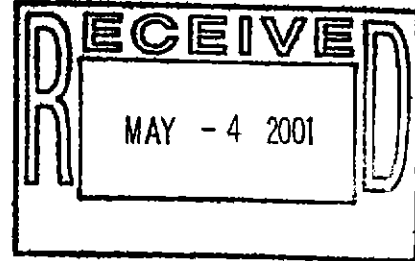


## CITY of BEAVERTON

4755 S.W. Griffith Drive. P.O. Box 4755. Beaverton. OR 97076 TEL: (503) 526-2481 V/TDD FAX: (503) 526-2571

**ROB DRAKE**  
**MAYOR**

May 1, 2001



Honorable David Bragdon  
Metro Presiding Officer  
3333 SE Morrison  
Portland, Oregon 97214

Dear Presiding Officer Bragdon:

I appreciated receiving the letter sent to Commissioner Francesconi regarding licensing of cabs. We've had similar issues in Beaverton.

In the case of a cab company that operates from unincorporated Washington County, they have asked us to license their cabs hoping it would allow them to pick-up riders in Portland after delivering them. Currently, they are not franchised in the City of Portland, so they are unable to pick-up riders in Portland. In addition, this increases vehicle miles traveled (VMTs) in the region. I had suggested that this cab company work with Washington County to implement a County-wide ordinance to license cabs.

Since reading your letter to Commissioner Francesconi, it really makes sense to encourage Metro to promote a region-wide licensing process. I would support this effort.

Sincerely,

Rob Drake  
Mayor

Cc: Councilor Rex Burkholder, Metro  
Representative Charlie Ringo, Oregon House of Representatives  
Commissioner Jim Francesconi, City of Portland  
Chair Tom Brian, Washington County Board of Commissioners  
Mr. Aleksey Kasyan, City Cab

DISTRICT 6



**CHARLIE RINGO**  
**STATE REPRESENTATIVE**  
**HOUSE OF REPRESENTATIVES**

November 27, 2001

Dear Metro Councilors,

We, in Washington County, are writing to urge you to support placing the regulation of taxicabs under the region-wide jurisdiction of Metro, instead of the current licensing procedures by individual City governments within the Metro area.

Currently, taxi drivers from Washington County are permitted to make trips into Portland, but are not allowed to take a fare for the return trip back to Washington County. The reverse is not true, in that a Portland taxi is allowed to take a fare out to Washington County and then return the customer back to Portland. This system is inherently unfair to taxies operating in Washington County.

As Metro is responsible for the overall planning of the transportation system in the regional area, it only makes sense for the licensing of taxis to fall under the jurisdiction of Metro. All of the entities involved seem to agree that this is an efficient and equitable solution. We support this change in order to serve our citizens in the most efficient manner possible. We urge you to implement this change as soon as possible.

Very Truly Yours,

Tom Hartung  
State Senator  
District 3

Ryan Deckert  
State Senator  
District 4

Charlie Ringo  
State Representative  
District 6

Bill Witt  
State Representative  
District 7

Mark Hass  
State Representative  
District 8



## **GOVERNMENTAL AFFAIRS COMMITTEE REPORT**

CONSIDERATION OF RESOLUTION NO. 02-3197, FOR THE PURPOSE OF REQUESTING INFORMAL ADVICE FROM THE METROPOLITAN POLICY ADVISORY COMMITTEE REGARDING TAXI REGULATION ON A REGIONAL BASIS

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Date: June 17, 2002

Presented by: Councilor Burkholder

**Committee Recommendation:** At its June 13 meeting, the committee considered Resolution No. 02-3197 and voted unanimously to send the resolution to the Council for adoption. Voting in favor: Councilors Burkholder and Monroe and Chair Bragdon.

**Background:** In the Portland metropolitan area, taxicab regulation is currently handled by individual jurisdictions. About a year ago, the Council office began receiving informal inquiries from jurisdictions and the cab industry concerning perceived inequities in the regulatory system. It was suggested that Metro should consider the establishment of a regional regulatory system. Given the complexity of the issues involved, after conducting initial research, the Council staff recommended that the Council obtain early input from MPAC related to the potential for regional taxicab regulation.

**Committee Discussion:** Councilor Burkholder presented the staff report. He noted that the resolution was drafted in response to requests from Beaverton Mayor Rob Drake, State Representative Charlie Ringo and several other state legislators, and representatives of several cab companies. They cited several anomalies in the current cab regulation system and asked Metro to examine the feasibility of establishing a regional regulatory scheme.

Councilor Burkholder noted that MPAC offers an excellent forum for obtaining an initial reaction to potential for creating a regional system. Councilor Bragdon expressed support for the resolution.

## STAFF REPORT

### IN CONSIDERATION OF RESOLUTION NO. 02-3197, FOR THE PURPOSE OF REQUESTING INFORMAL ADVICE FROM THE METROPOLITAN POLICY ADVISORY COMMITTEE REGARDING TAX REGULATION ON A REGIONAL BASIS

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Date: May 13, 2002

Prepared by: Jeff Stone

## BACKGROUND

Councilor Rex Burkholder and Councilor David Bragdon approached this subject over a year ago with council staff to attempt to raise the question about equity in the taxicab industry. Since this matter is not within the Metro Charter, it was the advice of staff that in order to get this issue on the regional table, it would be necessary for the debate to be raised outside of Metro.

Beaverton Mayor Rob Drake sent a letter to then Presiding Officer David Bragdon encouraging Metro to look into and promote a region-wide taxicab licensing program. On November 27, 2001, a bipartisan group of state legislators, led by State Representative Charlie Ringo, wrote a letter to the Metro Council urging that the taxicab industry be placed under the jurisdiction of Metro.

