

ALTERNATE BODY - LEGISTAR #34016

DRAFTER'S ANALYSIS: These ordinance amendments permit Transportation Network Companies (TNC's), their drivers, and their vehicles to be licensed as public passenger vehicles in the City of Madison. They require TNC's to pay the same licensing fees as meter and zone taxicabs and require that they maintain the same minimum levels of insurance. They permit TNC's and taxicabs to opt to not have a uniform color scheme, but require them to have either permanent or temporary markings on the vehicle to identify them as a public passenger vehicle. They do not permit "surge" pricing; all companies must have a rate schedule on file with the City and abide by that schedule. TNC's must provide service 24 hours per day throughout the entire City and may not decline rides except for reasons listed in the ordinance. The vehicles must be inspected every 10,000 miles.

The Common Council of the City of Madison do hereby ordain as follows:

1. Paragraph 2. of Subdivision (a) of Subsection (2) entitled "License Required" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, For Hire" of the Madison General Ordinances is amended to read as follows:

"2. Transportation of passengers for hire shall include taking any tip, donation or gratuity for the service, regardless of whether an actual quoted fare is paid."

2. Subsection (3) entitled "Definitions" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, For Hire" of the Madison General Ordinances is amended by creating and amending therein the following:

"Global Positioning System" or "GPS" shall mean a navigational system using satellite signals to fix the location of a radio receiver on or above the earth's surface.

"Public passenger vehicle" shall mean any self-propelled vehicle, ~~pedal-cab, or horse-drawn vehicle~~ including but not limited to, a taxicab, transportation network vehicle, airport shuttle vehicle, horse-drawn vehicle, specialized transportation vehicle, pedal-cab, or commercial quadricycle which is used for the transportation of passengers for hire, excepting: 1) those operated on fixed routes pursuant to authority granted by the City, State or Federal Government; 2) such vehicles as are rented to be driven by the renter or her/his agent, commonly known as rent-a-cars; 3) vehicles operated solely as funeral cars; 4) carpools; 5) amphibious motor vehicles properly registered and licensed by the Wisconsin Department of Transportation as motor buses and operating on the highway upon routes between lake access points; and 6) hotel shuttle vehicles.

"Transportation Network Company" or "TNC" shall mean any company or organization that provides transportation services using an online-enabled platform to connect passengers with drivers using their personal vehicles."

3. The Table of Subdivision (a) of Subsection (4) entitled "Licensing of Public Passenger Services" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, for Hire" of the Madison General Ordinances is amended by creating therein the following:

"Type of Service	Initial license – 1 year	Initial License – 2 years	Renewal- 2 years
<u>Transportation Network Company</u>	<u>\$1,200</u>	<u>\$2,075/license</u>	<u>\$1,750/license"</u>

4. The Table of Subdivision (a) of Subsection (5) entitled "Licensing of Public Passenger Vehicles" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, for Hire" of the Madison General Ordinances is amended by creating therein the following:

<u>"Transportation Network Vehicle</u>	<u>\$65/vehicle/year"</u>
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5. Subdivision (a) entitled "Hours Service to be Provided" of Subsection (7) entitled "Operating Requirements" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, for Hire" of the Madison General Ordinances is amended to read as follows:

- (a) Hours Service to be Provided. It shall be a condition of any meter or zone taxicab service or transportation network company operating license granted hereunder that the licensee shall furnish adequate twenty-four (24) hour taxicab service throughout the City of Madison and shall provide a twenty-four (24) hour telephone number. It shall also be a condition of any meter or zone taxicab service operating license granted hereunder that the licensee shall furnish adequate twenty-four (24) hour accessible taxicab service, i.e. public passenger vehicle for hire service using an accessible vehicle, throughout the City of Madison. The licensee's accessible taxicab service obligations may be fulfilled directly by providing an accessible vehicle in its regular operating fleet or by contracting with another licensed operator to provide it. In all cases the licensee shall remain responsible for compliance with all applicable rules of operation and other applicable ordinance requirements under this Chapter. Conditions of horse-drawn vehicle operating licenses, pedal-cab vehicle operating licenses, and commercial quadricycle operating licenses are contained in Subdivisions (i), (j) and (k), respectively, below.

