

# Taxi Permit Holder Disability



## PROPOSITION N

Shall the City be prohibited from taking away a taxi permit if the permit holder is unable, because of a disability, to drive the taxi the required minimum number of hours or shifts per year?

YES  
NO



## Digest

by the Ballot Simplification Committee

**THE WAY IT IS NOW:** The City issues a limited number of taxi permits. In general, City law requires that anyone who has a permit for a taxi must drive the taxi at least a minimum amount of time each year. When a permit holder is not driving the taxi, the permit holder may allow other drivers to operate the taxi. Most taxi drivers do not have their own taxi permit. If a permit holder does not comply with the minimum driving requirement, the City may take away the permit.

**THE PROPOSAL:** Proposition N is an ordinance that would provide that when a permit holder is unable to meet the minimum driving requirement because of a disability, the City may not take away the permit for that reason.

**A "YES" VOTE MEANS:** If you vote "Yes," you want to prevent the City from taking away a taxi permit if the permit holder is unable to meet the minimum driving requirement because of a disability.

**A "NO" VOTE MEANS:** If you vote "No," you do not want to prevent the City from taking away a taxi permit if the permit holder is unable to meet the minimum driving requirement because of a disability.

## Controller's Statement on "N"

City Controller Edward Harrington has issued the following statement on the fiscal impact of Proposition N:

Should the proposed charter amendment be approved by the voters, in my opinion, there would be a minimal increase in the cost of government.

## How "N" Got on the Ballot

On August 6, 2003 the Department of Elections received a proposed ordinance signed by Supervisors Daly, Ma, McGoldrick, and Sandoval.

The City Elections Code allows four or more Supervisors to place an ordinance on the ballot in this manner.

THIS MEASURE REQUIRES 50%+1 AFFIRMATIVE VOTES TO PASS.

ARGUMENTS FOR AND AGAINST THIS MEASURE IMMEDIATELY FOLLOW THIS PAGE. THE FULL TEXT BEGINS ON PAGE 196.  
SOME OF THE WORDS USED IN THE BALLOT DIGEST ARE EXPLAINED ON PAGE 28.



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## PROPONENT'S ARGUMENT IN FAVOR OF PROPOSITION N

A taxi driver waits as long as 15 years on the waiting list for his own taxicab permit (business license or medallion). The taxicab permit authorizes the holder to convert a vehicle into a taxicab. The permit system is San Francisco's seniority system, where only individuals but not companies are eligible for a permit. It's a progressive system that awards the San Francisco taxicab driver a rare opportunity not found elsewhere - to hold a permit and lease it to a taxicab company and to share the profits of the business.

Permit holders are required to fulfill an annual driving standard, but drivers without permits are not. According to current policy and without exception, if one becomes disabled for longer than three months the permit must be revoked, even if the disability is caused by an on-the-job injury. The policy is indifferent to modern attitudes toward disability, an injustice that Proposition N would correct.

Threatened with losing their businesses and entire income, many senior and disabled permit holders will continue to drive when they shouldn't. The policy coerces senior and disabled permit holders to drive and invites predictable accidents, which would needlessly

expose the taxpayer to liability and negligence lawsuits. Proposition N will not raise taxes but may protect our treasury.

While the Taxi Commission spends time and resources pursuing disabled taxi permit holders, taxi operations and basic public service issues are neglected. Taxi permit holders have asked the City to change the policy but were told that only the voters may do that, which is why Proposition N is on the ballot.

Proposition N would protect senior and disabled permit holders, prevent unnecessary accidents, and relieve the City from exposure to lawsuits.

Please vote Yes on "N".

*Supervisor Gerardo Sandoval*

*Supervisor Jake McGoldrick*

## REBUTTAL TO PROPONENT'S ARGUMENT IN FAVOR OF PROPOSITION N

### PROPOSITION N IS A MEASURE OPPOSED BY ALMOST EVERYBODY:

Commented the past BART President on August 21, 2003:

"I am...writing this letter to certify that the SF Democratic County Central Committee has voted to take an official position of "NO" on Proposition N (the taxi measure).

Thanks,

Arlo H. Smith

Member, San Francisco Democratic County Central Committee"

Meanwhile, at the San Francisco Republican County Central Committee (on August 20<sup>th</sup>) some 13 votes were cast against Proposition N, one person abstaining. Nobody voted for Proposition N.

