



Taxicab Ordinance

PROPOSITION P

Shall the initiative ordinance regulating motor vehicles for hire including taxicabs be repealed as of June 1, 1982 and authority given to the Board of Supervisors to regulate same by ordinance?

Analysis

By Ballot Simplification Committee

THE WAY IT IS NOW: The City issues taxicab permits, subject to the approval of the Police Commission, for a nominal fee. In the past, holders of permits could sell them privately, with no limit on the selling price. In June 1978, voters approved Proposition K, making the permits non-transferable and the private permit sales illegal. All existing permits now revert to the City when the permit holder dies or fails to fulfill conditions of the permit.

THE PROPOSAL: Proposition P would repeal Proposition K which makes taxi permits non-transferable and private permit sales illegal. The Board of Supervisors would be given authority to pass laws to

regulate taxis and other motor vehicles for hire. The repeal would take effect June 1, 1982, or earlier if the Board of Supervisors passed new taxi legislation before that date.

A YES VOTE MEANS: If you vote yes, you want Proposition K repealed and authority to regulate taxis and other hired motor vehicles transferred from the Police Commission to the Board of Supervisors.

A NO VOTE MEANS: If you vote no, you want to keep the present system of regulating taxicabs and other hired motor vehicles.

Controller's Statement on "P"

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

"Should the proposed ordinance be approved, in my opinion, in and of itself, it would have no effect on the cost of government, but as a product of its future application, this permissive legislation could affect revenues and costs in amounts not determinable at this time."

How Prop P Got on Ballot

On June 5 the Registrar of Voters received a request signed by four supervisors asking that a taxicab ordinance be placed before the voters. The ordinance was signed by Supervisors Lee Dolson, Richard Hongisto, John Molinari and Harry Britt.

The City Charter provides that four or more members of the Board of Supervisors may put an ordinance on the ballot by delivering a signed request to the Registrar.

THE FULL LEGAL TEXT OF PROP P APPEARS ON PAGE 68

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ARGUMENT IN FAVOR OF PROPOSITION P

Proposition P puts back into the hands of the Board of Supervisors the regulation of vehicles for hire. When Proposition "P" passes, the Board will have the responsibility and the opportunity for re-writing those provisions of present law which have worked unjustly or unfairly in the past. We will also have a significant revenue increase, of City income, which will relieve some of the pressure on our real estate taxes. For these reasons Proposition "P" deserves your support.

Supervisors:
Lee Dolson
Nancy G. Walker
Harry T. Britt
Willie B. Kennedy
Richard D. Hongisto
John L. Molinari
Louise H. Renne

ARGUMENT IN FAVOR OF PROPOSITION P

VOTE "YES" ON PROP. P

In 1978 the voters passed a charter amendment that prohibited the transfer of taxicab permits. At that time, it was thought that this would bring greater stability to the taxicab industry and provide better service to the citizens of San Francisco. This has not proven true.

In many cases, a taxicab permit is purchased both to provide income and as a family investment. The result of the present prohibition against transfers, which applies even on the death of the permit holder, has been to deprive spouses and dependents of drivers their deserved measure of financial security. This is unacceptable, and a YES vote on "P" will change it.

The regulation of taxicab permits does not belong in the San Francisco Charter. Your YES vote on Prop P will return the authority to regulate taxicabs to the Board of Supervisors, where it does belong. After appropriate public hearings, the Board will set guidelines that will allow for the transfer of permits at a fair price while ensuring a high level of service to the public.

Taxicabs are an integral part of our urban transportation system. We must have the ability to deal with cab regulations and permits in an orderly and fair manner. I urge a YES vote on Prop. P.

Dianne Feinstein
Mayor

ARGUMENT IN FAVOR OF PROPOSITION P

Local 265 represents San Francisco's professional drivers of limousines, buses, taxis and vans.

Many are being replaced by drivers of non-regulated unsafe vehicles.

Proposition P will permit local citizens and the labor community to help formulate regulations which ensure that all vehicles for hire are operated as a safe public service and not merely for maximum profit.

Endorsed by:
F. Thomas Richey, Sec. Treas.
Teamsters Local 265
Teamsters Joint Council #7
Bay Area Union Labor Party
San Francisco
S.F. Labor Council AFL-CIO
Larry Wing, Pres. I.L.W.U. Local #10

(ARGUMENTS AGAINST "P" APPEAR ON NEXT PAGE)



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ARGUMENT AGAINST PROPOSITION P

WHAT DOES PROP P PROPOSE?

Prop P, drafted by the large taxicab companies, threatens two undesirable outcomes: 1) the repeal of the 1978 reform initiative (Prop K) authored by Dianne Feinstein, and Supervisors Kopp, Barbagelata, Nelder and Pelosi and 2) the transfer of regulatory power over the taxicab industry from the Police Commission to the Board of Supervisors.

WHAT DO OBSERVERS SAY WOULD BE THE EFFECT OF REPEALING "K"?

The San Francisco Bay Guardian says:

"If Prop. K is repealed, it would return the taxi industry to where it was prior to June 1978. At that time, the 711 existing taxi permits were sold on the open market, often for \$25,000.00 or more, which would make them virtually inaccessible to many taxi drivers and others unable to afford the five-digit investment."

