
CITY OF CHICAGO

RULES



LICENSE MANAGER

RULES

Last Updated: May 1, 2001



Mayor Rahm Emanuel

Commissioner Maria Guerra Lapacek

BY AUTHORITY VESTED IN THE COMMISSIONER OF THE DEPARTMENT OF BUSINESS AFFAIRS AND CONSUMER PROTECTION PURSUANT TO **CHAPTERS 2-25, 9-104, AND 9-112**, THE FOLLOWING RULES REGARDING **LICENSE MANAGERS** ARE ADOPTED HEREIN.

By Order of the Commissioner:

Signed: 
Commissioner Maria Guerra Lapacek

Date: July 28, 2015

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Effective: **May 1, 2001**

Rule 1 Registration as a license manager required

Subject to the exemptions in Rule 2 of these rules and regulations, no person may assume or undertake any or all of the responsibilities of a public passenger vehicle license holder without first having registered as a license manager with the Department of Consumer Services.

Rule 2 Exemptions from registration requirement

- a. The following persons need not register as a license manager:
 - 1. The license holder;
 - 2. If the license holder is a corporation, any corporate officer of that corporation;
 - 3. If the license holder is a corporation, any owner of 25% or more of the stock of that corporation;
 - 4. If the license holder is a partnership, any partner;
 - 5. Any full-time employee of the license holder;
 - 6. Any officer of a corporation which is registered as a license manager or any partner of a partnership which is registered as a license manager;
 - 7. Any full-time employee of a registered license manager.
- b. For purposes of this rule, “full-time employee” means an individual who works a minimum of 35 hours per week for his employer and for whom the employer withholds federal income tax from the employee’s pay.

Rule 3 Grounds for disqualification of registration–corporate applicants

- a. With respect to any corporate registrant as a license manager, the corporation shall be organized or qualified to do business under the laws of Illinois and have its principal place of business in the city of Chicago.
- b. No corporate registrant will be approved if any officer, director, or person having 25% or more of the stock or other interest in the corporation has within the five years immediately preceding the date of the registration held a public chauffeur license or a public passenger vehicle license which has

been revoked or was an officer, director or person having 25% or more of the stock or other interest of any entity which held a public passenger vehicle license, an affiliation license, a radio dispatch license, or a license broker license which has been revoked by the city of Chicago.

- c. No corporate registrant will be approved if any officer, director, or person having 25% or more of the stock or other interest in the corporation has within the five years immediately preceding the date of the registration been either convicted, in custody, under parole or under any other noncustodial supervision resulting from a conviction in a court of any jurisdiction for the commission of any felony as defined by Article 2 of the Illinois Criminal Code, as amended.

Rule 4

Grounds for disqualification of registration–partnership applicants

- a. With respect to any partnership registrant as a license manager, each partner shall meet the qualifications as if he were an individual applicant, and the partnership shall maintain its principal place of business in the city of Chicago.
- b. No partnership registrant will be approved if any partner having 25% or more interest in the partnership has within the five years immediately preceding the date of the registration held a public chauffeur license or a public passenger vehicle license which has been revoked or was an officer, director, or person having 25% or more of the stock or other interest of any entity which held a public passenger vehicle license, an affiliation license, a radio dispatch license, or a license broker license which has been revoked by the city of Chicago.
- c. No partnership registrant will be approved if any partner having 25% or more interest in the partnership has within the five years immediately preceding the date of the registration been either convicted, in custody, under parole or under any other noncustodial supervision resulting from a conviction in a court of any jurisdiction for the commission of any felony as defined by Article 2 of the Illinois Criminal Code, as amended.

Rule 5

Grounds for disqualification of registration–individual applicants

- a. With respect to any individual registrant as a license manager, the individual shall be a citizen or legal resident of the United States residing and domiciled in the city of Chicago.
- b. No individual registrant will be approved if the registrant has within the five

years immediately preceding the date of the registration held a public chauffeur license or a public passenger vehicle license which has been revoked or was an officer, director or person having 25% or more of the stock or other interest of any entity which held a public passenger vehicle license, an affiliation license, a radio dispatch license, or a license broker license which has been revoked by the city of Chicago.