Unsafe Weather Conditions. A metered or zoned taxicab licensee is not required to provide twenty-four (24) hour taxicab or accessible taxicab service when Madison Metro Transit has suspended bus operations for unsafe weather conditions, upon being notified by the Division of Traffic Engineering via FAX, e-mail or telephone. The notification shall include the start and end dates and times of Metro's suspension of service, if known. If an end time is not stated, Division of Traffic Engineering will notify the licensee when Metro has resumed service via FAX, email or telephone. The licensee must resume complete, twenty-four (24) hour service by the stated end time or upon notification from the Division of Traffic Engineering that Metro has resumed service. During hours when Metro does not offer service, the City Traffic Engineer or designee may declare a "weather emergency" for purposes of suspension of taxicab service and notify licensees using the methods above."

6. New Subdivision (b) entitled "Form of Payment" of Subsection (7) entitled "Operating Requirements" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, for Hire" of the Madison General Ordinances is created to read as follows:

- "(b) Form of Payment. It shall be a condition of any meter or zone taxicab or transportation network license that the licensee shall accept electronic payment in the form of debit/credit cards. If the licensee only accepts electronic payment in the form of debit/credit cards, the licensee may only accept payment through the online-enabled platform, and may not accept payment for the service or a gratuity in cash. All licensees shall provide a paper or electronic receipt for every transaction."

7. New Subdivision (c) entitled "Special Operating Requirements for Transportation Network Companies" of Subsection (7) entitled "Operating Requirements" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, for Hire" of the Madison General Ordinances is created to read as follows:

- "(c) Special Operating Requirements for Transportation Network Companies.

1. Maintain a business office in the City of Madison that shall be open and personally staffed by an employee of the TNC on all business days between the hours of 8 a.m. and 5 p.m., excluding City-recognized holidays. The business office must have a secure storage space for all items left in transportation network vehicles by passengers.
2. Maintain a toll-free business telephone number that is answered twenty-four (24) hours per day.
3. The online-enabled platform utilized by a TNC must show all available cars within the City of Madison at all times.
4. TNC's shall maintain the following records and provide them for inspection by the City Traffic Engineer or the Chief of Police upon request.
 - a. A signed acknowledgement from all drivers operating using the online-enabled platform that if they are using their personal vehicle to transport passengers, they must disclose upon sale of the vehicle has been used as a public passenger vehicle.
 - b. A signed acknowledgement from all drivers operating using the online enabled platform that the use of the driver's personal vehicle to transport passengers for hire may void their vehicle warranty.

- c. A signed acknowledgment from all drivers operating using the online-enabled platform that the holder of any lien on the vehicle and the driver's insurance company have been made aware that the vehicle is being used as a public passenger vehicle.
- d. A signed acknowledgement from all drivers using the online-enabled platform that the driver is responsible for all State and Federal tax liability, including reporting any business expenses or forfeitures paid by the transportation network company."

8. Current Subdivisions (b) through (n) of Subsection (7) entitled Operating Requirements" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, for Hire" of the Madison General Ordinances are hereby renumbered to Subdivisions (d) through (p), respectively.

9. Newly renumbered Subdivision (f) entitled "Daily Logs" of Subsection (7) entitled Operating Requirements" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, for Hire" of the Madison General Ordinances is amended to read as follows:

"(d) Daily Logs.

- 1. Every driver of a taxicab or transportation network company vehicle shall maintain daily logs current to the end of the last shift worked. The daily log shall contain the driver's name, permit number and vehicle identification number and shall clearly state the starting time and ending time of each rest period taken by the driver, and the starting and ending time of each period in which the driver is on duty.
- 2. Drivers shall file their daily log no later than seventy-two (72) hours after the completion of their work shift. Daily logs shall be kept on file in the office of the licensee and shall be retained by the licensee at least one (1) year.
- 3. Daily logs shall be made available at any time for inspection by the Chief of Police or designee or the City Traffic Engineer or designee.
- 4. Daily logs may be maintained electronically.
- 5. No driver may transport a passenger for hire without recording the transaction with the taxicab company or transportation network company
- 46. Pedal-cab, horse-drawn vehicle, low-speed vehicle and commercial quadricycle operators shall be exempt from this requirement."

