### IMPACT STATEMENT

**Legislation title:** Replace Code Chapter 16.40 pertaining to Private For-Hire Transportation

in the City of Portland. (Ordinance; replace Code Chapter 16.40).

Contact name:

Bryan Hockaday 503-823-4682

Contact phone: Presenter name:

Dave Benson & Mark Williams

### Purpose of proposed legislation and background information:

• The purpose of the City of Portland's Private For-Hire Transportation Program (PFHT) is to provide for the safe, fair and efficient operation of private "for-hire" transportation services. The proposed legislation will allow the regulatory division to better monitor, increase enforcement and compliance audits and respond to new developments in the industry, including the entry of TNCs.

### Financial and budgetary impacts:

- The regulatory division is presenting an ordinance revising the current code for private forhire transportation service. The revised fee structure is based on a program cost recovery program model, relying only on program fees to cover all program expenses.
- Fees for taxis and transportation network companies will change from the company/ vehicle/ driver basis to a per-ride basis at approximately \$.50 per ride fulfilled
- Fees for LPT companies will continue to be based on the company/ vehicle/ driver basis, and will be increased by approximately 26% percent
- The Bureau of Transportation is monitoring expenses and revenues for the PFHT program, and will change appropriation and estimated revenues as appropriate in the FY15-16 Spring Budget monitoring process (BuMP) and in the FY16-17 Requested Budget. PHFT fees are set to recover costs, and civil penalties are set to encourage compliance with regulations.

Discuss the impacts of the legislation relating to all of the following if relevant:

- This ordinance reflects an increased focus on in-field inspections for PFHT. In the future, the Bureau of Transportation may add positions to handle increased workloads. The Bureau of Transportation is monitoring activity levels for the PFHT program, and will request additional positions as appropriate in the FY15-16 Spring Budget monitoring process (BuMP) or in the FY16-17 Requested Budget.
- The Proposed fee structure is based on estimated rides fulfilled during the remaining FY15-16 budget cycle and projected rides to be fulfilled during the FY16-17 budget cycle.

### Community impacts and community involvement:

 An innovation Task Force provide guidance and recommendations on how the City's PFHT regulatory program should evolve and respond to new developments in the industry,

- including the entry of TNCs. The Task Force convened a Listening Session for PFHT drivers and a Community Forum for the general public.
- Enforcements efforts will be strategic, targeting areas that are underserved and focusing on service standards that are not being met.
- Increased field audits will also target companies operating illegally and drivers who do not meet code requirements to offer private for-hire services.

### **Budgetary Impact Worksheet**

Does this action change appropriations?
☐ <b>YES</b> : Please complete the information below.
NO: Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

### Parsons, Susan

From:

Hockaday, Bryan

Sent:

Tuesday, December 01, 2015 8:40 AM

To:

Parsons, Susan

Subject:

FW: City Council Agenda Item 1230 - Private for Hire Transportation Code Revisions

See Ramis Testimony 11-30-15

Bryan Hockaday
Office of Commissioner Steve Novick
1221 SW 4th Ave., Suite 210
Portland, Oregon 97204
503-823-1059
portlandoregon.gov/novick

From: McGair, Ken

Sent: Monday, November 30, 2015 3:41 PM

To: Alpert, Josh < Josh. Alpert@portlandoregon.gov>; Wiggins, Rachael < Rachael. Wiggins@portlandoregon.gov>; Brown,

Heidi < Heidi. Brown@portlandoregon.gov>; Warner, Chris < Chris. Warner@portlandoregon.gov>

Cc: Auerbach, Harry < Harry. Auerbach@portlandoregon.gov>

Subject: RE: City Council Agenda Item 1230 - Private for Hire Transportation Code Revisions

I've listened to the tape, and the motion was made by Comm. Saltzman (as described in Mr. Ramis' letter. We'll call that Option "A") and seconded by Comm. Fish. Discussion ensued during which it was modified and clearly stated that the intent was as the Auditor posted on her website (we'll call that option "B"). In fact, most of the discussion was how the Council did not want to "micro manage" implementation and put burdens on Leah's shop, etc. and that "couldn't we just impose this on the TNCs?" In the end, there was agreement that the BL number on the Trade Dress was the way to implement it and a vote was taken in which the Mayor voted "no". The original motion, however, by Comm. Saltzman was not amended as such and seconded. As an aside, this happens all the time and is never challenged.

