



REGULATION OF TAXICABS

PROPOSITION K

Shall taxicab permits be issued only to individual cab operators and shall the private sale of rights in taxicab permits be prohibited?

Analysis

By Ballot Simplification Committee

THE WAY IT IS NOW: New taxicab permits are only issued when the Police Commission says they are needed. The fee to the city for a new permit is \$7500. Permits may also be freely sold from one person or company to another for whatever price they agree upon. Today permits sell privately for over \$10,000 apiece because over 700 permits are out and no new permits are being issued. If one party buys a taxicab permit from another party, a transfer fee of \$1000 must be paid to the city.

THE PROPOSAL: Proposition "K" would change the way taxicab permits are issued and prevent them from being transferred from one party to another. The Police Commission would set the amount of permit fees and hold hearings on applications for permits. New permits would be required for all taxicabs, including those now being operated under the old permits. Present owners would have preference for new permits, but they would

have to exchange their permits within 60 days. No permits could be bought or sold privately. They would belong to the City and County. Preference for completely new permits would go to anyone who has been a taxicab driver for one straight year within the past three years. Once present permit holders have exchanged their permits, new permits would only be issued to individuals, not to companies. The permit could be revoked if more than 10 percent of a taxi company's stock is sold or transferred. Owners would also be required to keep specific financial records.

A YES VOTE MEANS: If you vote yes, you do not want taxicab permits to be sold on the open market and you want to phase out ownership by companies.

A NO VOTE MEANS: If you vote no, you either want the taxicab permit rules to stay the way they are now, or you want to change them in some other way.

Controller's Statement on "K"

City Controller John C. Farrell has issued the following statement on the fiscal impact of Proposition K:

Should the proposed ballot proposition be adopted, in my opinion, there would be an increase in the cost of government. However, this increase in cost would be offset by the fees to be established by the Police Commission.

How Proposition K Got On The Ballot

Proposition K was placed on the ballot by a City Charter provision which allows four or more individual members of the Board of Supervisors to place an Ordinance or Declaration of Policy on the ballot.

On January 8th the Registrar received a request from 5 supervisors asking that the question of taxicab regulation be placed on the ballot. The request was signed by Supervisors Dianne Feinstein, Quentin Kopp, Ronald Pelosi, John Barbagelata and Al Nelder.

Propositions J and K are of the same general purpose. In the event that both measures are approved by the voters, the one receiving the highest affirmative vote will prevail and the other will fail of passage.

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ARGUMENT IN FAVOR OF PROPOSITION K

Vote "Yes" on Proposition "K"

Our taxicab system must be reformed. Proposition "K" allows the cab business to operate under principles of free enterprise and to charge less than the maximum fare. It prevents a favored few from making big profits on taxi permits which belong to the people of San Francisco, and requires the Police Commission to issue enough permits to assure adequate cab service throughout San Francisco and prompt, courteous and honest treatment of the consumer.

Proposition "K" is consumer legislation. It gives you, the voter, a chance to say whether the cab business should be opened up to stop favored taxicab companies and individuals from buying and selling cab permits for profit and practicing unfair competition.

Since 1972, there have been efforts to halt the private peddling of City cab permits. Under this initiative, individuals who now own taxicab permits can retain them, but those who obtain permits with the sole purpose of reselling them for an enormous profit could not do so. When unused, the permits would return to the Police Commission where new permits would be issued to people who actually want to drive a taxicab.

Who gets hurt by the present system? Not the major taxicab companies, but the paying consumer and individual taxicab driver who wants to obtain a permit and be allowed to engage in the taxicab business himself. Now, taxicab drivers must pay a tremendous percentage of their daily receipts for permits which cost \$12,000 to \$30,000 or more. The result is higher fares which adversely affect all customers, especially those least able to pay.

Vote "Yes" on Proposition "K"

Free enterprise principles and non-transferable taxicab permits will provide an equitable arrangement for the public and for cab drivers who want to serve all San Franciscans. **STOP THE PROFITEERING — VOTE "YES" ON PROPOSITION "K"**.

By:

Supervisor Quentin L. Kopp
Supervisor Dianne Feinstein
Supervisor Ella Hill Hutch
Supervisor Ronald Pelosi
Supervisor Carol R. Silver
Supervisor Dan White
Supervisor Harvey Milk

Mr. John J. Barbagelata
Mr. Alfred J. Nelder
Mr. John Robb
Chauffeurs-Cab Drivers' Local #265
Mr. Mike Parrish, President &
Business Rep., Local #265
Bert Blakey, Local #265

ARGUMENT AGAINST PROPOSITION K

No on K

Proposition K is a vengeful, meat ax approach to taxicab "reform". Proposition K is overkill and would produce chaos and poor service to the public.

Proposition K would forbid issuing of a taxicab permit to any "business, firm, partnership, or corporation." Most cabs are now operated through co-ops or companies to provide reliable, efficient radio dispatching, maintenance and insurance.

PROPOSITION K would end radio dispatching of cabs. PROPOSITION K would limit cabs to operation by driver owners who would furnish service when and where they wanted to with no consideration for the public need.

PROPOSITION K would *confiscate* present taxicab permits without compensation to the owners who have paid any average of \$16,000 for them. Many permits were sold by the City some years ago for \$7,500. Proposition K would simply wipeout the investment of hundreds of owners.

Unlike Proposition J which offers tough but fair reform, regulation and protection, Proposition K is unfair and unwise.

PROPOSITION K would be a "RIP OFF" of the taxicab owners and a disservice to their customers.

Vote No on K

Mayor George R. Moscone
Supervisor John Molinari
Supervisor Robert Gonzales
Supervisor Gordon Lau

Peter Tamaras
Richard Siggins
Jane McKaskle Murphy
Terry Francois

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