

FACT SHEET

<u>Title</u>	<u>Date</u>	<u>Originating Department</u>
AN ORDINANCE TO ENACT CHAPTER 102 SECTION 88 OF THE CODE OF ORDINANCES RELATIVE TO TRANSPORTATION NETWORK COMPANIES, TO AMEND CHAPTER 102 OF THE CODE OF ORDINANCES RELATIVE TO VEHICLES FOR HIRE AND TO OTHERWISE PROVIDE WITH RESPECT THERETO		Legal <u>Sponsor</u> Councilman James Flurry Councilman Jerry Bowman
<hr/> <u>Purpose</u> To permit and provide relative to transportation network companies and drivers.		
<hr/> <u>Background Information</u> This ordinance will create a new section of Chapter 102 relative to transportation network companies and drivers.		
<hr/> <u>Timetable</u> Introduction: January 24, 2017 Final Passage: February 14, 2017		
<hr/> <u>Finances</u> None		
<hr/> <u>Alternatives</u> 1. Adopt the ordinance. 2. Amend the ordinance. 3. Reject the ordinance.		
<hr/> <u>Conclusion</u> Recommend adoption of the ordinance.		
<hr/> <u>FACT SHEET PREPARED BY:</u> William C. Bradford, Jr., City Attorney		

ORDINANCE NO. ____ OF 2017

AN ORDINANCE TO ENACT CHAPTER 102 SECTION 88 OF THE CODE OF ORDINANCES RELATIVE TO TRANSPORTATION NETWORK COMPANIES, TO AMEND CHAPTER 102 OF THE CODE OF ORDINANCES RELATIVE TO VEHICLES FOR HIRE AND TO OTHERWISE PROVIDE WITH RESPECT THERETO.

WHEREAS, the City of Shreveport has been approached by various Transportation Network Companies for the purpose of operating within the City of Shreveport; and

WHEREAS, the City of Shreveport ordinarily regulates the activities of vehicles for hire pursuant to Chapter 102 of the Code Ordinances; and

WHEREAS, it is in the best interest of the City of Shreveport to develop a uniform policy for the regulation of Transportation Network Companies.

BE IT ORDAINED by the City Council of the City of Shreveport, in due, legal and regular session convened that Chapter 102 Section 88 of the Code of Ordinances of the City of Shreveport is hereby enacted to read as follows:

CHAPTER 102-88. TRANSPORTATION NETWORK COMPANIES

Section 102-88(1). Definitions.

As used in this Chapter:

Personal vehicle means a vehicle that is used by a transportation network company driver and is:

- a) Owned, leased or otherwise authorized for use by the transportation network company driver; and
- b) Not a taxicab, limousine, luxury vehicle for hire, or any other vehicle for hire as provided under Chapter 102.

Digital network means any online-enabled application, software, website or system offered or utilized by a transportation network company that enables the prearrangement of rides with transportation network company drivers.

Transportation network company means a corporation, partnership, sole proprietorship, or other entity that is licensed pursuant to this Chapter and operating in the City of Shreveport that uses a digital network to connect transportation network company riders to transportation network company drivers who provide prearranged rides. A transportation network company shall not be

deemed to control, direct or manage the personal vehicles or transportation network company drivers that connect to its digital network, except where agreed to by written contract.

Transportation network company driver or *driver* means an individual who:

- a) Receives connections to potential passengers and related services from a transportation network company in exchange for payment of a fee to the transportation network company; and
- b) Uses a personal vehicle to offer or provide a prearranged ride to riders upon connection through a digital network controlled by a transportation network company in return for compensation or payment of a fee.

Transportation network company rider or *rider* means an individual or persons who use a transportation network company's digital network to connect with a transportation network driver who provides prearranged rides to the rider in the driver's personal vehicle between points chosen by the rider.

