City of Houston, Texas, Ordinance No. 2016-736

AN ORDINANCE AMENDING CHAPTER 46 OF THE CODE OF ORDINANCES, HOUSTON, TEXAS, RELATING TO VEHICLES FOR HIRE, INCLUDING THE PROMULGATION OF A DESIGNATED ELECTRONIC DISPATCHING APPLICATION FOR VEHICLES FOR HIRE; DECLARING CERTAIN CONDUCT UNLAWFUL AND PROVIDING PENALTIES THEREFORE; CONTAINING FINDINGS AND OTHER PROVISIONS RELATING TO THE FOREGOING SUBJECT; PROVIDING FOR SEVERABILITY; AND DECLARING AN EMERGENCY.

* * * * *

WHEREAS, the City of Houston ("City") is a home-rule municipality pursuant to Article XI, Section 5 of the Texas Constitution; and

WHEREAS, Section 215.073 of the Local Government Code provides that a home-rule municipality may license, fix the charges or fares made by, or otherwise regulate any person who owns, operates, or controls any type of vehicle used on the public streets or alleys of the municipality for carrying passengers or freight for compensation; and

WHEREAS, Chapter 46 of the City of Houston Code of Ordinances ("Code") contains the City's permit-based regulatory provisions regarding the operation of vehicles for hire within the City limits; and

WHEREAS, the City is committed to the implementation of practical regulations that serve to improve the quality of service provided to passengers, and create uniform and equitable standards across all vehicle for hire platforms, where appropriate and possible; and

WHEREAS, due to lack of dispatch capability, many permitted vehicles for hire are currently unable to provide citywide service; and

WHEREAS, technology now exists to centralize dispatch for vehicles for hire in a quick and inexpensive manner; and

WHEREAS, the City is committed to receiving input from vehicle for hire market participants regarding the functionality of the electronic dispatching application that has been designated by the City; **NOW, THEREFORE,**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HOUSTON, TEXAS:

Section 1. That the findings contained in the preamble of this Ordinance are determined to be true and correct and are hereby adopted as part of this Ordinance.

Section 2. That Article I of Chapter 46 of the Code of Ordinances, Houston, Texas, is hereby amended by adding a new Section 46-4.1 that reads as follows:

"**Sec. 46-4.1. Consolidated vehicle for hire electronic dispatch applications.**

(a) The director is authorized to designate an electronic dispatching application designed to dispatch vehicles for hire permitted under this chapter. The designated electronic dispatch application shall be accessible by internet-enabled device, digital platform or telephone, or any other method approved by the director. Regulations promulgated by the director may require the designated electronic dispatch application provider to maintain and provide to the city verifiable records regarding the electronic dispatching application's reliability when responding to requests for service.

(b) Every taxicab licensee shall, at all times when in service, use the application designated by the director to provide service to the general public.

(c) The director may allow the electronic dispatch application provider to assess fees against the passengers, licensees, permittees or other applicable entities in the amount required to maintain and make such application available to vehicle-for-hire licensees and the public. All fees must be consistent with rules to be promulgated by the director.

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

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

Section 3. That Section 46-5 of the Code of Ordinances, Houston, Texas, is hereby amended by adding a new Subsection (d) that reads as follows:

"(d) In the event the director confirms a licensee's criminal record has been updated to reflect a conviction, the director shall require the licensee to submit to a hearing, wherein a hearing officer will determine if the licensee's license should be suspended or revoked as a result of the conviction."

Section 4. That the catchline of Section 46-6 of the Code of Ordinances, Houston, Texas, is hereby amended to read as follows:

"**Sec. 46-6. Physician's certificate of medical examination; drug screening.**"

Section 5. That Section 46-6 of the Code of Ordinances, Houston, Texas, is hereby amended by deleting Subsection (c) in its entirety.

Section 6. That Section 46-7 of the Code of Ordinances, Houston, Texas, is hereby amended to read as follows:

"**Sec. 46-7. Criminal history check.**

(a) Upon initial application for any license and at license renewal intervals stated in this chapter, the director shall cause the criminal history of each person designated as a driver in an application for a license to be researched. Each person designated as a driver in an application shall complete any forms required for the director to obtain the report, and the applicant shall present the required completed forms to the director and shall bear the cost to cover any fees imposed by state or federal agencies for the report. The provision of this requirement shall not be construed to preclude the director from obtaining interim reports at the expense of the city. Results of the criminal history check shall be valid for two years from the date the fingerprints are submitted to the state or federal agency researching the criminal history.

