



Public Vehicle Advisory Committee

Date

2015/12/07

Time

9:30 AM

Location

Civic Centre, Council Chamber,
300 City Centre Drive, Mississauga, Ontario, L5B 3C1 Ontario

Members

Ron Starr	Councillor - Ward 6 (Chair)
Carolyn Parrish	Councillor - Ward 5 (Vice-Chair)
Al Cormier	Citizen Member
Vikesh Kohli	Citizen Member
Karam S. Punian	Elected Member - Taxi Drivers
Nirmal Singh	Elected Member - Taxi Owners
Rajendra Singh	Citizen Member
Baljit Singh Pandori	Appointed Industry Member - Taxi Brokerages
Harsimar Singh Sethi	Elected Member - Elected At Large
Joshua Zahavy	Appointed Industry Member - Limousine Brokerages

Contact

Karen Morden, Legislative Coordinator, Legislative Services

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karen.morden@mississauga.ca

Find it online

<http://www.mississauga.ca/portal/cityhall/councilcommittees>

1. **CALL TO ORDER**

2. **APPROVAL OF AGENDA**

3. **DECLARATION OF CONFLICT OF INTEREST**

4. **MINUTES OF PREVIOUS MEETING**

Minutes of the November 19, 2015 Public Vehicle Advisory Committee meeting.

RECOMMEND RECEIPT

5. **DEPUTATIONS**

- 5.1. Item 6.1. Matt Daus, Consultant, Windels Marx to present the final report with respect to the review of policy alternatives for the regulation of Transportation Network Companies.

6. **MATTERS TO BE CONSIDERED**

6.1 **Consultant's Review of Policy Alternatives for the Regulation of Transportation Network Companies**

Corporate report dated November 25, 2015 from the Commissioner of Transportation and Works entitled, "Consultant's Review of Policy Alternatives for the Regulation of Transportation Network Companies".

RECOMMENDATION

1. That the report from the Commissioner of Transportation and Works, dated November 25, 2015 entitled “Consultant’s Review of Policy Alternatives for the Regulation of Transportation Network Companies”, be received.
2. That the Public Vehicle Advisory Committee provide comments on the policy alternatives outlined in Appendix 1 to the report from the Commissioner of Transportation and Works, dated November 25, entitled “Consultant’s Review of the Policy Alternatives for the Regulation of Transportation Network Companies” for incorporation in a future report from staff to General Committee.

NOTE: Hard copies of Appendix 1 of this report were distributed to Members of the Public Vehicle Advisory Committee. To obtain a copy of the report, please visit the Public Vehicle Advisory Committee webpage at the following link: Mississauga.ca - City Hall - Public Vehicle Advisory or contact Karen Morden, Legislative Coordinator at (905) 615-3200 ext. 5471 karen.morden@mississauga.ca.

7. INFORMATION ITEMS

7.1. 2016 Public Vehicle Advisory Committee Meeting Dates – Revised

Memorandum dated November 24, 2015 from Karen Morden, Legislative Coordinator with respect to the revised notification of 2016 Public Vehicle Advisory Committee meeting dates.

RECOMMEND RECEIPT

7.2 City of Mississauga Advisory Committees

Document entitled, “City of Mississauga Advisory Committees” from the Office of the City Clerk with respect to the Advisory Committee Role and Ground Rules for Committees and their Members.

RECOMMEND RECEIPT

8. OTHER BUSINESS

9. DATE OF NEXT MEETING

Tuesday, February 16, 2016 – 10:00 AM, Council Chambers, Civic Centre – 300 City Centre Drive, Mississauga

10. ADJOURNMENT

City of Mississauga

Minutes (Draft)



Public Vehicle Advisory Committee

Date

Thursday, November 19, 2015

Time

9:11 AM

Location

Civic Centre, Council Chambers - Second Floor,
300 City Centre Drive, Mississauga, Ontario, L5B 3C1

Members Present

- | | |
|----------------------------|---|
| Councillor Ron Starr | Ward 6 (Chair) |
| Councillor Carolyn Parrish | Ward 5 (Vice-Chair) |
| Al Cormier | Citizen Member |
| Rajendra Singh | Citizen Member |
| Baljit Singh Pandori | Industry Appointed - Taxicab Brokerages |
| Karam S. Punian | Elected - Taxicab Drivers |
| Harsimar Singh Sethi | Elected - At Large |
| Nirmal Singh | Elected - Taxicab Owners (Arrived at 9:14 AM) |

Members Absent

- | | |
|---------------|---|
| Vikesh Kohli | Citizen Member |
| Joshua Zahavy | Industry Appointed - Limousine Brokerages |

Contact:

Karen Morden, Legislative Coordinator, Legislative Services
905-615-3200 ext. 5471
karen.morden@mississauga.ca

Find it online

<http://www.mississauga.ca/portal/cityhall/publicvehicleadvisory>

1. **CALL TO ORDER** - 9:11 AM

2. **APPROVAL OF AGENDA**

Approved (H. S. Sethi)

3. **DECLARATION OF CONFLICT OF INTEREST** - Nil

4. **MINUTES OF PREVIOUS MEETING**

Minutes of the October 1, 2015 Public Vehicle Advisory Committee meeting.

Approved (A. Cormier)

5. **DEPUTATIONS**

- 5.1 Item 6.1 Dr. Dan Hara, Hara Associates Inc. to present the final report with respect to the Taxi Plate Issuance Model Review.

Recorded proceedings on this item are listed under Item 6.1 – Consultant’s Review of the Taxi Plate Issuance Model.

6. **MATTERS CONSIDERED**

- 6.1 **Consultant’s Review of the Taxi Plate Issuance Model**

Corporate Report dated October 14, 2015 from the Commissioner of Transportation and Works entitled, “Consultant’s Review of the Taxi Plate Issuance Model”.

Mickey Frost, Director, Enforcement provided a brief background to the Consultant's Review of the Taxi Plate Issuance Model and introduced Dr. Dan Hara, Consultant, Hara Associates Inc.

Dr. Hara spoke to the scope of the report, indicating the study objectives and the plan of his presentation to focus on the appropriate number of taxis in Mississauga and related formula comparisons, non-formula alternatives, recommended percentage of accessible taxis, and meter rates.

Dr. Hara spoke to the structure of Mississauga's taxi industry, noting the two external forces impacting the industry as Pearson Airport operations and Regional Transhelp program and described the Hara Associates Demand Model, noting that overall, Mississauga has a reasonably good taxi service, that the current taxi supply is adequate with some room for a minor increase in fleet size.

Questions from Members included those with respect to response times and peak rush hours, to which Dr. Hara commented that most Mississauga taxis operate under a single-shift and noted the importance of dispatch response time data in determining the effectiveness of Mississauga's taxi industry. Dr. Hara further commented on the complex nature of Mississauga's current formula, noting that while everyone gets a say, the formula is not evidence-based and therefore the data is inconsistent, and spoke to a simple, straightforward recommended formula.

Members' comments included those with respect to the current priority list, driver seniority, and the length of time to exhaust the current priority list. Daryl Bell, Manager, Mobile Licensing Enforcement advised that there are currently 250 people on the priority list to receive an owner's plate. Harsimar Singh Sethi, Member - Elected At Large noted that it would take 20 to 30 years to exhaust the current list.

Councillor Parrish inquired as to whether there were cities that operate their taxi industry akin to their fire department, to which Dr. Hara advised that there were some cities in Europe that used that model.

Dr. Hara briefly spoke to accessible taxis, the appropriate percentage of accessible taxis, and the possibility of offering those on the priority list accessible plates. Dr. Hara further noted that 21% was the recommended target for accessible taxis in Mississauga, commenting that 100% accessible means 100% accessible to all kinds of disabilities, not only mobility accommodations.

Dr. Hara spoke briefly to meter rates, noting the last adjustment was in 2010 and suggested two options to assist in determining meter rates.

Mark Sexsmith, Taxi Industry spoke to accessible taxis and concerns with the mix of accessible taxis in the report, noting that a large number of accessible taxis are

not wheelchair-accessible taxis/vans.

Sami Khairallah, Aeroport Taxi inquired as to whether the demand for accessible taxis, outside of Transhelp, had been measured to which Mr. Frost commented that currently accessible service is such that persons requiring it have become frustrated and have stopped calling for accessible taxis. Mr. Khairallah commented that his company has 3 accessible vans, which all run as regular taxis as there is no demand for accessible service.

Gurvel Singh, All Star Taxi spoke to the cost of accessible vehicles, the cost of maintenance and customer resistance in using an accessible vehicle.

Jagdip Singh, taxicab driver spoke to the priority list and offering those on the list an accessible plate, noting the high cost of purchasing and maintaining an accessible vehicle.

Councillor Parrish encouraged members of the taxicab industry to share their comments and feedback on the report.

RECOMMENDATION

1. That the report from the Commissioner of Transportation and Works, dated October 14, 2015 and entitled "Consultant's Review of the Taxi Plate Issuance Model", be received;
2. That the Public Vehicle Advisory Committee consider Appendix 1 to the report from the Commissioner of Transportation and Works, dated October 14, 2015 and entitled "Consultant's Review of the Taxi Plate Issuance Model", when Council has approved a framework to address the regulation of transportation network companies.

Referred (Councillor Parrish)
Recommendation PVAC-0044-2015

7. INFORMATION ITEMS

7.1 Recommendation PVAC-0042-2015

Memorandum dated October 23, 2015 from Karen Morden, Legislative Coordinator with respect to Recommendation PVAC-0042-2015.

RECOMMENDATION

That the memorandum dated October 23, 2015 from the Legislative Coordinator with respect to Recommendation PVAC-0042-2015, be received.

Received (B. Pandori)

Recommendation PVAC-0045-2015

7.2 2016 Public Vehicle Advisory Committee Meeting Dates

Memorandum dated October 16, 2015 from Karen Morden, Legislative Coordinator, with respect to the 2016 meeting dates of the Public Vehicle Advisory Committee.

RECOMMENDATION

That the memorandum dated October 16, 2015 from the Legislative Coordinator with respect to the 2016 Public Vehicle Advisory Committee meeting dates, be received.

Received (B. Pandori)

Recommendation PVAC-0046-2015

7.3 Public Vehicle Advisory Committee 2015 Action List

The Committee briefly reviewed the 2015 Action List, updated for the November 19, 2015 Public Vehicle Advisory Committee meeting.

RECOMMENDATION

That the Public Vehicle Action Committee (PVAC) Action List, updated for the November 19, 2015 meeting of PVAC, be received.

Received (B. Pandori)

Recommendation PVAC-0047-2015

8. OTHER BUSINESS8.1 Mayor's Letter to the Premier

Letter dated November, 2015 from Mayor Crombie to the Premier of Ontario with respect to new and emerging transportation services.

RECOMMENDATION

That the letter dated November, 2015 from Mayor Crombie to the Premier of Ontario regarding New and Emerging Transportation Services, be received.

Received (H. S. Sethi)
PVAC-0048-2015

8.2 Hara Associates Report

Email dated November 14, 2015 from Peter Pellier, Taxi Industry with respect to the Hara Associates report.

RECOMMENDATION

That the email dated November 14, 2015 from Peter Pellier, Taxi Industry with respect to the Hara Associates report, be received and forwarded to staff for consideration.

Referred (H.S. Sethi)
PVAC-0049-2015

8.3 Hara Associates Report Recommendations

Letter dated November 14, 2015 from Ron Baumber, Accessible Taxi Owner/Operator with respect to the Hara Associates Report.

RECOMMENDATION

That the letter dated November 14, 2015 from Ron Baumber, Accessible Taxi Owner/Operator regarding the Hara Associates report recommendations, be received and forwarded to staff for consideration.

Referred (A. Cormier)
PVAC-0050-2015

8.4 Taxi Plate Issuance

Email dated November 18, 2015 from Tahir Iqbal, Taxi Industry with respect to unattended issues with a new taxi plate issuance model.

RECOMMENDATION

That the email dated November 18, 2015 from Tahir Iqbal, Taxi Industry regarding new taxi plate issuance and unattended to issues, be received and forwarded to staff for consideration.

Referred (H. S. Sethi)
PVAC-0051-2015

8.5 Councillor Starr spoke with respect to Uber renting space at the Living Arts Centre to host recruitment meetings and inquired as to whether the City could limit who the Living Arts Centre is permitted to rent space to, to which Councillor Parrish encouraged members of the taxi industry to write to the Living Arts Centre with an explanation as to why Uber shouldn't be permitted to rent space.

8.6 Councillor Parrish requested clarification as to the number of demerit points required for drivers/owners to lose the ability to drive, as per the Public Vehicle Licensing By-law 420-04, as amended, to which Mr. Bell advised that drivers would have their licence suspended upon reaching seven (7) demerit points or if they received one charge that resulted in four (4) demerit points.

Karam Punian, Taxicab Drivers spoke to driver displeasure with the demerit limits, to which Councillor Starr advised that drivers have the opportunity to appeal through the Mississauga Appeal Tribunal that meets monthly to deal with such issues.

Harsimar Singh Sethi, Elected At Large spoke to the necessity of further discussion on both the demerit point issue and the requirement of taxicab owners/drivers to present a criminal records search yearly, to which Nirmal Singh, Taxicab Owners agreed spoke to the cost involved in making an appeal.

RECOMMENDATION

That the matter of the Public Vehicle Licensing By-law 420-04, as amended specifically pertaining to the licensing of taxi and limousine drivers and demerit points, be referred back to staff for a report at a future Public Vehicle Advisory Committee meeting.

Referred (Councillor Parrish)
PVAC-0052-2015

- 8.7 Yad Sidhu, Taxicab Industry spoke to the Hara report and hotel shuttles from the airport, and suggested that the Federal Government should be dealing with Uber-type companies, to which Councillor Starr commented that staff are working diligently on the issue.

9. **DATE OF NEXT MEETING**

Monday, December 7, 2015 - 9:30 AM, Civic Centre, Council Chambers - 300 City Centre Drive, Mississauga L5B 3C1

10. **ADJOURNMENT** - 11:41 AM

DRAFT

Public Vehicle Advisory Committee
DEC 07 2015

City of Mississauga
Corporate Report



Date: November 25, 2015 To: Chair and Members of Public Vehicle Advisory Committee From: Martin Powell, P. Eng. Commissioner of Transportation and Works	Originator's files:
	Meeting date: 2015/12/07

Subject

Consultant's Review of Policy Alternatives for the Regulation of Transportation Network Companies

Recommendation

1. That the report from the Commissioner of Transportation and Works, dated November 25, 2015 entitled "Consultant's Review of Policy Alternatives for the Regulation of Transportation Network Companies", be received.
2. That the Public Vehicle Advisory Committee provide comments on the policy alternatives outlined in Appendix 1 to the report from the Commissioner of Transportation and Works, dated November 25, entitled "Consultant's Review of the Policy Alternatives for the Regulation of Transportation Network Companies" for incorporation in a future report from staff to General Committee.

Report Highlights

- Transportation network companies (TNCs) are firms that use internet-based services to directly connect customers with drivers.
- The City of Mississauga engaged the firm of Windels Marx Lane and Mittendorf, LLP, to report on how other jurisdictions in Canada, the United States and Europe are regulating TNCs, and to propose and evaluate policy alternatives for the regulation of TNCs.
- The purpose of this report is to bring forward for consideration by the Public Vehicle Advisory Committee the final report from Windels Marx Lane and Mittendorf, LLP, dated November 26, 2015 and entitled "Study of Regulations for Transportation Network Companies (TNCs)".