- c. No individual registrant will be approved if he has within the five years immediately preceding the date of registration been either convicted, in custody, under parole or under any other noncustodial supervision resulting from a conviction in a court of any jurisdiction for the commission of any felony as defined by Article 2 of the Illinois Criminal Code, as amended.

Rule 6 Application for registration

All registrants must fully complete an application for registration provided by the Department of Consumer Services, and supply additional documentation as required. Each application must contain:

- a. The management agreement between the license manager and each licensee for which the manager will assume responsibility. Such agreement must indicate the method and amount of money or other consideration to be paid under the contract, the duration of the contract, and the responsibilities of the parties to each other.
- b. The names and other required information identifying any employees of the license manager.
- c. The names and other required information identifying any officer, director, or person having 25% or more of the stock or other interest in the registrant, and identifying whether any such person holds or has 25% or more of the stock or other interest in any entity which holds a public passenger vehicle license, affiliation license, radio dispatch license, or license broker license issued by the city of Chicago.
- d. Such other information as may be required by the Commissioner relating to the applicant's business.

Rule 7 Mandatory course of study

Each individual license manager and any officer, director, partner or employee of a corporate license manager who will sign a taxicab lease on behalf of the license holder must successfully complete the course of study for public passenger vehicle

license holders as provided in Section 9-112-030(b)(6) of the Municipal Code of Chicago.

Rule 8 Bond

All registrants must deposit with the Commissioner a bond, in the penal sum of one hundred thousand dollars (\$100,000). Such bond shall be payable to the city of Chicago and shall be conditioned that the registered license manager shall comply with the provisions of the Municipal Code of Chicago and the rules and regulations promulgated thereunder, and shall pay all fines, orders of restitution, or judgments for damages ordered by the Department of Administrative Hearings, or a court of competent jurisdiction, based on a violation of the Municipal Code of Chicago and the rules and regulations promulgated thereunder, committed by the registered license manager, his agents or employees, while acting within the scope of their employment. The registered license manager is immediately liable for satisfaction upon determination of the fine or award judgment, or, if timely appeal is taken, upon final determination of the appeal. No bond shall be subject to cancellation except on thirty days' previous notice to the Commissioner. All bonds shall be subject to review and approval by the City of Chicago Law Department and the Comptroller's Office.

Rule 9 Amendments to registration

In the event that there is a change to any information filed by the license manager in conjunction with the application for registration, the license manager shall file amendments to their registration with the Department of Consumer Services within one business day of such change taking effect.

Rule 10 Relationship to license broker license

A license manager shall not undertake any activities for which a license broker license is required unless the license manager is also licensed as a license broker.

Rule 11 Compliance with rules and regulations for public passenger vehicle license holders

All license managers are required to conduct their activities in compliance with the provisions of the Municipal Code, particularly Chapters 9-104 and 9-112, and the rules and regulations promulgated thereunder. In the event that there is a violation of the Municipal Code or the rules and regulations promulgated thereunder in conjunction with the operation of a public passenger vehicle managed by a license manager, the license holder and the license manager shall be jointly and severally liable for any penalties assessed for such violations.

Rule 12 Penalties

- a. License managers, following notice and hearing before the Department of Administrative Hearings, found to have violated any of these rules and regulations shall be subject to:
 - 1. A minimum fine of \$200 and a maximum fine of \$750 and a suspension of up to one week for the first offense of these rules committed within a twelve-month period;
 - 2. A minimum fine of \$350 and a maximum fine of \$750 and a suspension of up to two weeks for the second offense of these rules committed within a twelve-month period;
 - 3. A minimum fine of \$500 and a maximum fine of \$750 and a suspension of up to thirty days for the third offense of these rules committed within a twelve-month period.
- b. In addition to any fines or suspensions imposed by the Department of Administrative Hearings, the Commissioner of Consumer Services may cancel a license manager's registration in the event that the license manager has been found to have violated these rules and regulations five times within a twelve-month period.
- c. Each day that a violation of these rules exists shall constitute a separate offense.