I've discussed it with Harry and want to talk to Ben also since they are both our resident parliamentarians, but we think our approach would be this:

Have the Mayor ask the Council, "You've seen Mr. Ramis' letter. Putting aside whether there is a substantive difference between the two options, on Amendment #5 was it the Council's intent that the language of the amendment is reflected in Option A or Option B?"

If "B", then just vote on the Ordinance as amended.

If "A", then the Mayor can direct the Auditor to correct the language and then vote on the Ordinance as amended.

Ken

Ken McGair Sr. Deputy City Attorney 1221 SW Fourth Ave., Room 430 Portland, OR 97204

Ph: 503-823-4047

Email: Ken.McGair@portlandoregon.gov

From: Alpert, Josh

Sent: Monday, November 30, 2015 3:30 PM

To: Wiggins, Rachael < Rachael. Wiggins@portlandoregon.gov >; Brown, Heidi < Heidi. Brown@portlandoregon.gov >;

McGair, Ken < Ken. McGair@portlandoregon.gov >; Warner, Chris < Chris. Warner@portlandoregon.gov >

Subject: FW: City Council Agenda Item 1230 - Private for Hire Transportation Code Revisions

Sooooo, what's this mean?

### **Josh Alpert**

Chief of Staff Mayor Charlie Hales 1221 SW Fourth Avenue, Suite 340 Portland, OR 97204

P: 503-823-4120 M: 503-823-6457

From: Michael Schultz [mailto:michael.schultz@agcounsel.com]

Sent: Monday, November 30, 2015 3:25 PM

 $\textbf{To:} \ A damsick, \ Claire < \underline{Claire.Adamsick@portlandoregon.gov}; \ Alpert, \ Josh < \underline{Josh.Alpert@portlandoregon.gov}; \ Dunphy, \ Jamie < \underline{Jamie.Dunphy@portlandoregon.gov}; \ Grumm, \ Matt < \underline{Matt.Grumm@portlandoregon.gov}; \ Frost, \ Liam$ 

<Liam.Frost@portlandoregon.gov>

Subject: Fw: City Council Agenda Item 1230 - Private for Hire Transportation Code Revisions

### All:

This morning, after I confirmed the authenticity of documents posted on the website of the city auditor, Tim Ramis and I drafted the attached letter. Darlene Ferretti then distributed the letter to the City Auditor, Mayor, and City Council members via email this afternoon. I am writing now to provide each of you with an electronic copy of the letter.

As I have personally expressed to each of you individually on previous occasions, I appreciate your time and consideration of public interest matters. Please feel free to contact me if you have any questions or if you would like additional information about the content of the attached letter.

Sincerely,

Michael

From: Darlene Ferretti < Darlene. Ferretti@jordanramis.com>

Sent: Monday, November 30, 2015 2:39 PM

To: AuditorHullCaballero@portlandoregon.gov; dan@portlandoregon.gov; nick@portlandoregon.gov;

Amanda@portlandoregon.gov; novick@portlandoregon.gov; mayorcharliehales@portlandoregon.gov

Cc: ken.mcgair@portlandoregon.gov; Raye Miles (rmiles@broadwaycab.com); Steve Entler (radiocabgm@msn.com); tesfaye@greentrans.com; Stephen Kafoury (skafoury@hevanet.com); Ed Herinckx (edh@hmhagency.com); 'kelliann@amicopr.com' (kelliann@amicopr.com); wk@klgpc.com; Michael Schultz; Tim Ramis; Michael Schultz

Subject: City Council Agenda Item 1230 - Private for Hire Transportation Code Revisions

Ms. Caballero, Mayor Hales and Council Members,

Tim Ramis asked me to send you that attached letter of today's date.

Thank you.