Background

The taxi industry in Mississauga is undergoing a major competitive challenge. The widespread use of smartphones has led to the development of internet-based services that directly connect passengers and drivers. These internet-based transportation services are being offered by firms that are described as TNCs.

The challenge posed by TNCs is that one of their primary services includes drivers who use their personal vehicles and operate outside the regulatory framework. Municipalities are struggling to bring TNC vehicle operation into the regulatory fold. The issue is complicated by their popularity, by the difficulty of enforcing rules on individual unmarked cars and by the legal position taken by TNCs that they are merely telephone applications, not taxi or limousine brokers.

The City of Mississauga engaged the firm of Windels Marx Lane and Mittendorf, LLP, to report on how other jurisdictions in Canada, the United States and Europe are regulating TNCs, and to propose and evaluate policy alternatives for the regulation of TNCs.

The final report from Windels Marx Lane and Mittendorf, LLP, dated November 26, 2015 and entitled "Study of Regulations for Transportation Network Companies (TNCs)" (the "Windels Report"), is attached as Appendix 1. The purpose of this report is to introduce the Windels Report.

Comments

A summary of the policy alternatives evaluated in the Windels Report is shown below:

1. *"Capture Option: Capture TNCs under current regulations using amendments (taxis and limousines)*
 - *TNCs would be regulated as taxi brokers and adhere to taxi and limousine rules.*
 - *Certain taxi and limousine rules (such as metered rates) could continue to apply, or the City could opt to make minor adjustments to the By-laws.*
 - *UberX is an illegal operation.*

2. *Capture Option (Modified): Capture TNCs under current regulations using amendments (limousines)*
 - *TNCs would be regulated as brokers and adhere to taxi and limousine rules;*
 - *Certain taxi and limousine rules, such as mandatory minimum fares, could continue to apply, or the City could opt to make minor changes to the By-laws.*
 - *UberX would operate as a special limousine category.*

3. *New Licensing Category Option (Equal Regulation)*
 - *TNCs would be considered TNC brokers, as part of a new license category;*
 - *Requirements would be equivalent to taxis and limousines; and*
 - *This option could include a licensing cap or growth standard, or an open licensing system for TNCs.*

4. *New Licensing Category Option (Unequal Regulation)*

- *Provides a basic, self-regulating licensing framework for TNCs to operate legally;*
- *TNCs must register with the municipality but can issue their own driver permits, conduct their own background checks, and set their own vehicle standards; and*
- *Subjects TNCs to increased licensing fees, and to municipal data collection, auditing, and fines/penalties for failure to properly self-regulate.*
- *This option would include a licensing cap or growth standard, or an open licensing system for TNCs.*

5. *Pilot Program Option*

- *Pilot program for TNCs.*
- *TNCs would be introduced to the City through a pilot program aimed at addressing service problems and gaps in the FHV and taxicab industries; and*
- *The pilot would measure the introduction of TNCs to ensure entry leads to service improvements and does not cause widespread irreversible safety or environmental problems or market failure.*

6. *Complete Deregulation Option*

- *Complete deregulation of current by-laws.*
- *Deregulations would include lifting a cap on taxicab plates, removing required minimum and maximum fares, or by enabling taxicabs to operate in all service areas; and*
- *Lifting all licensing requirements for all vehicles.*

7. *Provincial Regulation Option*

- *Rely on the provincial government to pass province-wide regulations.*
- *The City would not pass any regulations, but will resort to the Ontario government to pass province-wide regulations; and*
- *This option could include complete provincial regulation of licensing and economies, or just provincial licensing standards with fares and regulation reserved for the local level.”*

Staff recommend that the Public Vehicle Advisory Committee receive the report from the Commissioner of Transportation and Works, dated November 25, 2015 and entitled “Consultant’s Review of Policy Alternatives for the Regulation of Transportation Network Companies”. Further, staff recommend that the Public Vehicle Advisory Committee provide comments to staff on the policy alternatives evaluated for the regulation of TNCs in the Windels Report (attached as Appendix 1 to the report from the Commissioner of Transportation and Works, dated November 25, 2015 and entitled “Consultant’s Review of Policy Alternatives for the Regulation of Transportation Network Companies”) for inclusion in a future report to General Committee.

Financial Impact

The cost of the consultant's review of policy alternatives for the regulation of TNCs is funded from the operating budget for Regulatory Services. The financial impact to the City for the regulation of TNCs will be addressed in a future report to General Committee following consultation with public vehicle industry stakeholders on the policy alternatives for the regulation of TNCs.

Conclusion

The City of Mississauga engaged consulting services to report on how other jurisdictions in Canada, the United States and Europe are regulating TNCs, and to propose and evaluate policy alternatives for the regulation of TNCs. The firm of Windels Marx Lane and Mittendorf, LLP, was engaged to perform this review and has completed their final report. This report brings forward the report from Windels Marx Lane and Mittendorf, LLP, on the regulation of TNCs.

Attachments

Appendix 1: Report from Windels Marx Lane and Mittendorf, LLP, dated November 26, 2015 and entitled "Study of Regulations for Transportation Network Companies (TNCs)".



Martin Powell, P. Eng.
Commissioner of Transportation and Works

Prepared by: Mickey Frost, HBA; CPA, CGA; MPA, Director of Enforcement



STUDY OF REGULATIONS FOR TRANSPORTATION NETWORK COMPANIES (“TNCs”)

November 26, 2015

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Executive Summary

The idea of using a smartphone application to request rides is a simple one. Companies, often known generically as Transportation Network Companies (“TNCs”), offer to the public an app that provides on-line booking of what some TNCs refer to as “ridesharing services.” Under this arrangement, passengers request a ride from a private passenger vehicle driven by an oftentimes non-commercially licensed driver through the app. The driver of the vehicle is given the passenger’s location through GPS. This app also provides a fare to the passenger and a system by which the driver and passengers can rate each other. A passenger’s credit card information is saved within the app so that it can be used for future trips and to make future transactions more convenient because they are cashless. The TNCs often believe local regulations regulating for-hire vehicles do not apply to them, preferring to conduct their own background checks of drivers, and set their own insurance requirements and vehicle requirements.

This new approach to less regulated transportation services has been repeatedly referred to as a newly “innovative” business model, and has caused regulatory issues for municipalities all around the world, as they deliberate on how to address the issues of TNCs. Many jurisdictions believe that TNC operations fall under their for-hire vehicle licensing laws, however, TNCs often argue that they are not transportation companies, but are technology companies. One defining characteristic of TNCs is that they consider themselves disruptors. Their business model includes TNCs going into a jurisdiction and operating without regards to existing regulations. They will often continue to operate until challenged by local regulators or law enforcement officials.

When TNCs enter jurisdictions without proper licensing, many jurisdictions have answered by filing lawsuits, as Edmonton and Toronto have done, to block their operations. When TNCs have been blocked by these lawsuits, it sometimes compels them to work with local regulators to create a system in which the TNC model can operate, or to cease operations. Jurisdictions have addressed TNCs in a wide range of ways, from requiring them to follow laws applicable to all other TNCs, to creating a separate category of regulations for TNCs, to deregulation of the for-hire vehicle industry.

This report studies the entrance of TNCs into the City of Mississauga, reviews the existing regulations, discusses the current state of the market, the history of the smartphone app movement, international regulatory responses, and examines litigation involving TNCs. This report analyzes these factors and provides policy options and considerations to the City of Mississauga for addressing TNCs.

Section 1 of the report identifies the methodology used to write the report. A detailed comparative analysis was conducted of existing regulations to determine what standards may be transferrable from the incumbent taxicab industry and to identify multiple regulatory policy options that will ensure consistent regulations. Our methodological approach also encompassed the analysis of primary data collected from various stakeholders and attendance at a Public Vehicle Advisory Committee meeting to solicit comments.

Section 2 of the report examines the existing regulatory structure and state of the market. Mississauga's By-law 420-04 regulates four types of for-hire vehicles: Taxicabs, Airport Public Transportation Vehicles, Airport Municipal Transportation Vehicles, and Limousines. The By-law also regulates drivers and owners of such vehicles and brokerages, which dispatch licensed vehicles. In addition to this report, the City of Mississauga recently retained other economic consultants to conduct a Taxi Plate Issuance Model Review, which concluded that although Mississauga has good taxicab service, with an average response time of 9.8 minutes and 90% of calls arriving within 15 minutes, there were some areas of poorer service near the airport; and also noted there is some room to slightly increase Mississauga's taxicab fleet. Although Mississauga Taxicabs are allowed to accept street hails, almost all of their rides are prearranged. There is concern that allowing TNCs to enter the market may have a devastating effect on driver income and taxi plate prices, as TNCs are dispatched through a smartphone app and would unfairly compete head-to-head with taxicabs.

Sections 3 and 4 examine the new entrants and technologies and analyze whether existing regulations apply to TNCs. TNCs first appeared in Mississauga in 2012 by recruiting drivers. By 2014, TNCs had begun operations without obtaining licenses that the City of Mississauga required for them to operate. Instead, TNCs vet their own drivers and use their own standards for the vehicles. TNC operations arguably fall under the existing by-law because they conduct business like the current taxicabs and limousines and taxicabs and only differ in their method of dispatching their vehicles. Yet, despite two meetings with City of Mississauga regulators to discuss the need to follow the law, TNCs commenced operations without obtaining any licenses.

Section 5 examines benchmarking and accepted practices across the world, including an overview of TNC laws and litigation involving TNCs. Municipalities across the world have been confronted with the same TNC issues facing Mississauga. Canadian cities such as Calgary, Alberta; Edmonton, Alberta; Toronto, Ontario; and Vancouver, British Columbia have been challenged to find a solution. In all of these cities, TNCs started to operate in the City without obtaining necessary licensing. Some of these cities filed lawsuits to stop the continued operation of the TNCs, while other cities are working on regulations to address their existence.

In the United States, the birthplace of TNCs, some municipalities, such as California and Maryland, have enacted new regulations to regulate TNCs. These new regulations create a separate category for TNCs with different standards, primarily with insurance and driver

background checks. While in New York City, companies that are considered TNCs elsewhere, have had to comply with the existing regulations, although the local regulator recently adopted new rules that require the licensing of dispatch app providers that do not operate a base, or brokerage, as it is known in Mississauga. Europe may be the most aggressive in addressing TNCs, with many countries banning UberPop, which allowed people to use their personal vehicles to provide for-hire transportation.

The entry of TNCs into existing markets has spurred litigation in Canada, where the City of Edmonton and the City of Toronto have filed lawsuits attempting to stop Uber from operating in their cities. A Court granted the City of Calgary a temporary injunction on November 20, 2015, preventing all Uber drivers from operating in Calgary. The city claimed that Uber drivers were operating FHV's without necessary licenses and not following other regulatory requirements. The City will seek to have the injunction made permanent at a hearing on December 17, 2015. Across the world, TNCs' operations have also caused the filing of lawsuits alleging the violation of labor laws, privacy laws, environmental laws, criminal background check requirements, insurance coverage, constitutional laws, and disability discrimination.

Section 6 describes our efforts to solicit public comments. The City of Mississauga's Public Vehicle Advisory committee held a meeting on October 1, 2015, soliciting comments from stakeholders and the public. We also solicited public comments through a dedicated email address. The comments showed a range of views, including some who appreciated the new service and said they would like the TNC service to continue. Others, from the taxicab and limousine industry stated that the new TNCs are hurting their businesses and provided unfair competition because TNCs were not subject to the same regulations, and are not required to pay certain fees and taxes. While some praised the City of Mississauga's current for-hire vehicle by-laws, others felt that the by-law needed to be amended, including making the fare structure more flexible.

Section 7 provides policy recommendations to the City of Mississauga. While considering these options, there are certain issues the City of Mississauga should consider such as:

- Would TNCs be required to have camera systems and licensing identification on the vehicles?
- What is the TNCs' responsibility for providing wheelchair accessible service?
- How will the City pay to regulate and enforce TNC regulations?
- Will the TNCs be required to pay the Harmonized Sales Tax? (This is primarily a federal and provincial concern).
- Data collection and protection – What should be required of the TNCs with regard to privacy and security of its data? Also, should Mississauga collect such data?
- How should the City of Mississauga set Taxicab fares?

- What type and how much insurance should be required of TNCs?
- What type of training should be required for TNC drivers and operators?

The following are policy options for consideration based upon a review of other jurisdictions and the current Mississauga regulatory system. The following options include: Capture Option, Capture Option (Modified), New Licensing Category Option (Equal Regulation), New Licensing Category Option (Unequal Regulation), Pilot Program Option, Complete Deregulation Option, and Provincial Regulation Option. The charts below set forth an explanation of each option, the pros and cons of each option, as well as the regulatory costs and jurisdictions where similar options have been or are being implemented.

CAPTURE OPTION	
Policy	<p>Capture TNCs under current regulations using amendments (taxis and limousines)</p> <ul style="list-style-type: none"> • TNCs would be regulated as taxi brokers and adhere to taxi and limousine rules. • Certain taxi and limousine rules (such as metered rates) could continue to apply, or the City could opt to make minor adjustments to the By-laws. • UberX is an illegal operation.
Pros	<ul style="list-style-type: none"> • Provide for consistent regulations between TNCs and brokers; • Addresses public safety concerns by maintaining the same licensing standards for insurance, background checks, driver training, and vehicle inspections; • Less costs involved in amending current regulations, than a new class of vehicles and laws; • Increased further availability of vehicles, to fill niche demands that exist in the taxi market, and further reduce wait times; • Allow drivers to move between the traditional FHV industry and TNCs, thus enhancing the labor pool and options for drivers; and • Does not allow open entry for TNCs to the taxi market and cause heightened environmental concerns.
Cons	<ul style="list-style-type: none"> • Additional enforcement, licensing, and inspection costs; • Potential to oversaturate the FHV market with too many FHV's, particularly for limousines, which can lead to environmental issues and taxi plate devaluation, as well as market failure; • Potential for insurance gaps with TNC drivers; • Data protection risks with mobile applications; • Costly and difficult to regulate unlicensed TNC operators through enforcement; • If officer enforcement is unsatisfactory, court injunctions and legal costs may be required; and • Taxi licensing fees may need to be increased to offset additional regulatory costs representing an additional burden on the taxi and limousine industries.
Costs	<ul style="list-style-type: none"> • Cost of implementing amendments to the regulations; • Cost to municipality to license TNCs; • Cost to license and test new drivers; • TNC vehicle inspection costs; and • Cost to regulate unlicensed operators including officer enforcement and legal costs for litigation, if required, could be high.
Jurisdictions	<ul style="list-style-type: none"> • New York, NY • London, UK

CAPTURE OPTION (MODIFIED)	
Policy	<p>Capture TNCs under current regulations using amendments (limousines)</p> <ul style="list-style-type: none"> • TNCs would be regulated as brokers and adhere to taxi and limousine rules; • Certain taxi and limousine rules, such as mandatory minimum fares, could continue to apply, or the City could opt to make minor changes to the By-laws. • UberX would operate as a special limousine category.
Pros	<ul style="list-style-type: none"> • Provide for consistent regulations between TNCs and brokers; • Addresses public safety concerns by maintaining high standards for insurance, background checks, driver training, and vehicle inspections; • Less costs involved in amending current regulations than a new class of vehicles and laws; • Increased availability of vehicles, to fill niche demands that exist in the taxi market, and further reduce wait times; • Allow drivers to move between the traditional FHV industry and TNCs, thus enhancing the labor pool and options for drivers; and • Does not allow open entry for TNCs to the taxi market.
Cons	<ul style="list-style-type: none"> • Additional enforcement, licensing, and inspection costs; • Potential to oversaturate the FHV market with too many FHVs, particularly for limousines, which can lead to environmental issues and taxi plate devaluation, as well as market failure; • Potential for insurance gaps with TNC drivers; • Data protection risks with mobile applications; • Costly and difficult to regulate unlicensed TNC operators through officer enforcement; • If officer enforcement is unsatisfactory, court injunction and litigation costs may be required; and • For-hire licensing fees may need to be increased to offset additional regulatory costs representing an additional burden on the taxi and limousine industry.
Costs	<ul style="list-style-type: none"> • Cost of implementing amendments to the regulations; • Cost to municipality to license TNCs; • Cost to license and test new drivers; • TNC vehicle inspection costs; and • Cost to regulate unlicensed operators including officer enforcement and legal costs for litigation, if required, could be high.