(b) An applicant who has met the other requirements of this chapter may be provisionally authorized to drive for a permittee if the permittee has caused the criminal history of the applicant to be researched by a company approved by the director, and such search discloses that the applicant has no convictions of any applicable offense listed in section 1-10 of this Code. Such a search shall include a national criminal history database and a national sex offender database. Drivers provisionally authorized pursuant to this subsection shall be required to comply with the requirements of section 46-6(c) within 30 days of being provisionally authorized by the permittee.

(c) Each applicant for any permit, certificate of registration, or license issued pursuant to this chapter shall be fingerprinted at the location indicated by the director to determine if the applicant has been convicted of any applicable offense listed in section 1-10 of this Code. The applicant shall complete any forms required for the director to obtain the

report and shall bear the cost to cover any fees imposed by state or federal agencies for the report. The provision of this requirement shall not be construed to preclude the director from obtaining interim reports at the expense of the city."

Section 7. That Article I of Chapter 46 of the Code of Ordinances, Houston, Texas, is hereby amended by adding a new Section 46-9.5 that reads as follows:

"**Sec. 46-9.5. Blocking traffic prohibited.**

No licensee shall be authorized to remain at a curb or otherwise block traffic for the purpose of waiting to acquire a passenger, whether by dispatch or hail, unless the taxicab is operating in compliance with Chapter 45 of this Code."

Section 8. That Subsection (a) of Section 46-11.7 of the Code of Ordinances, Houston, Texas, is hereby amended to read as follows:

"(a) It shall be unlawful for any person to seek or solicit a passenger or passengers for any vehicle for hire, other than a pedicab, whether or not the vehicle is identified as a vehicle for hire, at, in or near any passenger depot, hotel, airport, ship or ferry landing, bus stop or station, or upon any sidewalk or street or any other place in the city. It shall be unlawful for any person to call out "taxicab," "limousine," "auto for hire," "carriage," "bus," "baggage," "hotel," or any other words or gestures or signage that could be construed as soliciting a passenger for hire. Violators of this section, upon conviction, shall be fined not less than $50.00 nor more than $500.00."

Section 9. That Section 46-15.1 of the Code of Ordinances, Houston, Texas, is hereby amended by deleting Items (7) and (8) from Subsection (a) and deleting Subsection (b) in its entirety.

Section 10. That the definition of the term *stool light* in Section 46-16 of the Code of Ordinances, Houston, Texas, is hereby amended to read as follows:

"*Stool light* means an instrument or an accessory which is attached to a vehicle and indicates to the public that a vehicle is a taxicab."

Section 11. That Section 46-16 of the Code of Ordinances, Houston, Texas, is hereby amended by adding, in the appropriate alphabetical order position, a new definition that reads as follows:

> "*Virtual taximeter* means a device that utilizes software designed to record the miles or distance traveled or time consumed, or both, during the period of engagement of taxicab service and is so constructed and mounted as to visibly record and display the cumulative charges to the person engaging the service."

Section 12. That Subsection (b) of Section 46-18 of the Code of Ordinances, Houston, Texas, is hereby amended to read as follows:

> "(b) The director shall not authorize a vehicle to initially be placed into service unless it is equipped with an air conditioning system that was factory-installed by the vehicle manufacturer and has sufficient interior passenger space to qualify in the United States Environmental Protection Agency's annual fuel economy guide as a mid-size car, a large car, a mid-size station wagon, a large station wagon, a sport utility vehicle, a van, passenger type, or a four-door fully electric vehicle, provided that the director may also allow vehicles classified for purposes of the fuel economy guide as special passenger vehicles if the vehicle has passenger seating and space accommodations at least equivalent to those of a vehicle rated as a mid-size car. To the extent that the fuel economy guide has not yet been published for the model year of the vehicle at the time that a vehicle is presented for placement into initial service, then the director may utilize the previous year's guide entry for the same or most equivalent make and model of vehicle.
>
> In addition to the foregoing, any taxicab initially placed into service or operated pursuant to any permit distribution occurring on or after January 1, 2015, must meet one or more of the following criteria:
>
> (1) Be powered by a 4-cylinder engine;
>
> (2) Be a hybrid-electric vehicle;
>
> (3) Be a wheelchair accessible vehicle, either lift- or ramp-equipped;
>
> (4) Be a vehicle that meets a minimum combined fuel economy rating of 20 miles per gallon based on the most recently published United States Environmental Protection Agency's annual fuel economy guide for the year in which the vehicle

is presented for placement into initial taxicab service. To the extent that the fuel economy guide has not yet been published for the model year of the vehicle at the time that a vehicle is presented for placement into initial service, the director may utilize the most recent fuel economy guide entry for the same or most equivalent make and model of vehicle;

