

# Memorandum



CITY OF DALLAS

DATE 22 May 2014

TO The Honorable Members of the Transportation and Trinity River Project Committee:  
Vonciel Jones Hill (Chair), Lee Kleinman (Vice Chair), Deputy Mayor Pro Tem Monica Alonzo,  
Mayor Pro Tem Tennell Atkins, Sandy Greyson, Sheffie Kadane

SUBJECT Proposed Transportation-for-Hire Regulation

On Tuesday 27 May 2014 the Transportation and Trinity River Project Committee will be briefed on the Proposed Transportation-for-Hire Regulation. The material is attached for your review.

Please feel free to contact me if you need additional information.

A handwritten signature in cursive script that reads "James Martin for Charlie M. Cato".

Charlie M. Cato  
Interim Assistant City Manager

Attachment

cc: A.C. Gonzalez, City Manager  
Warren M. S. Ernst, City Attorney  
Judge Daniel Solis, Administrative Judge  
Rosa A. Rios, City Secretary  
Craig D. Kinton, City Auditor  
Ryan S. Evans, Interim First Assistant City Manager  
Jill A. Jordan, P.E., Assistant City Manager  
Forest E. Turner, Assistant City Manager  
Joey Zapata, Assistant City Manager  
Theresa O'Donnell, Interim Assistant City Manager  
Jeanne Chipperfield, Chief Financial Officer  
Shawn Williams, Interim Public Information Officer  
Elsa Cantu, Assistant to the City Manager – Mayor and City Council



City of Dallas

# PROPOSED TRANSPORTATION-FOR-HIRE REGULATION

27 May 2014

Transportation and Trinity River Project Committee



# Purpose

- ▶ Create a level playing field that is fair to all companies
- ▶ Encourage free market competition
- ▶ Simplify the regulations to promote compliance and improve enforcement
- ▶ Focus regulations on issues that are important to the City:
  - Driver qualifications
  - Vehicle safety and appearance
  - Insurance
  - Consumer choice
  - Quality service

# What is Transportation-for-hire?

- ▶ Transportation-for-hire includes any ride for compensation, whether hailed or prearranged and includes:
  - Taxicabs
  - Limousines
  - Non-motorized transportation-for-hire
  - Shuttles
  - Intracity buses for hire
  - Personal vehicles serving as a vehicle for hire
- ▶ Examples of transportation-for-hire includes Buses by Bill, horse carriages, Lyft, pedicabs, Uber Black, Uber X, and Yellow Cab

# Transportation-for-Hire Does Not Include

- ▶ Ridesharing or carpooling with no compensation
- ▶ Interstate and intrastate buses, including DART
- ▶ Ambulances (regulated under Chapter 15D)
- ▶ Courtesy vehicles
- ▶ Zip Cars
- ▶ Bikeshare



# Existing City Code Provisions

- ▶ The adoption of the proposed Transportation-for-Hire regulation would result in the addition, elimination and revision of numerous provisions currently in the Dallas City Code, including
  - Adding a new Chapter 47A, “Transportation-for-Hire”
  - Deleting Chapter 45, “Taxicabs”
  - Deleting Chapter 10A, “Limousines”
  - Deleting Chapter 10, “Buses and Shuttles”
  - Making Conforming Amendments to Chapter 5, Article II, “Ground Transportation Services at Love Field”
  - Deleting head-of-line provision for CNG vehicles at Love Field
  - Deleting Chapter 10B, “Non-Motorized Passenger Transport Vehicles”

# Proposed Amendments Create a Level Playing Field by:

- ▶ Eliminating distinctions between types of Transportation-for-Hire operators and types of vehicles
- ▶ Eliminating the current restriction on the age and number of taxi-cabs
- ▶ Eliminating requirements for the dollar value of vehicles
- ▶ Eliminating regulation of fares