10. Newly renumbered Subdivision (g) entitled "Refusal to Carry Passengers Prohibited" of Subsection (7) entitled Operating Requirements" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, for Hire" of the Madison General Ordinances is amended to read as follows:

- "1. Drivers may elect to charge estimated fares in advance for rides when a passenger or prospective passenger engages in any of the following activities:
- a. Is known to the driver as having refused to pay a fare after receiving taxicab or transportation network vehicle service.
 - b. Indicates that they may be unable or unwilling to pay the full fare.
 - c. Requests service by hailing the taxicab or transportation network vehicle rather than contacting a dispatcher.
 - d. Indicates their destination is outside the City of Madison.
 - e. Changes their destination while en route or is unable to provide the driver with an exact destination.
 - f. Requests to make a stop before the final destination is reached.
 - g. Admits to being intoxicated or shows signs of intoxication.
 - h. Is placed in the taxicab or transportation network vehicle by a law enforcement officer."

11. Subdivision (a) of Subsection (8) entitled "Financial Responsibility" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, for Hire" of the Madison General Ordinances is amended to read as follows:

- "(a) It shall be unlawful to operate a vehicle for the conveyance of passengers for hire or permit the same to be operated, nor shall any license be issued hereunder until and unless the applicant for license deposits with the City Clerk a policy or certificate of auto liability insurance for the vehicles for which licenses are sought and the applicant is listed as the named insured on the policy. Auto liability insurance policies shall be issued by a company or companies authorized to do business in the State

of Wisconsin and licensed by the State of Wisconsin Office of the Commissioner of Insurance. Coverage shall be provided for in the minimum amount of one million dollars (\$1,000,000) per accident. Coverage shall be provided for any period of time the driver is intending on, or actively transporting passengers for hire. Factors indicating an intent to transport passengers can include, but are not limited to, operating a vehicle marked with either permanent or removable signage on the exterior of the vehicle showing the rate schedule, logging on to an online-enabled platform, responding to a hail, and utilizing a taxicab stand. Each insurance policy shall contain a provision that the same may not be canceled before the expiration of its term except upon thirty (30) days written notice to the City Clerk, City of Madison, Wisconsin. Every day upon which any vehicle is operated for the conveyance of passengers for hire or when taxicab or cab or similar transportation is offered to the public without an insurance policy as required herein being in effect and on file with the City Clerk, City of Madison, shall be deemed a separate violation, and every person, firm, or corporation operating or permitting such operation shall be subject to a forfeiture of not more than two hundred dollars (\$200) for each offense.”

12. Subdivision (a) of Subsection (9) entitled “Rates of Fares” of Section 11.06 entitled “Licensing and Regulating Public Passenger Vehicles, for Hire” of the Madison General Ordinances is amended to read as follows:

“(a) No license granted under Subsection (4) of this ordinance shall have any force or effect unless the licensee files with the City Clerk a schedule of rates of fares. Licensees may charge fares measured according to zones, ~~or~~ according to meters, or according to GPS-enabled devices, except that horse-drawn vehicle and pedal-cab vehicle licensees shall charge fares according to sub. (l) and (m) below. It shall be unlawful for any owner or operator to charge or permit to be charged any other or different rates of fares than those listed on such schedule. Any discounts or special fares shall be included in the rates of fares filed with the City Clerk. A schedule of rates of fares must be on file with the City Clerk for 28 days before the rates are effective, except that promotional discounts or coupons may be implemented if the City Traffic Engineer is notified at least forty-eight (48) hours in advance. Any duly established rate other than the said promotional discounts shall remain in effect for a minimum duration of six months. In the case of extreme changes in conditions, the owner of a licensed company may petition the Transit and Parking Commission to review a schedule of rate change within a shorter period of time. After reviewing the request the Transit and Parking Commission may approve a rate change effective within the six-month period but may not approve such a rate change unless the current rates of fares have been in effect for at least ninety (90) days. The rates of fares authorized to be established by this ordinance shall not vary with time of day.

