FILE NO. 161065

[Police Code - Rental Car Disclosure Requirements]

Ordinance amending the Police Code to require rental car companies to provide written disclosures to customers advising them to remove valuables from the rental vehicle and lock the doors.

NOTE: Unchanged Code text and uncodified text are in plain Arial font. Additions to Codes are in <u>single-underline italics Times New Roman font</u>. Deletions to Codes are in <u>strikethrough italics Times New Roman font</u>. Board amendment additions are in <u>double-underlined Arial font</u>. Board amendment deletions are in <u>strikethrough Arial font</u>. Asterisks (\* \* \* \*) indicate the omission of unchanged Code subsections or parts of tables.

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

Section 1. The Police Code is hereby amended by adding Article 13.3, entitled "Car Rental Businesses," consisting of Sections 976.1, 976.2, 976.3, 976.4, 976.5, 976.6, and 976.7. Section 976.6 is added; existing Sections 1225, 1226, 1227, 1228, 1229, and 1230 are renumbered as Sections 976.1, 976.2, 976.3, 976.4, 976.5, and 976.7, respectively, and revised as indicated. Article 13.3 shall read as follows:

## ARTICLE 13.3: CAR RENTAL BUSINESSES

SEC. <u>1225</u> <u>976.1</u>. BUSINESSES OF RENTING OR LEASING MOTOR VEHICLES AND/OR TRAILERS FOR A PERIOD OF 60 DAYS OR LESS WITHOUT DRIVER OR OPERATOR.

The business of renting or leasing  $\underline{m}\underline{M}$  otor  $\underline{v}\underline{V}$  ehicles and/or  $\underline{t}\underline{T}$  railers in the City and County of San Francisco for a period of 60 days or less without a driver or operator thereof is

hereby declared to be subject to police inspection and regulation as in Sections  $\frac{1225}{976.1}$  through  $\frac{1230}{976.7}$ , inclusive, of this Article  $\frac{13.3}{2}$ .

### SEC. <u>1226-976.2</u>. DEFINITIONS.

For the purpose of *the provisions of* Sections 1225 <u>976.1</u> through 1230 <u>976.7</u>-*inclusive of this Article*, *whenever*-the following *words*, terms *or phrases are used*, *the definitions herein given shall be deemed to be the meaning of such words*, *terms or phrases, except where otherwise expressly stated have the following meanings*:

"Motor Vehicle." A vehicle as defined in Section 415 of the California Vehicle Code. "Trailer." A vehicle as defined in Section 630 of the California Vehicle Code.

"Person." A sole proprietor, partnership, association, business trust or corporation.

"Location." A place where a <u>*pP*</u>erson or salaried employee of a <u>*pP*</u>erson executes an agreement for the rental or lease of a <u>*mM*</u>otor <u>*vV*</u>ehicle and/or <u>*tT*</u>railer for a period of 60 days or less without a driver or operator and makes delivery or arranges for the delivery thereof pursuant to said rental or lease agreement. <u>Location does not include any place where a Person</u> <u>takes or accepts reservations only, or a hotel, motel, or inn which provides reservations and/or</u> customer transportation service only.

"Motor Vehicle." A vehicle as defined in Section 415 of the California Vehicle Code. "Person." A sole proprietor, partnership, association, business trust, or corporation. "Trailer." A vehicle as defined in Section 630 of the California Vehicle Code. "VIN." Vehicle Identification Number.

#### SEC. <u>1227 976.3</u>. PERMIT REQUIRED.

Every <u>*pP*</u>erson in said business of renting or leasing <u>*m*M</u>otor <u>*v*V</u>ehicles and/or <u>*t*T</u>railers for a period of 60 days or less for hire without drivers or operators shall hereafter obtain from the Police Department a separate permit for each such location where such person conducts such business, which permit(s) shall be revocable by said Department for cause and after a hearing. The application for such permit(s) shall state the address of each such *L*ocation where such person conducts such business, and the name of the owner or owners, manager, or officer thereof. After the issuance of such permit, any change of, or addition to, such *L*ocations shall be reported to the Police Department within five days thereafter and permit issued for each such additional *L*ocation. Each licensee of a *pP*erson or independent contractor of a *pP*erson shall be considered an independent *pP*erson and shall obtain his own separate permit. *Location does not include any place where a person takes or accepts reservations only, or a hotel, motel or inn which provides reservations and/or customer transportation service only.* 

### SEC. 1228-976.4. RECORDS TO BE KEPT; CONTENTS.

Every <u>*pP*</u>erson engaged in the type of business referred to in Sections <u>1225</u> <u>976.1</u> and <u>1227</u> <u>976.3</u> of this Article <u>13.3</u> shall keep records of all <u>*m*</u><u>M</u>otor <u>*v*</u><u>V</u>ehicles and/or <u>*t*</u><u>T</u>railers rented or leased for a period of 60 days or less, which records will show:

(a) The name and address of the individual, firm, or corporation to whom such  $\underline{mM}$  otor  $\underline{vV}$  ehicle and/or  $\underline{tT}$  railer is rented or leased;

(b) The date and time thereof and the time when same is returned;

(c) A description of each rented or leased  $\underline{mM}$  otor  $\underline{*V}$  ehicle and or  $\underline{*T}$  railer to include: Make, year, body style, color, VIN, and license number.