Prearranged ride means the provision of transportation by a driver to a rider, beginning when a driver accepts a ride requested by a rider through a digital network controlled by a transportation network company, continuing while the driver transports a requesting rider, and ending when the last requesting rider departs from the personal vehicle. A prearranged ride does not include transportation provided using a taxicab, limousine, or any other vehicle for hire as provided under Chapter 102.

Section 102-88(2). Not taxi cabs, associations, courtesy transportation services, interactive services or providers of any other vehicle for hire service.

TNCs or TNC drivers are not associations, courtesy transportation services, interactive transportation services, or providers of any other vehicle for hire services as provided under Chapter 102.

Section 102-88(3). TNC permit required; fees.

(a) A person shall not operate a TNC in the City of Shreveport without first having obtained a permit from the chief of police.

(b) The chief of police shall issue a permit to each applicant that meets the requirements for a TNC set forth in this Chapter, and pays a permit fee of \$2,500. Said permit shall be valid for one year from the date of issuance. It may be renewed annually upon payment of the annual \$2500 permit fee.

(c) Prior to the issuance of a permit hereunder, the TNC shall execute an agreement, in a form approved by the City Attorney, to defend, indemnify and hold harmless the city, its officers, agents and employees for any incident that causes harm to a third party and arises from the intentional or negligent acts of the TNC or any of its drivers.

(c) The TNC shall pay a service charge to the city of \$0.25 per ride for all rides originating in the city.

(d) In addition to the service charge per ride, the TNC shall pay an additional fee of \$1.00 for all rides originating at Shreveport Regional Airport and Shreveport Downtown Airport. In order to properly pay and report this fee, the TNC shall include in its system the geo-fencing of the perimeter of each airport property.

Section 102-88(4). Agent.

The TNC must maintain with the Secretary of State a registered agent for service of process in the State of Louisiana.

Section 102-88(5). Fare collected for services.

On behalf of a TNC driver, a TNC may charge a fare for the services provided to riders; provided that, if a fare is collected from a rider, the TNC shall disclose to the rider the fare calculation method on its website or within the software application service. The TNC shall also provide riders with the applicable rates being charged and the option to receive an estimated fare before the rider enters the TNC driver's vehicle.

Section 102-88(6). Identification of TNC vehicles and drivers.

The TNC's software application or website shall display a picture of the TNC driver, and the license plate number of the motor vehicle utilized for providing the prearranged ride before the rider enters the TNC driver's vehicle.

TNC vehicles shall display trade dress identifying each vehicle as an authorized provider for the TNC system.

Section 102-88(7). Electronic receipt.

Within a reasonable period of time following the completion of a trip, a TNC shall transmit an electronic receipt to the rider on behalf of the TNC driver that lists:

- (a) The origin and destination of the trip;
- (b) The total time and distance of the trip; and
- (c) An itemization of the total fare paid, if any.

Section 102-88(8). Financial responsibility of transportation network companies.

TNCs and TNC drivers shall comply with the insurance requirements set forth in the Transportation Network Company Motor Vehicle Responsibility Law, La. R.S. 45:201.1 et seq. The TNC shall provide the City with a certificate of insurance providing evidence that the TNC has purchased all insurance required by law. The certificate of insurance shall further identify the City, its elected officials, officers, directors, employees as additional insureds under such insurance.

Section 102-88(9). Zero tolerance for drug or alcohol use.

(a) The TNC shall implement a zero tolerance policy regarding a TNC driver's activities while accessing the TNC's digital platform. The zero tolerance policy shall address the use of drugs or alcohol while a TNC driver is providing prearranged rides or is logged into the TNC's digital network but is not providing prearranged rides, and the TNC shall provide notice of this policy on its website, as well as procedures to report to the TNC a complaint about a driver with whom a rider was matched and whom the rider reasonably suspects was under the influence of drugs or alcohol during the course of the trip.

(b) Upon receipt of such rider complaint alleging a violation of the zero tolerance policy, the TNC shall suspend such TNC driver's access to the TNC's digital platform within 48 hours from the initial reporting, and shall conduct an investigation into the reported incident. The suspension shall last the duration of the investigation.