(5) Be a sport utility vehicle ("SUV"), including but not limited to large SUVs, as said vehicles are defined or described by size, shape, specification, make or model according to commonly accepted industry standards; or

(6) Be a four-door fully electric vehicle."

Section 13. That Subsection (a) of Section 46-20 of the Code of Ordinances, Houston, Texas, is hereby amended to read as follows:

"(a) Except as provided in subsection (b) of this section, a licensee or permittee shall not drive or cause to be driven upon the streets of the city any taxicab vehicle that is more than six years old. For purposes of this requirement, a taxicab will be considered to be six years old on April 30th of the sixth year following the manufacturer's model year of the vehicle, regardless of the purchase date or the date it was originally placed into service."

Section 14. That Section 46-22 of the Code of Ordinances, Houston, Texas, is hereby amended to read as follows:

"**Sec. 46-22. Vehicle color scheme.**

(a) A permittee or licensee shall not drive or cause to be driven any taxicab in the city until the permittee has filed with the director, for approval, the color scheme that he proposes to use under his ownership or radio service. In approving or disapproving the color scheme submitted, the director shall consider the color scheme presently in use by the permittee and the color schemes of other permittees.

(b) A permittee may utilize up to five different color schemes, including those color schemes used by vehicles operated under a lease agreement.

(c) All new entrant applicants who operate pursuant to a permit transferred in accordance with section 46-72 of this Code must operate vehicles that are white and all signage letters must be dark or deep green. The vehicle color scheme shall also have a 2-inch dark or deep green

wide stripe along the length of the vehicle, placement of which shall be designated by the director. The director shall determine whether the colors submitted by the permittee comply with the requirements articulated within this section.

(d) If the director approves the color scheme, the permittee shall, within 15 days, deliver to the director a color photograph, of a size and kind to be approved by the director, of a taxicab of his color scheme, and he shall not change the color scheme without approval of the director."

Section 15. That Section 46-24 of the Code of Ordinances, Houston, Texas, is hereby amended to read as follows:

"**Sec. 46-24. Stool light.**

No permittee or licensee shall operate or cause to be operated any taxicab within the city unless it is equipped with a stool light that is illuminated when the taxicab is vacant and available for hire. The stool light may be magnetic or permanently affixed to:

(1) The top of the vehicle; or

(2) The front and rear windshields; or

(3) The front dashboard and rear windshield.

If the stool light is connected to taximeter, the stool light shall illuminate a "vacant" or "taxi" sign. If the stool light is not connected to the taximeter then it must illuminate a "taxi" sign. Permittees and licensees shall be authorized to display and illuminate either the taxicab permittee name or permit number on the stool light when the taximeter is not recording."

Section 16. That Section 46-30 of the Code of Ordinances, Houston, Texas, is hereby amended to read as follows:

"**Sec. 46-30. Taximeter.**

(a) A licensee or permittee shall not drive or cause or suffer or allow to be driven a taxicab in the city, unless the taxicab is equipped with a properly functioning taximeter. A licensee shall not carry a passenger, whether for hire or not, unless the taximeter is in the recording position. Provided, however, it shall be an affirmative defense to prosecution under this subsection that the only passenger in the taxicab at the time the

taximeter was not in recording position was a person riding for training purposes only, and:

(1) The passenger had a valid license issued by the city at the time he was riding as a passenger;

(2) The passenger had not driven a taxicab within the city for 30 days or more prior to the date the defendant was charged for violation of this subsection; and

(3) At the time the person was riding as a passenger, there was a sign indicating that a passenger was riding for purposes of training as a licensee. The sign must be located so that it would be visible to any person who might ride in the vehicle as a passenger for hire.

