

Memorandum



CITY OF DALLAS

DATE 4 September 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 Regulations

On September 8, 2014, the Transportation Trinity River Project Committee will be briefed on the proposed regulations for transportation-for-hire services. The material is attached for your review.

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

A handwritten signature in blue ink, appearing to read 'Charles M. Cato'.

Charles M. Cato
(I) Assistant City Manager

Attachment

c: Honorable Mayor and Members of the City Council
A. C. Gonzalez, City Manager
Warren M.S. Ernst, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Ryan S. Evans, First Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager

Joey Zapata, Assistant City Manager
Mark McDaniel, Assistant City Manager
Forest E. Turner, Assistant City Manager
Theresa O'Donnell, (I) Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Sana Syed, Public Information Officer
Elsa Cantu, Assistant to the City Manager – Mayor & Council



City of Dallas

PROPOSED TRANSPORTATION-FOR-HIRE REGULATIONS

8 September 2014

Transportation and Trinity River Project Committee



Thought Process

- ▶ Changes in the transportation-for-hire market require regulation with an innovative approach
- ▶ The current ordinance hinders new models of transportation-for-hire from entering the market while over-regulating some of the current transportation models
- ▶ The proposed regulations
 - Are the result of input from all segments of the industry and city staff
 - Empowers individual consumers with the ability to select the type of transportation-for-hire that best fits their needs
 - Allows companies to compete against each other to provide better quality of service and affordable fares

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 means 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 vehicles–for–hire
- ▶ Examples of transportation–for–hire include 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 regulations 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 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
- Restrictions on the age and number of taxi-cabs
- Requirements for vehicles to have a minimum dollar value
- Regulation of fares

Proposed Amendments Create a Level Playing Field by:

- ▶ **Allowing**
 - Different modes of transportation-for-hire to compete directly against each other
 - 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, the new owner may continue to use the existing trade name; however, it must obtain a new operating authority

Operating Authority

- ▶ Each operating authority shall employ, maintain and enforce a zero-tolerance policy prohibiting the use of intoxicating substances
- ▶ Zero-tolerance policy should be published for public information and reporting of violations

Fees*

- ▶ Operating authority permit: \$1,000 per year
- ▶ Driver permit: \$50 per two (2) years
- ▶ Vehicle permit: \$100 per vehicle per year
- ▶ 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 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

- ▶ City shall designate a contractor to conduct a driver training class focusing on:
 - City regulations
 - Familiarity with the City's geography
 - Customer service
- ▶ The training class is required only once, unless the driver's permit is revoked, suspended, or not renewed
- ▶ Annual criminal background check 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 as 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 or companies, selected through Request For Proposal [“RFP”]
- ▶ Inspection includes emissions and safety
- ▶ Vehicles must be in showroom condition
 - 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 respond to hails must:
 - Have a light on the roof to indicate that the vehicle is available
 - Display the name of the operating authority, vehicle number, rate for riders and which credit cards are accepted on the vehicle door
 - Have the display door approved by the City

Wheel Chair Accessibility

- ▶ Must provide a wheelchair accessible vehicle upon request, or
- ▶ Cause one to be provided without unreasonable delay
- ▶ A higher fare for handicap-accessible service cannot be charged

Non-Discriminatory Service Rules

- ▶ Citywide service*
 - No part 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, or 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
 - By observation the driver fears for his or her 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 may not require guests to use a specific transportation-for-hire company or any specific mode of transportation-for-hire
- ▶ Neither operating authority or drivers may 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 except hailable vehicles serving airports, however:
 - Rates must be provided to the City
 - Operating authority/driver shall tell passenger/payer in advance the rate for the ride
- ▶ Drivers shall accept credit cards
- ▶ The operating authority shall disclose in advance of a ride 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, flat rate, 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

Rates Continued

- ▶ Hailable vehicles serving airports shall not charge any fare that exceeds the maximum rate set by the City
 - Rate will be set after a rate study
 - Future changes will be based on an objective index

Insurance

- ▶ Primary insurance must be provided by the operating authority
- ▶ A vehicle that is available but does not have a customer or a request for service accepted shall have:
 - Contingent liability coverage of \$100,000 per injury/\$300,000 per occurrence/\$30,000 property damage for vehicles with a passenger capacity of 1–5
 - Contingent liability coverage of \$250,000 per injury/\$500,000 per occurrence/\$50,000 property damage for vehicles with a passenger capacity of 6 or more

Insurance Continued

- ▶ A vehicle that has a customer or has accepted a pending customer shall have:
 - Primary commercial automobile liability coverage with combined single limit of \$500,000 for vehicles with a passenger capacity of 1–5
 - Primary commercial automobile liability coverage with combined single limit of \$1,000,000 for vehicles with a passenger capacity of 6 or more

Insurance Continued

- ▶ Claims must be paid by the insurance company on a first-dollar basis
- ▶ Any person who has a twenty percent (20%) or greater interest in the operating authority may not have an interest in the insurance company
- ▶ The operating authority may 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

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

Addendum I

Comparison of Other Municipalities' Insurance Requirements for Taxis and Other For-Hire Vehicles

New York City

Type of Vehicle	Seating Capacity	Bodily Injury/Death (Minimum Liability)	Bodily Injury/Death (Maximum Liability)
Taxi	1-5	\$100,000	\$300,000
For-Hire	1-8	\$100,000	\$300,000
Luxury Limos	1-8	\$500,000	\$1,000,000
For-Hire	9-15	\$1,500,000	Not Specified

Various California Cities Regulate Taxis

Los Angeles

Seating Capacity of Taxi	Bodily Injury/Death (1 Person)	Bodily Injury/Death (2+ People, 1 Accident)	Property Damage/Loss (1 Accident)
1-7	\$100,000	\$300,000	\$50,000
8-12	\$100,000	\$350,000	\$100,000
13-20	\$100,000	\$450,000	\$100,000

Various California Cities Regulate Taxis Continued

San Jose

Bodily Injury/Death (1 Person)	Bodily Injury/Death (2+ People, 1 Accident)	Property Damage/Loss (1 Accident)
\$15,000	\$30,000	\$5,000

California Public Utilities Commission Regulates Charter Party Carriers* Throughout State

Seating Capacity of Vehicle	Combined single limit (“CSL”) for bodily injury and property damage
1–7	\$750,000
8–15	\$1,500,000

* Applies to on-demand companies when providing transportation-for-hire services.

