

## Draft Taxi/For-Hire/TNC Mediation Terms

- **The parties agree to these terms with the intent to incorporate them into legislation**
- **The parties acknowledge that these terms are subject to City Council approval**

### Accessible Service

1. Licensees of non-accessible taxi and for-hire vehicles and TNCs will be charged a \$.10 per ride surcharge for rides originating in the City of Seattle to offset the higher operational costs of wheelchair accessible taxi services.
  - The fund will offset the costs associated with wheelchair accessible trips to pick up a person with a disability as well as the higher vehicle costs associated with purchasing and retrofitting an accessible van.
  - Based on information provided by Wheelchair Accessible Taxi owners the estimated accessible service funds would need to be approximately \$850,000 for year one. Year two fund needs would be assessed based on year one operations.
  - These funds are intended to offset vehicle costs incurred by the owner as well as operator costs incurred from all accessible trips.
2. Transportation Network Companies will add an option for users to indicate their need for a Wheelchair Accessible Taxi on their existing apps, and will provide a phone number or appropriate website for wheelchair accessible taxi dispatch.
3. Wheelchair Accessible Taxi licenses will vest after three years so that after that period, owners are not required to drive 30 hours per week and are able to lease their vehicles to other drivers.
4. The City will develop a system to determine the need for additional accessible vehicles and how to fund potential new retrofits from the accessible services fund within two years.

### Fares

1. All drivers, including those driving for a TNC, Taxi, or For-Hire company, may utilize apps to arrange trips and accept payment for rides.
  - Ride prices and rates must be transparent to customers prior to requesting and accepting a trip via the app.
  - Variable pricing is permissible within all operators using app-based systems, provided that the rider understands the costs prior to agreeing to the ride.
2. Non-TNC vehicles must also use a taximeter or flat rate fee system.
  - If using a flat rate, rates must be clearly posted in the vehicle interior and the exterior must clearly indicate that the vehicle is flat rate.
  - Flat rates must be filed with the director and zone boundaries must be consistent across operators.
  - If using a taximeter, the City must inspect meters annually - taximeters are available only to taxis
  - If using a taximeter, the downtown to airport flat rate must be clearly posted in the vehicle for the customer to see. This fee can be altered to remain competitive with other fee structures.

### Fees

1. Establish a fee structure with comparable fees across services and eliminate change of vehicle fees.
2. Fees will be set by the Director to cover the enforcement and regulatory costs of the industry.
  - Year one fees will be \$50 per driver license or endorsement.
  - For the incumbent industry vehicle owners, the year one fee will be \$500/vehicle.
  - For the TNCs, the per-ride fee for trips originating in Seattle will be set by the Director to cover all enforcement, regulatory and driver endorsement costs and will be no less than the incumbent industry fees. After six months the Director will evaluate this fee to determine if it appropriately covers administrative, enforcement and licensing costs.
  - The Director will determine year two fees based on the above metrics and the regulatory costs associated with the industries.

## **Hailing Rights**

1. For-Hire vehicles will have hailing rights but will not utilize any stands including hotels.
2. It is the city's intent to increase the number of stands accessible to taxis by 10 in the next year.

## **Insurance**

1. During a provisional period, all operators:
  - Will provide a minimum of \$100,000; \$300,000; \$25,000 liability coverage while drivers are active on the app or dispatch system/ looking for hailing customers.
  - May buy AM Best rated B+ insurance from surplus lines or AM Best rated B insurance from WA State admitted carriers.
  - With City support, industry reps participating in this agreement will work jointly to clarify or modify the current language of State insurance law to account for recent changes in the industry and business models of all market participants, including TNCs, taxis and for-hire vehicles. The City will support an insurance language changes similar to the agreement recently reached in Colorado, and changes intended to expand the range of insurance options available to the industry.
  - May purchase insurance that covers vehicles at State for-hire minimums during periods when they are on the app or dispatch system/looking for hailing customers. Personal insurance could apply at other times.
2. The provisional period will begin once an agreement is reached and end on the earlier of the effective date of State insurance law changes or two weeks after end of the 2015 legislative session. At the conclusion of this provisional period, all operators must comply with State law.