(b) A licensee may utilize a virtual taximeter, provided the virtual taximeter meets the applicable standards as established and updated or amended in the National Institutes of Standards and Technology's Handbook 44 and enforced by federal or state Departments of Weights and Measures or comparable agency or program. The virtual meter must be visible to a passenger seated in the rear of the vehicle, and the virtual taximeter must have been submitted to the city and approved by the director prior to use.

(c) Except for any deposit or scheduling fee required for taxicab vehicle for hire services provided as pre-arranged transportation services or as otherwise provided in this article, all charges and collections for hire shall be based upon the taximeter reading. The dial showing the fare shall be in full view and readily visible and readable by the passenger or passengers at all times taxi service is being rendered.

(d) Taximeters shall be inspected and sealed by the director at the time the taxicab is initially placed into service, during vehicle inspections conducted under this article, and before the taxicab is placed back into service following any repair, modification, or adjustment to the taximeter.

(e) A permittee shall not drive or cause or suffer or allow to be driven and a licensee shall not drive any taxicab on which the seal installed by the director has been removed, broken or tampered with. A permittee shall not drive or cause or suffer or allow to be driven and a licensee shall not drive any taxicab on which any modification has been made to the taximeter or virtual taximeter or to any mechanical or electrical parts of the taxicab activating the taximeter or virtual taximeter that causes rates other than those authorized in this division to be recorded and shown on the taximeter or virtual taximeter.

(f) The director shall promulgate regulations authorizing the temporary use of a permittee-installed substitute seal on taximeters in lieu of a city-installed seal if a taximeter is installed, repaired, modified, or adjusted during either:

(1) The period commencing at noon on a Friday or on the day preceding a city-observed holiday and extending until 8:00 a.m. on the next day that is not a Saturday, Sunday, or city-observed holiday; or

(2) The period commencing at 5:00 p.m. Monday through Thursday until 8:00 a.m. the next business day when the department of administration and regulatory affairs resumes vehicle inspections.

Use of a temporary seal that functions and is used in accordance with all requirements of this chapter during the aforesaid periods is an affirmative defense to prosecution under this section."

Section 17. That Subsection (e) of Section 46-32 of the Code of Ordinances, Houston, Texas, is hereby amended to read as follows:

"(e) In lieu of placement of the information cards required in this section, the director may authorize the information to be displayed on the Passenger Information Module in the rear of the vehicle."

Section 18. That Subsection (a) of Section 46-37 of the Code of Ordinances, Houston, Texas, is hereby amended to read as follows:

"(a) The director shall cause each taxicab for which a permit has been issued to be inspected at the time that it is initially placed into service and thereafter at least once each year. The inspection shall be made to determine that the taxicab is in a reasonably good state of repair, clean, and equipped and being operated in compliance with all requirements of this article. The inspection shall be made at a place designated by the director. The director shall create a permanent record, in paper or electronic format, of all inspections, which shall be maintained for a period of at least two years."

Section 19. That Section 47-65 of the Code of Ordinances, Houston, Texas, is hereby amended to read as follows:

"**Sec. 46-65. Applications.**

(a) Applications for permits may be filed on or before December 1 of each permit computation year in which permits are determined to be available pursuant to section 46-63 of this Code. An application may be filed after the December 1st deadline if the application is associated with a permit transfer pursuant to section 46-72 of this Code. Each applicant shall utilize forms promulgated by the director and shall submit any information requested in accordance with instructions that shall be promulgated by the director. Without limitation of other information that the director may require in order to determine compliance with this Code and other applicable laws, the applicant shall set forth and provide the following information, which shall be sworn before a notary public or conform to minimum state law requirements for unsworn declarations:

(1) The applicant's name, mailing address (and street address if different), and telephone number.

(2) Evidence of the type of business enterprise that the applicant utilizes, e.g. proprietorship, partnership, or corporation, together with the identity and address of each principal.

(3) Criminal history information for every principal as required by the director to determine compliance with section 1-10 of this Code.

(4) Evidence that the applicant has a place of business within the metropolitan area from which the applicant's taxicab business is or will be operated and that use of the proposed location is in compliance with any applicable deed restrictions.

(5) A statement indicating the number of permits requested by a new entrant applicant or an other applicant.

(6) A statement indicating whether the applicant is a new entrant applicant or another applicant.

