Medallion Lease Guidance

City of Seattle – Consumer Protection Division

King County – Records and Licensing Services Division





DISCLAIMER: This document summarizes the taxicab and for-hire vehicle medallion lease requirements established by Seattle Municipal Code (SMC) Chapter 6.311.190.I, King County Code (KCC) Chapter 6.65.190.I, Seattle Rule FOR-HIRE-TRANSPORTATION-15-2024, and King County Rule FHT-14-2024-PR. Nothing in this guidance document shall be construed as binding on or affecting any judicial determination of the rights and responsibilities of medallion lessors or lessees, nor is the Seattle Department of Finance and Administrative Services (FAS) or the King County Department of Executive Services (DES) liable for any misstatement or misinterpretation of the applicable laws and regulations. This guidance should not be used as a substitute for codes and rules. The reader is responsible for compliance with all code and rule requirements.

A medallion owner may lease a medallion to an individual vehicle owner who is also a licensed for-hire driver, or to a licensed regional dispatch agency/transitional regional dispatch agency, per <u>Seattle Municipal Code (SMC) Chapter 6.311.190.I, King County Code (KCC) Chapter 6.65.190.I, Seattle Rule FOR-HIRE-TRANSPORTATION-15-2024, and King County Rule FHT-14-2024-PR.</u>

How to Lease a Taxicab or For-Hire Vehicle Medallion:

- The medallion owner (lessor) must submit the following documents to the Seattle Department of Finance and Administrative Services (FAS), either via email to taxicab@seattle.gov or by mail to Consumer Protection Division, PO Box 94380, Seattle, WA 98124-6680:
 - o The attached Medallion Lease Summary Sheet, signed;
 - A copy of the written, signed, and notarized lease agreement;
 - Vehicle insurance policy;
 - A copy of the WA state vehicle registration; and
 - The Certificate of Safety based on the Vehicle Safety Inspection.
- FAS will review the completed Medallion Lease Summary Sheet and required documents within five (5) business days of receipt.
- FAS will determine whether the documents comply with the requirements established in <u>Seattle Rule FOR-HIRE-TRANSPORTATION-15-2024/King County Rule FHT-14-2024-PR</u>, and notify the lessor and lessee.
- The lessee's vehicle may not be placed into service until FAS has received and reviewed all required documents and found them to be complete and compliant.
- The lessor must provide a signed copy of the Medallion Lease Summary Sheet to the lessee after filing it with FAS.

Additional Guidance for Leasing a Taxicab or For-Hire Vehicle Medallion:

- A leased medallion may not be subleased to another party.
- A medallion may only be leased to one (1) lessee. Multiple leases for any medallion are strictly prohibited.
- A licensed vehicle operating with a leased medallion may be leased if a valid vehicle lease is in place (for vehicle lease requirements, please see Seattle Rule FOR-HIRE-TRANSPORTATION-16-2024 / King County Rule FHT-15-2024-PR).
- The medallion owner (lessor) remains responsible for complying with all licensee and medallion owner requirements contained in SMC 6.311 and KCC 6.65, including but not limited to annual licensing and insurance.
- The medallion owner (lessor), the person leasing the medallion (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.
- All violations of the requirements established in <u>Seattle Rule FOR-HIRE-TRANSPORTATION-15-2024/King County Rule FHT-14-2024-PR</u> 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. These penalties shall apply regardless of the time period in which cumulative violations occur.
- Per the Director's rule on temporary medallion deactivations (<u>Seattle Rule FOR-HIRE-TRANSPORTATION-05-2024</u> / <u>King County Rule FHT-4-2024-PR</u>), only a medallion owner may initiate a temporary deactivation of the medallion. A lessee may not initiate the temporary deactivation.
- 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.

