



Legislation Details (With Text)

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Title: To amend Section 587.18 of the Columbus City Codes, 1959 by adding an option to place money in a custodial account as approved by the City , and requiring the cash or obligations to remain in a custodial account approved by the City.

Sponsors: Priscilla Tyson

Indexes:

Code sections:

Attachments:

| Date | Ver. | Action By | Action | Result |
|------------|------|-----------------------|-------------------------|--------|
| 11/16/2011 | 1 | CITY CLERK | Attest | |
| 11/15/2011 | 1 | MAYOR | Signed | |
| 11/14/2011 | 1 | COUNCIL PRESIDENT | Signed | |
| 11/14/2011 | 1 | Columbus City Council | Approved | Pass |
| 11/7/2011 | 1 | Columbus City Council | Read for the First Time | |

BACKGROUND: This legislation amends Section 587.18 of the Columbus City Codes, 1959, which deals with Bonds and Liability Agreement in the License Section of the Code. The purpose of this legislation is to insert language inserted regarding financial liability and custodial accounts. It is necessary for the Department of Public Safety, Division of Support Services, to revise and amend a section of The Columbus City Codes, 1959, adding the option to place money in a custodial account as approved by the City, as well as adding the requirement for the cash obligations to remain in a custodial account approved by the City. This code change was approved by the Vehicle for Hire board.

FISCAL IMPACT: There is no funding required for this legislation.

To amend Section 587.18 of the Columbus City Codes, 1959 by adding an option to place money in a custodial account as approved by the City , and requiring the cash or obligations to remain in a custodial account approved by the City.

WHEREAS, there is a need to make changes in the Columbus City Codes, Section 587.18, Bonds-Liability Agreement with the License Section of the Code, adding an option to place money in a custodial account as approved by the City , and requiring the cash or obligations to remain in a custodial account approved by the City, and

WHEREAS, the Columbus City Codes does not currently address the option of placing money in a custodial account nor requiring the cash or obligations to remain in a custodial account approved by the City, and

WHEREAS, it is necessary to make this change so that the License Section can operate more efficiently and effectively; now, therefore

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS

SECTION 1. That Section 587.18 of the Columbus City Codes, 1959, be and is hereby amended to read as follows:

587.18 - Bonds-Liability agreement.

(b) Evidence of liability protection may be furnished by filing with the director an agreement with the city that such applicant or owner shall pay all final judgments recovered against the owner or taxicab driver by reason of such liability as set forth in C.C. 587.15 and within the limits set forth in Section 587.15. Such limits shall be construed, however, to limit the liability of the owner only for the purposes of the agreement.

(1) Such agreement shall be secured by the deposit by the applicant or owner of cash, or obligations of the United States government, or bank certificates of deposit, or bonds issued by the city, and deposited with the city treasurer or placed in a custodial account as approved by the City. Such cash or collateral shall be the property of and subject to the conditions of and for the purposes of the agreement. However, in case of discontinuance of the operation of taxicabs by the owner, the dissolution of the corporation or partnership authorized to provide liability protection for a group of owners under this subsection, or the subsequent substitution by an owner with the consent of the city of bonds or policies of insurance in lieu of such agreement, the city shall hold the cash or obligations so deposited with the city under this section, or shall require the cash or obligations to remain in a custodial account approved by the City, for a period of time as shall equal the then applicable state statute of limitations for the filing of claims by adult claimants for damages covered by Section 587.15. At the end of this period of time an appraisal shall be made of all claims pending against such owner and a sufficient amount of such cash or collateral deposited shall be retained as will guarantee the payment of such claims, and the balance of such be returned to the owner or owner corporation or partnership or their proper agent in proportion to the amount that it shall be shown upon satisfactory proof that outstanding claims have been paid or satisfied.

(4) For the purpose of providing liability protection required by Section 587.15, an association of taxicab owners may create a partnership or corporation for the purpose of providing the liability protection required by Section 587.15 or the owner members of such partnerships or corporation. Such partnership or corporation shall be registered with the Secretary of State and department of public safety. Such partnership or corporation may provide evidence of liability protection required by Section 587.15 for each taxicab owner who is a member of such partnership or corporation by filing a liability agreement as provided in Section 587.15(b) agreeing to pay all final judgments recovered against any owner who is a member of such partnership or corporation within the limits set forth in Section 587.15. Such agreement shall be secured by the deposit by the partnership or corporation of cash or obligations of the United States Government, bank certificates of deposit or bond issued by the city of Columbus with the city treasurer, or placed in a custodial account as approved by the City, in the amounts and under the conditions set forth in Section 587.18(b)(1), (2) and (3). The partnership or corporation shall be considered one partnership for such purposes.

Such partnership or corporation shall immediately provide the names and addresses of all owners and taxicabs operated by such owners which the partnership or corporation is providing evidence of liability protection for to the director. Such partnership or corporation shall notify the director in writing twenty-one (21) days prior to the cancellation, change of cancellation or of any change in the membership status of any owner or member which would result in the owner or members having less than the minimum amount of liability coverage with the organization.

SECTION 2. That prior existing section 587.18 is hereby repealed.

SECTION 3. That this ordinance shall take effect and be in force from an after the earliest period provided by law.