(7) For new entrant applicants, evidence that the applicant's operator has within the preceding period of ten years had at least five years active and practical taxicab business experience, with at least two of those years in the city.

(8) For other applicants, the identity of the permittee as defined in section 46-16 of this Code on whose behalf the application is filed.

(9) Evidence that the operator is either a United States citizen or an alien legally residing in the United States with the legal right to engage in employment in the United States.

(10) If the application is filed in association with section 46-72 of this Code, a statement indicating the number of permits to be transferred to the applicant.

(11) Any additional information that may be reasonably requested by the director.

Each application shall be accompanied by a filing fee. The filing fee shall be an amount established by city council by motion upon recommendation of the director of administration and regulatory affairs. The fee approved under this provision shall be included in the city fee schedule.

(b) The director shall initially review each application for issuance or amendment of a permit to determine whether the application is complete and all required information has been provided. If not, the director shall return the application and advise the applicant of the deficiencies. For permit distributions, each applicant, whether a new entrant applicant or other applicant, shall be limited to the consideration of one application per permit computation year. Applications for transfer permits shall not count against the aforementioned limit imposed upon non-transfer permit applications.

(c) An application filed by a new entrant applicant shall be considered a duplication if any principal is also named in another application. An application filed by an other applicant shall be considered to be a duplicate if it identifies the same permittee as any previously filed application. In case of multiple applications, the first one filed shall be considered, and all others shall be returned unless the applicant elects in writing to withdraw the earlier-filed application.

(d) The director shall review applications received on or before March 1 of the permit distribution year and advise each applicant whether the applicant has been determined to be qualified or unqualified. The director shall, within ten days of receiving any applications pursuant to section 46-72 of this Code, advise applicants as to whether their status has been determined to be qualified or unqualified. An applicant is considered qualified if each of the following criteria is met:

(1) The application was filed in completed form with no material inaccuracies or omissions, provided that if the application as originally filed was substantially complete and in proper form, the director shall allow an applicant a reasonable opportunity to correct any minor inaccuracies or omissions if that can be

accomplished without delaying the processing of applications.

(2) Neither the applicant nor any other business entity with which any of its principals is or was then associated has transferred one or more permits to another person within the four year period preceding the date of filing of the application, exclusive of transfers made for the purpose of settlement of estates and divorce proceedings, or exclusive of transfers to effect a change in the form of entity when the principal owner in the original company remains a principal in the subsequent entity, e.g., sole proprietorship or partnership to a corporation. This item applies only to the transferor and not the transferee.

(3) The applicant and its principals are in compliance with the criminal history provisions of section 1-10 of this Code.

(4) The applicant's operator has the experience required in item (a)(7) above.

(5) The applicant's operator is a citizen or resident alien with work privileges as provided in item (a)(9) above.

(6) The applicant has a place of business within the metropolitan area as provided in item (a)(4) above.

(7) The applicant is in compliance with any other applicable requirement of this Code and other laws.

(e) Applicants who are determined to be unqualified shall also be notified of the grounds asserted for that determination and of their right to a hearing upon the determination to be conducted by an independent hearing examiner designated by the director. If the determination is based in whole or in part upon section 1-10 of this Code, then the notice and hearing procedures shall also include any requirements to comply with section 1-9 of this Code and applicable state laws. The determination of the hearing examiner with respect to the application shall be final, unless otherwise provided by law.

(f) Following the completion of the appeal hearings, if any, as provided in subsection (e), the director shall generate a list of qualified new entrant applicants and a list of qualified other applicants."

Section 20. That Subsection (a) of Section 46-66 of the Code of Ordinances, Houston, Texas, is hereby amended to read as follows:

"(a) Based upon the list generated for new entrant applicants in section 46-65(f) of this Code and the number of permits reserved for new entrant applicants in section 46-64(a) of this Code, the director shall conduct or cause to be conducted a public drawing to determine the granting of permits. All qualified new entrant applicants shall be invited to attend the drawing. The drawing shall be conducted in such a manner as to ensure distribution of the permits by random chance. Each new entrant applicant may receive no more than one permit."