San Antonio

Taxis		
Bodily Injury/Death (1 Person)	Bodily Injury/Death (2+ People, 1 Accident)	Property Damage/Loss (1 Accident)
\$30,000	\$60,000	\$25,000

Limos	
Seating Capacity	CSL
1-15	\$500,000
16+	\$1,000,000

Houston

Taxis		
Bodily Injury/Death (1 Person)	Bodily Injury/Death (2+ People, 1 Accident)	Property Damage/Loss (1 Accident)
\$30,000	\$60,000	\$25,000

Limos: \$1,000,000 CSL

Houston also passed ride-sharing regulations on 6 August 2014

**From time matched until passenger drop-off:
\$1,000,000 CSL**

Logged into App But Not Providing Service		
Bodily Injury/Death (1 Person)	Bodily Injury/Death (2+ People, 1 Accident)	Property Damage/Loss (1 Accident)
\$30,000	\$60,000	\$25,000

Chicago

Type of Vehicle	Seating Capacity	CSL
Taxi	Not Specified	\$350,000
Limo	1-10	\$350,000
Limo	11+	\$1,000,000

- ▶ Chicago passed ride-sharing ordinance on 28 May 2014
- ▶ Illinois governor vetoed statewide ride-sharing regulations on 25 August 2014, claiming the industry is best regulated at the local level

Chicago's Ride-Sharing Ordinance

Acceptance of ride until completion: \$1,000,000 CSL

Logged into App But Not Providing Service		
Bodily Injury/Death (1 Person)	Bodily Injury/Death (2+ People, 1 Accident)	Property Damage/Loss (1 Accident)
\$20,000	\$40,000	\$15,000

Also requires \$1,000,000 per occurrence commercial general liability insurance for bodily injury, personal injury, and property damage

Phoenix

- ▶ Arizona state law regulates taxi and limo insurance requirements:

Seating Capacity	CSL
1-8	\$300,000
9-15	\$750,000

- ▶ Arizona governor vetoed bill exempting ride-sharing companies from taxi and limo standards on 24 April 2014

Philadelphia

Taxis		
Bodily Injury/Death (1 Person)	Bodily Injury/Death (2+ People, 1 Accident)	Property Damage/Loss (1 Accident)
\$15,000	\$30,000	\$5,000

Limos: \$1,500,000 CSL

Addendum II

Smartway Certified Vehicles

Smartway Certified Vehicles: An Alternative to CNG Preference

- ▶ “Smartway” is an umbrella program of the EPA’s Office of Transportation and Air Quality
- ▶ Smartway is a voluntary program to improve air quality through reduced auto emissions
- ▶ Includes program for Smartway Certification of light-duty passenger vehicles
- ▶ Smartway Certified vehicles are the best 20% of all vehicles from each model year in terms of lowest harmful tailpipe emissions
- ▶ More than a thousand Smartway certified models, new and used, that are appropriate as TFH vehicles are currently sold in Texas

**PRELIMINARY WORKING DRAFT; FOR DISCUSSION PURPOSES ONLY.
(based on input from the Transportation-for-hire Workgroup)**

8/29/2014

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CITY SECRETARY
DALLAS, TEXAS

Proposed Chapter 47A, "Transportation for Hire":¹

"CHAPTER 47A

Public Notice

TRANSPORTATION FOR HIRE

14 09 49

ARTICLE I.

POSTED CITY SECRETARY
DALLAS, TX

GENERAL PROVISIONS.

SEC. 47A-1.1. STATEMENT OF POLICY.

(a) It is the policy of the city of Dallas to promote safety and quality in transportation-for-hire services in the city. The purpose of these regulations is to:

- (1) protect the public health and safety;
- (2) promote the public convenience and necessity;
- (3) ensure that transportation-for-hire is a viable component of the public transportation system;
- (4) ensure public safety and consumer protection by regulating transportation-for-hire operating authorities, drivers, vehicles, services, and insurance;
- (5) allow different modes of transportation-for-hire to compete directly against each other; and
- (6) allow consumers to select the type of transportation-for-hire they chose to use.

SEC. 47A-1.2. GENERAL AUTHORITY AND DUTY OF DIRECTOR.

The director shall implement and enforce this chapter and may by written order establish such rules or regulations, not inconsistent with this chapter or state or federal law, as he determines are necessary to discharge his duty under, or to effect the policy of this chapter.

SEC. 47A-1.3. ESTABLISHMENT OF RULES AND REGULATIONS.

¹ The final ordinance will include sections that delete Chapters 10 ("Buses and Shuttles"), 10A ("Limousines"), 10B ("Non-Motorized Passenger Transport Vehicles"), and 45 ("Taxicabs") of the Dallas City Code, and a section that makes conforming changes to Chapter 5 ("Aircraft and Airports") of the Dallas City Code.

**PRELIMINARY WORKING DRAFT; FOR DISCUSSION PURPOSES ONLY.
(based on input from the Transportation-for-hire Workgroup)**

(a) Before adopting, amending, or abolishing a rule or regulation, the director shall hold a public hearing on the proposal.

(b) The director shall fix the time and place of the hearing and, in addition to notice required under the Open Meetings Act (Chapter 551, Texas Government Code), as amended, shall notify each operating authority and such other persons as the director determines are interested in the subject matter of the hearing.

(c) After the public hearing the director shall notify the holders and other interested persons of the director's action and shall post an order adopting, amending, or abolishing a rule or regulation on the official bulletin board in the city hall for a period of not fewer than 10 days. The order becomes effective immediately upon expiration of the posting period.

SEC. 47A-1.4. EXCLUSIONS.

This chapter does not apply to:

- (1) DART;
- (2) courtesy vehicles;
- (3) carpooling;
- (4) buses, to the extent local regulations is preempted by state or federal law;
- (5) the transportation of a person by a transportation-for-hire vehicle licensed by another governmental entity from a point outside the city to a destination inside the city, if the transportation-for-hire vehicle leaves the city without receiving a passenger inside the city; or
- (6) a motor vehicle used to transport persons for hire that is regulated by another chapter of this code or city ordinance, such as ambulances regulated under Chapter 15D, "Emergency Vehicles."