(c) The TNC shall maintain records relevant to the enforcement of this requirement for a period of at least two (2) years from the date that a rider complaint is received by the TNC.

Section 102-88(10). TNC driver requirements.

(a) Before allowing an individual to accept trip requests through a TNC's digital platform:

(1) The individual shall submit an application to the TNC, which includes information regarding his or her address, age, driver's license, driving history, motor vehicle registration, automobile liability insurance, and other information required by the TNC;

(2) The TNC shall conduct, or have a third party conduct, a local and national criminal background check for each applicant that shall include:

(A) Multi-State/Multi-Jurisdiction Criminal Records Locator or other similar commercial nationwide database with validation (primary source search); and

(B) National Sex Offender Public Website;

(3) The TNC shall obtain, and review, a driving history research report for such individual.

(b) The TNC shall not permit an individual to act as a TNC Driver on its digital platform who:

(1) Has had more than three moving violations in the prior three-year period, or one major violation in the prior three-year period (including, but not limited to, attempting to evade the police, reckless driving, or driving on a suspended or revoked license);

(2) Has been convicted, within the past seven years, of driving under the influence of drugs or alcohol, fraud, sexual offenses, use of a motor vehicle to commit a felony, a crime involving property damage, and/or theft, acts of violence, or acts of terror;

(3) Is a match in the National Sex Offender Registry database;

(4) Does not possess a valid driver's license;

(5) Does not possess proof of registration for the motor vehicle(s) used to provide prearranged rides;

(6) Does not possess proof of automobile liability insurance for the motor vehicle(s) used to provide prearranged rides; or

(7) Is not at least 19 years of age.

Section 102-88(11). Vehicle safety.

Before allowing a TNC driver to accept trip requests through the TNC's digital platform, the TNC shall ensure that any motor vehicle(s) that a TNC Driver will use to provide prearranged rides meets the State of Louisiana's vehicle safety requirements for private motor vehicles.

A valid Louisiana brake tag shall certify compliance of the vehicle herewith.

Section 102-88(12). No street hails.

A TNC driver shall not solicit or accept street hails.

Section 102-88(13). No cash trips.

The TNC shall adopt a policy prohibiting solicitation or acceptance of cash payments from riders and notify TNC drivers of such policy. TNC drivers shall not solicit or accept cash payments from riders. Any payment for prearranged rides shall be made only electronically using the TNC's digital network or software application.

Section 102-88(14). No discrimination; accessibility.

- (a) The TNC shall adopt a policy of non-discrimination on the basis of destination, race, color, national origin, religious belief or affiliation, sex, disability, age, sexual orientation, or gender identity with respect to riders and potential riders and notify TNC drivers of such policy.
- (b) TNC drivers shall comply with all applicable laws regarding non-discrimination against riders or potential riders on the basis of destination, race, color, national origin, religious belief or affiliation, sex, disability, age, sexual orientation, or gender identity.
- (c) TNC drivers shall comply with all applicable laws relating to accommodation of service animals.
- (d) A TNC shall not impose additional charges for providing services to persons with physical disabilities because of those disabilities.

Section 102-88(15). Records.

A TNC shall maintain the following customer records:

- (a) individual trip records of rider customers for at least one (1) year from the date each trip was provided; and
- (b) individual records of TNC driver customers at least until the one year anniversary of the date on which a TNC driver's customer relationship with the TNC has ended.

Section 102-88(16). Controlling authority.

Notwithstanding any other provision of this code, TNCs and TNC drivers are governed exclusively by this Chapter.

BE IT FURTHER ORDAINED that if any provision or item of this Ordinance or the application thereof is held invalid, such invalidity shall not affect other provisions, items or applications of this Ordinance which can be given affect without the invalid provisions, items or applications and to this end the provisions of this Ordinance are hereby declared severable.

BE IT FURTHER ORDAINED that all Ordinances or parts thereof in conflict herewith are hereby repealed.

APPROVED AS TO LEGAL FORM:

City Attorney's Office