Section 21. That Section 46-67 of the Code of Ordinances, Houston, Texas, is hereby amended by adding new Subsections (c) and (d) that read as follows:

"(c) A permittee will be in compliance with subsection (b) if a licensee with whom the permittee contracts obtains insurance that fulfills the standards articulated in subsection (b); however, it shall be the duty of the permittee to ensure that the licensee maintains the aforementioned valid insurance policy at all times. Additionally, upon no fewer than five days' notice, the director may require the permittee to provide access to records that demonstrate proof of financial responsibility and compliance with the insurance requirements articulated in this section.

(d) If an insurance policy maintained by a licensee under subsection (c) has lapsed or does not provide the coverage required by this section, the permittee shall provide the coverage required by this section, regardless of whether the licensee maintains insurance adequate to cover any portion of the claim."

Section 22. That Subsection (d) of Section 46-72 of the Code of Ordinances, Houston, Texas, is hereby amended to read as follows:

"(d) Any transfer to a person who is not an existing permittee shall be subject to an application to be filed in the same manner as under section 46-65 of this Code for a permit application and shall only be allowed to the extent that the applicant is determined to be qualified thereunder. Every transfer must be approved in advance by the director.

A nonrefundable transfer fee shall be paid by the transferee at the time of application or upon transfer of the permit by the director. Any permit issued in conjunction with a permit computation conducted in 2017 or later is subject to the nonrefundable transfer fee. The transfer fee shall be five percent of the purchase price."

Section 23. That Subsection (h) of Section 46-72 of the Code of Ordinances, Houston, Texas, is hereby amended to read as follows:

"(h) A permit may only be transferred to a new entrant applicant if the new entrant applicant has filed an application fulfilling the requirements of section 46-65 of this Code."

Section 24. That the definition of the term *chauffeured limousine* in Section 46-191 of the Code of Ordinances, Houston, Texas, is hereby amended by deleting the last sentence thereof.

Section 25. That Section 46-240 of the Code of Ordinances, Houston, Texas, is hereby amended by adding a new Subsection (c) that reads as follows:

"(c) The licensee shall maintain a vehicle rental agreement at all times while operating and providing services and shall further upon request, present the vehicle rental agreement to the director or other person authorized to enforce this chapter."

Section 26. That the definition of the term *jitney* in Section 46-321 of the Code of Ordinances, Houston, Texas, is hereby amended to read as follows:

"*Jitney* means a motorized passenger vehicle having a manufacturer's rated seating capacity of not less than nine nor more than 15 persons including the driver, that is operated in a zone carrying passengers from place to place in exchange for a fee."

Section 27. That Section 46-321 of the Code of Ordinances, Houston, Texas, is hereby amended by deleting the definition of the term route and adding, in the appropriate alphabetical order position, the a new definition that reads as follows:

"*Zone* means the zone for a jitney, as filed with the director in accordance with section 46-340 of this Code."

Section 28. That Section 46-323 of the Code of Ordinances, Houston, Texas, is hereby amended to read as follows:

"**Sec. 46-323. Article is cumulative.**

This article is cumulative of all other applicable laws and ordinances. Without limitation, this article is expressly made cumulative of division 3 of article II of chapter 9 of this Code. The director shall not approve a zone that involves the operation of a jitney upon any airport

terminal complex unless the permittee has first obtained an airport use permit for use of that jitney within that zone."

Section 29. That Subsection (d) of Section 46-335 of the Code of Ordinances, Houston, Texas, is hereby amended by replacing the term *route* with the term *zone*.

Section 30. That Section 46-340 of the Code of Ordinances, Houston, Texas, is hereby amended to read as follows:

"**Sec. 46-340. Rates; zones.**

(a) Each jitney shall be operated within a zone that has been filed by the permittee with the director. Except for jitneys dispatched through a mobile dispatch service, the rate for transportation of passengers within a zone shall be a fixed amount, per person. Rates may either be constant or may be differentiated between peak and off-peak hours, provided that the hours during which each rate will be imposed are specified.

(b) All jitneys dispatched through a mobile dispatch service shall display their fare rate and provide a fare rate estimator on their website, internet-enabled application, or digital platform used by the permittee to connect drivers and passengers.

(c) The permittee shall submit all proposed rates and zone cards for review and approval by the director. Rates and zones may be amended from time to time. Zones shall not be exclusive. A fee stated for this provision in the city fee schedule shall be imposed for each zone filing, per jitney. Each zone application that involves use of airport facilities shall be accompanied by the proof required under section 46-323 of this Code.