The Guardian added:

"... Knowlegable taxicab industry observers suggest that the increased cost of acquiring taxicab permits — from the current \$40.00 license fee to an estimated \$30,000-\$40,000 for the scarce permits on the open market — will result in a decline over time in the number of independent cabs on the streets and eventual-

ly, a request to the Supervisors for increased taxi fare rates to allow permit owners to recover their costs."

WHY DO THE BACKERS OF PROP P WANT TO TRANSFER REGULATORY POWER TO THE BOARD OF SUPERVISORS?

Part of the motivation behind this provision can be explained by the following research on supervisors whose signatures qualified the measure for the ballot:

"A Guardian investigation of campaign contributions reveals that of the six Supervisors who signed the proposed amendment, the five ... elected to ... seats in November, 1980 ... received campaign contributions from taxicab interests. The contributions ranged from a low of \$100.00 (to Hongisto) to a high of \$1,600.00 (to Molinari)."

Little wonder that columnist Guy Wright once referred to Molinari as the "good buddy" of the taxicab moguls. Other good buddies include Supervisors Dolson, Britt, and Renne — all of whom received substantial donations.

Little wonder that the big money boys want to put permit issuing power in the hands of Supervisors.

VOTE "NO" ON P

Supervisor Quentin L. Kopp

ARGUMENT AGAINST PROPOSITION P

VOTE NO ON P

No one should be able to profit from the private sale of a public good whose value comes from the fact that it is created, issued and regulated through the exercise of government's "police powers."

If taxicab owners want to be able to sell the cab permits issued by the people of San Francisco, then the City should stop limiting the number it issues and let any qualified driver who wants a permit to have one.

If, on the other hand, they want the City to continue its maintenance of an artificial scarcity of such permits, thereby keeping cab fares much higher than other cities, then it is incumbent on government to

insure that such permits revert back to the City when the permit holder dies or retires so that they may be redistributed on an equitable basis.

Prop K declared that City issued cab permits are the property of the people of San Francisco. Make sure that the City maintains control of its own regulatory devices rather than having money from the highest bidder be the determinant of who can drive a cab in this City.

SAVE PROP K VOTE NO ON P.

Submitted by: *John J. Barbagelata*

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ARGUMENT AGAINST PROPOSITION P

VOTE NO

Ordinary people who want to be driver-owners simply cannot afford \$40,000 license fees. Give the little guy a break.

Submitted by
Darrell J. Salomon
Attorney for
San Francisco Association of Taxi Drivers

ARGUMENT AGAINST PROPOSITION P

Do you know why it is often so hard to get a cab in the neighborhoods and many shopping areas of San Francisco? Why the number of taxi permits in San Francisco has declined 20% in the last decade even though the demand for taxis has risen 30% during the same period?

The answer is that the big cab companies in San Francisco want it that way. Their interest is in maximizing their profits by restricting the number of permits, hence the number of cabs on the street.

This power of the cab companies to monopolize the market was diminished by Proposition K. Proposition K put the power to issue permits into the hands of non-politicians, the members of the Police Commis-

sion. Early this year, the Police Commission began to issue additional permits to independent driver-owners at nominal fees. The cab companies did not like this. Now the cab companies want you, via this ballot measure, to strip the Police Commission of its power to issue any more permits and transfer that power to the Chambers of the Board of Supervisors, where the aroma of political campaign money can pervade the room. And they want the cost of obtaining a permit to be so prohibitively high (\$25,000) that independent driver-owners cannot afford them. Don't fall for it.

VOTE NO ON PROPOSITION P

Submitted by: *Walter J. O'Donnell*

ARGUMENT AGAINST PROPOSITION P

Proposition P represents the Big Taxicab Moguls' sixth effort, both at the polls and in the courts, to overturn the reforms of Prop K adopted by you, the voters, in 1978, reaffirmed by you in 1979 and upheld by the California courts and the U.S. Supreme Court.

Prop K benefitted the consumer and driver alike. It ended the injustices created by a system which permitted the private resale of City issued cab permits to non-cab driving monopolists and out-of-town speculators who caused prices on this market to soar upwards to \$30,000 — a level well out of reach of independent cab drivers and far beyond the original \$50 charged by the City.

Prop K increased the opportunities for independent cab drivers to obtain permits by halting the private peddling of City permits and restricting their issuance to persons indicating an actual intent to drive a cab. K also allowed drivers to set cab fares at lower than established maximum rates.

Undaunted by the successes of Prop K and the \$400,000 already misspent on failed efforts for its reversal, the Monied Cab Interests are returning to badger you, the voter, once again. This time they ask

not only that you eliminate Prop K but that you take the power to regulate the taxicab industry away from the appointed 5 member Police Commission and place it in the hands of the elected 11 member Board of Supervisors. Several of these supervisors, including 5 of those who qualified this measure for the ballot, won their elections with the help of significant contributions from the very same cab companies Prop P proposes they regulate. Police Commissioners are appointed, and therefore have no use for campaign contributions — a fact that has not been lost on the Special Interests whose money seeks a place to bring its influence to bear. A transfer of regulatory power to the Board of Supervisors will merely mean that the foxes have bought their way into the hen house.

SAVE PROP K AND THE POLICE COMMISSION'S POWER TO REGULATE TAXICABS.

VOTE NO ON P

Cheryl Arenson
Dorothy Vuksich

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