SEC. 47A-1.5. DEFINITIONS.

The definition of a term in this section applies to each grammatical variation of the term. In this chapter, unless the context requires a different definition:

- (1) **CARPOOLING** means any voluntary sharing of transportation without compensation.

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(based on input from the Transportation-for-hire Workgroup)**

(2) COMPENSATION means any money, service, or other thing of value that is received, or is to be received, in return for transportation-for-hire services.

(3) COURTESY VEHICLES means a vehicle that is not for hire, not used to transport passengers for compensation, and operated by or for a business that provides free transportation to customers as an accessory to the main business activity.

(4) DEPARTMENT means the department designated by the city manager to enforce and administer this chapter.

(5) DIRECTOR means the director of the department designated by the city manager to enforce and administer this chapter and includes representatives, agents, or department employees designated by the director.

(6) DISPATCH means any communication system that conveys passenger ride requests to drivers.

(7) DRIVER means an individual who drives a transportation-for-hire vehicle.

(8) DRIVER PERMIT means the permit required by this chapter to drive a transportation-for-hire vehicle.

(9) HAILABLE VEHICLE means a transportation-for-hire vehicle that can be immediately summoned by a passenger without the use of any dispatch.

(10) OPERATING AUTHORITY means a person who is granted operating authority under this chapter to provide transportation-for-hire services.

(12) OPERATING AUTHORITY PERMIT means the permit required by this chapter to provide transportation-for-hire services.

(13) PERSON means an individual, corporation, partnership, or other business entity.

(14) PUBLICLY REMOTELY ACCESSIBLE DATA SITE means a site that provides content in a manner that is accessible to the public through a network.

(15) SHOWROOM CONDITION means without visible damage to the interior or exterior of the vehicle.

(16) SMARTWAY VEHICLE means a vehicle that is certified as a SmartWay vehicle under the Environmental Protection Agency's SmartWay vehicle program.

(17) TEMPORARY PERMIT means a permit issued by the city to a person to operate a transportation-for-hire service for a specified period of time less than one year.

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(based on input from the Transportation-for-hire Workgroup)**

(18) TRANSPORTATION-FOR-HIRE SERVICE means the business of offering or providing transportation of persons for compensation.

(19) TRANSPORTATION-FOR-HIRE VEHICLE means any vehicle used to offer or provide transportation-for-hire services.

(20) VEHICLE PERMIT means the permit required by this chapter for a vehicle to operate as a transportation-for-hire vehicle.

(21) WHEELCHAIR ACCESSIBLE VEHICLE means a vehicle designed or modified to transport passengers in wheelchairs or other mobility devices and conforming to the requirements of the Americans with Disabilities Act (ADA), as amended.

SEC. 47A-1.6. PERMIT FEES.

(a) A holder of an operating authority permit shall pay the city a permit fee of [\$1,000] a year.

(b) A holder of a driver permit shall pay the city a permit fee of [\$50] per two years.

(c) A holder of a vehicle permit shall pay the city a permit fee of [\$100] per vehicle per year.

(d) A holder of a temporary vehicle permit shall pay the city a permit fee of [\$50] per vehicle per event or period.

(e) The fee to reinstate an operating authority permit, driver permit, or vehicle permit after it is suspended shall be [\$50].

(f) See Article III, "Regulations Specific to Non-Motorized Transportation-for-Hire" for the fee schedule for non-motorized transportation-for-hire.

ARTICLE II.

SEC. 47A-2.1.1. OPERATING AUTHORITY PERMIT REQUIRED.

(a) A person may not operate a transportation-for-hire service inside the city without operating authority granted under this chapter, nor may a person transport a passenger for hire inside the city unless the person driving the transportation-or-hire vehicle or another who employs or contracts with the driver has been granted operating authority under this chapter.

(b) A person shall not engage or hire a transportation-for-hire vehicle which he knows does not have operating authority from the city.

SEC. 47A-2.1.2. QUALIFICATIONS FOR OPERATING AUTHORITY PERMIT.

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(based on input from the Transportation-for-hire Workgroup)**

To qualify for operating authority, an applicant shall:

- (1) maintain a publicly remotely accessible data site that provides, at a minimum: the operating authority's rate information, the operating authority's zero-tolerance policy for intoxicating substances, information on how to request wheelchair accessible vehicles, the operating authority's contact information, and information on where and how to report complaints to the City; and
- (2) provide commercial liability insurance coverage for all drivers and vehicles operating under their authority as required by this chapter.

SEC. 47A-2.1.3. APPLICATION FOR OPERATING AUTHORITY PERMIT.

To obtain an operating authority permit, a person shall make application in the manner prescribed by this section. The applicant must be the person who will own, control, or operate the proposed transportation-for-hire company. An applicant shall file with the director a verified application statement, to be accompanied by a nonrefundable application fee of [\$250], containing the following:

- (1) the form of business of the applicant and, if the business is a corporation or association, a copy of the documents establishing the business and the name and address of each person with a 20% or greater ownership interest in the business;
- (2) the verified signature of the applicant;
- (3) the number of vehicles and a description of the vehicles the applicant proposes to use in the operation of the transportation-for-hire company, including a list of every vehicle that drives for the operating authority, identified by vehicle identification number (VIN), license plate, if applicable, and, if the permit is being renewed, decal number;
- (4) the address of the fixed facilities to be used in the operation, and the address of the applicant's corporate headquarters, if different from the address of the fixed facilities;
- (5) documentary evidence from an insurance company, authorized to do business in the State of Texas, indicating a willingness to provide liability insurance required by this chapter;
- (6) documentary evidence of payment of ad valorem taxes on the local property, if any, to be used in connection with the operation of the proposed transportation-for-hire company; and
- (7) a copy of the company's zero-tolerance policy for intoxicating substances.

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(based on input from the Transportation-for-hire Workgroup)**

SEC. 47A-2.1.4. CHANGES TO INFORMATION IN OPERATING AUTHORITY APPLICATION.