Notwithstanding the foregoing, at any time during the first twelve (12) months from the effective date of the accessible taxicab requirement, the owner of a licensed company may modify its schedule of rates of fares provided such modification is solely due to the cost of compliance with the accessible taxicab ordinance. The schedule of rates of fares so modified must be on file with the City Clerk for twenty-eight (28) days before the rates are effective.”

13. New Subdivision (f) entitled “GPS-Calculated Rates” of Subsection (9) entitled “Rates of Fares” of Section 11.06 entitled “Licensing and Regulating Public Passenger Vehicles, for Hire” of the Madison General Ordinances is created to read as follows:

“(f) GPS-Calculated Rates.

1. GPS Device Required. Every transportation network company vehicle shall contain a GPS device in good repair. The GPS device shall be set to measure only the rates listed below.
 - a. The GPS rate filed with the City Clerk.
 - b. A mileage rate filed with the City Clerk, to be used only for out-of-city trips, pursuant to par. c. below.
2. Mileage Charge. For conveying one (1) passenger on a mileage basis the charge shall be the scheduled rate for a unit of distance and the scheduled rate for each additional unit of distance. No charge may be made for additional passengers going to the same place, however a premium fare may be charged for large parties as permitted under sub. (9)(i)6.
3. For out-of-city trips a licensee shall charge the mileage rate from the point of origin to the point of destination.
4. Shortest Route. Transportation network vehicles must take the shortest, most direct route to a certain destination, unless the passenger approves a different route.

5. Unlawful to Charge any Other Amount Than That Registered on a GPS Device. Except for multiple loading or shared rides as provided in par. 7. below, it shall be unlawful for any driver of a vehicle affiliated with a TNC to convey any passenger within the limits of the City of Madison unless the GPS device is used in determining the fare to be charged, unless the driver and passenger agree that an hourly rate shall be charged instead. Such agreements are subject to the requirements of sub. (d)7. of this Subsection. If the driver and passenger have not agreed on an hourly rate, no other or different fare shall be charged to the passenger than is recorded on the reading face of the taximeter for the trip. This paragraph does not prohibit the premium fare for large parties allowed under sub. (9)(i)6., which shall be calculated based upon a percentage of the metered rate, nor shall this paragraph prohibit other fees expressly allowed elsewhere in this ordinance.
6. Individual Service. Any patron who first engaged service in a meter cab shall receive individual service, unless the passenger requests that one or more additional passengers be carried, or unless par. 7. below is applicable.
7. Multiple Loading or Shared Ride. For rides to or from the Dane County Airport, multiple loading, as defined in sub. (3) above, is permitted for vehicles affiliated with transportation network companies during peak periods if all passengers consent. The term "peak period" is defined in sub. (3) above. The fare shall be no greater than the lowest airport shuttle rate filed pursuant to Section 11.06(9)(c), MGO, for the airport shuttle zone or zones through which the vehicle will travel."

14. Subdivisions (f) through (o) of Subsection (9) entitled "Rates of Fares" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, for Hire" of the Madison General Ordinances are renumbered to Subdivisions (g) through (p), respectively.

15. Newly renumbered Subdivision (k) entitled "Rate Allowance for Airport Taxicab Fee" of Subsection (9) entitled "Rates of Fares" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, for Hire" of the Madison General Ordinances is amended to read as follows:

"(k) Rate Allowance for Airport Taxicab Fee. An additional charge per taxicab or transportation network vehicle shall be made whenever the ~~taxicab~~ licensee is required to pay an airport taxicab or TNC fee. Said charge shall not exceed the fee imposed by the Dane County Regional Airport."