# Proposed Amendments Create a Level Playing Field by:

- ▶ Allowing different modes of transportation-for-hire to compete directly against each other
- ▶ Allowing each individual consumer to select the type of transportation-for-hire to use
- ▶ Ensuring public safety by regulating transportation-for-hire operating authorities, drivers, vehicles, and insurance





# Operating Authority

- ▶ Operating authority permit is the same for all forms of transportation-for-hire
- ▶ The operating authority shall identify every vehicle utilized by the authority:
  - Vehicles shall be identified by decal number, VIN, and license plate
- ▶ Amendments to the operating authority permit shall be reported to a City-operated website, including changes of drivers and/or vehicles
- ▶ Operating authority permit expires annually
- ▶ If a company is sold, it may continue to use the existing trade name; however, a new operating authority shall be obtained

# Fees\*

- ▶ Operating authority permit: \$1,000 per year
- ▶ Driver permit: \$50 per two (2) years
- ▶ Vehicle permit: \$100 per vehicle per year
  - \$25 reduction for CNG vehicles
- ▶ Temporary vehicle: \$50 per event or period of time
- ▶ Non-motorized operating authority: \$360 per year
  - Driver permit: \$50 per two years
  - Vehicle permit: \$50 per vehicle per year

**\*Fees based on estimated cost but may be adjusted after a future fee study. All fees are non-refundable**

# Driver Permit

- ▶ One driver permit may be used under any or several operating authorities, so as long as each operating authority registers the driver
- ▶ The driver permit may be used for any type of transportation-for-hire vehicle



# Qualifications For Driver Permit

- ▶ A City shall designate a contractor to conduct a drivers training class on City regulations, familiarity with the City's geography, and customer service
- ▶ The training class is required only once, unless the driver's permit is revoked, suspended, or not renewed
- ▶ Annual criminal background check, drug test, and driving record check by a company of driver's choice
  - Test results shall be reviewed by the City's certification company

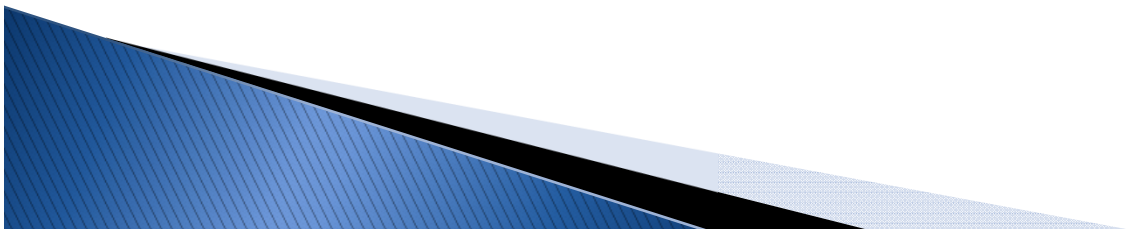
# Display of Driver Permit

- ▶ Driver's first name, picture and driver permit number shall be displayed in the vehicle
- ▶ Drivers shall carry the driver permit at all times
- ▶ Drivers shall present their permits to Transportation Regulation inspectors and law enforcement officers upon request



# Vehicle Permit

- ▶ One vehicle permit may be used under any or several operating authorities so long as the operating authority identifies the vehicle
- ▶ Shall show proof that the vehicle is insured
- ▶ Shall specify any operating authority for which the vehicle drives



# Vehicle Inspection Process

- ▶ Inspections shall be conducted annually by a City approved inspection company, selected through Request For Proposal [“RFP”]
- ▶ Inspection includes emissions and safety
- ▶ Vehicles shall be maintained in good operating condition and appearance
  - No maximum age
  - No maximum mileage
  - No minimum cost for vehicles



# Vehicles for Transportation-for-Hire Markings

- ▶ No regulation of color or design of vehicles
- ▶ Every transportation-for-hire vehicle shall have a permit decal on the windshield
- ▶ Transportation-for-hire vehicles that are able to be hailed:
  - Shall have a light on the roof to indicate that the vehicle is available
  - Vehicle doors shall display the name of the operating authority, vehicle number, rate for riders and whether credit cards are accepted
  - This display door shall be approved by the City