(a) Any changes to the information provided in the operating authority permit application, other than changes in drivers or vehicles, must be reported to the director within 10 days of the change.

(b) Any changes in the drivers or vehicles listed in the operating authority permit application must be reported to the director prior to or contemporaneously with those changes.

SEC. 47A-2.1.5. EXPIRATION OF OPERATING AUTHORITY PERMIT.

The operating authority permit expires annually.

SEC. 47A-2.1.6. SUSPENSION OR REVOCATION.

(a) Suspension of operating authority. The following regulations apply to the suspension or revocation of a temporary or annual permit.

(1) The operating authority permit will be suspended for 10 days if the violation is not corrected within 15 days.

(2) The director may suspend an operating authority permit if the director determines that the operating authority permit holder:

(A) failed to comply with a correction order issued to the holder by the director, within the time specified in the order;

(B) intentionally or knowingly impeded the department or other law enforcement agency in the performance of its duty or execution of its authority;

(C) failed to comply with this chapter;

(D) substantially breached the terms of the operating authority permit;

(E) failed to pay city ad valorem taxes on any property of the holder used directly or indirectly in connection with the transportation-for-hire service; or

(F) failed to pay a permit fee at the time it was due.

(3) A suspension of an operating authority permit does not affect the expiration date of the permit.

(b) The director shall revoke operating authority if the director determines that the operating authority permit holder has:

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(based on input from the Transportation-for-hire Workgroup)**

(1) made a false statement as to a material matter in the application concerning the operating authority;

(2) does not qualify for operating authority under Section 47A-2.1.2 of this chapter; or

(3) failed to maintain the insurance required by this chapter.

(c) After revocation of an operating authority permit, an operating authority permit holder is not eligible for another permit for a period of up to two years, depending on the severity of the violation resulting in the revocation.

SEC. 47A-2.1.7. GROUND TRANSPORTATION SERVICE AT DALLAS LOVE FIELD AIRPORT AND DALLAS-FORT WORTH INTERNATIONAL AIRPORT.

In addition to complying with this chapter, an operating authority providing transportation-for-hire services at Dallas Love Field Airport or Dallas-Fort Worth International Airport shall comply with all the rules and regulations of those airports.

SEC. 47A-2.1.8. NONTRANSFERABILITY.

An operating authority permit issued to one person is not transferable to another, but this regulation should not be construed to impede the continuing use of trade names.

SEC. 47A-2.2.1. DRIVER PERMIT REQUIRED.

(a) One driver permit can be used under any or several operating authorities, as long as the operating authority registers the driver.

(b) The driver permit can be used for any type of transportation-for-hire vehicle.

(c) A person may not operate a transportation-for-hire vehicle without a valid driver permit.

(d) An operating authority may not request or knowingly allow a person to drive a transportation-for-hire vehicle under that operating authority unless the person has a valid driver permit issued under this article.

SEC. 47A-2.2.2. QUALIFICATIONS FOR DRIVER PERMIT.

(a) To qualify for a driver permit, an applicant must:

(1) hold a valid driver's license issued by the State of Texas;

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(2) not be afflicted with a physical or mental disease or disability that is likely to prevent the applicant from exercising ordinary and reasonable control over a motor vehicle or that is likely to otherwise endanger the public health or safety;

(3) not have been convicted of more than four moving traffic violations arising out of separate transactions, or involved in more than two automobile accidents in which it could be reasonably determined that the applicant was at fault, within any 12-month period during the preceding 36 months;

(4) not have been convicted of a crime:

(A) involving:

(i) criminal homicide as described in Chapter 19 of the Texas Penal Code;

(ii) kidnapping as described in Chapter 20 of the Texas Penal Code;

(iii) a sexual offense as described in Chapter 21 of the Texas Penal Code;

(iv) an assaultive offense as described in Chapter 22 of the Texas Penal Code;

(v) robbery as described in Chapter 29 of the Texas Penal Code;

(vi) burglary as described in Chapter 30 of the Texas Penal Code, but only if the offense was committed against a person with whom the applicant came in contact while engaged in a passenger transportation service;

(vii) theft as described in Chapter 31 of the Texas Penal Code, but only if the offense was committed against a person with whom the applicant came in contact while engaged in a passenger transportation service;

(viii) fraud as described in Chapter 32 of the Texas Penal Code, but only if the offense was committed against a person with whom the applicant came in contact while engaged in a passenger transportation service;

(ix) tampering with a governmental record as described in Chapter 37 of the Texas Penal Code, but only if the offense was committed against a person with whom the applicant came in contact while engaged in a passenger transportation service;

(x) public indecency (prostitution or obscenity) as described in Chapter 43 of the Texas Penal Code;

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(xi) the transfer, carrying, or possession of a weapon in violation of Chapter 46 of the Texas Penal Code, but only if the violation is punishable as a felony;

(xii) a violation of the Dangerous Drugs Act (Article 4476-14, Vernon's Texas Civil Statutes) that is punishable as a felony;

(xiii) a violation of the Controlled Substances Act (Article 4476-15, Vernon's Texas Civil Statutes) that is punishable as a felony; or

(xiv) criminal attempt to commit any of the offenses listed in Subdivision (7)(A)(i) through (xiii) of this subsection;

(B) for which:

(i) less than two years have elapsed since the date of conviction or the date of release from confinement imposed for the conviction, whichever is the later date, if the applicant was convicted of a misdemeanor offense;

(ii) less than five years have elapsed since the date of conviction or the date of release from confinement for the conviction, whichever is the later date, if the applicant was convicted of a felony offense; or

(iii) less than five years have elapsed since the date of the last conviction or the date of release from confinement for the last conviction, whichever is the later date, if, within any 24-month period, the applicant has two or more convictions of any misdemeanor offense or combination of misdemeanor offenses;

(5) not have been convicted of, or discharged by probation or deferred adjudication for, driving while intoxicated:

(A) within the preceding 12 months; or

(B) more than one time within the preceding five years; and

(6) be subject to no outstanding warrants of arrest in the State of Texas.