(d) Approved rate and zone cards for each jitney shall be conspicuously posted in the manner specified by regulation of the director. The zone card shall state the zone and the rate. The information shall also be posted on each side of the vehicle in a manner and location approved by the director. The director may assign zone numbers and may assign different colors of zone cards to signify fare amounts.

(e) It shall be unlawful for a licensee or permittee to provide transportation services to passengers for hire outside of the zone that has been filed with the director for that jitney; unless the jitney must operate outside of its zone due to a road closure or construction present within such zone.

(f) It shall be unlawful for a licensee or permittee to impose a fare other than as filed with the director, except for jitneys dispatched through a mobile dispatch service.

(g) It shall be unlawful to drive or operate or cause to be driven or operated any jitney without the current rate cards posted as provided by the director for the jitney.

(h) Following notice and a hearing, the director may cancel any zone that was authorized in error.

(i) Upon request a licensee shall display to the director, or other person authorized to enforce this chapter, a physical or electronic record of a ride in progress sufficient to establish that it was a prearranged transportation service through a mobile dispatch application. To the extent that trip records are contained on an electronic device, a licensee is not required to relinquish custody of the device in order to make the required display but must demonstrate to the director or other person authorized to enforce this chapter that the licensee has in his possession proof that the ride in progress is the result of a prearranged transportation service through the mobile dispatch application."

Section 31. That Subsection (d) of Section 46-352 of the Code of Ordinances, Houston, Texas, is hereby amended to read as follows:

"(d) Additionally, each jitney shall:

(1) Have no taximeter;

(2) Have the word "jitney" painted on each side of the vehicle in black in letters at least six inches tall with a brush stroke width of at least one inch;

(3) Have the following signage in letters not less than three inches in length nor less than 5/16 of an inch in brush stroke and of contrasting color to the background:

a. The name and telephone number of the permittee on both front doors;

b. The telephone number of the permittee on the rear deck or trunk lid;

c. The permit number on the right side of the trunk or rear deck and the right side of the hood; and

d. The current zone and rate structure for each shall be posted in a conspicuous manner in the interior of the vehicle so as to be clearly visible and understood by all passengers. In the event one jitney services multiple zones, a changeable electronic or analog sign may indicate the zone the vehicle is currently servicing.

(4) Have a dashboard-mounted holder of a type approved by the director in which shall be mounted the operator's license, a photograph of the operator and one set of rate and zone cards approved by the director under section 46-340 of this Code; and

(5) Have a radio, mobile telephone or other means of two-way communication that may be used to request assistance in the event of an emergency.

The information required in items (2) and (3) above shall be painted upon the vehicle, provided that the director may allow the street name or zone name information only to be posted upon a magnetic sign or other removable sign of durable materials."

Section 32. That Subsection (d) of Section 46-354 of the Code of Ordinances, Houston, Texas, is hereby amended by replacing the term *route* with the term *zone*.

Section 33. That Section 46-451 of the Code of Ordinances, Houston, Texas, is hereby amended by adding, in the appropriate alphabetical order position, the a new definition that reads as follows:

"*Qualified vehicles* for hire means vehicles for hire authorized to provide such transportation services pursuant to all articles of this chapter except article V. However, a Mobile Dispatch Service may dispatch vehicles authorized to provide service by article IX through a direct integration with the digital application or platform maintained by a permitted transportation network company if:

a The permitted transportation network company's insurance as required by Section 46-508 remains in effect; and

b. All applicable fees are paid by the permitted transportation network company as required by Section 46-504."

Section 34. That Subsection (a) of Section 46-456 of the Code of Ordinances, Houston, Texas, is hereby amended to read as follows:

> "(a) A certificate of registration issued pursuant to this article shall be valid for five years from the date of issuance."

Section 35. That Subsection (a) of Section 46-505 of the Code of Ordinances, Houston, Texas, is hereby amended to read as follows:

> "(a) Permits shall be issued for a term of five years. Permittees desiring to have reissuance of their permit shall, at least 30 days prior to the expiration of the permit, file with the director a written application for a renewal of their permit. Except as otherwise expressly stated, renewals shall be subject to the same requirements set forth in this article for issuance of new permits."