NEW LICENSING CATEGORY OPTION (EQUAL REGULATION)

Policy	<p>Introduce more stringently regulated separate category</p> <ul style="list-style-type: none"> • TNCs would be considered TNC brokers, as part of a new license category; • Requirements would be equivalent to taxis and limousines; and • This option could include a licensing cap or growth standard, or an open licensing system for TNCs.
Pros	<ul style="list-style-type: none"> • Removes discrepancies between TNCs and the incumbent industry in licensing standards; • Public safety concerns are addressed in this option by maintaining consistent standards for insurance, background checks, driver training, and vehicle inspections; • Mitigates unfair competitive advantage that TNCs currently enjoy by foregoing licensing costs, including licensing fees, the opportunity cost of time spent on training, and the cost of meeting higher vehicle standards; and • The public is satisfied to have TNCs available to meet their needs as an option made safer by heavy regulation.
Cons	<ul style="list-style-type: none"> • Provides TNCs with an unfair competitive advantage in their freedom to set their own fare structure; • Allows open entry for TNCs, but not for taxis, which would potentially allow TNCs to flood the market, significantly decreasing the taxicab and for-hire market share, and individual driver potential earnings; and • Licensing TNC drivers and owners will incur significant regulatory costs for the municipality.
Costs	<ul style="list-style-type: none"> • The creation of a separate category with more stringent means the regulation burden and costs are increased on the municipality; • The municipality will potentially need to increase staff and accrue training costs to effectively implement the new licensing structure and accommodate the influx of new license applications for TNC drivers and owners to be processed; • Additional costs to train drivers and inspect the vehicles; and • Increase licensing fees to meet the needs of the growth of the market.
Jurisdictions	<ul style="list-style-type: none"> • Maryland • Houston, Texas

NEW LICENSING CATEGORY OPTION (UNEQUAL REGULATION)

Policy	<p>Introduce less stringently regulated separate category</p> <ul style="list-style-type: none"> • Provides a basic, self-regulating licensing framework for TNCs to operate legally; • TNCs must register with the municipality but can issue their own driver permits, conduct their own background checks, and set their own vehicle standards; and • Subjects TNCs to increased licensing fees, and to municipal data collection, auditing, and fines/penalties for failure to properly self-regulate. • This option would include a licensing cap or growth standard, or an open licensing system for TNCs
Pros	<ul style="list-style-type: none"> • Self-regulation reallocates regulatory responsibility to parties other than the government, thus reducing some costs, but creating new costs as well.
Cons	<ul style="list-style-type: none"> • Self-regulation and the current processes conducted for background checks today by TNCs may not reach the level of accuracy that the taxi industry and other industries employ; • Insurance gaps may exist; • Less options for wheelchair users or disabled passengers; • Allowing open entry for TNCs but not for taxis, which would potentially make TNCs flood the FHV market, significantly decreases the taxicab and for-hire market share, and individual driver potential earnings; • Self-regulation requires resources to audit TNCs.
Costs	<ul style="list-style-type: none"> • The regulatory costs to the City of Mississauga would include the cost of audits of TNCs to ensure they are self-regulating; • There would be reduced costs for distributing permits or providing background checks for drivers; • Self-regulation can be more efficient for business, and these savings could be passed on to consumers; and • The cost of auditing TNCs may be offset by licensing fees.
Jurisdictions	<ul style="list-style-type: none"> • California • Washington, D.C.

PILOT PROGRAM OPTION	
Policy	<p>Pilot program for TNCs</p> <ul style="list-style-type: none"> • TNCs would be introduced to the City through a pilot program aimed at addressing service problems and gaps in the FHV and taxicab industries; and • The pilot would measure the introduction of TNCs to ensure entry leads to service improvements and does not cause widespread irreversible safety or environmental problems or market failure.
Pros	<ul style="list-style-type: none"> • Using a pilot program to regulate may help improve customer protections to ensure public safety without permanently establishing regulations that may not work; • The City can pick and choose programs that seem to be the most successful and has the option to easily extend programs as needed; • Removes the risk of long-term ineffective regulations; • Can fill gaps in niche markets, such as accessibility and other service gaps; • Can immediately meet demands in case of a shortage in service; • Can provide competitive advantages to current drivers, but mitigate against immediate driver income level losses; and • Can potentially lessen negative environmental impacts.
Cons	<ul style="list-style-type: none"> • Successful programs could be terminated through public opinion or lobbying; • Potentially successful programs might not have enough time to work out kinks and issues before being branded as a failure and discontinued; • There are costs involved in writing regulations, holding meetings with the industry and the public throughout the program; and • New regulations in pilot programs come with uncertainty in their application which can create market confusion and increase enforcement costs.
Cost	<ul style="list-style-type: none"> • While pilot programs certainly come with costs such as those to write and pass the regulations, enforce the new regulations, and assess the regulations at the end of the program, they are minimal compared with instituting permanent laws and enforcing those laws indefinitely.
Jurisdictions	<ul style="list-style-type: none"> • Portland, Oregon

COMPLETE DEREGULATION OPTION

Policy	<p>Complete deregulation of current By-laws</p> <ul style="list-style-type: none"> • Deregulations would include lifting a cap on taxicab plates, removing required minimum and maximum fares, or by enabling taxicabs to operate in all service areas; and • Lifting all licensing requirements for all vehicles.
Pros	<ul style="list-style-type: none"> • Increased number of taxis available for hire; • Employment opportunities for prospective taxi drivers; and • Potential for service diversity and the emergence of a new service class;
Cons	<ul style="list-style-type: none"> • Oversupply of taxicabs and potential for market failure; • Traffic congestion and environmental impacts; • Danger of creating unprofessional and unsafe driver pool as a result of ease of entry; • Lack of certainty as to taxi fares and potential taxi price hikes; • Limited supply of taxi service to suburban and underserved communities; • Service refusal and disability discrimination as a result of lack of recourse measures for passengers; • Such deregulation has been unsuccessful in almost every other jurisdiction; and • Litigation costs in defending potential taxi industry lawsuits against the government.
Costs	<ul style="list-style-type: none"> • While the costs of licensing and enforcement may be eliminated, other externalities may result in costs for other governmental agencies and society impacts such as increased traffic, labor oversupply, reduced driver income, pollution, motor vehicle accidents, litigation, and more crime.
Jurisdictions	<ul style="list-style-type: none"> • Collier County, Florida • Gainesville, Florida • Sarasota, Florida

PROVINCIAL REGULATION OPTION

Policy Recommendation	<p>Rely on provincial government to pass province-wide regulations</p> <ul style="list-style-type: none"> • The City would not pass any regulations, but will resort to the Ontario government to pass province-wide regulations; and • This option could include complete provincial regulation of licensing and economies, or just provincial licensing standards with fares and regulation reserved for the local level.
Pros	<ul style="list-style-type: none"> • Creates consistent regulations for TNCs across the province, and may help solve regional licensing discrepancies; • May receive more diverse comments when formulating regulations; • May lower regulatory costs to the City and to the industry; and • TNCs may not be able to operate if they must follow each municipality's unique laws.
Cons	<ul style="list-style-type: none"> • Removes traditional power of cities to regulate their for-hire vehicles; • Provincial regulations may not address unique circumstances in each City; • Regulations may provide unfunded mandates to cities.
Costs	<ul style="list-style-type: none"> • Decreased costs for municipalities and private transport industries may result; • If a less regulated approach is taken, municipalities may have increased externality costs (i.e., traffic, accidents, etc.).
Jurisdictions Adopted	<ul style="list-style-type: none"> • Vancouver, British Columbia

1 Methodology

In order to identify regulatory and enforcement policy options to regulate TNCs, our methodological approach focused on reviewing public safety and regulatory mandated principles to identify the role of the City of Mississauga (or the “City”) to (a) protect the public and (b) to promote innovation and market efficiencies by encouraging the participation of new market entrants in the for-hire transportation industry. In order to identify regulatory and enforcement policy options to revise and update the existing taxi and limousine regulations, we conducted a detailed comparative analysis of the existing regulations, to determine what standards may be transferrable from the incumbent taxicab industry to the TNC model, and to propose policy changes that will enable each sector to co-exist with a level playing field.

In general, our methodological approach encompassed the analysis of primary data collected from regulators, the incumbent industry, new market entrants, the riding public, and other sectors with a vested interest in the success of the for-hire industry as a whole. Data was collected with a purposeful sampling of stakeholders, during the public consultation periods. Furthermore, our analysis of regulation and enforcement-related issues relied on various academic literature that proposes strategies to balance the interest of public safety with reducing the barriers of doing business in regulated industries.

In conjunction with the City, we attended a Public Vehicle Advisory Committee on October 1, 2015, with stakeholders to solicit public comments. Working with the City, we also published a request for comments where the public was invited to submit comments to Mississauga@windelsmarx.com on or before the close of business on October 16, 2015. We created a master list of issues raised at the public summits in order to undergo visioning exercises with the relevant City officials to refine our outline of stakeholder objections and concerns to be addressed.

2 History and Background – The Existing Paradigm and Framework

2.1 Overview of the Existing Regulatory System in Mississauga

The City of Mississauga is a lower-tier municipality belonging to the upper-tier municipality of the Region of Peel. The Municipal Act of 2001 (the “Act”) gives the power to legislate by-laws for the municipality to its local (lower-tier) municipality council.¹ Under the Act, the City is given the power to create a system of licenses for businesses, and affords the City the authority to prohibit businesses without a license from operating, and to impose penalties for non-compliance.² The Act also specifically outlines the powers of the City to establish and provide for the collection of rates or fares for taxicabs and the ability to limit the number of taxicabs or any class of them.³ Pursuant to the Act, the City is only allowed to regulate activity within its geographical borders and may only regulate activity outside its borders by agreement with the relevant authority for the extra-territorial area.⁴

1 Ontario Municipal Act 2011 – Part I, Section 5 (1), (3) <http://www.ontario.ca/laws/statute/01m25>.

2 Ontario Municipal Act 2011 – Part IV, Section 151 <http://www.ontario.ca/laws/statute/01m25>.

3 *Id.*

4 Ontario Municipal Act 2011 – Part II, Section 19 (1) and (2) <http://www.ontario.ca/laws/statute/01m25>.

In the City of Mississauga, the Public Vehicle Advisory Committee (“PVAC”) is an advisory committee of the Council established to make recommendations to Council including input and advice on policy issues affecting the taxi industry.⁵ The PVAC meets on a bi-monthly basis (six times per year) and is comprised of Council members, industry representatives (drivers and owners), and citizens.⁶ The City’s Transportation and Works Department enforces the for-hire vehicle regulations or by-law.

2.2 Definitions of For-Hire Ground Transportation Sub-Modes and Services

There are four (4) different types of for-hire vehicles (“FHV(s)”) licensed by the City of Mississauga’s Transportation and Works Department: Taxicabs, Airport Public Transportation Vehicles (“APTVs”), Airport Municipal Transportation Vehicles (“AMTVs”), and Limousines. Each mode of transportation is distinctly defined by the City of Mississauga in their by-laws regarding Public Vehicle Licensing (By-Law Number 420-04) and distinguishable based on the licensing requirements imposed on the respective drivers and vehicle owners.

Driver and Owner are defined by By-Law 420-04 as follows:

“Driver” means any person who drives a Taxicab, Limousine, Airport Municipal Transportation Vehicle or Airport Public Transportation Vehicle.⁷

“Owner” means the Person licensed under this By-law as the Owner of a Taxicab, Limousine, Airport Municipal Transportation Vehicle or Airport Public Transportation Vehicle.⁸

The different vehicles are defined as follows:

Airport Municipal Transportation Vehicle is a vehicle which has not been altered by more than thirty (30) centimeters from the original manufacturers’ length dimensions, is equipped with four (4) passenger accessible doors and a seating capacity of no less than four (4) passengers and not more than six (6) passengers, has attached to it an illuminated Roof Light and identifying numbers attached to the side fenders and does not have a Taxicab Meter, and is used exclusively for the prearranged conveyance of Passengers or goods for hire or reward from any point in the City to Lester B. Pearson International Airport collecting or making only one Fare or charge per Trip.⁹

Airport Public Transportation Vehicle includes an accessible Airport Public Transportation Vehicle and means a Vehicle that has not been altered from the manufacturer's original length dimensions, is equipped with four (4) Passenger accessible doors with a seating capacity exclusive of driver for not less than three (3) Passengers and not more than five (5) Passengers, and does not have a Taxicab Meter, and is used exclusively for the pre-arranged

5 Terms of reference for Public Vehicle Advisory Committee.

6 *Id.*

7 City of Mississauga Public Vehicle Licensing By-Laws Number 420-04, Section 1
http://www7.mississauga.ca/documents/bylaws/Public_Vehicle_Licensing_.pdf.