**DARLENE FERRETTI** | Legal Secretary **Jordan Ramis PC** | Attorneys at Law Direct: 503-598-5551 Main: 503-598-7070

Portland OR | Vancouver WA | Bend OR www.jordanramis.com

### 11-24-15 AMENDMENTS TO EXHIBIT A

See attached pages for detailed text.

- 1211 TIME CERTAIN: 9:30 AM Replace Code Chapter 16.40 pertaining to Private For-Hire Transportation in the City of Portland (Previous Agenda 1162; Ordinance introduced by Commissioner Novick; replace Code Chapter 16.40) 2.5 hours requested
- 1. Motion to accept (a) Novick scrivener corrections and (b) Novick amendments to 16.40.230 regarding TNC insurance with Fritz friendly amendment regarding disclosure: Moved by Novick and seconded by Fritz. (Y-5)
- 2. Motion to amend 16.40.130 G.1 to require a minimum of \$500,000 of insurance liability coverage in period one: Moved by Fish and seconded by Fritz. (Y-2 Fish and Fritz; N-3 Novick, Saltzman, Hales) Motion failed.
- 3. Motion to amend 16.40.160 C to give taxi cab companies flexibility of using more than one unique color: Moved by Fish. (Y-5)
- 4. Motion to add 16.40.980 C and D:
  - C. The effective date of any requirement in this Chapter applicable to the operation of a non-motorized Private for-hire Vehicle or provision of non-motorized Private for-hire Transportation, and Non-Emergency Medical Transportation Companies/Specially Attended Transportation Companies, NEMT/SAT Vehicles, NEMT/SAT Services, and NEMT/SAT Drivers is suspended until such time that alternate provisions in Chapter 16.40 pertaining to non-motorized and NEMT/SAT companies, drivers or vehicles are adopted by City Council.
  - D. The Director may, by administrative rule, suspend any requirement in this Chapter for a period of 180 days that will likely result in prejudice to the public interest or the interest of the affected parties.

Moved by Fish and seconded by Fritz. (Y-5)

5. Motion to add to 16.40.250 A: The Transportation Network Company may not dispatch a vehicle unless the designated Trade Dress includes a visible Portland Business license identification number specific to each PFHT Vehicle: Moved by Saltzman and seconded by Fritz. (Y-4; N-1 Hales)

11-24-15 (1a.

Replace Exhibit A to correct scrivener's errors, update and renumber code section references and correct the following for consistency and accuracy:

187 47 2

Section	Page	Description		
16.40.020 A	2	Replace "posses" with "possess"		
16.40.110 A (5)	p. 10	Remove reference to "testing" to be consistent with all driver		
W 135		"training" requirements.		
16.40.170 D (2)	p. 20	Remove repeated "with the"		
16.40.310 A (11)	p. 49	Replace "TNC" with "company"		
16.40.350 F	p. 56	Replace "Master Technician" with "ASE certification in any of the		
		areas of ASE A4-A8" to be consistent with all vehicle inspection		
		requirements.		
16.40.370 D (2)	p. 59	Remove repeated "with the"		
16.40.370 E(1)	p. 60	Replace "7" with "10" to be consistent with current driver history		
	1	requirements, which are the same for all drivers.		
16.40.380 B	p. 62	Replace "TNC" with "company"		
16.40.440 D	p. 70	Replace "TNC" with "company"		
16.40.450 G	p. 73	Add "certified in any of the areas of ASE A4-A8" to be consistent		
	1	with all vehicle inspection requirements.		
16.40.460	p. 73	Replace "Shuttlecab" with "Shuttle"		
16.40.470 D (2)	p. 76	Remove repeated "with the"		
16.40.480 B	p. 78	Replace "TNC" with "Shuttle"		
16.40.670 E	Prive	Replace "7" with "10" to be consistent with current driver history		
100000000		requirements, which are the same for all drivers.		
16.40.670 D (2)	p. 96	Remove repeated "with the"		
16.40.715	p. 105	Remove ", the NEMT Driver, or a combination of both."		
16.40.735 C	p. 112	Replace "vehicle" with "driver"		
16.40.735 D (2)	p. 112	Remove repeated "with the"		
16.40.740 B	p. 114	Replace " NEMT Driver upon request of a law enforcement		
	1	officer provide the following:" with "NEMT Driver and provide		
,		upon request of a law enforcement officer the following:"		
16.40.750 I(2)	p. 119	Add ", or government-issued photo identification"		
16.40.775 C	p. 125	Replace "vehicle" with "driver"		
16.40.775 D (2)	p. 125	Remove repeated "with the"		
16.40.775 E (1)	p. 125	Replace "7" with "10" to be consistent with current driver history		
	1	requirements, which are the same for all drivers.		
16.40.780 C (2)	p. 128	Add ", or government-issued photo identification"		
16.40.800 G (2)	p. 130	Remove repeated "with the"		
16.40.960 C	p. 148	Remove references to the development review process so the		
150-150 d) 10 HO 1003 HA 1004 HA	1	paragraph states "The Advisory Committee is a citizen advisory		
		body representing those with interests in private for-hire		
		transportation in the City of Portland by:"		
16.40.960 G	p. 150	Replace "Board" with "Committee"		
16.40.970 D	p. 151	Replace "rule" with "recommendation"		
16.40.970 E (3)	p. 151	Replace "Board" with "Committee"		
16.40.970 G	p. 151	Replace "rule" with "recommendation"		
16.40.970 H	p. 151	Replace "rule" with "recommendation"		
40.970 L	p. 152	Replace "Private For-Hire Transpiration Advisory Committee" with		
	•	"Director"		