(b) An applicant who has been convicted of an offense listed in Subsection (a)(4) or (5), for which the required time period has elapsed since the date of conviction or the date of release from confinement imposed for the conviction, may qualify for a driver permit only if the director determines that the applicant is presently fit to engage in the occupation of a transportation-for-hire driver. In determining present fitness under this section, the director shall consider the following:

(1) the extent and nature of the applicant's past criminal activity;

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- (2) the age of the applicant at the time of the commission of the crime;
- (3) the amount of time that has elapsed since the applicant's last criminal activity;
- (4) the conduct and work activity of the applicant prior to and following the criminal activity;
- (5) evidence of the applicant's rehabilitation or rehabilitative effort while incarcerated or following release; and
- (6) other evidence of the applicant's present fitness, including letters of recommendation from prosecution, law enforcement, and correctional officers who prosecuted, arrested, or had custodial responsibility for the applicant; the sheriff and chief of police in the community where the applicant resides; and any other persons in contact with the applicant.

(c) It is the responsibility of the applicant, to the extent possible, to secure and provide to the director the evidence required to determine present fitness under Subsection (b) of this section and under Section _____ of this article.

(d) Training class required.

(1) The applicant must satisfactorily complete a training class on city regulations, familiarity with the city, and customer service. The training class is only required once, unless the driver permit is revoked, suspended, or not renewed.

SEC. 47A-2.2.3. APPLICATION FOR DRIVER PERMIT.

To obtain a driver permit or renewal of a driver permit, a person must file with the department a nonrefundable application fee of [\$50] and a completed written application on a form provided for the purpose.

SEC. 47A-2.2.4. INVESTIGATION OF APPLICATION FOR DRIVER PERMIT.

(a) Elements of driver investigation.

1. Criminal background check.
2. Driving record check.
3. Physical fitness to drive (see Sec. 47A-2.2.2(a)(2)).

(b) Process for driver investigation. The driver goes to company of their choice for the investigation. The operating authority or the driver pays for the investigation. The driver authorizes the release of the investigation. The investigation company sends the results of the

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investigation to the operating authority and the city (or a certification company under contract to the city).

- (c) New background check required every year.

SEC. 47A-2.2.5. APPROVAL OR DENIAL OF DRIVER PERMIT.

(a) If the director determines that an applicant is qualified, the director shall issue a driver permit to the applicant.

- (b) The director may deny the application for a driver permit if the applicant:

- (1) is not qualified under Section 47A-2.2.2, or
- (2) makes a false statement of a material fact in his application for a driver permit.

(c) If the director determines that a driver permit should be denied the applicant, the director shall notify the applicant in writing that his application is denied and include in the notice the reason for denial and a statement informing the applicant of his right of appeal.

SEC. 47A-2.2.6. EXPIRATION AND RENEWAL OF DRIVER PERMIT; VOID UPON SUSPENSION OR REVOCATION OF STATE DRIVER'S LICENSE.

- (a) A driver permit expires in two years from when it was issued.

(b) If a driver's state driver's license is suspended or revoked by the state, his transportation-for-hire driver permit automatically becomes void. A driver shall immediately notify the director and each operating authority for which he drives of a suspension or revocation of his driver's license by the state and shall immediately surrender his driver permit to the director.

SEC. 47A-2.2.7. DUPLICATE DRIVER PERMIT.

If a driver permit is lost or destroyed, the director shall issue the driver a duplicate driver permit upon payment to the city of a fee of [\$18].

SEC. 47A-2.2.8. DISPLAY OF DRIVER PERMIT.

(a) A driver shall, at all times while on duty or operating a transportation-for-hire vehicle, conspicuously display the driver's first name, picture, and permit number either on the clothing of the driver's upper body or in the vehicle.

(b) A driver shall, at all times while on duty or operating a transportation-for-hire vehicle, carry the driver permit at all times.

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(c) A driver shall allow the director or a peace officer to examine the driver permit upon request.

SEC. 47A-2.2.9. SUSPENSION OR REVOCATION OF DRIVER PERMIT.

(a) Suspension.

(1) If the director determines that a driver has failed to comply with this chapter or a rule or regulation established under this chapter, the director may suspend the driver permit for a definite period of time not to exceed 60 days.

(2) If at any time the director determines that a driver is not qualified under Section _____, or is under indictment or has charges pending for any offense involving driving while intoxicated or a felony offense involving a crime described in Section _____ or criminal attempt to commit any of those offenses, the director shall suspend the driver permit until such time as the director determines that the driver is qualified or that the charges against the driver have been finally adjudicated.

(3) A driver whose driver permit is suspended shall not operate a transportation-for-hire vehicle inside the city during the period of suspension.

(4) The director shall notify the driver and the operating authority in writing of a suspension under this section and include in the notice the reason for the suspension, the date the director orders the suspension to begin, the duration of suspension, and a statement informing the driver of a right of appeal. The period of suspension begins on the date specified by the director or, in the case of an appeal, on the date ordered by the permit and license appeal board.

(b) Revocation.

(1) The director may revoke a driver permit if the director determines that the driver:

(A) operated a transportation-for-hire vehicle for hire inside the city during a period in which the driver's permit was suspended;

(B) made a false statement of a material fact in the application for a driver permit;

(C) engaged in conduct that constitutes a ground for suspension under Subsection (a), and received either a suspension in excess of three days or a conviction for violation of this chapter, two times within the 12-month period preceding the occurrence of the conduct or three times within the 24-month period preceding the occurrence of the conduct;

(D) engaged in conduct that could reasonably be determined to be detrimental to the public safety; or

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- (E) was convicted of any felony offense while holding a driver permit.
- (2) A person whose driver permit is revoked shall not:
 - (A) apply for another driver permit before the expiration of two years from the date the director revokes the permit or, in the case of an appeal, the date the permit and license appeal board affirms the revocation; or
 - (2) operate a transportation-for-hire vehicle inside the city.
- (3) The director shall notify the driver in writing of a revocation and include in the notice the reason for the revocation, the date the director orders the revocation, and a statement informing the driver of the right of appeal.
- (4) After receipt of notice of revocation, the driver shall, on the date specified in the notice, surrender the driver permit to the director and discontinue driving a transportation-for-hire vehicle inside the city.
- (5) If the driver appeals the revocation under this section, the driver may continue to drive a transportation-for-hire vehicle pending the appeal unless:
 - (A) the driver permit is revoked pursuant to Subsection (b)(1)(E) of this section; or
 - (B) the director determines that continued operation by the driver would impose an immediate threat to public safety.