8 *Id.*

9 City of Mississauga Public Vehicle Licensing By-Laws Number 420-04 , Section 1
http://www7.mississauga.ca/documents/bylaws/Public_Vehicle_Licensing_.pdf.

conveyance of passengers or goods for hire or reward from any point in the City to Lester B. Pearson International Airport collecting or making only one Fare or charge per Trip.¹⁰

Taxicab includes an Accessible Taxicab, Special Accessible Taxicab or a Standard Taxicab which has not been altered greater than thirty centimeters (30 cm/one foot) from the original manufacturer's length dimensions, and is equipped with four (4) passenger accessible doors and a seating capacity of not less than four (4) Passengers and not more than seven (7) Passengers and, is equipped with a Taxicab Meter, and is used for the transportation of Passengers and/or goods for hire or reward, one Fare or charge only being collected or made for the Trip.¹¹

Limousines include two classes of vehicles. A Class A Limousine is any Motor Vehicle not equipped with a taximeter, with seating capacity for fifteen (15) passengers or less, including the Driver. This definition consists of Vehicles which are recognized by the automobile industry as “luxury” Vehicles that are manufactured with an extended wheel base or have been extended from its original design and includes vehicles that have been uniquely modified so as to provide “luxury” Limousine service, such as buses and Sport Utility Vehicles (SUV). It does not include the following vehicles: station wagon, panel truck and van. The Vehicle is operated by a uniformed driver for and on behalf of any person for the transportation of goods and/or Passengers for gain or reward.¹²

A Class B Limousine is any Motor Vehicle not equipped with a Taxicab Meter, with the seating capacity for not less than five (5) passengers and not more than eight (8) passengers including the driver. The vehicle is operated by a uniformed driver for and on behalf of any person for transportation of goods and/or Passengers for gain or reward. This definition consists of Vehicles which are recognized by the automobile industry as “Luxury Vehicles” that are not manufactured with an extended wheel base, and have not been extended from its original design. A “luxury” Sport Utility Vehicle (“SUV”) may be included in the definition, but a station wagon, panel truck, bus and a van are not included.¹³

The by-law also defines “Broker” as any Person who carries on the business of accepting Orders for, or dispatching in any manner to, Vehicles licensed under this by-law, that are not owned by the Person.¹⁴ Section 2 of the by-law expressly states that no person can own, operate or act as a broker for an APTV, AMTV, Taxicab or Limousine without the licenses outlined in the By-Law.

2.3 Licensing Standards and Requirements

Under the Public Vehicle Licensing By-Law, the driver, the vehicle owner, and the broker must meet specific requirements to receive a license to operate in the City of Mississauga.

10 *Id.*

11 *Id.*

12 *Id.*

13 City of Mississauga Public Vehicle Licensing By-Laws Number 420-04, Section 1

http://www7.mississauga.ca/documents/bylaws/Public_Vehicle_Licensing_.pdf

14 *Id.*

The Mobile Licensing Enforcement Section in the Enforcement Division of the City of Mississauga administers all licensing for FHVs in Mississauga.

AMTV and APTV Driver & Owner Requirements

AMTV Driver's Licenses and APTV Driver's Licenses have the same requirements. Both AMTV and APTV driver candidates are required to submit proof of age, and eligibility to work in Canada to the Licensing Section. The applicants are also required to provide the following:

- a valid Airport Driver's Card issued by the Greater Toronto Airport's Authority ("GTAA");
- a valid Ontario Driver's license (Class G or better) which is in good standing according to the records of the Ministry of Transportation and Communications;
- a certificate of Criminal Conviction data search issued by the Peel police department; and
- a medical report from a physician stating the applicant is fit and able to operate a motor vehicle.

The applicants must also demonstrate a proficiency in English to the Canadian language Benchmarks Assessment Standard for listening/speaking or provide a valid Ontario secondary school graduation diploma or its equivalent as determined satisfactory by the License Manager. Lastly, the applicants must successfully complete a Defensive Driving Course, a Sensitivity Training Course and a Robbery Prevention Course.¹⁵

Owners of AMTVs and APTVs also must be licensed in order for the vehicle to be operated for-hire. An AMTV owner is required to hold a valid Airport Permit issued by the GTAA as well as an AMTV driver's license issued by the City of Mississauga. For vehicle approval, the owner must provide the Licensing Section with a copy of the current Provincial Permit for the Vehicle issued by the Ontario Ministry of Transportation in the Owner's name as well as a copy of the Owner's license, a copy of the current Motor Vehicle Liability Insurance Card endorsed to show the Vehicle being registered and either an Ontario Ministry of Transportation and Communication Vehicle Inspection report showing that the Vehicle has passed inspection within the previous sixty (60) days or a Safety Standard Certificate issued under the Highway Traffic Act, R.S.O. 1990, C. H.8, as amended, within the previous sixty (60) days. Lastly, the owner must submit the Vehicle to be registered for inspection and approval by the Licensing section. The Vehicle must be in compliance with section 14 of schedule 3 of the Public Vehicle Licensing By-Law Number 420-04 for approval. The by-law allows forty (40) AMTV Owner's Licenses to be issued for the City of Mississauga.¹⁶

An APTV Owner must also attain an APTV Owner's license from the Licensing section. To apply, APTV Owner must present an Airport Permit issued by the GTAA. In addition, for vehicle approval, the owner must provide the Licensing Section with a copy of the current

15 City of Mississauga Public Vehicle Licensing By-Laws Number 420-04, Schedules 3 and 4
http://www7.mississauga.ca/documents/bylaws/Public_Vehicle_Licensing_.pdf

16 City of Mississauga Public Vehicle Licensing By-Laws Number 420-04, Schedule 3
http://www7.mississauga.ca/documents/bylaws/Public_Vehicle_Licensing_.pdf

Provincial Permit for the Vehicle issued by the Ontario Ministry of Transportation in the Owner's name, as well as a copy of the Owner's license, and a copy of the current Motor Vehicle Liability Insurance Card endorsed to show the Vehicle being registered. Lastly, the owner must either provide an Ontario Ministry of Transportation and Communication Vehicle Inspection report showing that the Vehicle has passed inspection within the previous sixty (60) days or a Safety Standard Certificate issued under the Highway Traffic Act, R.S.O. 1990, C. H.8, as amended, within the previous sixty (60) days or submit the Vehicle to be registered for inspection and approval by the Licensing Section. The by-law allows two hundred and ninety (290) APTV and six (6) Accessible APTV Owner's Licenses to be issued for the City of Mississauga.¹⁷

Taxicab Driver and Owner Requirements

Taxicab Driver license applicants are required to submit proof of age, and eligibility to work in Canada to the Licensing Section. The applicants are also required to provide a valid Ontario Driver's license (Class G or better) which is in good standing according to the records of the Ministry of Transportation and Communications, a certificate of Criminal Conviction data search issued by the Peel Regional police department and a medical report from a physician stating the applicant is fit and able to operate a motor vehicle. The applicants must demonstrate a proficiency in English to the Canadian language Benchmarks Assessment Standard for listening/speaking competencies of Benchmark 7 or provide a valid Ontario secondary school graduation diploma or its equivalent as determined satisfactory by the License Manager. The applicants must also successfully complete a Defensive Driving Course, a Sensitivity Training Course and a Taxicab Driving Course. Additionally, the applicant must have his photograph taken by the Mobile Licensing Enforcement Section and pass a written test set by the License Manager relating to the provisions of the Public Vehicle Licensing by-laws, the geography of the City, the use of a street guide and the location of specific sites such as hospitals and public transportation terminals.¹⁸

A Taxicab Owner Licensing applicant must be a licensed Taxicab driver if a natural person or, if a corporation, have the individual person holding the shares carrying at least fifty-one percent (51%) of the voting rights attached to all shares of the corporation, be a licensed taxicab driver. In addition, for vehicle approval, the owner must provide the Licensing Section with a copy of the current Provincial Permit for the Vehicle issued by the Ontario Ministry of Transportation in the Owner's name, as well as a copy of the Owner's license, a copy of the current Motor Vehicle Liability Insurance Card endorsed to show the Vehicle being registered, and either an Ontario Ministry of Transportation and Communication Vehicle Inspection report showing that the Vehicle has passed inspection within the previous sixty days or a Safety Standard Certificate issued under the Highway Traffic Act, R.S.O. 1990, C.H.8, as amended, within the previous sixty (60) days.

17 City of Mississauga Public Vehicle Licensing By-Laws Number 420-04, Schedule 4
http://www7.mississauga.ca/documents/bylaws/Public_Vehicle_Licensing_.pdf

18 City of Mississauga Public Vehicle Licensing By-Laws Number 420-04, Schedule 8
http://www7.mississauga.ca/documents/bylaws/Public_Vehicle_Licensing_.pdf

Lastly, the owner must submit the Vehicle to be registered for inspection and approval by the Licensing section. The Vehicle must be in compliance with section 41 of schedule 8 of the Public Vehicle Licensing By-Law Number 420-04 for approval. Most notably, a taxicab vehicle must be equipped with a taximeter that is adjusted in accordance with the rates prescribed by Schedule 9 of the Public Vehicle Licensing By-Law Number 420-04 and a security camera in accordance to the specifications set out by Schedule 15 of the Public Vehicle Licensing By-Law Number 420-04. No taxicab is allowed to be more than three (3) model years old if being registered for the first time, or more than seven (7) model years old for any subsequent registration. The Public Vehicle Licensing By-laws limits the number of taxicab owner licenses to seven hundred and eight (708). The total number of taxicab owner licenses issued at any given time is established by the Plate Issuance Formula set out in Schedule 13 of the Public Vehicle Licensing By-Law Number 420-04. The by-laws also place a limit on the number of taxicab Owner licenses to be held by one person to twelve (12) licenses.¹⁹

Limousine Driver and Owner Requirements

Limousine Driver License candidates are required to submit proof of age and eligibility to work in Canada to the Licensing Section. The applicants are also required to provide a valid Ontario Driver's license (Class G or better) which is in good standing according to the records of the Ministry of Transportation and Communications, a certificate of Criminal Conviction data search issued by the Peel police department and a medical report from a physician stating the applicant is fit and able to operate a motor vehicle. The applicants must demonstrate a proficiency in English to the Canadian language Benchmarks Assessment Standard for listening/speaking competencies of Benchmark 7, or provide a valid Ontario secondary school graduation diploma or its equivalent as determined satisfactory by the License Manager. Lastly, the applicants must successfully complete a Defensive Driving Course and a Sensitivity Training Course.²⁰

Limousine Owner license applicants must submit, file, and maintain an Ontario business registration or submit and file a copy of their Articles of Incorporation. They must also file with the Licensing Section documentation to the satisfaction of the License Manger of potential and viable Limousine business for at least 35 hours per week in the City. An applicant for a Class B owner's license must hold at least one Limousine Class A license for every Limousine Class B owner's license he/she applies for. Additionally, Limousine Owner license applicants are required to file with the Licensing Section a schedule of all hourly tariff rates to be charged. Rates are to have a minimum of two (2) hour duration at a charge of not less than fifty dollars (\$50.00) for the first hour and thirty (\$30.00) dollars for each additional hour for a Limousine Class A. The same minimum rates apply for a Limousine Class B license, but there is no two hour minimum duration requirement. In addition, for vehicle approval, the owner must provide the Licensing Section with a copy of the current Provincial Permit for the Vehicle issued by the Ontario Ministry of Transportation in the Owner's name as well as a copy of the Owner's license, a copy of the current Motor Vehicle Liability Insurance Card endorsed to show the

¹⁹ *Id.*

²⁰ City of Mississauga Public Vehicle Licensing By-Laws Number 420-04, Schedule 6
http://www7.mississauga.ca/documents/bylaws/Public_Vehicle_Licensing_.pdf

Vehicle being registered and either an Ontario Ministry of Transportation and Communication Vehicle Inspection report showing that the Vehicle passed inspection within the previous sixty days or a Safety Standard Certificate issued under the Highway Traffic Act, R.S.O. 1990, C.H.8, as amended, within the previous sixty days or a City of Toronto Vehicle Inspection Report accompanied by a City of Toronto Livery Cab Fitness Report showing that the Vehicle has been accepted within the previous sixty (60) days. Lastly, the owner must submit the Vehicle to be registered for inspection and approval by the Licensing section.²¹

There is a separate broker's license that must be acquired for each of the four categories of public vehicles. Brokers must maintain an office within the City from which the Brokerage is operated. Taxicabs, Limousines, APTVs and AMTVs are only allowed to be affiliated with one brokerage at a time.²²

Criminal and Drivers Records Amendments

Recently, the City of Mississauga enacted a by-law²³ that amended the for-hire vehicle by-law governing criminal and driving record checks. The by-law amended the criminal records checks and driver abstract checks for limousine and taxicab drivers to require:

- Submission to the License Manager of a criminal record search within 60 days of the application issued by the Peel Regional Police, or other police service in Ontario; and
- A driver's abstract.

No applicant will be issued a new license or renew an existing license if the License Manager determines that the applicant:

- Received any criminal conviction within five years of the date of application or renewal;
- Received a criminal conviction for any offense listed in Schedule 15 of the by-law;²⁴
- Has a drivers' license that contains more than six demerit points of their equivalent from outside the Province of Ontario; or
- Has received an individual Highway Traffic Act conviction which resulted in at least four demerit points, or its equivalent from outside the Province of Ontario, being added to the applicant's driver's abstract.

The license manager may issue a conditional license if the applicant provides documentation showing that he or she has a current application to the Parole Board of Canada for a record suspension in accordance with the Criminal Records Act.

²¹ *Id.*

²² City of Mississauga Public Vehicle Licensing By-Laws Number 420-04, Schedule 5
http://www7.mississauga.ca/documents/bylaws/Public_Vehicle_Licensing_.pdf

²³ Bylaw number 0259-2015, enacted and passed on October 14, 2015.

²⁴ Among some of the offenses are promoting or committing terrorism, sexual offenses against minors, murder, assault, robbery and extortion, arson and trafficking in controlled substances.

2.4 The State of the Market²⁵

The City of Mississauga retained Hara Associates to conduct a Taxi Plate Issuance Model Review (the “Study”). The analysis focused on the 708 taxis that Mississauga currently licenses. Of the 708 licensed taxis, 40 are wheelchair accessible. This does not include the 336 for-hire vehicles, of which six are accessible, currently licensed to serve the airport exclusively. Part of the Hara Study analyzed whether Mississauga’s taxi fleet efficiently serves its population. In an efficient system, passengers will not have to wait an excessive amount of time for a taxi and drivers will not have to wait an excessive amount of time between fares.

The Study noted that taxi demand is not always a constant. There will be times, such as the moment that a bar or restaurant closes, or during inclement weather, when demand spikes and there are not enough taxis available, even though The City may otherwise have an adequate supply of taxis. The Study also determined whether Mississauga’s taxi fleet can meet demand during an average peak period omitting extremes.

The Study found that there are external factors that affect the balance of supply and demand for taxis. For instance, taxis that serve the airport may affect supply and demand because the airport has rules that sometimes allow outside taxis to serve the airports, reducing the supply in the City. Also, Transhelp, the public transit service serving people with disabilities in Mississauga, uses both accessible and non-accessible taxis to serve its passengers, making some taxis unavailable to the general public.

Among some other findings of the Study were that Mississauga has 8.9 taxis per 10,000 people, which is near the high end of its peers. For comparison, Toronto has 18.5 taxis per 10,000 people, but the high Toronto number is skewed because of the high density of people and an incentive program, now discontinued, that greatly expanded the number of taxi licenses available. Another peer city, Burlington, only has 3.3 taxis per 10,000 people, which can be partially explained by the higher percentage of car ownership.

The Study also found that there has been substantial growth at the airport, with passenger volume increasing by 34.8% over the last 11 years (2004 to 2014). Although Pearson Airport’s activity is driven by the entire region, it has a disproportionate impact on Mississauga taxis because of the business generated by travelers who stay in Mississauga.

Operating under the premise that most people expect a taxi to arrive within 15 minutes of the request, the Study – using data from cooperating brokers – showed that Mississauga has good dispatching response times. Modern dispatching systems include GPS positioning and indicate when the meter is activated. The data from cooperating brokers was combined and anonymized to get a larger picture of dispatch response times. The data showed that the average response time for a taxi is 9.8 minutes, with 90.01% of calls answered within 15 minutes.