Medallion Lease Agreement Requirements:

- The lease agreement must be in writing.
- The lease agreement must be signed by the lessor and lessee, with signatures properly notarized.
- A copy of the signed lease agreement must be retained by both the lessor and the lessee.
- The lease agreement must include full names of the lessor and lessee.
- The medallion must be owned by the lessor.
- The lessee must either:
 - Hold a valid regional for-hire driver's license and own the vehicle to be associated with the leased medallion; OR
 - o Be a licensed transitional regional dispatch agency (TRDA) or licensed regional dispatch agency (RDA).
- If the lessee is a for-hire driver, the lease must list the lessee's for-hire driver's license number and license expiration date.
- If the lessee is a TRDA or RDA, the lease must list lessee's legal business name and customer number for the Seattle business license tax certificate.
- The lease agreement must specify the vehicle's affiliated TRDA or RDA, medallion number, model year, make and model, and fuel type (e.g., gasoline, hybrid, electricity, etc.).
- The lease period must be at least three (3) months, and the lease agreement must clearly state the lease period start date/time and end date/time.
- Lease rates must be specified and the payment period must be either weekly or monthly.
- The lessor may not require the lessee to pay the annual medallion and annual medallion reciprocity endorsement fees or any monetary penalties for violations of SMC 6.311 and KCC 6.65 imposed on the lessor.
- Receipts must be provided for all lease payments, and must include the date, lessor name, lessee name, affiliated TRDA or RDA, medallion number, lease payment period, and amount paid.
- The conditions under which the lease may be terminated must be clearly specified. A lessor may only terminate a medallion lease for the reasons specified in the written lease agreement. The medallion lease may be terminated for other reasons only by mutual consent of the lessor and lessee and such terminations must be in writing, signed by both parties, and properly notarized.

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Medallion Lease Summary Sheet

City of Seattle – Consumer Protection Division

King County – Records and Licensing Services Division





Medallion Number:								
Lessor (Medallion	Owner) Informati	on:						
Medallion Owner:								
Name	Email address		Phone					
Business street address		City	State	Zip				
Second Medallion Owner (if applicable):							
Name	Email address		Phone					
Business street address		City	State	Zip				
Corporation/LLC/Partnership Information (if applicable):								
Corporation/LLC/Partnership nam	e	Email Address						
Business street address		City	State	Zip				
Lessee Information	<u>ı:</u>							
Please check one:								
The lessee is a for with the leased		valid for-hire driver's license ar	nd own the vehic	cle to be associated				
	<u>-</u>	al dispatch agency (TRDA) or lic	ensed regional o	dispatch agency				
If the lessee is a for-hire dr	iver:							
Name		For-Hire Driver's License Number	r E	xpiration Date				
If the lessee is a licensed TI	RDA/RDA:							
Legal Business Name		Seattle Customer Number						
Vehicle Informatio	<u>n:</u>							
Vehicle Make	Vehicle Model	Model Year I	Fuel Type (e.g., gas,	hybrid, electric, etc.)				

Affiliated Regional Dispatch Agency

WA State License Plate

Last updated: 12/30/2024

Name (please print)

Lease Information:

Lease IIIIOIIIIac	<u>1011.</u>				
		Weekly	O Monthl	y \$	
Lease Start Date	Lease End Date	Payment Period (select one)	Lease Amount	
Documents Cho	ecklist:				
Please ensure the foll	owing documents are atta	iched:			
□ Copy of signed & notarized lease agreement					
Vehicle InsuranceCopy of WA state	ce Policy e vehicle registration				
• •	fety based on Vehicle Safe	ty Inspection			
	,	, ,			
NOTE: To see reasons	for terminating the lease,	please refer to the lea	se agreement	on file.	
Signatures:					
Lessor Signatures:					
	•			ease Summary Sheet" accurately	
				ease fully complies with Seattle Ru	ale
FOR-HIRE-TRA	NSPORTATION-15-2024/ K	ing County Rule FHT-1	.4-2024-PR.		
Medallion Owner:					
Name (please print)	Si	gnature		Date	
Second Medallion Ov	vner (if applicable):				
Name (please print)	Si	gnature		Date	
Lessee Signature:					

Signature

Date