SEC. 47A-2.2.10. NONTRANSFERABILITY.

A driver permit issued to one person is not transferable to another.

SEC. 47A-2.2.11. DRIVER REGULATIONS.

While operating a transportation-for-hire vehicle, a driver shall comply with this chapter, rules and regulations established under this chapter, other law applicable to the operation of a motor vehicle in this state, and orders issued by the operating authority in connection with the operating authority discharging of its duty under its operating authority and this chapter.

SEC. 47A-2.3.1. VEHICLE PERMIT REQUIRED.

One vehicle permit can be used under any or several operating authorities, as long as the operating authority registers the vehicle.

SEC. 47A-2.3.2. DISPLAY OF DECAL.

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(a) The operating authority shall obtain a decal, indicating the transportation-for-hire vehicle's authority to operate, from the director. A decal must be attached to the lower right corner of the front windshield of the vehicle in a manner approved by the director.

(b) A person commits an offense if he:

(1) operates a transportation-for-hire vehicle with an expired decal or with no decal affixed to it;

(2) attaches a decal to a transportation-for-hire vehicle not authorized to operate as a transportation-for-hire vehicle;

(3) forges, alters, or counterfeits a transportation-for-hire vehicle decal required by this section;

(4) possesses a forged, altered, or counterfeited transportation-for-hire vehicle decal required by this section; or

(5) displays more than one transportation-for-hire vehicle decal issued by the city on a vehicle at the same time.

(c) A transportation-for-hire vehicle decal assigned to one person is not transferable to another.

SEC. 47A-2.3.3. APPLICATION FOR VEHICLE PERMIT.

(a) The applicant must provide that the vehicle is covered by the insurance required by this chapter.

(b) The applicant must state each operating authority under which the vehicle operates.

SEC. 47A-2.3.4. QUALIFICATIONS FOR VEHICLE PERMIT.

To qualify for a vehicle permit, the vehicle must:

(1) provide proof of current State registration and inspection;

(2) have license plates, if applicable;

(3) be in "showroom condition," as defined in Section ____, and certified by city-approved company;

(4) be mechanically sound and road-worthy, and certified by city-approved company as mechanically sound and road-worthy; and

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- (5) chemical-type fire extinguisher, of at least one quart capacity, conveniently located in the same compartment of the transportation-for-hire vehicle as the driver so that it is readily accessible for immediate use.

SEC. 47A-2.3.5. MARKINGS FOR TRANSPORTATION-FOR-HIRE.

(a) All vehicles. All transportation-for-hire vehicles must have a decal on the front windshield showing that it has a vehicle permit.

(b) Hailable vehicles. All hailable vehicles must:

(1) have a light on the roof to indicate when the vehicle is available.

(2) have the following information on each door: operating authority, vehicle decal number, rates for the ride, and which credit cards are accepted. The format of the information must be approved by the director.

SEC. 47A-2.3.7. WHEELCHAIR ACCESSIBILITY.

(a) When a wheelchair accessible vehicle is requested, the operating authority must provide a wheelchair accessible vehicle, or cause one to be provided, without unreasonable delay.

(b) Operating authorities are prohibited from charging a higher fare for wheelchair accessible vehicles.

SEC. 47A-2.3.8. TEMPORARY VEHICLE PERMITS.

(a) To obtain a temporary vehicle permit, a person shall make application to the director.

(b) The director may issue a temporary permit for the purposes of:

(1) providing supplemental services during periods of extraordinary demand;
or

(2) to assess the feasibility of new technology or services in furtherance of the duties assigned under this code.

(c) A temporary vehicle permit is not renewable.

SEC. 47A-2.3.9. EXPIRATION AND RENEWAL OF VEHICLE PERMIT.

The vehicle permit will expire one year from the date of issuance.

SEC. 47A-2.4.1. SOLICITATION OF PASSENGERS.

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A driver may not solicit passengers if the solicitation is:

- (1) from a location other than the driver's compartment or the immediate vicinity of the driver's transportation-for-hire vehicle;
- (2) in a way that annoys or obstructs the movement of a person; or
- (3) by paying an employee of another business to solicit passengers for or give preferential treatment in directing passengers to the driver's vehicle.

SEC. 47A-2.4.2. NON-DISCRIMINATION.

An operating authority or driver may not refuse service to a passenger based on the passenger's race, color, age, religion, sex, marital status, sexual orientation, gender identity, national origin, disability, political opinions, or affiliations.

SEC. 47A-2.4.3. CITY-WIDE SERVICE.

- (a) An operating authority may not exclude from service any portion of the city.
- (b) An operating authority may not refuse to convey a ride request to an available driver based on due to point of origin, destination, or length of trip.
- (c) A driver can refuse a ride if:
 - (1) Disorderly person.
 - (2) Driver is engaged in answering a previous request for service.
 - (3) Passenger is engaged in unlawful conduct.
 - (4) The driver, based on observation of a specific passenger, reasonably fears for his personal safety.
- (d) This section does not apply to non-motorized transportation-for-hire vehicles.

SEC. 47A-2.4.4. DIRECT AND EXPEDITIOUS ROUTE.

Driver must take the most direct and expeditious route available, unless otherwise directed by the passenger.

SEC. 47A-2.4.5. SIGNAGE.

Each transportation-for-hire vehicle must have a sign with information on how to contact the city to make a complaint.

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SEC. 47A-2.4.6. RATES AND FARES.

