AN ACT to create 349.24 (1m) of the statutes; relating to: licensing of taxicabs by a 1st class city.

Analysis by the Legislative Reference Bureau

Under current law, a city, village, or town may regulate and license taxicabs and chauffeurs and operators of taxicabs and may prohibit the use of motor vehicles for taxicab purposes on the highways of the city, village, or town if the vehicle or operator of the vehicle is unlicensed.

Under this bill, a 1st class city (currently, only the city of Milwaukee) may regulate and license taxicabs by use of a taxicab medallion license system. Under this system, medallion licenses are initially issued to certain currently licensed taxicab operators upon payment of a fee not to exceed $500 and, annually, the city may issue additional medallion licenses by public auction. Not more than an additional two percent of the initial medallion licenses issued during the first five years, and one percent of existing medallion licenses thereafter, may be issued annually. Medallion licenses are transferable upon the payment of a transfer fee to the city and a holder of a medallion license may allow another person to operate a taxicab under his or her medallion license.

For further information see the local fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:
SECTION 1. 349.24 (1m) of the statutes is created to read:

349.24 (1m) (a) The common council of a 1st class city may enact an ordinance establishing a taxicab medallion licensing system. An ordinance under this paragraph shall provide all of the following:

1. That the city shall issue to any person holding an unexpired taxicab license from the city on the effective date of this subdivision ..., [LRB inserts date], that was issued after October 31, 2011, a taxicab medallion license upon the payment of a fee established by the city not exceeding $500, in addition to any renewal or inspection fees charged by the city.

2. That the city shall annually commission a study regarding whether there is new demand for the issuance of additional taxicab medallion licenses and hold a hearing on the study and that, after the hearing, the city shall determine whether to issue additional taxicab medallion licenses.

3. That if the city issues additional taxicab medallion licenses in any year, the number of new taxicab medallion licenses may not exceed 2 percent of the number of taxicab medallion licenses issued under subd. 1. for the first 5 years beginning after the enactment of the ordinance, and may not exceed 1 percent of the number of taxicab medallion licenses existing at the end of the previous year for each year thereafter.

4. Notwithstanding subd. 2., that an initial annual issuance of taxicab medallion licenses under subd. 2. shall occur within 1 year of the enactment of an ordinance under this paragraph.

5. That taxicab medallion licenses issued under subd. 2. shall be distributed by public auction.
6. That a taxicab medallion license is transferrable, except that a city may require a transferee to pay a transfer fee of not more than 10 percent of the highest price paid for a new taxicab medallion license at the most recent auction under subd. 5.

7. That a taxicab medallion licensee may enter into an agreement with another person to operate a taxicab under the licensee’s taxicab medallion license. The ordinance shall require that a person operating a taxicab under an agreement under this subdivision be subject to any other licensing requirements imposed by the city under this section.

(b) Upon issuing a taxicab medallion license under this subsection, the city shall issue a taxicab medallion plate to the licensee. The licensee shall affix the plate to the outside of his or her taxicab in the manner directed by the city.

(c) Notwithstanding s. 66.0628 (2), any fee imposed or price charged under par. (a) is not required to bear a reasonable relationship to the cost of regulating taxicabs in a 1st class city.

(END)