Councilor Burkholder requested that research be conducted and that a resolution asking Metropolitan Policy Advisory Committee (MPAC) for informal advice on the regulation of the taxicab service be drafted.

### How do local jurisdictions regulate taxicabs?

**City of Portland:** A Taxicab Board of Review regulates taxicabs for the City of Portland. A Taxicab Permit is required and must be renewed annually with payment of an annual permit fee. The Board also regulates the number of taxicabs operated by each taxicab company, the taxicab zone permits, and the taxicab driver permits. Taxicab companies may set their rates, but they must file a schedule of rates with the Board Supervisor. The Board has issued minimum standards for taxicab service companies such as minimum hours of operation, a dispatch system operating 24 hours a day, etc. The Board also outlines specific requirements for displaying the company name, cab number, and telephone number. Other regulations encompass complaints, lost and found, conduct of drivers, equipment and maintenance, safety inspections and certification, insurance, and criminal penalties.

**City of Gresham:** The City of Gresham regulates taxicabs by requiring licenses, charging license fees, requiring proof of liability insurance, and approval of rates.

**City of Beaverton:** The Traffic Control Board regulates all traffic related code. Under Vehicle and Traffic codes are specific regarding taxicab standing and parking, and restricted use of taxicab stands.

**City of Hillsboro:** The City of Hillsboro requires a license to operate a taxicab or a taxicab company, as well as license fees, driver requirements, vehicle inspection requirements, and approval of rates.

The City of Portland has been the de facto regulatory agency for the taxicab industry in most of the region. As the suburbs have grown and demand for service has increased outside of the City of Portland's boundaries, the regulatory system has shown signs of strain. One significant issue as outlined in Exhibit

A and Exhibit B, is that suburban taxicabs cannot pick up a return fare originating within the City of Portland because only a certain number of taxicabs are allowed to pick up City of Portland fares. This lends itself to questions surrounding the efficiencies and fairness of taxicab industry regulations and whether a seamless and regional regulation crossing city and county boundaries is possible.

Proposed solutions and outstanding questions:

While residents of the City of Portland may be the primary users of taxicabs in the region, overall more people in the region live outside the City of Portland boundaries. Metro is a regional government and has some experience administering a regional licensing program so a corollary exists. It makes sense at this time to request that MPAC consider informal advice to the Metro Council before additional work be done on this issue, however, additional issues that will need to be resolved are as follows: 1) cost of administration; 2) potential lost local revenue; 3) assessment of local costs; 4) scope of the regulation; and 5) role of taxicabs in the regional transportation system.

What is Metro's authority in the taxicab regulation arena?

As outlined in Section 7 (2) of the Metro Charter in the legal antecedents, Metro has no current authority in its charter to regulate the taxicab industry. Metro may gain this authority by either obtaining MPAC approval or obtaining voter approval.

What are the steps necessary to create a regional business license program administered by Metro?

Metro currently has a regional licensing program through the regional contractor licensing program. Metro runs this program on behalf of small cities. While Metro currently has no authority to license the taxicab industry, the regional contractor licensing system sets a precedent for Metro supporting local governments and business by regulating an industry that crosses city boundaries. Metro is also responsible for transportation planning in the region and a case could be made that regulating taxicabs within the region provides improved mobility for citizens to and from the suburbs.

## ANALYSIS/INFORMATION

1. **Known Opposition:** While Commissioner Jim Francesconi may be supportive, the City of Portland is likely to oppose this measure. It is possible that big taxicab companies may oppose this matter due to increased competition in the market place.
2. **Legal Antecedents:**

Metro Charter Section 7. Assumption of Additional Functions.

(1) Assumption ordinance. The council shall approve by ordinance the undertaking by Metro of any function not authorized by sections 5 and 6 of this charter. The ordinance shall contain a finding that the function is of metropolitan concern and the reasons it is appropriate for Metro to undertake it.

(2) Assumption of local government service function.

(a) An ordinance authorizing provision or regulation by Metro of a local government service is not effective unless the voters of Metro or a majority of the members of the MPAC approves the ordinance. Voter approval may occur by approval of a referred measure (1) authorizing the function or (2) relating to finances and authorizing financing or identifying funds to be used for exercise of the function. As used in this section, "local government service" is a service provided to constituents by one

or more cities, counties or special districts within the jurisdiction of Metro at the time a Metro ordinance on assumption of the service is first introduced.

(b) An ordinance submitted to the MPAC for approval is deemed approved unless disapproved within 60 days after submission.

(c) No approval under this subsection is required for the compensated provision of services by Metro to or on behalf of a local government under an agreement with that government.

(3) Assumption of other service functions. The council shall seek the advice of the MPAC before adopting an ordinance authorizing provision or regulation by Metro of a service, which is not a local government service.

3. **Anticipated Effects:** If this resolution were adopted, the taxi regulation apparatus would not change. Passage would require preliminary review by MPAC with recommendations to the Metro Council. If MPAC believes the issue is worth further consideration, Metro would need to create an ordinance and return to MPAC and ask for a formal vote on taxi regulation as a matter of metropolitan concern. In addition, Metro would need to begin work to determine how a business license program could be constructed that would absorb the creation of a regional permitting and regulatory effort.
4. **Budget Impacts:** There is no direct budget impact by asking MPAC for informal advice.

#### **RECOMMENDED ACTION**

Staff recommends that the Metro Council pass Resolution No. 02-3197.