Since an *absolute majority* (14 out of 27 possible votes) was required to officially endorse against Proposition N at the lightly attended summer meeting, the San Francisco Republican Party has not (as of August 25, 2003) taken conclusive action opposing Proposition N.

Proposition N is an extremely unpopular proposed ordinance that seeks to overthrow Supervisor Quentin Kopp's 1978 Proposition K taxi medallion (license) reforms and again create lifetime personal property rights in public cab permits.

### FALSE TALK ABOUT "SENIORITY"

The current taxi medallion system has nothing to do with "seniority" as Supervisors Sandoval and McGoldrick falsely claim. Neither is it a welfare program. Under Proposition K, taxi drivers were given limited rights to use City permits. They were expected to drive their cabs at least 156 four hour shifts per year to break the "dead hand" taxi monopolies of the past.

*Terence Faulkner, J.D.*

Member of California

Certified Farmers

Market Advisory Committee

*Thomas C. Agee*

*Max Woods*

County Central Committeeman

*Gail E. Neira*

County Central Committeewoman



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## OPPONENT'S ARGUMENT AGAINST PROPOSITION N

### TAXI PERMIT HISTORY—CAN A PUBLIC LICENSE BECOME “PRIVATE PROPERTY”???:

For many years, Yellow Cab and a small group of other cab companies dominated San Francisco's taxi business.

Thanks to plenty of campaign donations to public officials, cab operators started treating their taxi permits as “private property”.

Banks loaned money on cab permits. The publicly issued permits were freely sold, rented, and even left to heirs at death.

### 1978 PUBLIC REVOLT:

In 1978, then-Supervisor Quentin Kopp led a successful Proposition K voter revolt against the so-called “ownership” of taxi permits.

Future cab licenses were to be treated as a public trust. In theory, taxi drivers should be their vehicles' licensees. Waiting lists were set up to allow drivers to acquire abandoned permits and newly created licenses.

The political “fixers” around Yellow Cab and related firms hated the new rule that license holders were required to drive their own taxis “at least four hours during any 24 hour period on at least

75 percent of the business days during the calendar year.” [Appendix 6 to Administrative Code, Section 2(b).]

Drivers were, in effect, required to operate their own cabs at least 624 hours per year. Their taxis could be rented out the rest of the time.

### THE “DISABILITY” SCAM:

There was always a bit of fraud by taxi license “owners” who did not want to drive their own cabs.

Now, Proposition N would allow taxi permit holders to totally abandon driving if they can find a medical doctor that will certify that they are somehow slightly “disabled” mentally and/or physically. These “disabled” permit holders can then rent out their taxis 24 hours per day.

Vote “NO” on the Proposition N taxi scam.

*Citizens Against Tax Waste*

*Dr. Terence Faulkner, J.D.*  
Chairman, Citizens Against Tax Waste

## REBUTTAL TO OPPONENT'S ARGUMENT AGAINST PROPOSITION N

### THE NO ARGUMENT IS GROSSLY MISINFORMED!

- **Disability is not a scam!** This accusation is an affront to all senior and disabled people. Disability is painfully real and must be addressed.
- **Disability is verifiable!** Verifiability is how disability programs work. The City's Director of Public Health will thoroughly screen all Permit Holders claiming disability.
- **Permit Holders want all drivers to have disability protection!** Permit Holders have already agreed to contribute to a driver disability fund, which doesn't need a ballot measure. But disability protection for Permit Holders does require a ballot measure and needs no funding.
- **“N” eliminates an antiquated law** that revokes the business permits of ALL disabled Permit Holders who are medically unable to drive. No exceptions!
- **Most Permit Holders have driven over 20 years!** Proposition N simply allows disabled senior drivers to keep their business income.