## SEC. 1229-976.5. DRIVER'S LICENSE REQUIRED.

Every <u>pP</u>erson engaged in the <u>type of</u> business <u>referred to in Sections 976.1 and 976.3 of</u> <u>this Article 13.3 of renting or leasing motor vehicles and/or trailers for a period of 60 days or less</u> shall not rent or lease to any individual, firm, or corporation a <u>mM</u>otor <u>vV</u>ehicle and/or <u>tT</u>railer

unless the driver's license provisions of Section 14608 of the California Vehicle Code are complied with.

#### SEC. 976.6. DISCLOSURE REQUIREMENTS.

(a) Findings.

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(1) The San Francisco Civil Grand Jury issued a report in 2016 regarding auto burglaries in San Francisco. According to that report, the number of auto burglaries in 2015 reached a five-year high, with 24,826 reported incidents. This was a 34% increase over the previous year and almost three times more than reported in 2011. Based on auto burglary data from the Police Department ("SFPD"), the Civil Grand Jury estimated that at least \$19 million worth of property was stolen in auto burglaries in 2015. Auto burglaries have become one of the top public safety concerns for many San Franciscans.

(2) One method of addressing auto burglary is prosecuting the career criminals who constitute 20% of the perpetrators responsible for a large majority of incidents. But a major challenge in prosecuting auto burglary is that many victims are visitors or tourists, who are unable or unwilling to return to San Francisco to testify. When foreign tourists are victims, cases are particularly difficult to prosecute, especially when the victim's testimony is needed but the victim is beyond the subpoena power of the San Francisco Superior Court. Because prosecution is not always a viable option for combatting auto burglaries, the City must explore other means of addressing the auto burglary problem.

(3) Data from the District Attorney's Office for 2015-16 suggest that major hot spots for auto burglaries are at or near some of San Francisco's biggest tourist destinations, like Alamo Square Park, the Embarcadero, Fisherman's Wharf, Civic Center, Lombard Street, and the Palace of Fine <u>Arts.</u>

(4) Visitors and tourists, many of whom are from other states and countries, are often unfamiliar with the City and inattentive to risks of crime, and are known to carry large sums of money, credit cards, electronics, and other valuables. Many visitors and tourists use rental cars to get around the City. The San Francisco Travel Association reported in March 2016 that San Francisco received 24.6 million tourists and visitors in 2015, an increase of 2.7% from 2014. The same group's study from 2011 found that automobile options are popular with San Francisco tourists and visitors, with 35.1% using a personal car and 14.6% using a rental car.

(5) Many visitors and tourists leave valuables in their rental cars in plain sight, the perfect recipe for auto burglary. According to SFPD data on City-wide rental vehicle auto burglary incidents, there has been a significant increase in burglaries of rented vehicles from 2015 to 2016.

(6) Because victims of auto burglaries are frequently tourists using rental cars who are unaware of or oblivious to the risks of leaving valuables in the car, one of the Civil Grand Jury's recommendations for curbing the number of break-ins is to educate users of rental cars on crime risks and prevention. In light of the importance of tourism to the local economy, the City should make an effort to reduce auto burglary, which has such a negative impact on visitors and tourists.

(7) Signs warning drivers to remove valuables from their cars have been installed near some tourist hot spots in San Francisco, such as Alamo Square, Japantown, and near the Palace of Fine Arts. Initial reports from SFPD indicate that the signs have helped reduce the number of auto burglaries in those areas. Providing similar notice to drivers of rental cars would likely induce those drivers to take greater precautions to prevent theft, resulting in fewer rental car burglaries.

(8) San Francisco International Airport has launched a campaign to curb rental car burglaries through consumer education. The Airport has posted signs within the rental car center warning of the risks of leaving valuables in rental vehicles. The Airport has also provided rental companies written materials for distribution to customers advising customers of the risk. Further, an

audio announcement regarding the risk of auto burglary is played on the AirTrain connecting the airport terminals to the rental car center.

(b) Disclosures required. Every Person engaged in the type of business referred to in Sections 976.1 and 976.3 of this Article 13.3 shall:

(1) Provide the following written disclosure to each authorized driver of a Motor Vehicle rented or leased from a Location in the City: "Prevent theft: Remove valuables from the rental car and lock the doors." This disclosure shall be provided either in person when the driver rents the Motor Vehicle or electronically when the driver reserves the Motor Vehicle through an online reservation system. When provided in person at the time of rental, the disclosure shall be made on a piece of paper separate from any other document the Person provides to the driver. When provided electronically in connection with an online reservation, the disclosure shall be included on the reservation confirmation sent to the driver's e-mail address. The disclosure shall be printed in typeface sufficiently large as to be easily readable by customers.