11/24/15

### Amendment offered by Commissioner Novick to PFHT Exhibit A November 24, 2015

**M.** Additional Policy Conditions: Polices required under Subsections 16.40.230 must also contain, include, provide for or comply with the following:

- A TNC shall not require or encourage a TNC Driver to secure a primary personal automobile insurance policy providing coverage for TNC activities as a condition to becoming affiliated on the TNC's digital network, nor shall a TNC provide any incentive to any TNC Driver who secures a primary personal automobile insurance policy providing coverage for TNC activities in periods as defined in Section 16.40.230 G.
- 2. A TNC shall disclose in writing to affiliated TNC Drivers that drivers are not required to purchase or maintain an insurance policy that provides coverage for TNC activities in any periods as defined in Section 16.40.230 G as a condition of providing TNC Services on behalf of an affiliated TNC. Additionally, a TNC shall disclose in writing to affiliated TNC Drivers that securing such a policy will not result in any material benefit or incentive of any kind provided by the affiliated TNC to the TNC Driver. A TNC shall disclose in writing to affiliated TNC Drivers that insurance maintained by the TNC pursuant to 16.40.230 does not include collision coverage for affiliated TNC Drivers, unless the policy secured and maintained by the TNC expressly states otherwise.
- 3. A TNC shall disclose in writing to affiliated TNC Drivers the insurance coverage, including the types of coverage and limits for each coverage that the TNC provides while the affiliated TNC Driver uses an affiliated TNC Vehicle to provide TNC Services. The TNC shall also advise affiliated TNC Drivers in writing that the driver's personal automobile insurance policies may be subject to cancellation in accordance to ORS 742.562 or might not provide coverage because the driver uses a vehicle in connection with an affiliated TNC, as specified by the terms of the policy. A TNC shall provide written disclosure to the affiliated TNC Driver that coverage required pursuant to Section 16.40.230 G shall be provided by the affiliated TNC on a primary basis from the first dollar of every claim, unless a policy secured and maintained by a TNC Driver expressly states otherwise.
- 4. A TNC Driver is not prohibited from voluntarily securing a primary automobile insurance policy covering the TNC Vehicle and providing coverage in any period as defined in Section 16.40.230 G. A TNC Driver's or the TNC Vehicle owner's personal automobile insurance policy may only provide coverage during periods as defined by Section 16.40.230 to the driver, vehicle owner or any third party, if the policy expressly provides coverage for TNC activities during periods defined by Section 16.40.230 as specified by the terms of the policy.
- 5. Failure to comply with all requirements defined in Section 16.40.230 shall result in the issuance of civil penalties pursuant to Section 16.40.930 and/or the suspension or revocation of a TNC permit pursuant to Section 16.40.940.