- **No one loses!** Drivers without permits would experience no change in their income. Also no cost to taxpayers.
- **Drivers without permits benefit!** The permit they get will protect them at the end of their careers.
- **“Drive-Till-You-Drop” is dangerous policy!** To require senior and disabled Permit Holders to drive full time invites tragic accidents.
- **Only the voters can change “Drive-Till-You-Drop” and stop the revocations!**

PLEASE VOTE YES ON "N"

*Jim Nakamura, President, San Francisco Taxi Permitholders and Drivers Association*





# Taxi Permit Holder Disability

## PAID ARGUMENTS IN FAVOR OF PROPOSITION N

AS FORMER PRESIDENT of the **Ramped Taxi** (wheelchair accessible) **Permit-holders Association** (RTA) and a full-time driver for over two decades, I am asking for your support of proposition N.

Permit-holders (taxicab owners), earn two types of income, ONE from driving, THE OTHER from their taxi business (renting out their cabs when they're not driving). Permit-holders have ALWAYS been able to count on the income from their taxi business in the event they lose their driving income to catastrophic illness or injury.

In 2001, the City changed the rules and began revoking the taxicab business licenses of permanently disabled permit-holders who could no longer drive. HOWEVER, there has never been a taxicab permit revocation upheld at the appellate level because of disability. NEVERTHELESS, the City continues to violate disability laws and WASTE TAXPAYER MONEY by prosecuting these cases. STOP WASTING TAXPAYER'S MONEY!

PROPOSITION N IS CONSISTENT WITH CURRENT DISABILITY LAW, is supported by recent court decisions and maintains historical precedent set by previous regulators.

STOP HARASSMENT OF PERMANENTLY DISABLED DRIVERS! VOTE YES ON N!

Thank you for your support,  
*Dennis Korkos, Former RTA president*

The true source of funds used for the printing fee of this argument is Dennis Korkos.

This measure affects career taxi drivers who have their own taxicab business permits. The law in place since 1978 requires a certain amount of active driving by the holder of the taxi permit, and provides for revocation of the permit upon failure to meet that driving requirement.

A taxi driver may wait as long as 15 years to get his own permit. But if he's unable to work for 3 months, even if the cause is an accident on the job, he loses his taxi permit; when he returns to work, he's back at entry-level earnings for another 15 years! This law is so harsh and unworkable, it has never been enforced since it was instituted 25 years ago, as a minor part of a reform outlawing the buying and selling of permits and preventing their possession as corporate assets. Yet now, despite the new climate of accommodation for the disabled, the city has chosen to embark on a program of enforcement of this strange law. The purpose of Proposition N is to assure relief for the disabled driver by putting a long-standing practice into law.

*Cliff Lundberg, San Francisco Taxi Driver since 1968*

The true source of funds used for the printing fee of this argument is Sandra Innes.

### “N” PROTECTS DISABLED TAXI PERMIT DRIVERS

According to the City, a rigid and unfair 1978 law requires taxi drivers with business permits to

### DRIVE FULL TIME EVEN WHEN THEY BECOME SICK OR DISABLED.

This legislation preceded the Americans with Disabilities Act.

### “DRIVE-TILL-YOU-DROP” IS CURRENT POLICY.

The way it is now, the City MUST revoke taxi drivers' business permits if they become permanently disabled. Most taxi permit drivers have NO other way to earn a living, so they must keep driving out of fear that the City will take away their business permits and career livelihoods.

### THIS IS A DANGEROUS POLICY.

### YES ON “N” ELIMINATES THIS DISCRIMINATORY AND UNFAIR LAW!

There are examples of taxi permit drivers having CATASTROPHIC ACCIDENTS on San Francisco streets because they are forced to choose between the risk of driving when they are disabled or losing their business licenses if the City learns of their disability.

“N” is an opportunity to fix the current legislation, making it possible for taxi permit drivers to continue operating their taxicab as a small business without being forced to drive full time if they become disabled.

There will be NO COST TO TAXPAYERS and no reduction in taxicab service to the public. Taxis will remain in service full time 24/7 while disabled taxi permit drivers continue to provide the administrative and management support needed to operate their taxicab businesses.

### PLEASE VOTE YES ON “N”

*Michael J. Spain, San Francisco Cab Driver since 1971*

The true source of funds used for the printing fee of this argument is Michael J. Spain.



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## PAID ARGUMENTS IN FAVOR OF PROPOSITION N

### **Opposition Arguments to “N” are Misinformed and Deceptive! They say...**

#### *It's a retirement scam! Anything could be called a disability*

But disability is a fact of life! And it's not retirement because it's reserved only for the verifiably disabled. The Executive Director of the Taxi Commission and the Director of Public Health are prepared to work together to use an existing City program to verify and screen permit holders who claim a disability.