16. Paragraph 2. entitled "No-Load Fee" of Subdivision (o) entitled "Additional Authorized Charges" of Subsection (9) entitled "Rates of Fares" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, for Hire" of the Madison General Ordinances is amended to read as follows:

"2. No-Load Fee. If a taxicab or transportation network company licensee can prove that a passenger has intentionally summoned more than one licensee for the same ride or if the licensee can prove that a passenger called for service but subsequently does not use the service and does not cancel the request before the arrival of the ~~taxicab~~ vehicle, the passenger may be charged a no-load fee equal to the amount of the first mileage increment fee ("drop fee") for a metered taxicab or transportation network vehicle or the first zone fee for a zoned taxicab."

17. Paragraph 2. of Subdivision (p) entitled "Temporary Fuel Surcharge" of Subsection (9) entitled "Rates of Fares" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, for Hire" of the Madison General Ordinances is amended to read as follows:

"2. When multiple loading is permitted on trips to and from the airport during declared peak periods as defined in subsection (3), and all passengers are going to the same destination, a metered taxicab or transportation network vehicle may charge only one (1) such surcharge per trip, and the surcharge shall be divided equally among the passengers."

18. The introductory paragraph of Paragraph 2. entitled "Exterior Marking" of Subdivision (a) entitled "Vehicle Marking" of Subsection (10) entitled "Vehicle" of Section 11.06 entitled "Licensing and Regulating Public Passenger Vehicles, for Hire" of the Madison General Ordinances is amended to read as follows:

“2. Exterior Marking. Each meter or zone taxicab or vehicle affiliated with a transportation network company shall be conspicuously and permanently marked on the right and left exterior sides with the owner’s name, vehicle permit number, type of vehicle permit issued, and current rates of fare. This marking may be permanently affixed, or temporarily affixed when the licensee is intending to operate as a public passenger vehicle.”

19. Subdivision (b) entitled “Color Scheme” and Subdivision (d) entitled “Radios” of Subsection (10) entitled “Vehicles” of Section 11.06 entitled “Licensing and Regulating Public Passenger Vehicles, for Hire” of the Madison General Ordinances are hereby repealed.

20. Subdivisions (c), (e), (f), and (g) of Subsection (10) entitled “Vehicles” of Section 11.06 entitled “Licensing and Regulating Public Passenger Vehicles, for Hire” of the Madison General Ordinances are renumbered to Subdivisions (b), (c), (d), and (e), respectively.

21. Newly renumbered Subdivision (c) entitled “Legal Passenger Load” of Subsection (10) entitled “Vehicles” of Section 11.06 entitled “Licensing and Regulating Public Passenger Vehicles, for Hire” of the Madison General Ordinances is amended to read as follows:

“(c) Legal Passenger Load. It shall be unlawful for any driver of a taxicab, transportation network vehicle or low-speed vehicle to carry at one time a number of passengers greater than the number of seat belts available and in good working order in the ~~taxicab~~ vehicle.”

22. Subsection (1) of Section 11.09 entitled “Payment of Taxicab and Motor Bus Fare Required” of the Madison General Ordinances is amended to read as follows:

“(1) Any person who hires a taxicab or transportation network vehicle licensed pursuant to this chapter and fails to pay the fare authorized by law shall be subject to a forfeiture of not less than fifty dollars (\$50) nor more than five hundred dollars (\$500).”

23. Subdivision (a) of Subsection (3) entitled “Schedule of Deposits” of Section 1.08 entitled “Issuance of Citations for Violations of Certain Ordinances and Providing a Schedule of Cash Deposits” of the Madison General Ordinances is amended by creating and amending therein the following:

<u>Offense</u>	<u>Ord. No./Adopted Statute No.</u>	<u>Deposit</u>
<u>Failure to maintain Ddaily logs.</u>	11.06(7)(ef)	\$200
<u>Failure to file daily log with licensee.</u>	11.06(7)(f)2.	\$200
<u>Failure to make daily log available for inspection.</u>	11.06(7)(f)3.	\$200
<u>Failure to record a transaction with the taxicab company or transportation network company.”</u>	11.06(7)(f)5.	\$200

EDITOR’S NOTE: New bail deposits must be approved by the Municipal Judge prior to adoption. This deposit has been so approved.