187472

### PFHT Fish Amendment 6 re: Taxi Cab identification

Amend 16.40.160 C as follows:

2. Every Taxi Vehicle affiliated with a Taxi Company must be painted in the unique color and display the design scheme of that affiliated Taxi Company in a manner that clearly identifies the Taxi Company, as approved by the Director.

inthered: Renewal

## 16.40.980 Currently Permitted Companies, Vehicles and Drivers Grandfathered; Renewal Process.

- A. All companies that are currently permitted and all valid, current decals, taxiplates and certifications issued by the City on the effective date of this Chapter do not need to reapply for new permits, decals, taxiplates or certifications or provide additional proof of valid insurance; but must otherwise adhere to all the requirements as found in this Chapter.
- B. To achieve the goal of staggered renewal dates, the Director may, by administrative rule, require that the initial permit term of some permittees be for less than the 12 month term required pursuant to Chapter 16.40. The fees associated with any permit terms that are less than the 12 month requirement will be prorated as necessary to reflect the shorter permit duration.
- C. The effective date of any requirement in this Chapter applicable to the operation of a non-motorized Private for-hire Vehicle or provision of non-motorized Private for-hire Transportation, and Non-Emergency Medical Transportation Companies/Specially Attended Transportation Companies, NEMT/SAT Vehicles, NEMT/SAT Services, and NEMT/SAT Drivers is suspended until such time that alternate provisions in Chapter 16.40 pertaining to non-motorized and NEMT/SAT companies, drivers or vehicles are adopted by City Council.
- D. The Director may, by administrative rule, suspend any requirement in this Chapter for a period of 180 days that will likely result in prejudice to the public interest or the interest of the affected parties.

Saltzman amendment on visible business license number for TNC's

Add to 16.40.250 as follows:

A.

The Transportation Network Company may not dispatch a vehicle unless the designated Trade Dress includes a visible Portland Business License identification number specific to each PFHT Vehicle.



AUDITOR 11/12/15 FM12:02

### Office of Mayor Charlie Hales City of Portland

### **MEMORANDUM**

DATE:

November 10, 2015

TO:

Karla Moore-Love, Council Clerk

FROM:

Mayor Charlie Hales

SUBJECT:

Request a special meeting of the Portland City Council on November 24, 2015

9:30 am - 12 pm

With the support of the Council Commissioners listed below, I am writing to request a special meeting of the Portland City Council set for November 24, 2015 from 9:30 am – 12 pm in Council Chambers, pursuant to City Code 9.02.020.

The purpose of this meeting is to continue the first hearing on proposed changes to the Private For-Hire Transportation regulations.

Sincerely,

Charlie Hales

Mayor

Steve Novick

Commissioner

Dan Saltzman Commissioner

### AMENDMENTS NOVEMBER 5, 2015

# CITY COUNCIL MEETING THURSDAY, 2:00 PM, NOVEMBER 5, 2015

1162 TIME CERTAIN: 3:00 PM – Replace Code Chapter 16.40 pertaining to Private For-Hire Transportation in the City of Portland (Ordinance introduced by Commissioner Novick; replace Code Chapter 16.40) 3 hours requested

- 1. Motion to amend 16.40.960 (B) Membership, that members shall be nominated and approved by the City Council: Moved by Fish and seconded by Fritz. (Y-5)
- 2. Motion to amend 16.40.130 G.1 to make Combined Single Limit of not less than \$1 million per occurrence for claims to bring taxis up to the same as TNCs, and amend 16.40.230 G to replace paragraph 1 primary insurance coverage with minimum liability limits of \$1 million in combined single limit coverage to bring TNC's up to the same as taxis and delete during Periods 1, 2 and 3: Moved by Fritz and seconded by Fish. (Y-2 Fritz, Fish N-3 Novick, Saltzman, Hales) Motion Failed.
- 3. Motion to amend 16.40.230 G.1 and 2 that TNCs are responsible for maintaining insurance coverage not the TNC Driver or a combination of the two: Moved by Novick and seconded by Fish. (Y-4; Saltzman absent)

