



**Seattle**



**King County**

Department:  <b>City of Seattle</b> <b>Department of Finance and Administrative Services</b>	Rule No: FOR-HIRE TRANSPORTATION- 15-2024	Supersedes: Clerk File 319386
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Subject: Taxicab and For-Hire Vehicle Medallion Leases	Code and Section Reference(s): SMC 6.311.190.I  SMC 6.311.470 (rulemaking authority)	
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<b>King County / Department of Executive Services</b> <b>Document Code No.:</b> FHT-14-2024-PR <b>Repeals:</b> New <b>Title:</b> Taxicab and For-Hire Vehicle Medallion Leases <b>Effective Date:</b> September 20, 2024 <b>Authorities:</b> KCC 6.65.190.I and KCC 6.65.470 (rulemaking) <b>Keywords:</b> Medallion Lease <b>Sponsoring Agency:</b> Records and Licensing Services Division (RALS)		
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## City of Seattle and King County For-Hire Transportation Rules

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### City of Seattle Director's Rule FOR-HIRE TRANSPORTATION-15-2024 and King County Public Rule FHT-14-2024-PR – Taxicab and For-Hire Vehicle Medallion Leases

Pursuant to an interlocal agreement, the City of Seattle and King County work cooperatively to regulate for-hire passenger transportation. The Rule supersedes City of Seattle Clerk File 319386 and King County adopts this Rule as new.

- I. **Purpose.** To establish requirements and process for leasing an interest in a taxicab or for-hire vehicle medallion.
- II. **Definitions.** For purposes of this Rule, the following definitions apply:
  - A. "Director" means the director of King County's Department of Executive Services and/or the City of Seattle's Director of Finance and Administrative Services, or their designees.
  - B. "Licensee" means any person required to be licensed under Seattle Municipal Code chapter 6.311 and King County Code chapter 6.65.
  - C. "Medallion" means a license issued by the Director as a plate, decal, or other physical representation, that is evidence that a taxicab or for-hire vehicle medallion is intangible property.
  - D. "Medallion owner" means a person who owns a taxicab medallion, a wheelchair accessible taxicab medallion, or a for-hire vehicle medallion, issued by the Director.

### III. Requirements.

1. The medallion owner (lessor) remains responsible for complying with all licensee and medallion owner requirements contained in Seattle Municipal Code (SMC) chapter 6.311 and King County Code (KCC) chapter 6.65, including, but not limited to annual licensing and insurance. The lessor, medallion lessee (lessee), and/or the person operating the vehicle may be liable for a violation committed while a taxicab or for-hire vehicle is operated with the lessor's medallion.

If a lessee leases a vehicle to a for-hire driver, the lessor, lessee, and/or the person operating the vehicle may be liable for a violation committed while a taxicab or for-hire vehicle is operated with the lessor's medallion.

2. The lessor and lessee shall sign a written agreement of which each party shall retain a copy. The lessor shall file with the Director 1) a "Medallion Lease Summary Sheet," 2) all medallion application documents required by SMC 6.311.260 and KCC 6.65.260, and 3) a copy of the written medallion lease agreement.

The lessor shall certify that the information on the "Medallion Lease Summary Sheet" accurately reflects the terms and conditions of the full lease agreement and that the lease fully complies with this Rule. The Director shall not accept the "Medallion Lease Summary Sheet" if any required documents are missing. The Director shall review the completed "Medallion Lease Summary Sheet" and required documents within five (5) business days of receipt.

The lessee's vehicle may not be placed into service until the Director has received and reviewed all requested documents and found them to be complete and compliant. The lessor shall

provide a signed copy of the "Medallion Lease Summary Sheet" to the lessee after filing it with the Director.

3. A medallion lease agreement shall be in writing and include, at a minimum, the following information:
  - a. Lessor and lessee full names shall be shown. Lessor and lessee signatures shall be properly notarized. The lessor shall own the taxicab or for-hire vehicle medallion. The lessee shall (1) hold a valid regional for-hire driver's license and own the vehicle to be associated with the leased medallion or (2) be a licensed transitional regional dispatch agency (TRDA) or licensed regional dispatch agency (RDA). If a regional for-hire driver, the lessee's regional for-hire driver's license number and license expiration date shall be listed. If a TRDA or RDA, the legal business name, and customer number for the Seattle business license tax certificate shall be recorded.
  - b. The vehicle's affiliated TRDA or RDA, medallion number, model year, make and model, and fuel type (e.g., gasoline, hybrid, electricity, etc.) shall be specified.
  - c. The lease period shall not be less than three months in duration. The lease period start date/time and end date/time shall be specified.
  - d. Lease rates shall be specified for standard lease payment periods of either weekly or monthly. The lessor may not require the lessee to pay the following: (a) annual medallion and annual medallion reciprocity endorsement fees, and (b) monetary penalties for licensee violations of SMC chapter 6.311 and KCC chapter 6.65 imposed on the lessor.
  - e. Receipts shall be provided for all lease payments. The receipt shall include the date, lessor name, lessee name, affiliated TRDA or RDA, medallion number, lease payment period, and amount paid.
  - f. The conditions under which a lease is terminated shall be clearly listed.
4. A lessor may only lease the medallion to one lessee. Multiple leases for any Seattle or King County taxicab or for-hire vehicle medallion, including dual medallions, are strictly prohibited. This provision does not preclude a single lessee from having more than one medallion lease for unique medallions.
5. A lessee may lease a vehicle. The lessee shall comply with all the vehicle lessor requirements contained in SMC 6.311.320, KCC 6.65.320, and the City and County rule on taxicab and for-hire vehicle leases.
6. A lessor may only terminate a medallion lease for the reasons specified in the written lease agreement. A medallion lease shall not be terminated for any other reason without written concurrence of both the lessor and the lessee. Any such termination of a lease agreement shall be in writing and signed, and all signatures shall be notarized.

7. The Director may periodically audit medallion lease agreements and receipts to ensure compliance with this Rule. Both lessors and lessees are required to comply with Director requests made during a lease audit.
8. All violations of the requirements of this medallion lease rule are license actions taken against the lessor. Lessors found to have committed a violation shall be subject to a 14-day medallion suspension for the first offense, a 60-day medallion suspension for the second offense, and thereafter, shall be subject to revocation of the medallion if found to have committed a third offense. The penalties imposed by this section shall apply regardless of the time period in which cumulative violations occur.
9. Per the Director's rule on temporary medallion deactivations, only a medallion owner may initiate a temporary deactivation of the medallion. A lessee may not initiate the temporary deactivation.
10. On April 1, 2026, all for-hire vehicle medallions shall become taxicab medallions. The medallion system for for-hire vehicles shall no longer be in effect after March 31, 2026.

- IV. Implementation.** Unless specified otherwise in this Rule, these requirements take effect immediately after the Director files this Rule with the Seattle City Clerk and with the King County Archives, Records Management, and Mail Services Section (ARMMS).
- V. Rule Maintenance.** The Director shall periodically consult with industry stakeholders, including medallion lessors and lessees, on the requirements of medallion leasing to determine whether this Rule needs revision.
- VI. Rule Enforcement.** The Director may review written documentation and consider community feedback to ensure compliance with the requirements outlined herein.