Looking at a period with high demand (Friday afternoons), the Study found the average waiting time peaks at 11.9 minutes at 5 pm. Even at this peak time, 83% of dispatches are

²⁵ Unless otherwise noted, information for this section is from the “City of Mississauga, Taxi Plate Issuance Model Review” by Hara Associates Incorporated, dated October 7, 2015.

answered within 15 minutes. Although the overall response time is good, the standard is not consistent across all geographic areas. The Study found that areas in the Northeast, near the airport, tended to have weaker dispatch performances, with a 12.5 minute average and only 75% less than 15 minutes on a weekday morning between 8 am and 9 am. Results were similar in the afternoon, with a 13 minute average and only 77% arriving within 15 minutes on a weekday between 4 pm to 6 pm.

This Study concluded that, in general, Mississauga has good taxi service, with an average response time of 9.8 minutes and 90% of calls arriving within 15 minutes. Even during the busiest times, taxis still arrive within 15 minutes 80% of the time. There are, however, some areas of the City, near the airport, where less than 80% of calls arrive within 15 minutes. The Study further concluded that while Mississauga's taxi fleet is adequate, there is some room to slightly increase the taxi fleet size to address weaker dispatch times near the airport.

2.5 Sustainability and long-term impact on driver income and plate values

Although taxis are allowed to pick up street hails, almost all of their business in Mississauga is performed through dispatches. TNCs also dispatch their vehicles, although they may do it with different technology. This suggests that any model that allows TNCs to enter the market in large numbers will have a negative effect on taxis, reducing their business and the value of their taxi plates. Even in a jurisdiction like New York City, where TNCs are required to follow existing regulations for for-hire vehicles, although these regulations are not as strict as those regulations for taxis, and taxis are the only vehicles authorized to accept street hails in the Manhattan central business district, the number of riders has dropped²⁶ and the taxi medallion values have fallen.²⁷ In the United States, Uber drivers earn 47% more than taxi drivers and fares per medallion in New York City, with its strong street hail market, have dropped 10%.²⁸ In a city like Mississauga, the entry of a large number of unregulated TNC vehicles may have a more devastating effect.

2.6 Accessibility

The Accessibility for Ontarians with Disabilities Act (the "AODA") was enacted in 2005. The AODA outlines the duties of municipalities with regard to accessible taxicabs. Among some of its requirements are that municipalities consult with their Accessibility Advisory Committees to establish the proportion of on-demand accessible taxicabs required in the community and set a plan for progress to meeting the proportion goal. The AODA requires each municipality to have an Accessibility Advisory Committee to ensure that accessibility needs are a priority for the municipality. The AODA requires that municipalities ensure that owners and operators of taxicabs do not charge a higher fare or an additional fee for persons with disabilities than to the fare charged for persons without disabilities for the same trip and that they do not charge a fee for the storage of mobility aids or mobility assistive devices. It also requires municipalities to ensure that taxicabs place vehicle registration and identification information on the rear bumper

26 <http://www.amny.com/transit/nyc-yellow-cab-trips-on-the-decline-uber-to-blame-1.10627001>.

27 <http://nymag.com/daily/intelligencer/2015/11/yellow-cabs-file-suit-against-city.html#>.

28 <http://seekingalpha.com/article/3607036-the-impact-on-medallion-financial-of-uber-driver-pay>.

of the taxicab, and for vehicle registration and identification information to be available in an accessible format to persons with disabilities who are passengers.

The City of Mississauga's current by-laws allot two accessible taxi licenses for every brokerage that has a minimum of twenty-five (25) licensed Mississauga Taxicab Owner's affiliate with the brokerage²⁹. Additional accessible taxi licenses are available if the broker provides a business plan showing how the broker would put more service into place. As a result only 40 accessible taxi plates have been issued by the City of Mississauga³⁰. The Hara Associates Study, through consultations with stakeholders and the Accessibility Advisory Committee, found that the current accessible taxi service in Mississauga is failing to meet the needs of the public and does not adequately address the mandates of the AODA³¹.

2.7 Airport Regulations

The City of Mississauga has a unique relationship with the Lester B. Pearson Airport. The airport is geographically located in the City, but it is the largest international airport in Canada and serves the entire surrounding region, including being the primary airport serving Toronto. The Municipal Act of 2001 gives the upper tier municipality, in this case the Region of Peel, the authority to license and govern taxicabs and other for hire vehicles that pick-up and drop-off passengers at the airport.³² The airport is governed by the Greater Toronto Airport Authority (GTAA). The GTAA has its own regulations, licenses and permits for the FHV's that service the airport. However, since the airport is located within the geographical boundaries of Mississauga, the City may also license for-hire vehicles that operate between the airport and within the City. As a result, a taxicab or limousine picking up or dropping off passengers at the airport with the origin or the destination of the trip being in the City of Mississauga, has to be licensed by both the GTAA and the Licensing Section of the City. The GTAA requires any Taxicab to obtain an Airport Taxicab Permit (ATP) for the owner of the vehicle and allows up to four drivers to apply for an Approved Driver Certificate (ADC) for each vehicle. If an airport Taxicab will pick-up or drop-off within the City of Mississauga, the driver then needs to obtain all the necessary licenses to operate as an AMTV (as explained above).

Uber has an agreement with the GTAA that allows it to operate as an approved pre-arranged vehicle company at the airport. Only UberBLACK is allowed to operate at the Airport according to this agreement, and Uber must pay a required pre-arranged fee per trip (as all other pre-arranged service providers must pay).³³ According to Uber, it does not offer the UberBLACK service in Mississauga. Since the Municipal Act prohibits the City of Mississauga's regulation of taxicabs operating between an airport and an external municipality, Uber's agreement with the GTAA allows it to operate only if the trip is between the airport and a

29 City of Mississauga Public Vehicle Licensing By-Laws Number 420-04, Schedule 7

http://www7.mississauga.ca/documents/bylaws/Public_Vehicle_Licensing_.pdf.

30 "City of Mississauga, Taxi Plate Issuance Model Review," Hara Associates, October 7, 2015.

31 *Id.*

32 Ontario Municipal Act 2011 <http://www.ontario.ca/laws/statute/01m25>.

33

http://torontopearson.com/uploadedFiles/Pearson/Content/About_Pearson/Community_Relations/Committees/Taxi_and_Limo_Committee/CCTL_Minutes_20141022.pdf.

drop-off or pick-up location outside of Mississauga. An argument can be made that UberBLACK uses vehicles that are more akin to limousines, in which case, Taxicab regulations may not apply. However, if the trip is between the airport and somewhere within Mississauga, then Uber is operating illegally because it does not have the necessary requirements set by the City.

3 New Entrants & Technologies³⁴

The introduction of new transportation network companies (“TNC(s)”) purporting to provide “ridesharing” services launched in the Summer of 2012 after their initial introduction to many U.S. cities as mere “technology providers” offering for-hire transportation services. Such companies offer smartphone applications (“app(s)”), which provide on-demand online booking for transportation services. Passengers may request a ride through the app from a type of commercially-licensed or a private passenger vehicle driven by either a commercially or non-commercially licensed driver, which then communicates the passenger’s location to drivers via GPS. TNCs also communicate to the passenger an estimated fare. Many TNCs also have a rating system that allows for drivers and passengers to rate each other after the trip is completed. Passengers’ credit card information is saved by the app so that they may be identified for future trips. TNCs claim to conduct background checks of all drivers with whom they engage to provide transportation services and they classify drivers as independent contractors, rather than employees. A percentage of the fare charged for each trip goes to the driver, as well as gratuities, and the remaining balance goes to the TNC.

Since Uber is operating without licenses from the City and is vetting its own drivers, driving a for-hire vehicle has become easier than ever for many people who normally would not drive a for-hire vehicle. Uber is turning for-hire driving into a part-time occupation where students and other people with extra time can earn money by providing rides to other people. Uber vehicles also are provided in several categories, as described below, giving passengers more choice in their for-hire vehicles. By adding Uber vehicles to the fleet of vehicles serving Mississauga, the waiting times for a dispatch may drop. But, in Mississauga, as described in the Hara Study, there is already an adequate taxi fleet where dispatched taxis arrive within 15 minutes approximately 80% of the time, except in some areas near the airport.

3.1 History of Entry

Uber first appeared in Mississauga in 2012, recruiting drivers for its new service. Shortly after its appearance, City officials explained to Uber that the City by-laws do not allow it to operate since Uber is recruiting taxi drivers, taxis must be linked with one brokerage at a time and Uber is not a licensed brokerage. Uber disagreed with the City’s interpretation, stating that the by-laws did not apply to it because it is a technology company. According to Uber, it began operating in Mississauga on July 1, 2014. In August of 2014, City officials went to Uber again to discuss the by-laws, but Uber ignored them and launched UberX in September 2014.

³⁴ The information from this section is from responses to questions that the City of Mississauga posed to Uber.

3.2 Business Models and Services Offered by Uber

3.2.1 Rate Structure & Dynamic Pricing

The following is the rates structure for the various types of service offered by Uber:

- UberX: \$2.50 base fare, \$0.18/minute, \$0.80/KM, plus a \$1.50 safe ride fee (\$4 minimum fare);
- UberXL: \$5 base fare, \$0.35/minute, \$1.55/KM, plus \$1.50 safe ride fee (\$6.50 minimum fare);
- UberSELECT: \$5 base fare, \$0.35/minute, \$1.80/KM, plus \$1.50 safe ride fee (\$10 minimum fare)

Uber uses surge pricing, also known as dynamic pricing, in Mississauga. Dynamic pricing goes into effect when demand outpaces supply, causing a shortage of drivers. Uber justifies dynamic pricing by arguing it brings more cars into service by offering drivers higher compensation. When dynamic pricing is in effect, riders are notified prior to placing their request to confirm they have accepted the multiple on the fare. When there is a multiplier of “2X” or more, the rider must also confirm the multiple before accepting the ride.

3.2.2 Services

Uber offers UberX, UberXL and UberSELECT in Mississauga. UberX is the low cost peer-to-peer service. Uber XL is also peer-to-peer, but uses larger vehicles with at least 6 seats as opposed to a standard UberX, which has 4 passenger seats. UberSELECT is peer-to-peer, but uses high end vehicle models from Tesla, Mercedes Benz and BMW.

According to Uber, it currently has approximately 2,400 active drivers who reside within Mississauga. A majority of UberX drivers work less than 10 hours a week on the Uber platform.

3.2.3 Wheelchair Accessible Compliance

Wheelchair accessible vehicles are currently not available on the Uber app in Mississauga. In Toronto, Uber provides wheelchair accessible vehicles through UberACCESS, where it partners with accessible taxicab drivers. Uber users in Toronto can request a wheelchair accessible taxi with hydraulic lifts or ramps.

3.2.4 Licensing Standards

Uber, despite being directed twice by City officials that its operations violated City by-laws, continues to operate in violation of City by-laws, instead using internal company procedures to recruit drivers and approve vehicles for service.

In order to become an Uber driver in Canada, an applicant must create an account at www.uber.com and review a 15-minute video outlining how Uber works. Drivers complete a profile by uploading copies of their driver’s license, proof of work eligibility, vehicle registration, and proof of insurance. The upload requires the expiration dates of each document. The documents are reviewed by a Chicago-based team, with direction from a Toronto-based operations manager. The documents must meet the following requirements:

- Driver's license
 - Full G or equivalent
 - Not expired
 - Minimum one year driving history
- Proof of work status
 - Federal document (SIN card, Canadian Passport, work permit, etc.)
 - Not expired
- Vehicle registration
 - Valid in Ontario
 - Not expired
 - Car must be a 2005 or later four-door model
 - License plate must be on the vehicle associated with the partner's profile
- Vehicle insurance
 - Valid in Ontario
 - Not expired
 - Name on insurance document must match name of prospective partner
 - License plate(s) must match registration documents

The potential driver must undergo a background check offered by a third-party background screening company, ISB Canada Inc., or First Advantage Canada, Inc. The background checks have two components, a criminal background check and a driver's abstract. The vendor obtains informed consent from the potential driver and two pieces of identification or verification of identity through electronic ID verification. The vendor sends the applicant's consent form, with name and date of birth and two pieces of acceptable identification, to a local police service to conduct a "CPIC" search.

A CPIC search involves screening the applicant's name and date of birth against the Royal Canadian Mounted Police National Repository of Criminal Records for any criminal conviction, including any conviction under the Criminal Code of Canada or the Controlled Drugs and Substances Act; and reviewing the CPIC database for any cases involving the applicant that are before the courts and for any charges against the applicant that have been withdrawn that involve serious offences as defined by the Police Services. An applicant will fail the enhanced criminal check if the local police service search of the RCMP records finds records with the names(s) and date of birth of the applicant.

The driver's abstract reviews the applicant's driving record over the past three years. Upon receiving the applicant's consent, the background check vendor "runs" the driver's license through a database of driving records of the Ontario Ministry of Transportation. An applicant will fail if his or her driving record reveals one of more of the following:

- Any conviction for impaired driving;
- Any other major driving infraction, such as leaving the scene of an accident or speeding more than 30 km/hour over the speed limit; or
- More than two minor driving infractions, such as speeding less than 30 km/hour over the speed limit, driving while using a handheld device, or failure to wear a seatbelt.

The background check vendor prepares a report to Uber Canada with the results of the background check. The applicant must pass the criminal background check and driver's abstract in order to pass the background check. To ensure continued compliance, according to Uber, its managers conduct audits to ensure all documents are up to date and accounts are automatically deactivated when a document expires.

Uber requires UberX vehicles to be no more than 10 years old and they must be four-door vehicle models. Vehicles are also subject to a mandatory 26-point vehicle inspection by certified auto mechanics in the Province of Ontario.

