

PRIVATE FOR-HIRE TRANSPORTATION INNOVATION TASK FORCE

REPORT TO CITY COUNCIL PHASE 2

AUGUST 20, 2015

CHARGE

- ❑ Review and evaluate the service performance and regulatory framework of private for-hire transportation (PFHT) industry.
- ❑ Provide guidance and recommendations regarding how Portland's PFHT regulations should evolve and respond to new developments in the PFHT industry, including the entry of Transportation Network Companies (TNCs).
- ❑ Phase 1: Focus on mandated criteria, including insurance, inspections and background checks for TNCs and Taxis.
- ❑ Phase 2: Comprehensive review of PFHT program; address issues not considered in Phase 1; revisit Phase 1 recommendations as needed.

PRINCIPLES

- Accommodate a variety of modes of private for-hire transportation.
- Create an environment so that companies and drivers are able to compete based on efficient and effective delivery of services to passengers.
- Grant no competitive advantage to any provider for excluding classes of passengers or opting out of compliance with City, State or Federal standards.
- Promote the ability for drivers to earn a living wage.
- Require reliable, timely and equitable services to be provided for all passengers and destinations, including for persons with disabilities.
- Enact a realistic and effective enforcement component.
- Require consistent reporting from all for-hire entities.
- Ensure regulations do not operate as a barrier to marketplace innovation.

SUMMARY OF PROCESS

- 13 Task Force meetings
- 9 subcommittee meetings
- Drivers Forum
- 4 Community Forums
- 4 City Council sessions
- Active involvement of taxi and TNC companies, drivers, accessible service advocates and experts, and Travel Portland
- Literally 1000's of pages of written testimony from scores of interested parties
- Study of approaches in other jurisdictions

Prior to today, approximately 670 hours of volunteer service

SCOPE OF RECOMMENDATIONS

- ❑ Focus on Taxis and TNCS; will return in September with recommendations on LPTs (limited Transportation Companies -- limousines, executive sedans, shuttles, pedicabs, and horse-drawn carriages.
- ❑ Three subcommittees:
 - *Operational Considerations* -- Permitting; Fare Rates and Pricing; Hailing; Signage/Notices; Driver Behavior; Mobile Dispatch Services
 - *Accessibility Considerations* -- Accessibility Service Options; Citywide Service
 - *Market & Program Considerations* -- PFHT Program Framework; PFHT Board; Caps; Environmental Footprint; Employment Status of Drivers; Driver Fees and Kitties

THEMES

- ❑ Responding to a rapidly changing industry
- ❑ Parity in regulations and level economic playing field
- ❑ Customer as primary focus.
- ❑ Successful implementation will require:
 - Sufficient and skilled staffing
 - Timely data from all
 - Aggressive & consistent compliance monitoring
 - Commitment to real enforcement
 - Adaptive management

THEMES

- Data
- Regulatory Structure
- Insurance
- Status of Drivers

KEY ELEMENTS

CAPS ON PARTICIPANTS

- No caps recommended on number of companies, drivers or fares
- No cap in effect anywhere in the country and no rational basis for such in Portland.
- If no caps on TNCs, only fair to lift the historical caps placed on taxis.
- Need for monitoring over time, recognizing that it may be several years before the market settles.

KEY ELEMENTS

SHIFT IN ADMINISTRATIVE RESPONSIBILITIES

- Recommended in Phase 1; reaffirmed in Phase 2.
- To avoid creating significant new bureaucracy, time to shift the responsibility for and cost of permitting from the public to the private sector.
- City resources better spent on enhanced compliance monitoring, training and enforcement.
- New advisory committee to replace PFHT Review Board.
- Permitting authority should reside with PBOT and Commissioner.

KEY ELEMENTS

ENSURING PUBLIC SAFETY

- Phase 1 recommendations on background checks, vehicle inspections, driver behavior, etc. adequately address public safety aspects.
- Insurance continues to be controversial. We recognize that the insurance market is evolving in response to the rise of TNCs and that a national insurance model is emerging.
- When new insurance products become available in Oregon, any disparities in coverage between TNCs and taxis should be normalized to the extent feasible.

KEY ELEMENTS

IMPROVING DRIVER WORKING CONDITIONS

- City limited in what it can do beyond requiring transparency in driver payments and fees assessed.
- City Attorney advises that employment status of drivers is purview of BOLI.
- City should continue to explore avenues to improve working conditions.

KEY ELEMENTS

ADAPTIVE MANAGEMENT

- ❑ Transparency, flexibility, and accountability are key to program success.
- ❑ Constant monitoring required and adaptive management needed if this experiment is to work.
- ❑ Clearly defined performance measures, assessed at periodic intervals, involving input from a redesigned PFHT committee that is truly advisory and broadly representative and from other City watchdog groups.
- ❑ PFHT advisory committee be established as soon as possible; PBOT engage it as a partner in evaluating program implementation.

KEY ELEMENTS

PROVISION OF MEANINGFUL ACCESSIBLE SERVICES BY ALL COMPANIES

- City's program of providing accessible, and specifically wheelchair-accessible vehicle (WAV), service has been a dismal failure.
- Proposing program that moves away from a resource-based (% of fleet) to a performance-based (comparable response time) system.
- Accessible Transportation Fund to be established in recognition that the high cost of providing WAV service is currently subsidized by companies providing that service and to incentivize drivers and companies to provide high quality WAV service.
- Per-ride surcharge for all PFHT rides.
- Variety of vehicle standards, driver-to-passenger communication requirements, and driver training programs to improve the experience for our disabled citizens.

KEY ELEMENTS

PROVISION OF MEANINGFUL ACCESSIBLE SERVICES BY ALL COMPANIES

- PEAP (Portland Equal Access Plan) helpful but does not incentivize accessible services.

SUMMARY

- ❑ Providing our best collective thinking based on input received, broad research, and adherence to principles.
- ❑ Appreciation for input and patience from the taxi and TNC industries.
- ❑ Exceptional support from PBOT staff, City Attorney, Commissioner's Office, and Facilitator.