Section 36. That Section 46-547 of the Code of Ordinances, Houston, Texas, is hereby amended to read as follows:

> "**Sec. 46-547. Annual permit fee.**
>
> (a) The fee for a permit under this article is stated for this provision in the city fee schedule and is payable per wheelchair accessible vehicle used as a vehicle for hire. Fees shall be paid in advance to the department of administration and regulatory affairs on or before October 1st of each year.
>
> (b) There shall be no fee for replacement of a vehicle with another vehicle of equivalent capacity.
>
> (c) In the event that a permit is issued after March 1, or in the event that an additional vehicle is placed into service after March 1, then an amount equal to ½ of the annual fee shall be payable for the balance of the annual fee period."

Section 37. That Section 46-553 of the Code of Ordinances, Houston, Texas, is hereby amended to read as follows:

> "**Sec. 46-553. Permit terms.**
>
> (a) A permit shall be valid for five years from the date of issuance.

(b) In accordance with regulations promulgated by the director, a permit may be amended, without charge, for the limited purpose of deleting or substituting any number of wheelchair accessible vehicles used as a vehicle for hire; provided however, the deletion or substitution of any wheelchair accessible vehicle used as a vehicle for hire pursuant to a current and valid permit shall require an inspection as provided for in section 46-548 of this Code."

Section 38. That, effective April 1, 2017, Subsection (b) of Section 46-68 of the Code of Ordinances, Houston, Texas, is hereby amended to read as follows:

"(b) Within 90 days following the expiration of any permit year a permittee may apply to the director for a refund of a portion of his permit fees if the permit fees paid for the previous permit year exceed two percent of the permittee's gross receipts. The refund application shall be made on a form promulgated by the director. The application shall state the amount of refund requested and shall be accompanied by copies of gross receipts records maintained by the permittee in a form approved by the director. The application as well as any supplementary material required by the director must be accompanied by an affidavit signed and sworn to by or on behalf of the applicant. The applicant shall state that the application or supplement and all attachments thereto are correct and complete and do not omit any material item, and that the applicant either: (i) has personal knowledge of each matter affirmed, or (ii) has conducted a thorough investigation into each matter affirmed. Upon receipt of a complete and timely application, together with any required supplements, and after examining and investigating the refund request, the director shall either:

(1) Refund or credit to the account of the permittee the amount by which the total permit fees paid for the previous permit year exceed two percent of the permittee's total gross receipts for the previous permit year; or

(2) Deny the refund."

Section 39. That the City Attorney is hereby authorized to direct the publisher of the Code of Ordinances, Houston, Texas, (the "Code") to make such nonsubstantive changes to the Code as are necessary to conform to the provisions adopted in this Ordinance, and also to make such changes to the provisions adopted in this Ordinance to conform them to the provisions and conventions of the published Code.

Section 40. That with the exception of **Section 38**, which shall take effect as provided therein, the provisions of this Ordinance shall become effective immediately upon the date of its passage and approval by the Mayor.

Section 41. That, if any provision, section, subsection, sentence, clause, or phrase of this Ordinance, or the application of same to any person or set of circumstances, is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of this Ordinance or their application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council in adopting this Ordinance that no portion hereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness or invalidity of any other portion hereof, and all provisions of this Ordinance are declared to be severable for that purpose.

Section 42. That there exists a public emergency requiring that this Ordinance be passed finally on the date of its introduction as requested in writing by the Mayor; therefore, this Ordinance shall be passed finally on such date and shall take effect as provided in **Section 40**, above.

PASSED AND APPROVED this 5th **day of** October**, 2016.**

Mayor of the City of Houston

Prepared by Legal Dept. _____ Assistant City Attorney
TNE:asw 09/23/2016
Requested by Tina Paez, Director, Department of Administration and Regulatory Affairs
L.D. File No. 0371600180001

CAPTION PUBLISHED IN DAILY COURT REVIEW
DATE: OCT 11 2016

AYE	NO	
✓		**MAYOR TURNER**
••••	••••	**COUNCIL MEMBERS**
✓		STARDIG
✓		DAVIS
✓		COHEN
✓		BOYKINS
✓		MARTIN
✓		LE
	✓	TRAVIS
✓		CISNEROS
		GALLEGOS
ABSENT	ABSENT	LASTER
✓		GREEN
	✓	KNOX
✓		ROBINSON
✓		KUBOSH
✓		EDWARDS
✓		CHRISTIE
CAPTION	ADOPTED	

MAY 017 Rev. 12/15