3.3 Public Opinion of New Entrants

Earlier this year, Toronto City Council directed the Executive Director of Municipal Licensing and Standards, to review the operations of Uber and technologies like it, including the interests of the public in the technologies and their impacts on the current taxicab industry.³⁵ A mix of focus groups and in-depth interviews were conducted. When asked to explain their satisfaction with Uber services, the vast majority of users provided a positive comment, indicating overall satisfaction.³⁶ The most common mentions are for the affordable/cheaper cost, the ease of use or a positive driver experience.³⁷ A number of people were also most satisfied with the convenience and friendly drivers.³⁸ Very few provided a negative comment when discussing their satisfaction with Uber, of which the most common were for unsafe driving.³⁹

When asked, 80% of residents were most likely to agree that taxi service require a taxi license to operate legally.⁴⁰ 60% of residents agreed that since Uber services are less regulated, they can provide service for a lower cost.⁴¹ 60% of residents also agreed that having Uber in the market offers the type of competition in taxi and limo services that Toronto needs.⁴² Just over half of residents felt that even though there is regulation on taxi and limousine services in Toronto, it hasn't created a service that is better for consumers than what Uber offers.⁴³

3.4 Benefits of Transportation Network Companies

There are a number of benefits to allowing TNCs to operate in the City. TNCs allow drivers to use their personal vehicles to generate income by providing rides to the public. A driver only learns the passenger's destination when the tallying of the fare starts, and thus, this addresses the problem of taxi service refusal when traveling to undesirable parts of town.⁴⁴ Users like the conveniences offered by smartphone apps, including being able to hail a car from

35 Information from this section is from Uber, Taxi and Limousine Perceptions and Attitude (2015), the study conducted by Ipsos Public Affairs, at the request of the Toronto City Council

36 *Id.*

37 *Id.*

38 *Id.*

39 *Id.*

40 *Id.*

41 *Id.*

42 *Id.*

43 *Id.*

44 <http://www.investopedia.com/articles/investing/110614/taxi-industry-pros-cons-uber-and-other-ehail-apps.asp>.

any location and have a car ready within minutes⁴⁵; they like being able to see on a map where the closest vehicle is, and of being able to pay seamlessly by a stored credit card.⁴⁶ Unprofessional drivers are weeded out because passengers rate the driver's performance, and a consistently low rating will force a driver out of UBER or its competitors. Users also like the idea of participating in the "sharing economy." Fares are lower than for municipally licensed cabs because TNC drivers do not pay the costs of meeting regulations for consumer and driver safety that licensed vehicles must pay.⁴⁷ Insurance in particular is an issue, since TNC drivers, who rely solely on inadequate personal driver insurance, pay approximately \$1,000 per month less for insurance.⁴⁸

4 Application of Existing Paradigm and Licensing Structure to New Entrants

4.1 Comparison of New Entrant's Local Business Model to Existing Regulations – Do the Existing Regulations Apply or Not?

Arguably, Uber should be regulated under the existing Mississauga Public Vehicle Licensing by-law. Mississauga Public Vehicle By-Law Number 420-04 licenses seven categories related to for-hire vehicles:

- Owners and operators of Airport Municipal Transportation Vehicles
- Owners and operators of Airport Public Transportation Vehicles
- Brokers
- Owners and operators of limousines
- Owners or operators of Accessible Airport Public Transportation Vehicles
- Owners or operators of Special Accessible Taxicabs or
- Owners or operators of Taxis

Broker is defined as "any Person who carries on the business of accepting Orders for, or dispatching in any manner to, Vehicles licensed under this by-law, that are not owned by the person." Uber connects drivers, using their personal vehicles, to riders through its app. The rider is charged a fare as determined by Uber's formula and a percentage is retained by Uber for accepting the order for a ride and then dispatching to a driver. Uber dispatches to vehicles that may be considered Taxis or Limousines as defined in the By-law.

Uber, through its app, accepts orders for vehicles that should be licensed as limousines under the By-law. Uber does not own its own vehicles, thus Uber is acting as a livery cab brokerage or a Taxicab brokerage under the by-law. Uber argues that the existing by-law does not apply because it is a technology company, its drivers use their personal cars and they only drive part-time, with a majority driving less than 10 hours per week. However, under the By-

⁴⁵ *Id.*

⁴⁶ Information for this paragraph is from the Draft Taxi Plate Issuance Model Review by Hara Associates Incorporated, 1-2, dated October 7, 2015.

⁴⁷ *Id.*

⁴⁸ *Id.*

law, the means used by a company to dispatch a vehicle does not change the nature of what the company does. In fact, the by-law defines dispatch to mean “the communication of an Order or information *in any manner* between a Broker and a Driver. (Emphasis added)” As discussed, the by-law also provides specifically that a broker dispatches vehicles that are not owned by such broker. The By-law also does not contain any exemptions for drivers who work less than full time.

4.2 Identification of Non-Compliance or Loopholes

Uber is currently operating without any licenses from the City of Mississauga. As discussed, under the by-law, Uber should have a broker’s license and its drivers should possess a taxicab or limousine license.

5 Benchmarking & Best or Accepted Practices

As many jurisdictions struggled to understand the operations of transportation apps, the following legal issues were identified as areas where existing regulations were in tension with purportedly new “innovation:”

- I. *Prearrangement or Electronic Street Hail?* There are jurisdictions that only allow for taxicabs to be “hailed” by the passengers. Today, some apps allow users to request for-hire vehicles on demand. Although this may seem attractive to the riding public, such apps may potentially run afoul of industry regulations, since many communities have yet to answer whether on-demand service is an “electronic street hail” or prearranged service.
- II. *Safety Concerns.* Most apps are technology start-ups and many are not associated with a specific livery or taxicab business license. If apps continue to operate without regulations or are under-regulated, the public may be riding in vehicles that do not meet the vehicle license requirements or have a driver who has satisfied the licensing requirements for the community.
- III. *Use of “Taxi” or “Taxicab” in the App Name.* Some municipalities restrict the use of the term “taxi” or “cab” to prevent consumer confusion and enforce the distinctions as to how taxicabs operate. In one instance, an app was required to remove “cab” from its name because the app functioned to dispatch livery vehicles, and those vehicles did not meet what the public expects from a “cab.”
- IV. *Illegal Service Refusals.* Many jurisdictions have local laws that expressly prohibit a licensed transportation service from refusing potential fares. Apps may allow a driver to accept or decline potential dispatches. In addition to the possible violation of driver rules, possible discrimination against consumers may occur by such actions.
- V. *“Fair” Fares.* Fare regulations can have two purposes: 1) consumer protection, and 2) the ability to easily distinguish different types of transportation services. Numerous cities will require the fares to be published and filed with a local agency. Yet, some apps operate by charging passengers at the end of the trip. The consumer has no assurance as to the final fare, or whether the charge is “fair.”

VI. *Is it a taximeter?* Generally, taxicabs must have a taximeter, and only taxicabs may charge fares based on distance and time. Taximeter specifications are regulated in the United States by the National Institute of Standards and Technology “NIST” and various state agencies. Among the requirements, the taximeters are calibrated, sealed, and inspected. Some apps may use their own technology, including GPS, to calculate the fare based on time, mileage and demand, which does not meet taximeter standards, and may or may not be consistent with the fare charged to each passenger using the same application, or passengers using any other application.

5.1 International History and Overview of Smartphone App Movement

5.1.1 Canada

Calgary, Alberta⁴⁹

TNCs

In October 2013, Uber tried to launch UberBLACK as a promotion but was quickly stopped by the City because they violated by-laws by partnering with a local licensed broker who had rented unlicensed vehicles from Hertz and used unlicensed drivers to provide for-hire service. UberX launched on October 15, 2015, with the claim that the launch was “to allow the City to try out their services” while the City Council is developing the regulations to govern them. Calgary currently has 6 enforcement officers as taxi inspectors, but undercover plain clothes officers and Calgary police are also tasked with helping enforce transportation regulations. On November 20, 2015 a judge granted a temporary injunction to stop Uber drivers from operating in Calgary. As a result, Uber was forced to suspend its operations in the City. Until the City’s concerns regarding safety, insurance and regulatory requirements are addressed; City lawyers will seek a permanent injunction at a hearing scheduled for December 17, 2015.⁵⁰

Regulations

The Calgary City Council writes the by-laws governing for-hire vehicles, with recommendations made by advisory committees. Calgary does not have a taxi commission. The current for-hire vehicle by-laws regulate two categories; taxis and limousines. Calgary issues licenses for vehicles, drivers and brokers of taxis and limousines. Taxis in Calgary have the exclusive right to be hailed on the street, but may also be prearranged. Fifty percent of taxi rides in Calgary are through street hails while the other fifty percent of taxi rides are prearranged through brokers.

Uber challenged the current by-laws for minimum hourly rates for limousines, which are currently at \$84.60/hour and to remove the minimum waiting requirement, which is currently 30 minutes. There is a proposed bill with these amendments which has not yet been passed. Calgary is currently working on updating its by-laws with regard to TNCs. The City is developing a new framework that was discussed at the October 30, 2015 Advisory Committee meeting, and was discussed by Calgary City Council on November 16, 2015. An extension was granted and full

49 Information for this section is from an interview with the Calgary regulators on October 19, 2015.

50 <http://calgaryherald.com/news/local-news/court-grants-temporary-injunction-to-stop-uber-drivers-in-calgary>.

bylaws must be prepared for review by February 22, 2016. Calgary has taken the lead on its by-laws from Edmonton's proposed bill.

The proposal for Calgary's new by-laws would introduce a new category of "Private Vehicle for Hire" for the TNCs. The City would issue separate vehicle and driver licenses for these private vehicles for hire. Under the proposal, Private Vehicles for Hire will not be allowed to perform street hails and will need to undergo an annual inspection and will include vehicle age restrictions. Drivers will have to submit to a background check by the City and must carry a Class 4 driver's license from the province. The proposed framework places no cap on the number of licenses to be issued for the private vehicles for hire. Calgary will not restrict surge pricing for private hire vehicles, but will maintain a minimum rate. Current taxi regulations control entry and have maximum rates for taxis.

Calgary is facing a challenge with insurance requirements for TNCs because insurance companies explicitly preclude drivers from using their cars to transport for compensation under their personal insurance. Therefore, anyone using private vehicles with personal insurance for work with a TNC will not be covered by the insurance. As a result, Calgary's proposal requires full commercial insurance for the private vehicles for hire. Uber has partnered with Intact, a Canadian insurance company, to create a new insurance product that would be suited for TNC usage.

Among some of the other issues being debated is if Calgary will require private vehicles for hire to have cameras, as is required for taxis. There is an argument that since private vehicles for hire will not be allowed to accept street hails, then they will not need cameras. Calgary is also proposing to not allow TNCs to place any kind of logo or identifying marker on the cars or trade dress for the drivers to curb illegal street-hailing.

The proposal also would license app operators as dispatchers subject to approval by the City in order to have accountability. The dispatcher license would have an accessibility requirement that requires the same level of service as all other taxi brokers, which is the ability to provide accessible transportation within 15 minutes, 77% of the time. It is believed that TNCs will probably contract with local companies with accessible vehicles to meet this requirement. The proposal also requires app operators to keep trip data reporting requirements for private hire vehicles.

The existing for-hire vehicle industry has responded that the by-laws have to be strictly enforced. Brokers are now making a shift from fighting against TNCs to figuring out how to compete with them.

Edmonton, Alberta⁵¹

TNCs

Uber started operations in Edmonton in September 2014, advertising for vehicles and drivers to join their platform in Edmonton, and quickly launched their services. On December

51 Information for this section is from an interview with the City of Edmonton regulators on October 19, 2015.

18, 2014, Uber started to provide free rides to customers. On December 27, 2014 Uber started charging for rides. This caught the attention of the City of Edmonton, which on January 20, 2015, filed for an injunction to stop Uber from operating, but it was denied by the local court.

Regulations

After losing in Court, the City's Executive Committee, which is comprised of the Mayor and three Councilors, began working on amending the for-hire vehicle by-laws to regulate the new entrants to the market. On September 9, 2015, the Executive Committee released its new Vehicle for Hire By-law draft. The Executive Committee held meetings with six different stakeholder groups and issued a survey on their website for feedback. The Executive Committee then held a public meeting in which 89 people spoke, after which the Executive Committee sent the draft by-laws to the City Council without recommendations. Taxi drivers protested the bill.

The existing by-laws only provide for three categories of for-hire vehicles; taxis (and accessible taxis), limousines and shuttles. The draft bill creates a new category of Private Transportation Providers (PTPs) licenses, distinct from taxis and limos. Drivers of PTPs, however, will be required to have a taxi driver's license and commercial vehicle insurance, or a policy that meets insurance requirements of the Province for commercial vehicles. The TNCs will need to apply for a dispatcher license in order to operate in Edmonton. The new by-laws also remove fare minimums for limousines (currently, the minimum is \$75), place no minimum fare on PTPs, do not restrict surge pricing and places no cap on the number of PTPs. The current taxi fare structure and caps will remain in place.

On November 17, 2015, the City Council reviewed the bill and sent it back to the Executive Committee with some amendments and areas to investigate in 2016. The proposed amendments were:

- Create a distinct license class with appropriate fees for Transportation Network Companies (TNC);
- Provide a driver's license fee in a nominal amount for Private Transportation Provider (PTP) drivers who are affiliated with TNCs;
- Propose ways to deter PTPs from refusing pickups;
- Maintain the current number of accessible vehicle licenses; and
- Create a new fund with contributions from TNCs to support future conversion of existing vehicle licenses to accessible vehicle licenses, and/or create additional accessible vehicle licenses.⁵²

The areas to investigate were a self-regulation model for PTPs, fare structure for the industry and ways to administer the accessible vehicle fund.⁵³

In addition, there is a proposal to require PTPs to place a placard identifying the company and perhaps a car number in the windshield while operating as a PTP. The stated reason to support the use of the placard is that it may be removed while using the vehicle for private use.

⁵² http://www.edmonton.ca/bylaws_licences/licences_permits/vehicle-for-hire-by-law.aspx.

⁵³ *Id.*

Toronto, Ontario⁵⁴

TNCs

Uber began operating in Toronto in 2012 with UberBLACK and UberTaxi. Uber used vehicles that were licensed by the City as taxis and limousines, but Uber was not licensed as a broker so it was not compliant with Toronto's By-laws. In September of 2014, Uber launched UberX in Toronto. The City immediately responded by filing for an injunction, but lost the motion in the courts. Toronto also issued consumer alerts to warn the public about security and insurance issues in using Uber. The Judge used a narrow interpretation of the by-laws in which he declared TNCs were not a part of the by-laws.

Regulations

Under Toronto's by-laws, taxis are allowed to perform street hails and prearranged trips. Taxis are not required to use credit card machines, but about 80% do utilize them. Taxis are required to have cameras and taximeters. Limousines must be booked a minimum of 20 minutes in advance, and have a minimum fare of \$70 per hour for a minimum of 2 hours. Limousines are not allowed to use meters. Both taxicab and limousine drivers are required to conduct a background check and submit their driver abstract. Taxicab drivers are also required to partake in a 17 day driving course while Limousine drivers only need to complete a 5 day driving course.

On October 2, 2015, Toronto issued new amendments to by-laws that redefined "taxicab," "taxicab broker" and "limousine service company" to include TNCs. The amendments make clear that dispatchers are only allowed to work with licensed taxicab drivers and owners and reduced the initial fare to \$3.25 from \$4.25.⁵⁵ The City then asked Uber to register as a taxicab broker. The City is currently in the process of licensing Uber as a taxicab broker. However, under the current by-laws, UberX would still be illegal. Toronto is working on new regulations expected in the Spring of 2016 that would include UberX. Currently, Uber X is seen as non-compliant and is not permitted by the law to operate. Thus far, Toronto's by-law enforcement officers and police officers have issued 204 violations against 102 drivers.

Insurance requirements are a provincial matter, set by the Ministry of Finance of Ontario. The Financial Services Commission of Ontario (FSCO) licenses insurance companies. Currently Intact Financial Corporation and Uber are working together to obtain the three-time-slot insurance approved by the province for UberX drivers.

Quebec

TNCs

Uber launched in Montreal, the largest city in the Province of Quebec in early 2014, and in the remainder of Quebec earlier this year.⁵⁶ According to the company, approximately

54 Information for this section is from an interview with the City of Toronto regulators on October 27, 2015.

55 <http://www.toronto.ca/legdocs/bylaws/2015/law1047.pdf>.

56 <http://www.cbc.ca/news/canada/montreal/uber-montreal-requests-to-be-regulated-in-quebec-1.2875639>.

