



# City of Madison

City of Madison  
Madison, WI 53703  
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## Minutes - Approved

### Subcommittee of the Transit and Parking Commission: REVIEW TAXI REGULATIONS & SHARED-RIDE SERVICES

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Thursday, June 26, 2014

Meeting Time  
12:00 PM - Noon

Madison Municipal Building, Suite LL 110  
215 Martin Luther King, Jr. Blvd.  
Madison, WI 53701-2986

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**Please note: A quorum of the Transit and Parking Commission may be present.**

**Documents prepared for this Subcommittee can be found on the City website by searching on 34194 under Legislation at the Legislative Information Center.**

If you need an interpreter, translator, materials in alternate formats or other accommodations to access this service, activity or program, please call the phone number below at least three business days prior to the meeting.

Si necesita un intérprete, un traductor, materiales en formatos alternativos u otros arreglos para acceder a este servicio, actividad o programa, comuníquese al número de teléfono que figura a continuación tres días hábiles como mínimo antes de la reunión.

Yog hais tias koj xav tau ib tug neeg txhais lus, ib tug neeg txhais ntawv, cov ntawv ua lwm hom ntawv los sis lwm cov kev pab kom siv tau cov kev pab, cov kev ua ub no (activity) los sis qhov kev pab cuam, thov hu rau tus xov tooj hauv qab yam tsawg peb hnuv ua hauj lwm ua ntej yuav tuaj sib tham.

Please call the Traffic Engineering Division at 608-266-4761, or email: [traffic@cityofmadison.com](mailto:traffic@cityofmadison.com).

#### **I. CALL TO ORDER/ROLL CALL**

The meeting was called to order at 12:05 PM.

Present: Wayne Bigelow, Alder Anita Weier, Amanda White.

Excused: Ann Kovich

Absent: Kate Lloyd

Other speakers and registrants present: Alder Scott Resnick; Asst. City Attorney Adriana Peguero; Lyft Government Affairs Rep Candice Taylor (by phone); Uber WI General Manager Nick Anderson; Union Cab member Rebecca Kemble; and Lyft representative Carole Schaeffer.

#### **II. APPROVAL OF MINUTES – June 2, 2014 Meeting**

White/Weier made a motion to approve the Minutes of the June 2, 2014 meeting. The motion passed by voice vote/other.

#### **III. PUBLIC COMMENT – None.**

#### **IV. DISCLOSURES AND RECUSALS – None.**

#### **V. DISCUSSION ITEMS**

- a. City Attorney's Office will present MGO definition changes based on prior Subcommittee discussion: public passenger vehicle, on-demand transportation, for-hire, and pre-arranged ride.

ACA Peguero discussed proposed changes to MGO Section 11.06, Licensing and Regulating Public Passenger Vehicles, For Hire. (See attachment to Leg. File 34194.) White/Weier made a motion to recommend these changes be made. The motion carried by voice vote/other. Peguero was asked to prepare language to include “donation” in the definition of “for hire”, which the Subcommittee would review at its next meeting.

b. Required insurance for carriers.

Three periods of vehicle use were involved when discussing insurance coverage for TNC drivers:

- \* When the app was off and the vehicle was being driven for personal use.
- \* When the app was on, but no ride has been accepted.
- \* When the app was on, with a ride accepted.

The City Attorney’s Office position was that insurance was required anytime an app was on.

Citing Colorado and Chicago, Resnick noted that different states and cities required different levels of coverage. He had been talking to American Family about the possibility of developing coverage specifically for TNC drivers.

Taylor addressed the question of whether all the periods were the same. As described in Lyft attachments, Lyft provided contingent coverage when the app was on, but no ride had been accepted (\$50K/person, \$100K/occurrence, \$25K/property damage). They had begun discussions with Met Life to design insurance that would recognize TNC services, for drivers who used their vehicles for personal and ride-share purposes.

Bigelow said the question remained: Who was required to be insured, the individual or the company as a whole? There had been some talk that the State Legislature would be drafting a bill related to this issue, but this was now unlikely to happen until next spring. In his experience, State law superseded municipal authority.

