

RESOLUTION NO. 20140515-024

WHEREAS, a variety of transportation options are vital to creating a vibrant transportation network and reducing Austinites' dependence on personal automobile travel; and

WHEREAS, staff from the Federal Trade Commission Office of Policy Planning, Bureau of Competition, and Bureau of Economics, recently commented that applications for arranging transportation using personal vehicles may expand transportation options, better satisfy consumer demand, increase competition, and promote a more economically efficient use of personal vehicles; and

WHEREAS, for the past several years, cities across the country have struggled with how to regulate companies like Lyft, Sidecar, and Uber, which provide a platform for drivers and passengers to connect to provide rides, but do not meet the federal definition of ridesharing because compensation is exchanged; and

WHEREAS, the California Public Utilities Commission has defined Transportation Network Companies (TNCs) as companies that use online-enabled platforms to connect passengers with drivers using their personal, non-commercial vehicles; and

WHEREAS, the State of California has recently implemented new regulations allowing TNCs that comply with criminal history background checks and zero-tolerance drug policies for drivers, minimum liability insurance requirements for the companies, and vehicle safety inspections to operate; and

WHEREAS, the City of Seattle has recently implemented regulations allowing a limited number of TNC vehicles to operate at any time, but there is

a citizen-led movement to repeal the regulation limiting the number of vehicles; and

WHEREAS, the City of Chicago is currently proposing an ordinance that would allow TNCs to operate within safety, licensure, and insurance requirements, as well as regulations on fares that prohibit demand pricing; and

WHEREAS, the City of Austin has issued cease and desist orders against companies advertising a mobile phone application to connect passengers with drivers of unpermitted vehicles for hire; and

WHEREAS, the City Council received a report from staff, per Resolution No. 20130307-067, exploring ridesharing regulations in peer cities at that time and distinguishing between true ridesharing and the services that TNCs are enabling; and

WHEREAS, a variety of issues will need to be addressed in order for TNCs to operate safely and equitably within Austin's transportation network, including but not limited to insurance requirements, ADA accessibility, driver qualification, and vehicle inspections; **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City Manager is directed to convene a stakeholder working group, including but not limited to representatives from the Urban Transportation Commission's TNC subcommittee, TNCs, potential customers of TNCs, taxi companies, taxi drivers, motorized vehicle for hire representatives, student and administrative representatives from area universities, public safety representatives, disability rights advocates, and commercial and personal insurance representatives, to make recommendations on a pilot program that would authorize the use of TNCs to operate legally. The stakeholder group is

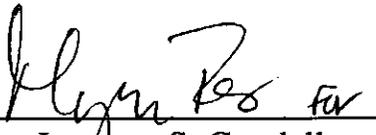
to be instructed that whatever recommendations are brought to Council regarding TNCs equitably take into account the already stringent regulations required of City of Austin taxicab companies. These recommendations should be reported back to Council within 180 days. A status report and any preliminary recommendations are to be provided within 90 days.

BE IT FURTHER RESOLVED:

The City Manager is directed to revisit the May 31, 2013, "Rideshare Report" memorandum and provide updated information within 90 days about other cities' regulations, practices, and experiences regarding Transportation Network Companies with particular emphasis on customer and driver safety. The City Manager's report should also provide specific information about whether TNCs have impacted consumer costs, service reliability and wait time, driver wages, taxicab drivers and companies, and other forms of public transportation.

ADOPTED: May 15, 2014

ATTEST:



Jannette S. Goodall
City Clerk