#### *This is a restrictive measure only for the already privileged few*

But drivers without permits are not required to drive and have no permits to lose. This isn't about class conflict it's about disability. The City says that only the voters can stop revocations from disabled permit holders, which is why “N” is necessary. Also, permit holders support a disability plan for drivers, and are willing to contribute to it.

#### *If disabled Permit holders keep their permits, drivers without permits will pay*

But driver income is not affected when the disabled stop driving.

#### *Some Permit holders are not career drivers*

But most are career drivers who have driven a SF taxicab for 20 years. They also waited on a list for 15 years to be eligible for a permit. Now the City wants to revoke their business licenses at the end of their careers. It's wrong!

#### *Drivers waiting on the list would never get a permit*

But 900 permit holders are required to drive and only 48 are disabled. Revoking their permits is not the most efficient way to expedite permits to drivers on the waiting list. Implementing a seniority system would eliminate most of those on the waiting list who are not drivers. There is no opposition to our initiative from drivers on the waiting list.

#### **Vote Yes on “N”**

*San Francisco Taxi Permitholders and Drivers Association*

The true source of funds used for the printing fee of this argument is the San Francisco Taxi Permitholders and Drivers Association.

The opposition says Proposition N benefits only 900 cab drivers. But these are the 900 most senior cab drivers (out of 5,000 cab drivers total) with the MOST years behind the wheel of a taxicab. The average permit holder has been a cabbie for 20 years while the average nonpermit-holding cab driver has been a driver

for only 5 years. Social Security benefits 46 million out 292 million Americans (15%); Proposition N benefits 900 senior cabbies out of 5,000 cabbies total (18%).

The average City worker makes \$76k/yr. and has a disability plan of \$45k/yr. We're only asking that permit holders who become disabled get to keep their \$20k/yr. business lease income.

The opposition says that:

1. Proposition N deprives nonpermit-holding cab drivers of disability benefits,
2. these entry level drivers have been in this industry for as many years as permit holders, and
3. they are being forced to provide disability benefits to a privileged minority of drivers.

HOWEVER, they don't mention that:

1. only permit holders have a compulsory driving requirement and are audited yearly by the City to prove that they are driving full time,
2. only permit holders can demonstrate seniority (due to the auditing process),
3. only permit holders are being forced to drive full time while disabled and made to comply with additional taxi business regulations.

**The anti-business arguments of the radical opposition do not serve the City well during this severe recession.**

Permit holders SUPPORT disability protections for nonpermit-holding drivers and are willing to help pay for that benefit out of their own pockets (even though such a benefit would require substantial public financing as well). **But Proposition N won't cost the public one penny.**

*Carl Macmurdo, Taxi Driver since 1976*

The true source of funds used for the printing fee of this argument is the SF Taxi Permitholders & Drivers Association.





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## PAID ARGUMENTS AGAINST PROPOSITION N

**SAN FRANCISCO DEMOCRATIC PARTY** urges **NO** on N -- Provides **NO DISABILITY PROTECTION** for more than 80 percent of taxi drivers.

*Jane Morrison*, Chair, San Francisco Democratic Party

The true source of funds used for the printing fee of this argument is the San Francisco Democratic Party.

The three largest contributors to the true source recipient committee are: 1. John Burton 2. SEIU Local 250 3. Nancy Pelosi.

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### VOTE NO ON PROPOSITION N!

### IT'S NOT THE ANSWER – IT'S BAD GOVERNMENT!

In 1978, voters on their own initiative enacted a reform (Proposition K), which stopped taxicab permit abuse by non-cab driving insiders. Voters insisted that permits no longer be sold like a share of stock, but be issued only by our City to applicants actually driving a cab. Over 900 persons have since obtained these governmental permits. Now, some of these 900 seek to manipulate voters under the guise of allowing undefined disabled permit holders to keep permits while not driving. They got their permits under proposition K; but now they want to deprive 3,000 aspiring drivers who wait for permits to be abandoned by death or other unlikely circumstances.

Proposition N is fundamentally unfair. Don't let it happen.