# Handicapped Service

- ▶ If an operating authority has ten (10) or more vehicles, at least one (1) or two (2%) percent of the fleet must be handicap-accessible or the operating authority shall contract with a company to provide handicap-accessible vehicles
- ▶ Cannot charge a higher fare for handicap-accessible service



# Non-Discriminatory Service Rules

- ▶ Citywide service\*
  - No portion of the city shall be excluded from service
  - No refusal of passengers due to point of origin, destination, or length of trip
- ▶ No discrimination against passengers based on race, color, age, religion, sex, marital status, sexual orientation, gender identity, national origin, disability, political opinions or affiliations

\* Does not apply to non-motorized transportation vehicles for hire

# Other Service Rules

- ▶ A driver may refuse a passenger if:
  - Person is disorderly
  - Driver is engaged in answering a previous request for service
  - Person is engaged in unlawful conduct
  - Driver fears for driver's safety
- ▶ Driver shall take the most direct and expeditious route
- ▶ City contact information for complaints shall be displayed inside of the vehicle



# Service Rules Continued

- ▶ Hotels shall not require guests to use a specific transportation-for-hire company or any specific mode of transportation-for-hire
- ▶ Neither operating authority or drivers shall solicit passengers by paying any individual employee of another business to solicit passengers or to give preferential treatment in directing passengers to a specific driver



# Rates

- ▶ City shall no longer regulate rates, however:
  - Operating authority/driver shall tell passenger/payer in advance the rate for the ride
- ▶ Drivers shall disclose in advance that credit cards are not accepted
- ▶ The operating authority shall disclose how fares are calculated, either on a website, computer application [“app”] and/or a sign in the vehicle

# Rates Continued

- ▶ Rates can be based on time, mileage, zones, or any combination of these factors
- ▶ Receipt shall show the rate, total fare, how the fare was calculated, the mileage, the time, the operating authority, the driver, and the vehicle permit number



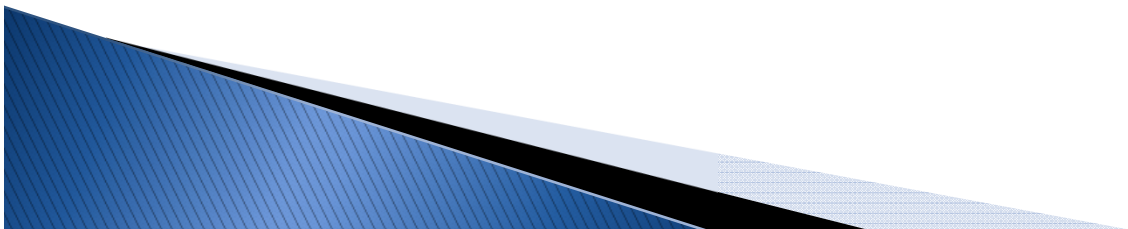
# Insurance

- ▶ Primary insurance must be provided by the operating authority
- ▶ One million dollar commercial automobile liability policy with combined single limit of liability for injury or property damage for each occurrence
- ▶ Claims must be paid by the insurance company on a first dollar basis



# Insurance Continued

- ▶ Operating authority insurance shall be the primary insurance at all times the driver or vehicle is working (passenger) or available (cruising) as transportation-for-hire
- ▶ Any person who has a twenty percent (20%) or greater interest in the operating authority shall have no interest in the insurance company
- ▶ The operating authority shall not be self-insured





# Enforcement

- ▶ Vehicles shall be towed and impounded if there is no:
  - Insurance
  - Operating authority permit
  - Driver permit
  - Vehicle permit
- ▶ Appeals shall be to the Permit and License Appeals Board

# Effective Date of Ordinance

- ▶ January 1, 2015
- ▶ Permits issued before the effective date remain valid until expiration