CONTINUED TO SPECIAL COUNCIL MEETING NOVEMBER 24, 2015 AT 9:30 AM TIME CERTAIN AS AMENDED

### Agenda Item 1162 Amendments:

### #1.

Motion to amend 16.40.960 (B) Membership, that members shall be nominated and approved by the City Council: Moved by Fish and seconded by Fritz. (Y-5)

### #2.

Motion to amend 16.40.130 G.1 to make Combined Single Limit of not less than \$1 million per occurrence for claims to bring taxis up to the same as TNCs, and amend 16.40.230 G to replace paragraph 1 primary insurance coverage with minimum liability limits of \$1 million in combined single limit coverage to bring TNC's up to the same as taxis and delete during Periods 1, 2 and 3: Moved by Fritz and seconded by Fish. (Y-2 Fritz, Fish N-3 Novick, Saltzman, Hales) Motion Failed.

#### #3.

Motion to amend 16.40.230 G.1 and 2 that TNCs are responsible for maintaining insurance coverage not the TNC Driver or a combination of the two: Moved by Novick and seconded by Fish. (Y-4)

Fish Amendment: Council Approval of Advisory Committee Members

In 16.40.960 (B), replace and insert language:

16.40.960 (B). Membership. The PFHT Advisory Committee shall consist of nineteen diverse members with expertise, knowledge and interest in of PFHT in the City of Portland. Prospective members may apply to the Director on a form approved by the Director and members shall be appointed nominated by the Bureau Commissioner-in-Charge and approved by the City Council. The members shall be selected to provide representation of those persons concerned about PFHT service, PFHT operators and PFHT drivers in the City of Portland. Members shall be appointed so that the Committee consists of one representative from the following:

Auto Insurance:

Amend 16.40.130 G.1. as follows:

187 472 Fritz Amendment
11/5/2015

Brings faxis
Same
Lup to Same
Lup to Same
Latinary
than \$500,000 \$1 million per this

1. Combined Single Limit of not less than \$500,000 \$1 million per Hors limity is currently occurrence for claims arising out of, but not limited to, bodily injury of and property damage incurred from the business use of any scheduled, non-owned, and hired automobile in the course of the vehicle's use as a for-hire transportation vehicle.

Amend 16.40.230 G as follows:

1. Primary insurance coverage during Period 1 with minimum liability limits of \$50,000 per person for death and injury. \$100,000 per incident for death and injury and \$25,000 for property damage, plus any other state compulsory coverage to the extent required by law. Coverage is to be maintained by the TNC, TNC Driver, or a combination of the two.

2. 1. Primary insurance coverage during Periods 2 and 3 with minimum liability limits of \$1 million in combined single limit coverage for death, personal injury and property damage per incident; and \$1 million in combined single limit under/uninsured motorist coverage for death, personal injury and property damage per incident. Coverage is to be maintained by the TNC, TNC Driver, or a combination of the two.

Novick Amend. 11/5/2015 187472

- **G.** Automobile Insurance. All TNC permit holders shall provide the City with proof of the following coverages:
  - 1. Primary insurance coverage during Period 1 with minimum liability limits of \$50,000 per person for death and injury, \$100,000 per incident for death and injury and \$25,000 for property damage, plus any other state compulsory coverage to the extent required by law. Coverage is to be maintained by the TNC., TNC Driver, or a combination of the two.
  - 2. Primary insurance coverage during Periods 2 and 3 with minimum liability limits of \$1 million in combined single limit coverage for death, personal injury and property damage per incident; and \$1 million in combined single limit under/uninsured motorist coverage for death, personal injury and property damage per incident. Coverage is to be maintained by the TNC., TNC Driver, or a combination of the two.
  - **3.** The required Automobile Liability policy shall specifically recognize the driver's provision of TNC services or other for hire transportation and shall comply with the mandatory laws of the State of Oregon and/or other applicable governing bodies.