- (a) Must tell passenger in advance the rate for the ride.
- (b) The operating authority must disclose how fares are calculated on a website, an app, or a sign in the car.
- (c) Rates for hailable vehicles must be shown on the doors of the vehicle.
- (d) Except as provided in subsection (f), rates can be based on time, mileage, zones, or any combination of these. Rates can be a flat rate. Rates can include a minimum fare.
- (e) For purposes of subsection (f):
 - (1) "Dallas Central Business District area" includes:
 - (A) the Dallas Central Business District, which is the area bounded by Woodall Rodgers Freeway on the north, Central Expressway on the east, R. L. Thornton Freeway on the south, and Stemmons Freeway on the west; and
 - (B) all points located within 1,000 feet of the Dallas Central Business District boundaries described in Paragraph (1)(A) of this subsection.
 - (2) "Dallas Market Center area" includes:
 - (A) the Dallas Market Center, which is the area bounded by Motor Street on the northwest, Harry Hines Boulevard on the northeast, Oak Lawn Avenue on the southeast, and Irving Boulevard on the southwest; and
 - (B) all points located within 1,000 feet of the Dallas Market Center boundaries described in Paragraph (2)(A) of this subsection.
- (f) A driver of a hailable vehicle shall not charge any fare for providing transportation-for-hire service into or out of Love Field Airport or Dallas-Fort Worth International Airport that exceeds the maximum rates of fare authorized by the following schedule [The rates below will be set in accordance with a rate study, and will allow for changes in the rates going forward based on an objective index such as the consumer price index.]:
 - (1) Love Field Airport fares.
 - Each passenger-carrying trip departing from the airport [\$__]
 - Each mile [\$__]
 - Traffic delay time/waiting time, per 1-1/2 minutes [\$__]
 - Each extra passenger (up to manufacturer's rated seating capacity) [\$__]
 - Minimum charge for each trip departing from the airport [\$__]
 - Flat rate for each trip either originating at the airport and terminating at a location within the Dallas Central Business District area or originating at a location within the Dallas Central Business District area and terminating at the airport [\$__]
 - Flat rate for each trip either originating at the airport and terminating at a location within the Dallas Market Center area or originating at a location within the Dallas Market Center area and terminating at the airport [\$__]
 - (2) Dallas-Fort Worth International Airport fares.

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- Minimum charge for each terminal transfer [\$__]
- Minimum charge for each trip that requires exiting the Airport parking plaza and terminates inside of airport property [\$__]
- Minimum charge for each trip that requires exiting the Airport parking plaza and terminates outside of airport property [\$__]
- Flat rate for each trip either originating at the airport and terminating at a location within the Dallas Central Business District area or originating at a location within the Dallas Central Business District area and terminating at the airport [\$__]
- Flat rate for each trip either originating at the airport and terminating at a location within the Dallas Market Center area or originating at a location within the Dallas Market Center area and terminating at the airport [\$__]

(g) A driver shall give the passenger a legible receipt showing:

- (1) the rate,
- (2) total fare,
- (3) how the fare was calculated,
- (4) the mileage,
- (5) the time,
- (6) the operating authority,
- (7) the driver, and
- (8) the vehicle.

The receipt may be submitted to the passenger electronically within [time] of payment: (a) if the ride was dispatched electronically, or (b) if the passenger agrees.

SEC. 47A-2.4.7. GOUGING PROHIBITED

Drivers may not intentionally charge a passenger a fare higher than the fare calculated based on the operating authority's published rate.

SEC. 47A-2.4.8 FUEL EFFICIENT TRANSPORTATION-FOR-HIRE VEHICLES

(a) Transportation-for-hire vehicles that are verified as a SmartWay vehicle by the director in accordance with this section and rules, regulations, and procedures promulgated by the director shall:

- (1) be given "platinum" status, which the vehicle operating authority and the driver may use in advertising;

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(2) have expedited processing times for applications, permits, and renewals;
and

(3) pay driver and vehicle permit fees less frequently than transportation-for-hire vehicles that are not verified as SmartWay vehicles, in accordance with Section 47A-3.3.

(b) “Head-of-the-line” privileges [to be effective in five years]. A transportation-for-hire vehicle authorized to operate at Love Field or Dallas-Fort Worth Airports will be eligible for “head-of-the-line” privileges if the vehicle is verified as a SmartWay vehicle by the director in accordance with this section and rules, regulations, and procedures promulgated by the director. “Head-of-the-line” privileges allow an eligible transportation-for-hire vehicle to advance to the front of a holding or dispatch area, ahead of all ineligible vehicles, in accordance with rules, regulations, and procedures promulgated by the director. “Head-of-the-line” privileges do not apply at stands used for loading passengers at the airport.

SEC. 47A-2.4.9. SOLICITATION OF PASSENGERS BY BUSINESS ESTABLISHMENTS.

(a) An employee of a business establishment, other than an operating authority, who acts as an agent in obtaining transportation-for-hire service for prospective passengers shall not:

(1) solicit nor accept payment from a driver in return for giving preferential treatment in directing passengers to a driver; or

(2) interfere with the orderly progression of transportation-for-hire vehicles from the rear to the front of a queue.

(b) Business establishments may not require guests to use a specific transportation-for-hire company. Guests may use any transportation-for-hire company they want.

(c) Drivers may not solicit passengers by paying an employee of a business establishment to solicit passengers or to give preferential treatment in directing passengers to a specific driver.

SEC. 47A-2.5.1. INSURANCE.

(a) Each operating authority shall procure and keep in full force and effect automobile liability insurance written by an insurance company that:

(1) is approved, licensed, or authorized by the State of Texas;

(2) is acceptable to the city; and

(3) does not violate the ownership/ operational control prohibition described in Subsection ___ of this section.

(b) The insurance must be issued in the standard form approved by the Texas Department of Insurance, and all provisions of the policy must be acceptable to the city. The

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insured provisions of the policy must name the city and its officers and employees as additional insureds, and the coverage provisions must provide coverage for any loss or damage that may arise to any person or property by reason of the operation of a transportation-for-hire service by the operating authority.

(c) The insurance policy must cover all vehicles and drivers that work under the operating authority.

(d) Claims must be paid by the insurance company on a first-dollar basis.

(e) From the time a driver accepts a passenger, either by being physically hailed or dispatched, to the time the passenger leaves the vehicle, the commercial insurance policy shall be the primary insurance policy.