300,000 Uber requests are made via smartphone in Montreal each month.⁵⁷ A ride is ordered on the Uber platform in Montreal once every nine seconds.⁵⁸ Sixty-eight percent of UberX rides in Montreal are one-way, which means that an alternative means of transportation is used for the return trip.⁵⁹ Twenty eight percent of UberX rides in Montreal start or end near a Metro station – usually between the user's home and a station.⁶⁰ Fifty percent of Uber's driver-partners work fewer than 10 hours a week and 70% work fewer than twenty hours a week.⁶¹ Uber says the average hourly income earned by UberX driver-partners in Montreal is \$22.40.⁶²

Since its introduction, the mobile app has been met with staunch criticism. Mayor Denis Coderre and the Quebec government have called the UberX service illegal.⁶³ Taxi drivers in the city have held protests against UberX, arguing it has an unfair advantage and is compromising their ability to make a living.⁶⁴ Montreal's taxi bureau has been ramping up its efforts to crack down on the popular ride-sharing service, which allows drivers without taxi licenses to offer rides in the city.⁶⁵ More than 400 vehicles have been seized in Montreal since the beginning of the year.⁶⁶ About 100 UberX cars were seized in October 2015 alone.⁶⁷

Regulations

In December 2014, Uber Montreal executives met with the Quebec Transport Ministry, saying they want the company to be legally recognized in the province.⁶⁸ Regulations, however, are still not in place. Jean-Nicolas Guillemette, Uber's general manager for Quebec, said the company hopes to work alongside the taxi industry, but he doesn't think his drivers should need to pay for taxi licenses because Uber is a different product.⁶⁹ He said he would like to work within a legal framework and is happy to sit down with Transport Minister Robert Poëti again to make that happen.⁷⁰

Vancouver, British Columbia

TNCs

Uber started operating in Vancouver in July 2012.⁷¹ It stopped its operations in November 2012 when the British Columbia's Passenger Transportation Board determined that it was operating as a limousine company but was not complying with existing rules for limousine companies, such as charging a minimum of \$75 per ride.⁷² Starting in October 2014, the

57 <http://www.cbc.ca/news/canada/montreal/montreal-uberx-crackdown-1.3307144>.

58 <http://montrealgazette.com/news/local-news/uber-says-it-offers-a-ride-every-nine-seconds-in-montreal>.

59 <http://www.cbc.ca/news/canada/montreal/montreal-uberx-crackdown-1.3307144>.

60 *Id.*

61 *Id.*

62 *Id.*

63 *Id.*

64 *Id.*

65 *Id.*

66 *Id.*

67 *Id.*

68 <http://www.cbc.ca/news/canada/montreal/uber-montreal-requests-to-be-regulated-in-quebec-1.2875639>

69 <http://montrealgazette.com/news/local-news/uber-says-it-offers-a-ride-every-nine-seconds-in-montreal>

70 <http://montrealgazette.com/news/local-news/uber-says-it-offers-a-ride-every-nine-seconds-in-montreal>

71 <https://www.biv.com/article/2015/10/uber-signals-second-bid-enter-vancouver-market/>

72 <http://www.vancourier.com/news/uber-eager-to-bring-rideshare-service-to-vancouver-1.2070658>

Vancouver City Council created a temporary moratorium on taxicabs to conduct a study on expanding taxicab service with environmental, safety, and service considerations.⁷³ In addition to the study, the City of Vancouver held several sessions since April 2015, up until October 2015, to allow industry stakeholders to submit testimony on how to regulate TNCs, with Professor Glenn Sigurdson mediating. Chief License Inspector Andreea Toma produced a report in October 2015, recommending amendments to existing Taxi regulations and for local governments to work with TNCs to allow them to operate. As of November 2015, no resolution regarding TNCs was reached and the moratorium was extended by another 12 months.⁷⁴

Regulations

As of November 2015, the regulations that were recommended by the Chief License Inspector were not agreed upon and the Vancouver City Council requested the British Columbia province to develop a province-wide policy.⁷⁵

5.1.2 United States⁷⁶

California Model

California is not only the birthplace of TNCs, but it has served as somewhat of an incubator for technology companies providing transportation services.⁷⁷ In December 2012, in an effort to address the many safety and regulatory concerns arising from the business operations of Lyft, SideCar, Uber, and other similar app companies, the California Public Utilities Commission (the “CPUC”) issued an order to initiate a “quasi-legislative” rulemaking proceeding (“OIR”) to consider amending existing regulations and/or promulgating new regulations which relate to passenger carriers, ridesharing, and what the CPUC termed “new online-enabled transportation services,” and later referred to as “transportation network companies.”⁷⁸ The CPUC officially recognized TNCs, and coined the term itself, in September 2013 when it adopted State regulations governing “an organization whether a company, partnership, sole proprietor, or other form, that provides transportation services for compensation using an online-enabled application (app) or platform to connect passengers with drivers using their personal vehicles.”⁷⁹ The CPUC justified its regulations by classifying TNCs as charter-party carriers. Charter party carriers provide pre-arranged services for a fee and are subject to regulation by the CPUC.

The California regulatory scheme carves out a special category for TNCs within the existing category of charter-party carriers (limousines and sedans) under the existing CPUC rules, and requires a company or individual wishing to provide transportation, or facilitate the transportation of passengers, to choose to apply for either a charter-party carrier license or a TNC

73 <http://former.vancouver.ca/ctyclerk/cclerk/20151020/documents/rr3presentation.pdf>

74 <http://www.metronews.ca/news/vancouver/2015/11/01/vancouver-refuses-to-expand-taxi-service.html>

75 <http://www.metronews.ca/news/vancouver/2015/11/01/vancouver-refuses-to-expand-taxi-service.html>

76 For a full chart on the different TNC regulations applied in U.S. jurisdictions see **Appendix A**.

77 Policy Analysis Report regarding Impact of Transportation Network Companies in San Francisco to Supervisor Mar, City and County of San Francisco Board of Supervisors, dated June 9, 2014.

78 http://www.cpuc.ca.gov/PUC/transportation/Passengers/CarrierInvestigations/CPUC_Proposes_to_Evaluate_Ridesharing_Services_Via_New_Proceeding.htm

79 See California Public Utilities Commission Decision entered September 19, 2013. Rulemaking No. 12-12-011.

license.⁸⁰ The CPUC views “the primary distinction between a TNC and other Transportation Charter Parties (TCPs) is that a TNC connects riders to drivers who drive their personal vehicle, not a vehicle such as a limousine purchased primarily for a commercial purpose.”⁸¹

Although the CPUC outlined insurance requirements for TNCs when it first passed its regulations, in September 2013, the California state legislature passed an assembly bill requiring TNCs to provide primary commercial insurance coverage for drivers and passengers during TNC services.⁸² TNC insurance must be primary and in the amount of \$1 million for death, personal injury and property damage. As further outlined, *infra*, the state created a system of insurance coverage based on three periods of TNC services. The \$1 million requirement is in effect from the moment a participating driver accepts a ride request on the app until the driver completes the transaction. TNC insurance coverage must also provide for uninsured motorist coverage and underinsured motorist coverage in the amount of \$1 million from the moment a passenger enters the vehicle of a participating driver until the passenger exits the vehicle.

The above insurance requirements, which became effective July 2015, may be maintained by the driver, the TNC itself, or a combination of the driver and TNC. Where the insurance is maintained by the driver, the TNC must verify that the policy is maintained by the driver and is specifically written to cover the driver’s use of a vehicle in connection with a TNC app. TNCs must also make their certificates of insurance public and the CPUC will publish each on its website.⁸³

In addition to the insurance requirements, a TNC must also:

- I. Conduct national criminal background checks on all of its driver-applicants using the applicant’s social security number;
- II. Establish a driver training program to be filed with the CPUC;
- III. Maintain a zero-tolerance policy on drugs and alcohol;
- IV. Register in the Department of Motor Vehicle (DMV) Pull Notice program, which allows a transportation company to monitor driver’s license records of employees/affiliated workers;
- V. Conduct a 19-point car inspection of TNC-affiliated vehicles to be performed by the TNC or an authorized third party facility licensed by the California Bureau of Automotive Repair;
- VI. Require a one-year driving history from TNC drivers, where drivers must be at least 21 years of age and have a CA driver’s license;
- VII. Submit verified reports to the CPUC’s Safety and Enforcement Division (“SED”) detailing (a) the number and percentage of TNC customers who requested accessible vehicles, and how often the TNC was able to comply with such requests (b) the number of rides that were requested, but not accepted by TNC drivers within each zip code where the TNC operates; (c)

80 It should be noted that the CPUC’s press release regarding its decision, available at docs.cpuc.ca.gov/PublishedDocs/Published/G000/M077/K132/77132276.PDF.

81 Decision at p. 23.

82 See CA Assembly Bill 2293.

83 *Id.* at p. 26 fn.39.

detailing the number of drivers that were found to have committed a violation and/or suspended; (d) total number of accidents and details thereof; and

- VIII. Endeavor to provide equal access to all consumers and submit a plan to inform the CPUC of how they plan to avoid creating a divide between able and disabled communities.⁸⁴

Further, TNCs are prohibited from operating at any airport without obtaining authorization by the airport authority involved and must remit 0.033% of the TNC's California revenues to the CPUC on a quarterly basis as part of overall fees.

The above-standards mirror many of the existing standards imposed by the CPUC on other charter-party carriers, although they are significantly more liberal than the regulations imposed on taxicabs, which are regulated on a local/city-level in California.

Maryland Model

In April 2015, the state of Maryland passed a statewide TNC bill that, like the California model, created a category of TNCs under the existing category for common carrier for-hire transportation in the state. "Transportation Network Company" is defined as a company that has been issued a permit by the Maryland Public Service Commission ("PSC") and operates in the State using a digital network to connect passengers to transportation network operators or transportation network partners for transportation network services. A "Transportation Network Operator," "Transportation Network Partner," or "Transportation Network Driver" is defined as an individual (i) licensed or authorized by the PSC to provide TNC services; (ii) receiving through a TNC's digital network a connection to transport a passenger between two points in exchange for a fee paid to the TNC; and (iii) using a motor vehicle that is owned, leased or otherwise authorized for use by the individual and approved for use by the TNC.

"Transportation Network Services" is defined as the activities of an operator during three periods:

- Period one – when the operator is logged in and ready to accept a prearranged ride request made through a TNC's digital network;
- Period two – when the operator accepts a ride prearranged request from a passenger through a TNC's digital network and is traveling to pick up such passenger; and
- Period three – when the operator is transporting the passenger and ending after the passenger departs the vehicle.

Also similar to California, the Maryland regulations created insurance standards for TNC operations; TNC operator licensing and insurance standards; TNC driver requirements; imposed certain assessments on TNCs be determined by the Maryland Insurance Administration and the state for-hire transportation regulatory body – the Public Service Commission or "PSC." The

⁸⁴ The plans must also discuss how TNCs intend to provide incentives to individuals with accessible vehicles to become TNC drivers and how they will ensure accessibility accommodations for their apps and websites. The Decision also requires, *inter alia*, a timeline for modifying apps so that they allow passengers to indicate their access needs and a timeline for modifying apps and TNC websites so that they meet accessibility standards.

PSC is also tasked with preparing several reports, including an analysis of whether there is adequate TNC insurance and recommendations on how to make traditional FHVs, such as taxis and limousines, competitive. With respect to accessibility, the state law creates a Transportation Network Assessment Fund, which would be used to fund transportation-related projects.

The Maryland law is distinguishable from the California law with respect to the driver vetting requirements for TNC drivers. Under the Maryland TNC law, the PSC may issue a temporary TNC operator's license if the applicant completes the application, including a driving record check and a national criminal history record check conducted by the National Association of Professional Background Screeners, or a comparable entity approved by the PSC. The criminal records check would include (i) a multi-state multijurisdictional criminal records database search or a search of a similar database with validation; (ii) a search of the sex offender and crimes against minors registry; and (iii) a search of the U.S. Department of Justice's National Sex Offender Public Website.

All searches are performed by a state-approved third party, rather than the TNC. The PSC may issue a permanent TNC operator's license if the applicant submits a satisfactory supplemental fingerprint-based criminal background check. However, applicants do not need to comply with the fingerprinting requirement until after April 1, 2016 if the operator provides details about the background check process performed on the TNC operator applicant. A TNC may request a waiver of the fingerprinting requirement if the PSC determines such company's process is as comprehensive and accurate as a fingerprint-based check. The PSC will make a determination within 3 months of receiving the waiver request whether to grant it, deny it or approve an alternative process. The exemption is also available to limousine and sedan operators in Maryland, but not taxicab operators.

New York City Model

New York City requires TNCs to be licensed or operate with licensed drivers, vehicles and businesses. It has a robust on-demand transportation system that includes several classes of for-hire vehicles: (1) taxicabs, which are motor vehicles carrying passengers for hire in the city, designed to carry a maximum of five passengers and which are the only vehicles authorized to accept street hails in Manhattan's Central Business District and nearby airports; (2) liveries, also known as community cars, that provide for-hire vehicle services to the public through prearrangement and mostly accept cash payments; (3) black cars which generally serve corporate clients on a prearranged basis and are mostly paid by credit card or company account; and (4) luxury limousines, which serve the public on a prearranged flat rate, time or mileage. New York State law, in 2012, created a new class of Street Hail Liveries which are allowed to pick up street hails in certain areas outside of Manhattan's Central Business District and at the airports.

On May 3, 2011, Uber announced its entry into the New York City market.⁸⁵ As in other jurisdictions, Uber's business model raised some issues and concerns about whether it was operating within the bounds of existing laws. In response to complaints that Uber was contacting for-hire vehicle owners and drivers directly, the TLC issued Industry Notices to clarify how smartphone applications should operate under the existing rules. TLC issued the first industry

⁸⁵ <http://blog.uber.com/2011/05/03/uber-nyc-launches-service/>.

notice #11-15 on July 1, 2011.⁸⁶ In response to inquiries, TLC issued another more comprehensive Industry Notice #11-16 on July 18, 2011.⁸⁷ In addition to clarifying when a smartphone application would need a base station license, the Notice warned that bases using smartphone apps must ensure they do not violate laws governing TLC or TLC rules.⁸⁸ The TLC advised bases that because they are the licensed entity, they would be held accountable for the breach of any laws or rules. The notice also stated that a smartphone app that provides for-hire transportation directly and not through a base, is itself required to hold a TLC base license.

To ensure compliance, the TLC, when it becomes aware of a smartphone app that may be acting outside the rules, will request the app provider to submit: (1) a list of licensed bases that the smartphone app works with, including effective dates; (2) an attestation that it is not dispatching to any non-affiliated bases; and (3) copies of the agreements.⁸⁹ The TLC stated it will presume those smartphone apps that do not comply with its request are violating rules prohibiting unlicensed base stations.⁹⁰ The notice also stated the TLC may request trip sheet information from smartphone apps, and if it does not obtain such cooperation, it may decide to license smartphone apps directly.⁹¹

With the proliferation of app-based dispatching, on February 12, 2015, the New York City Taxi and Limousine Commission (“TLC”) held a fact-finding hearing on licensing dispatch apps.⁹² Uber, Lyft and other stakeholders testified and the TLC, using the information it obtained from this hearing, drafted a series of new rules to address the use of for-hire vehicle dispatch apps. The proposed rules distinguish between a dispatch app used by a base and those apps that are sold, leased or otherwise made available to a TLC-licensed base.⁹³ The rules create different regulatory structures for the two types of dispatch apps.