Having talked to TNC drivers, White felt they were not very knowledgeable about how insurance would work for them. She felt the companies should inform their drivers. Drivers needed to know what risks they were taking. Though it sounded like more insurance options might be coming for TNC drivers, \$50K seemed too low for the time when app was on with no ride. What if the driver hit a pedestrian?

Anderson said that Uber had coverage of \$50K/person and \$100K/incident. Coverage would first default to the driver’s personal insurance policy; but if they didn’t pay, then Uber would, if the app was on. These levels met or exceeded what was required by the State for liability.

Resnick pointed out that what insurance kicked in at what point varied. He added that the minimums for coverage came from the State, but licensing and regulating taxis was in the City’s purview. In terms of the coverage during the period when app was on with no ride, his proposal called for full amount currently required by the City for taxis. However, he was waiting to see what Seattle would do; this approach may have oversimplified it.

Resnick also noted that State law governed the re/selling of cars that had been used for commercial use. When asked about drivers getting a new car, Peguero said that every new vehicle had to be licensed separately, inc. \$60 licensing fee/year.

- c. Discussion of other government regulation pertaining to TNCs.

#### Handicapped Accessibility

Peguero said City ordinances related to this were convoluted, and in much need of updating. Presently, Union Cab provided this service for all the taxi companies.

Resnick said that Uber/Lyft were open to different ideas on this front. For example, could requests for handicapped service be referred to a different cab company? Seattle proposed to assess a 10¢ surcharge on each ride to provide for accessible vehicles. Bigelow noted that Minneapolis charged a \$10K annual fee to companies to provide same.

Union Cab had agreed to provide the service to the city initially because grants were available to help them to do. Union's offer addressed the ADA requirement for the City. Now the grants were gone. Resnick observed that accessible taxi service would probably need to be heavily subsidized. With dwindling sustainability for Union to continue to provide the service, the City might need to revisit how accessible service was provided; and this would impact all the companies in Madison.

If the City would be separately looking into how accessible taxi service would be provided, Bigelow wondered if this issue should be removed Subcommittee's discussion of TNC's. Resnick likewise wondered if this would be an issue the City would address in general. Bigelow and White said that whatever was developed would need to apply to all taxi companies equally. Peguero said that the ordinance required that all taxi companies either provide the service, or contract with a company that did. There had been no finding of need so far.

#### 24/7 Requirements

Bigelow hadn't seen 24/7 requirements for TNC's in other cities, and wondered how this could be handled. White felt that if TNC's weren't required to do this, it wouldn't be fair to require other taxi companies to do it; the requirement should be applied across the board.

Taylor remarked that the whole idea behind Lyft was that every person could potentially participate. It represented a new concept in transportation that broke from the taxi cab model. The 24/7 concept didn't fit with their model. It wasn't part of their platform because it wasn't flexible like they wanted their model to be. They were not a taxi company, so they could meet some of the goals, but not all regulations like this.

White said she loved the ideas behind Lyft/Uber, and had enjoyed using them herself. But if the City Attorney's Office said they were taxi cabs, she didn't want to create an unfair playing field among all the taxi companies. Weier suggested that maybe the TNC's could contract with the other taxi companies to provide this service.

Referring to an article written by Peter Carstensen, Anderson said that only a couple of cities required 24/7 taxi service. Perhaps the City needed to decide if this requirement were really necessary.

Resnick commented that if the City needed to keep 24/7 on the books, maybe all the cab companies would want to contract with one/two to provide this, who might be willing to be the provider(s). Bigelow wondered if this might be more attractive to companies if surge pricing were allowed at night. Resnick said that late night cab service might be an entire discussion on its own, for which notice should be given to cab companies to join the discussion.

**VI. ANNOUNCEMENTS**

- a. General announcements by Chair.
- b. Items for future meetings.

Resnick said that he would be making 2-3 changes to this proposal, which would not be ready for probably three weeks. However, he thought he could pass out a draft about the more low-hanging fruit first.

- c. Next meeting date: Thursday, July 10 at Noon, or Thursday, July 17 at Noon.  
Bigelow would poll members. He would also provide a draft agenda for members to review.

**VII. ADJOURNMENT**

White/Weier made a motion to adjourn at 1:12 PM. The motion carried by voice vote/other.