(f) The operating authority must provide commercial liability coverage for each vehicle operating under its authority during all times that the vehicle is operating in furtherance of the operating authority's business. At a minimum, the liability coverage must be provided as follows:

(1) From the time the driver indicates that the vehicle is available to accept a ride request, but before the driver has accepted a particular request, the vehicle must have contingent liability coverage covering liability resulting from any occurrence arising out of or caused by the operation of the vehicle of:

For vehicles with a passenger capacity of 1-5 passengers \$100,000 per injury / \$300,000 per occurrence / \$30,000 property damage

For vehicles with a passenger capacity of 6 or more passengers \$250,000 per injury / \$500,000 per occurrence / \$50,000 property damage.

(2) From the time a driver accepts a ride request, either by being physically hailed or dispatched, to the time the passenger exits the vehicle, the vehicle must have commercial automobile liability coverage with a combined single limit of liability for injury or property damage for each occurrence of:

For vehicles with a passenger capacity of 1-5 passengers \$500,000

For vehicles with a passenger capacity of 6 or more passengers \$1,000,000.

(g) Insurance must comply with any applicable federal, state, or city laws.

(h) Driver must have proof of the operating authority's insurance in the vehicle at all times.

(i) Insurance policy must require notice to the city of Dallas if it is cancelled or materially changed.

(j) No person who has a 20 percent or greater ownership interest in the operating authority may have any interest in the insurance company.

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- (k) The operating authority may not be self-insured.
- (l) Non-motorized vehicles must have [\$] general liability insurance.
- (m) The insurance policy must be on file with the city.

SEC. 47A-2.6.1. ZERO-TOLERANCE DRUG POLICY.

(a) Each operating authority shall employ, maintain, and enforce as to its drivers a zero-tolerance policy prohibiting the use of intoxicating substances.

(b) Each operating authority shall include on its publicly remotely accessible data site notice of the operating authority's zero-tolerance policy for intoxicating substances and information on how passengers may report a possible violation of the policy to the operating authority and the City.

SEC. 47A-2.7.1. ENFORCEMENT.

(a) Responsibility for enforcement. Enforcement will be done by Transportation Division of Code Enforcement with assistance from the police department. Officers of the police department shall assist in the enforcement of this chapter. A police officer upon observing a violation of this chapter or the rules or regulations established by the director, shall take necessary enforcement action to ensure effective regulations of transportation-for-hire service.

(b) Towing and impounding. Vehicles will be towed and impounded if determined to be operating as a transportation-for-hire vehicle without:

- (1) Operating authority permit,
- (2) Driver permit,
- (3) Vehicle permit, or
- (4) Insurance.

(c) Correction order.

(1) If the director determines that an operating authority violates this code, terms of its operating authority, a rule or regulation established by the director, or other law, the director may notify the operating authority in writing of the violation and by written order direct the operating authority to correct the violation within a reasonable period of time. In setting the time for correction the director shall consider the degree of danger to the public health or safety and the nature of the violation. If the violation involves equipment that is unsafe or functioning improperly, the director shall order the operating authority to immediately cease use of the equipment.

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(2) If the director determines that a violation constitutes an imminent and serious threat to the public health or safety, the director shall order the operating authority to correct the violation immediately, and, if the operating authority fails to comply, the director shall promptly take or cause to be taken such action as the director considers necessary to enforce the order immediately.

(3) The director shall include in a notice issued under this subsection an identification of the violation, the date of issuance of the notice and the time period within which the violation must be corrected, a warning that failure to comply with the order may result in suspension or revocation of operating authority or imposition of a fine or both, and a statement indicating that the order may be appealed.

(d) Service of notice.

(1) An operating authority shall designate and maintain a representative to receive service of notice required under this chapter to be given an operating authority and to serve notice required under this chapter to be given a driver employed by an operating authority.

(2) Notice required under this chapter to be given to:

(A) an operating authority must be personally served by the director on the operating authority or the operating authority's designated representative; or

(B) a driver must be personally served or sent by certified United States Mail, five day return receipt requested, to the address, last known to the director, of the person to be notified, or to the designated representative for drivers.

(3) Notice required under this chapter to be given to a person other than an operating authority or driver may be served in the manner prescribed by Subsection (d)(2)(B).

(4) Service executed in accordance with this subsection constitutes notice to the person to whom the notice is addressed. The date of service for notice that is mailed is the date received.

(e) The holder of a permit may file an appeal with the permit and license appeal board in accordance with Section 2-96 of this code.

(f) Prosecution for an offense under this subsection does not prevent the use of other enforcement remedies or procedures applicable to the person charged with or the conduct involved in the offense.

(g) The director may inspect a transportation-for-hire service operating under this chapter to determine whether the service complies with this chapter, rules and regulations established under this chapter, or other applicable law.

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(h) Whenever an operating authority permit, driver permit, or vehicle permit is suspended, revoked, or denied or whenever a vehicle fails to pass inspection, the director may remove or require the surrender of all evidence of authorization as an operating authority, driver, or transportation-for-hire vehicle, including, but not limited to, removal or surrender of operating authority, permits, decals, and signs.

ARTICLE III.

REGULATIONS SPECIFIC TO NON-MOTORIZED TRANSPORTATION-FOR-HIRE.

SEC. 47A-3.1. ROUTE.

Each non-motorized transportation-for-hire operating authority must provide the city with a route.

SEC. 47A-3.2. CITY-WIDE SERVICE.

Non-motorized transportation-for-hire operating authority is not required to provide city-wide service.

SEC. 47A-3.3. FEES.

(a) A holder of an operating authority permit shall pay the city a permit fee of [\$360] a year.

(b) A holder of a driver permit shall pay the city a permit fee of [\$50] per two years, or per four years if the vehicle is verified as a SmartWay vehicle under Section ____.

(c) A holder of a vehicle permit shall pay the city a permit fee of [\$50] per vehicle per year, or per two years if the vehicle is verified as a SmartWay vehicle under Section ____.

(d) A holder of a temporary vehicle permit shall pay the city a permit fee of [\$50] per vehicle per event or period.

(e) The fee to reinstate an operating authority permit, driver permit, or vehicle permit after it is suspended shall be [\$50].

(f) Permit fees are payable in the manner and at the time prescribed by the permit.