



Memorandum

Date: November 15, 2017
To: Transportation Authority Board
From: Jeff Hobson – Deputy Director for Planning
Subject: 12/12/17 Board Meeting: TNC Regulatory Landscape

<p>RECOMMENDATION <input checked="" type="checkbox"/> Information <input type="checkbox"/> Action</p> <ul style="list-style-type: none"> • Receive an update on Transportation Network Company studies <p>SUMMARY</p> <p>This memo summarizes a report prepared by Transportation Authority staff that documents regulations for Transportation Network Companies (TNCs) such as Uber and Lyft in California at the state and local authority levels. The report also compares those regulations to sister cities in the United States according to the ten Guiding Principles for Emerging Mobility Services and Technologies adopted by the Board in June 2017. The TNC Regulatory Landscape document is the second in a series of reports, coordinated with the San Francisco Municipal Transportation Authority (SFMTA), related to TNCs and their impacts in San Francisco.</p>	<p><input type="checkbox"/> Fund Allocation</p> <p><input type="checkbox"/> Fund Programming</p> <p><input type="checkbox"/> Policy/Legislation</p> <p><input checked="" type="checkbox"/> Plan/Study</p> <p><input type="checkbox"/> Capital Project Oversight/Delivery</p> <p><input type="checkbox"/> Budget/Finance</p> <p><input type="checkbox"/> Contracts</p> <p><input type="checkbox"/> Procurement</p> <p><input type="checkbox"/> Other:</p> <hr/>
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DISCUSSION

Background.

The rapid expansion of ride-hail companies across the country over the last seven years has led to a wide range of new policy and legislative measures at both state and local levels. At the state level, regulation of TNCs is driven primarily by concerns around safety, liability, and fares. In addition, dozens of cities and counties across the country have enacted their own policies to regulate TNC operation within their boundaries.

The TNC Regulatory Landscape report documents two core areas of interest: 1) How TNCs are regulated in California; and 2) What is the TNC regulatory framework in other jurisdictions?

TNC Regulation in California.

The California Public Utilities Commission (CPUC) oversees statewide policies for TNCs. The CPUC has enacted a series of regulations over the past several years related to safety and vehicle operations, including training programs, background checks, vehicle inspections and drug and alcohol policies; data reporting, including trip origin destination and fare data; labor requirements that establish TNC drivers as independent contractors; equitable access requirements that prohibit discrimination among TNC customers; and registration, permitting and fees which include a gross

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receipts fee of 0.33% of gross California revenue. The CPUC is currently engaged in phase 3 of rulemaking and will continue to develop policies related to accessible vehicle requirements, the incidental transportation of minors, public safety, and autonomous vehicles.

Alongside the CPUC, several commercial vehicle regulations by the Department of Motor Vehicles (DMV) apply to TNCs as well. These include safety issues such as hands-free phone requirements; drivers' license registration requirements; and limiting drive time for drivers to 10 hours before drivers must take an 8-hour break.

Data Transparency.

The Transportation Authority, alongside the SFMTA and City Attorney's, office have repeatedly requested data and information provided to the CPUC related to their regulating and enforcement efforts; however, our requests have been denied.

TNC Regulatory Framework in other Jurisdictions.

Most states now have TNC regulatory frameworks in place, but the extent of the rules and regulations vary widely. In most cases, states with major metropolitan centers allow those jurisdictions to establish more specific regulations or provide financial support from state fees to mitigate local impacts. The fees levied in various cities are used to contribute to local planning needs; improve employee training including for taxis; and improve disability access to both the TNC services and other mobility needs in general.

Future Studies.

Future reports will address topics such as roadway safety, congestion, transit demand, transit operations, equity, disabled access, land use and curb management. We anticipate issuing the next report in early 2018.

FINANCIAL IMPACT

None. This is an information item.

CAC POSITION

None. This is an information item. The CAC will be briefed at its January 24 meeting.

SUPPLEMENTAL MATERIALS

Attachment 1 – The TNC Regulatory Landscape: An Overview of Current TNC Regulation in California and Across the country (Draft Report)