## **Property Rights**

1. The existing Taxi & For-Hire vehicle license holders shall provide consideration to the City to transition licenses to a taxi or for-hire property right. This will include a fee and waiver and hold harmless agreement. Property rights remain subject to any and all City regulations. The City assumes no liability for devaluation of the property interest due to regulatory action or market forces.

## **Reporting**

1. Reporting requirements will be consistent across industries.
  - Seattle will model reporting forms from State of California TNC examples.
  - Trips may be tracked via apps/electronically or on paper.
2. Reporting will include:
  - Total number of rides
  - Percentage or number of rides completed in each zip code
  - Pick up and drop off zip code
  - Percentage by zip code that are requested but unfulfilled
  - Collision data
  - Number of requested rides for an accessible vehicle
  - Any additional reporting required ensuring compliance will be determined by Director's Rule.
  - If a public records request is made of the city for documents the TNCs have designated proprietary the city shall give notice prior to disclosure
  - The city will work to achieve the highest possible level of confidentiality for information provided within the confines of state law

## **Taxis, Flat Rate, and TNC Driver Trainings and Regulations**

1. Driver licensing/endorsement qualification standards will be consistent across the industry
  - All drivers will be required to take a defensive driving course made available online.
  - Additional driver training on rules of the road and other key safety issues must be taken through the existing system or can be developed by TNCs/Associations/3<sup>rd</sup> parties and must be approved by FAS. FAS will evaluate the State chauffeur certification programs for potential reciprocity.

- Following the driver training, the driver test may be taken through the existing system or through an FAS-approved TNC/Association/3<sup>rd</sup> party route.
  - Driver record checks
  - Background checks can either be a Washington State Patrol/FBI fingerprint check or an FAS-approved 3<sup>rd</sup> party vendor that includes specified national databases.
  - Drivers must provide evidence that they are physically fit to drive.
  - Drivers seeking a license/endorsement can apply in person or can submit their application via email.
  - The City will work to create an online application option.
  - Provisional licenses/endorsements will be provided within 48 hours of completing an application, which includes associated paperwork, with final approval/denial within 60 days. If after 72 hours the provisional license/endorsement has not been approved or denied it will be elevated to the Director of FAS for determination
2. A driver dress code will no longer be specified.
  3. The City will no longer require a separate language test for drivers.
  4. Any newly issued Taxi and for-hire vehicle licenses will vest after three years.

#### **Taxis, Flat Rate, and TNC Vehicle Regulations**

1. Vehicle inspections will be based on one FAS safety checklist.
  - Inspections will be signed off by an FAS-approved, certified ASE technician/mechanic.
  - The mechanic will be responsible for confirming and signing off that the appropriate license plates, customer information, etc. are posted at the time of inspection.
  - Completed safety inspections, insurance confirmation, and other required documents must be submitted with the vehicle license/endorsement application/renewal.
2. Based on State requirements, the City will continue to inspect taximeters on an annual basis.
3. The City will no longer require an in-vehicle camera.
4. The City will no longer require a two-way radio but will modify the code to include language appropriate for current dispatch technologies.
5. Top-lights are for taxi vehicle use only
6. United for Hire will paint the top of their hood, roof and trunk a color that is distinct from the orange, yellow or green of the taxis.
7. Future for-hire vehicles will not use the same orange, yellow or green color of taxis on the hood, roof or trunk.

#### **Vehicle License Caps**

1. The City will issue 200 new Taxi licenses; 35 in year one and 55 each in years two, three and four through a lottery.
  - Available to existing drivers who do not hold more than 50% ownership of a license at time of lottery.
2. No caps on TNCs.