### VOTE NO ON PROPOSITION N!

*Mara S. Kopp*  
Good Government Alliance

The true source of funds used for the printing fee of this argument is Kopp's Good Government Committee.

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Proposition N was designed by and for a minority of cab drivers who have their own taxi permits. **It makes no provision for drivers without permits.** Your **NO** vote will help achieve disability protections for **all** taxi drivers.

*Supervisor Tom Ammiano*  
*Former Supervisor Sue Bierman*

The true source of funds used for the printing fee of this argument is Fair Play For All Senior and Disabled Cab Drivers.

The three largest contributors to the true source recipient committee are: 1. United Taxicab Workers/CWA 2. Mark Gruberg 3. Beverly Jean Graffis.

**Why would anyone oppose this seemingly compassionate measure? Here's why:**

- **It's one-sided and exclusionary.** Less than 20% of San Francisco's 5,000-6,000 cab drivers hold lucrative **City-owned** taxi permits. **Proposition N does NOTHING for drivers without permits.** A **FAIR** measure would provide disability protections for **ALL DRIVERS**.
- **It's really a retirement scheme.** Although couched in terms of disability, Proposition N allows a permit holder to keep the permit and its attendant income (currently about \$1,800 a month) **for life** once he or she can no longer drive a cab.
- **It applies to ANY permit holder.** Even one who's driven a cab for less than a year. (Permit issuance is **not** based on seniority.) Or works only three four-hour shifts a week. Or has another job **with** disability and retirement benefits. But a 25-year veteran without a permit gets **NOTHING**.
- **It will be paid for by the excluded group.** Permit income comes from "gate" fees taxi drivers pay cab companies. Typically, \$30 a shift (about one-third the "gate") goes to the permit holder.
- **The wait for a permit will be endless.** There are over **3,000 names** on the applicants list. Under N, the current **12-year** wait will increase significantly. Many long-term drivers will never get a permit.
- **The potential for fraud is enormous.** Cheating on the driving requirement has been rampant. Cheaters will now rejoice: N contains **no standards or guidelines** for disability determinations.
- **Absentee permit holding makes for bad public policy.** Under Proposition K of 1978, upheld by voters seven times, taxi permits are meant for working drivers. That translates into better cabs, better service.

**ALL taxi drivers need disability protections -- NOT just the privileged ones.** Our cab drivers association urges you to **Vote NO!**

*United Taxicab Workers/CWA*  
*Beverly Jean (Ruach) Graffis*, Chair

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## PAID ARGUMENTS AGAINST PROPOSITION N

As seniors and disabled persons we are most concerned about the discriminatory effects of a measure that applies only to an advantaged group of cab drivers and leaves the great majority with no protections. We urge you to vote **NO on N** so the City can move ahead with an equitable disability plan for **all** taxi drivers. In the meantime, the City is not revoking **any** permits on account of disability.

*August J.P. Longo*

President, Franklin D. Roosevelt Democratic Club (serving the senior and disabled communities)

*Karen Young-Simmons*

Treasurer, Consumers in Action for Personal Assistance (CIAPA)\*

*Jewel McGinnis*

Past Chair, Paratransit Coordinating Council\*

*Bruce M. Oka*

Past Chair, Paratransit Coordinating Council\*

*Michael Kwok*

Mayor's Disability Council\*

*Osserman Caceres*

Executive Vice-President, Filipino-American Empowerment Council

*Jeanne Lynch*

Senior Activist and Past Chair, Paratransit Coordinating Council\*

\* Organizational affiliation for identification purposes only

The true source of funds used for the printing fee of this argument is Fair Play For All Senior and Disabled Cab Drivers.

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The San Francisco Labor Council **OPPOSES** Proposition N. This measure doesn't solve the real problem which is the lack of disability insurance for ALL taxi cab drivers.

Vote NO on Proposition N.

*San Francisco Labor Council AFL-CIO*

The true source of funds used for the printing fee of this argument is the San Francisco Labor Council.



## LEGAL TEXT OF PROPOSITION N

Initiative ordinance exempting disabled taxi permit holders from driving requirements.

Be it ordained by the People of the City and County of San Francisco:

Any taxicab permit holder who is unable to comply with a driving requirement due to disability shall not be subject to permit revocation or suspension for failure to comply with the driving requirement.