(2) Provide the following written disclosure either on the key ring for the keys to the rented or leased Motor Vehicle or inside the passenger compartment of the Motor Vehicle: "Prevent theft: Remove valuables from the rental car and lock the doors." Places in the passenger compartment where the disclosure may be provided include, but are not limited to, on the sun visor or in the glove compartment. The disclosure shall be printed in typeface sufficiently large as to be easily readable by customers.

(3) Post at each Location a written notice stating: "To prevent theft, do not leave valuables in the rental car and remember to lock the doors." The notice shall be posted in an area accessible to customers and where customers routinely are present. The lettering on the sign shall be readable by customers generally from a distance of at least 20 feet.

(c) The requirements of subsection (b) of this Section 976.6 shall not apply to the rental or lease of Trailers.

(d) Operative date. In accordance with Section 5(b) of the ordinance in Board File No. 161065, creating this Section 976.6, subsections (b)(1) and (b)(3) are operative 90 days after the effective date of said ordinance, and subsection (b)(2) is operative 180 days after the effective date of said ordinance.

(e) Within 30 days of the effective date of the ordinance in Board File No. 161065, creating this Section 976.6, the Police Department shall notify in writing all current holders of permits issued under former Section 1227 of this Code (renumbered to become Section 976.3) for the rental or lease of Motor Vehicles excluding Trailers, of the new conditions applicable to such permits established by Section 976.6, and the operative dates of Section 976.6.

### SEC. <u>1230</u> <u>976.7</u>. LICENSE FEES.

Every <u>*pP*</u>erson, as defined in Section <u>1226</u> <u>976.2</u> shall pay an annual license fee for each such <u>*IL*</u>ocation as defined in <u>said</u> Section <u>1226-976.2</u>; provided, however, every person who operates a repair garage and grants temporary use of a motor vehicle to a customer without charge, while the motor vehicle belonging to said customer is being repaired or serviced in the repair garage, shall pay an annual license fee. The license fee shall be paid annually on or before March 31, in accordance with the provisions of Section 76.1 of the Business and Tax Regulations Code.

Section 2. Undertaking for the General Welfare. In enacting and implementing this ordinance, the City is assuming an undertaking only to promote the general welfare. It is not assuming, nor is it imposing on its officers and employees, an obligation for breach of which it is liable in money damages to any person who claims that such breach proximately caused injury.

Section 3. Severability. If any section, subsection, sentence, clause, phrase, or word of this ordinance, or any application thereof to any person or circumstance, is held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions or applications of this ordinance. The Board of Supervisors hereby declares that it would have passed this ordinance and each and every section, subsection, sentence, clause, phrase, and word not declared invalid or unconstitutional without regard to whether any other portion of this ordinance or application thereof would be subsequently declared invalid or unconstitutional.

Section 4. Creating Articles 13.2 and 13.3.

(a) Article 13.2 shall be added to the Police Code and entitled "Bicycle Messenger
Businesses." Existing Sections 975.1, 975.2, 975.3, and 975.4 shall be placed in Article 13.2.
These changes are not made for any substantive reason and shall have no substantive effect.
The changes are made solely for the purpose of reorganizing the affected sections under a specifically designated Article. The City Attorney shall direct the publisher of the Municipal Code to take all appropriate steps to effectuate this provision.

(b) Among other things, this ordinance adds Article 13.3 to the Police Code; renumbers existing Sections 1225, 1226, 1227, 1228, 1229, and 1230 as Sections 976.1, 976.2, 976.3, 976.4, 976.5, and 976.7, respectively; and makes clerical and technical revisions to those sections. These changes are not made for any substantive reason and shall have no substantive effect.

Section 5. Scope of Ordinance. Except as stated in Section 4(a) of this ordinance, in enacting this ordinance, the Board of Supervisors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts,

diagrams, or any other constituent parts of the Municipal Code that are explicitly shown in this ordinance as additions, deletions, Board amendment additions, and Board amendment deletions, in accordance with the "Note" that appears under the official title of the ordinance.

Section 6. Effective and Operative Dates.

(a) This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

(b) This ordinance shall become operative 90 days after the effective date, except for Section 976.6(b)(2), which shall become operative 180 days after the effective date.

APPROVED AS TO FORM: DENNIS J. HERRERA, City Attorney

By: BRADLEY A. RUSSI Deputy City Attorney

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File Number:

# City and County of San Francisco Tails Ordinance

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

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161065

Date Passed: September 26, 2017

Ordinance amending the Police Code to require rental car companies to provide written disclosures to customers advising them to remove valuables from the rental vehicle and lock the doors.

September 13, 2017 Public Safety and Neighborhood Services Committee - RECOMMENDED

September 19, 2017 Board of Supervisors - PASSED ON FIRST READING Ayes: 7 - Breed, Fewer, Kim, Peskin, Ronen, Sheehy and Yee Excused: 4 - Cohen, Farrell, Safai and Tang

September 26, 2017 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

File No. 161065

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 9/26/2017 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo Clerk of the Board

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Date Approved