86 http://www.nyc.gov/html/tlc/downloads/pdf/industry_notice_11_15.pdf. The notice acknowledged the growing use of smartphone apps to request and dispatch for-hire vehicle trips, but advised that the use must be in compliance with TLC rules. The notice advised that for-hire vehicle owners and drivers must obtain the approval of their “bases” (their existing dispatching company) before contracting directly with a smartphone app provider. The notice further explained that it violated TLC rules if a for-hire vehicle owner or driver was accepting dispatches through a smartphone app that is not authorized by his or her base. The notice also warned taxi drivers that they are prohibited from using smartphone apps and could only pick-up passengers that hail them.

87 http://www.nyc.gov/html/tlc/downloads/pdf/industry_notice_11_16.pdf. This notice clarifies when a smartphone app is required to have a for-hire base vehicle license as required by local law and rules, and to remind licensees of rules that apply when a licensed base contracts with a smartphone app. The notice states that any smartphone app that functions solely as a referral, reservation or advertising service for a licensed base, will not need to be licensed.

88 Among some of the requirements that bases must comply with are; no base using a smartphone app can advertise using the term “taxi”, taxicab” “cab”, “hack” or “coach,” TLC Rules §59B-25(b); bases must file their smartphone app fares with TLC if those fares are different than their existing rates, Id. at §59B-21(a); bases must ensure that trip sheets of trips dispatched through a smartphone app are maintained and available for at least six months after the trip, Id. at §59B-19(b)(2); bases must be able to handle customer complaints, including through a smartphone app, Id. at §59B-17(a); and bases must ensure they are dispatching calls within the hours of operation filed with TLC, Id. at §59B-21(b).

89 http://www.nyc.gov/html/tlc/downloads/pdf/industry_notice_11_16.pdf

90 TLC Rule §59B-11.

91 http://www.nyc.gov/html/tlc/downloads/pdf/industry_notice_11_16.pdf.

92 http://www.nyc.gov/html/tlc/downloads/pdf/fhv_app_rules_hearing_notice.pdf.

93 http://www.nyc.gov/html/tlc/downloads/pdf/proposed_rules_fhv_app_cert.pdf.

The TLC heard public testimony on the proposed rules on May 28, 2015, but did not hold a vote. Stakeholders from all segments of the industry testified, including elected officials, base owners, technology advocacy groups, taxi associations, a taxi riders' advocacy group and Uber drivers. Showing how divisive this issue can be, the testimony from the elected officials ranged from opposition to the proposed rules, to not taking a position, to supporting them. Generally, the technology advocacy groups, Uber and Lyft testified against the proposed rules stating that they placed too many restrictions on the applications and would hamper innovation. Some groups also stated that TLC should be regulating for-hire vehicles and not technology.

Many of the for-hire and taxi industry groups testified in support of the rules, with some stating that the rules did not go far enough in regulating dispatch apps. The representative for a taxi riders' advocacy group also testified in support of the rules, stating that they improve transparency for the passengers. A few representatives from the taxi industry and base owners did testify against the rules because they do not believe they went far enough to create a level playing field, and would not prevent an app from communicating directly with a driver, eliminating a base's role in ensuring customer safety.

After making some amendments to the rules based upon testimony from its May 28th meeting, the TLC unanimously adopted the new rules on June 22, 2015. Under the newly adopted rules, Dispatch Service Provider is defined as an entity licensed by the TLC to provide Dispatch Services for licensed FHV Bases. Dispatch Service is defined as dispatching, reserving, or referring trips to drivers on behalf of TLC-licensed bases through a publicly available, Passenger-facing booking tool.⁹⁴ E-Dispatch is a Dispatch arranged through a licensed Dispatch Service Provider. Dispatch is a request made from a base station to a TLC-licensed driver, directing the driver to provide transportation to a passenger who has previously arranged for such transportation.

Some of the key provisions in the rules that apply to FHV Dispatch Apps include the following:⁹⁵

- Smartphone app licensees may be an individual or business and must demonstrate they are fit to hold a license;
- Applicants must hold all rights or licenses to all intellectual property associated with the dispatch app;
- The TLC must approve all dispatch apps;
- Privacy and security policies must be put into place;
- A working customer service phone number or email address must be provided;
- Providers must notify the TLC if it modifies its dispatch app;
- Proof of Insurance – Professional liability insurance at a minimum of \$1,000,000 per claim must be in place if professional services will be provided;

94 Under the rules, dispatch Service does not include a base dispatching through a Passenger-facing booking tool that uses the same public-facing name in its branding, operations, promotions, or advertisements as the trade, business, or operating name the Base has on file with the TLC. Dispatch Service does not include a Base dispatching or managing its fleet under the trade, business, or operating name the Base has on file with the TLC using commercial dispatching software.

http://www.nyc.gov/html/tlc/downloads/pdf/proposed_rules_final_fhv_dispatch.pdf.

95 Id.

- A \$5,000 bond to ensure compliance with all laws and rules and payment of fines must be posted;
- A fee of \$1,000 for each license for a term of three years or less will be charged;
- The DSP must notify the TLC of any material changes and any suspension or revocation of needed licenses;
- The DSP must notify the TLC of any security breaches if notice is required under State or Federal law;
- Security – DSPs must meet applicable Payment Card Industry (PCI) standards⁹⁶ and its security standards must be filed with the TLC;
- The app must be able to collect and transmit trip data to TLC; and
- DSPs must provide a wheelchair accessible option that meets “equivalent service” requirements under the Americans with Disabilities Act.

The rules went into effect on July 29, 2015.

Seattle Model

On March 17, 2014, the Seattle City Council passed Council Bill Number 118036 (the “Bill”), an ordinance which legalized TNCs and established a 2-year pilot program for such TNCs and affiliated drivers and vehicles (the “Pilot Program”), including specific operational requirements for applicable parties. As a general matter, the Bill opens with a few generalities about the new law, including (i) the fact that “while ‘active on a TNC dispatch system,’⁹⁷ TNC drivers are for-hire drivers operating for-hire vehicles,”⁹⁸ (ii) the fact that upon 30-days written notice of his/her intent to do so, including such reasons for same, the director may issue up to a 180 day suspension of the issuance of TNC endorsements or TNC licenses “upon finding that the continued issuance of TNC vehicle endorsements or TNC licenses threatens public safety or raises substantial consumer protection concerns,”⁹⁹ (iii) a reporting requirement that within every 60 days (through June 30, 2016), the director shall report to the chair of the Taxi, For-Hire and Limousines Regulations Committee of the Council on the response, behavior and experience of the different segments of the for-hire market,¹⁰⁰ and (iv) the direction that the director is to seek the legislative authority of the Council to adjust or remove the cap on the number of TNC endorsed vehicles if he/she finds that it is in the public’s interest to have such cap adjusted or removed.¹⁰¹ There are 48 provisions of the Bill, beginning with the legislative findings and declarations in Section 1, followed with 44 sections of amendments to existing sections and the incorporation of new sections to the Seattle Municipal Code and several miscellaneous sections.

The Bill incorporates TNCs, their drivers and vehicles into the regulatory apparatus in Seattle and, at the very least, establishes operating requirements that, for the most part, parallel

96 https://www.pcisecuritystandards.org/security_standards/index.php.

97 Section 6.310.110 of the Seattle Municipal Code defines “*active on the TNC dispatch system*” to include when the driver is logged onto the transportation network company application dispatch system showing that the driver is available to pick up passengers, when a passenger is in the vehicle, when TNC records show that the vehicle is dispatched, when the driver has accepted a dispatch and is en route to provide transportation services to a passenger.

98 Section 6.310.100(A) of the Seattle Municipal Code

99 Section 6.310.100(B) of the Seattle Municipal Code

100 Section 6.310.100(C) of the Seattle Municipal Code

101 Section 6.310.100(D) of the Seattle Municipal Code

the regulations of the taxicab and for-hire industry in Seattle. Although the Bill intends to bring TNCs into the full purview of the regulations in Seattle, it remains to be seen how this Bill will impact the TNCs currently operating in Seattle. The Seattle Council has addressed requirements for licenses, annual renewals and investigations into a driver's background, appropriate insurance, and penalties for noncompliance. There are several provisions that likely resulted from negotiations among the platforms, such as cruising for for-hire vehicles and no misdemeanors on a driver's first violation.

In September 2013, the results of the Council's taxi, for-hire and limousine service demand study were released, and demonstrated that the City of Seattle was responsive to application dispatch application technology. However, the demand study also revealed that many of the current application dispatch technology used in Seattle were unlicensed companies using unlicensed vehicles and unlicensed drivers, which is a clear public safety concern. The Council further determined that because these TNCs are for-profit companies, drivers are recruited with promises to be paid, drivers intend to be paid, and passengers are in fact paying for the services rendered. The TNCs were operating illegally. As such, the Council introduced the first rendering of the Bill, proposing the Pilot Program to test regulations setting forth minimum operating requirements for such TNCs, transportation network company drivers ("TNDs") and those vehicles used by TNDs operating under TNCs ("TNVs"). Further details of the Pilot Program are set forth below.

The Bill directs the Department of Finance and Administrative Services to assess the benefits and negative unintended consequences of the Pilot Program.¹⁰² Such review included the review and assessment of the following: (a) the taxi industry trips and revenue, (b) the percentage of taxi industry trips that dispatched through a TNC, (c) the response times for any companies in the dispatch market (TNCs and traditional taxis, for-hire and limousine service), (d) the location of rejected rides by companies in the dispatch market, (e) the financial burdens of drivers across the various platforms, (f) data about driver experience and driver migration across the platforms, (g) collisions, (h) driver violations, (i) rates, (j) customer satisfaction rates and complaints. In the event no further action is taken by the Council, the Pilot Program will automatically continue.¹⁰³

The Bill not only authorizes the issuance of 100 additional taxicab licenses per year for the years 2014 and 2015, but it directs the director to so issue such licenses.¹⁰⁴ To be eligible for the new taxicab licenses, the applicant must either (i) have no ownership interest whatsoever in a licensed for-hire vehicle or taxicab license or (ii) relinquish any such rights prior to and as a condition of the issuance of the new license.¹⁰⁵ Other than complying with the "minimum operating requirements," the Bill does not discuss further details or limitations of the Pilot Program.

102 Section 45 of the Seattle City Council Bill Number 118036

103 Section 47 of the Seattle City Council Bill Number 118036

104 Section 6.310.500(E) of the Seattle Municipal Code

105 Section 6.310.327(E) of the Seattle Municipal Code; "relinquish" includes, among other things, the transfer of such interest to another who does not currently have an interest.

5.1.3 Europe

European nations have been the most aggressive in challenging the proliferation of Uber. Germany, Italy, Belgium, France, Spain, Portugal, and the Netherlands have all in some way banned UberPop from operating in their respective nations.¹⁰⁶ UberPop was a service provided by Uber where anyone with a car could become a driver, similar to UberX in North America. Uber continues to operate their other services in most of these European countries where they claim to only use private hire or licensed taxi drivers. Spain banned all Uber activities in December of 2014 and even blocked access to the Uber website within the nation.¹⁰⁷

In France, police raided Uber's offices and arrested two high ranking officials, who are currently standing trial on six charges for allegedly running an illegal taxi service and violating data privacy laws.¹⁰⁸ If they are found guilty, they face hefty fines and possible jail time. In the Netherlands, police also raided Uber's offices in Amsterdam after Uber ignored the ban on UberPop and continued offering the service despite fines adding up to 450,000 Euros.¹⁰⁹ The subject has now been brought up to the European Court of Justice to decide whether Uber is a transportation or technology company. Uber argues that if the Court finds that it is, as they claim a technology company, then the bans on its services in the European countries violate EU treaties on competition.¹¹⁰ The Court is set to issue a decision on November 26, 2015.¹¹¹

5.2 Transportation Network Company (TNC) Laws

5.2.1 Overview of TNC Laws & Differing Regulatory Approach

TNCs have created regulatory challenges for many municipalities across Canada, the United States and the world particularly because they self-identify themselves as technology companies that merely connect riders with people willing to provide rides in their own vehicles, rather than as transportation companies. There have generally been three models for the regulation of TNCs: (1) a few municipalities have required them to obtain the same licensing, insurance and otherwise meet the regulatory requirements as other for-hire vehicles (the New York City Model); (2) some have created special laws for TNCs (the California/Maryland Model); and (3) some have allowed them to operate unfettered.

5.2.2 Litigation Affecting TNC Laws and Business Model

Canadian Litigation

Since TNC are relatively new to the Canadian market, there have not been many legal cases involving TNCs. The City of Toronto and the City of Edmonton both separately tried to

106 <http://www.whosdrivingyou.org/wp-content/uploads/2015/10/UberLyft-AWorldwideOverviewofRegulatoryLegalActionsupdatedasofOctober152015.pdf>

107 <http://www.bbc.com/news/business-30395093>; <http://skift.com/2015/04/30/why-ubers-one-size-fits-all-approach-didnt-work-in-spain/>

108 <http://money.cnn.com/2015/09/30/news/companies/uber-in-trouble-london-paris-amsterdam/>

109 <http://www.reuters.com/article/2015/09/29/us-uber-netherlands-idUSKCN0RT12920150929#vvaouRV8RLh89w88.97>

110 <http://www.wsj.com/articles/case-against-uber-referred-to-europes-top-court-1437402253>

111 <http://www.politico.eu/article/uber-new-europe-strategy-obama-campaign-guru-david-plouffe/>

file injunctions to stop Uber from operating in their cities. In *City of Edmonton v. Uber Canada*, the city of Edmonton argued that Uber Canada is a taxi broker requiring a license and Uber's model for arranging rides violated Edmonton's by-laws. Uber Canada argued that Edmonton named the wrong party in the lawsuit, it does not provide dispatch services within the meaning of the relevant by-laws, it does not employ or control the drivers, and that the court should not enjoin a party to comply with a vague by-law. The court denied the injunction, holding that the City of Edmonton did not demonstrate that Uber Canada was in a clear and continuous breach of the by-laws in question as the by-laws were ambiguous. Additionally, the court found that Edmonton failed to name the drivers or other entities involved as parties to the lawsuit and that the relief it seeks would affect their interests as well. For those reasons, the court found that Edmonton failed to meet its burden to prove a *prima facie* clear and continuing breach of the by-laws and therefore denied its application for an interlocutory injunction.¹¹²

Similarly, in the *City of Toronto v. Uber Canada*, the city of Toronto argued that Uber Canada is operating a taxicab brokerage and limousine service company in the city and seeks a permanent injunction to stop them from doing business in the city. The court in this case found that because Uber Canada is only minimally involved in the business transaction of hailing a ride, i.e. they lack any role in "accepting" requests, they do not fall under the City's definition of taxicab, taxicab broker, or limousine service company, and as such, are not required to apply for a license pursuant to the City's Code. Furthermore, the court dismissed the motion for a permanent injunction and allocated the costs payable to the respondents.¹¹³

On the other hand, in *City of Calgary v. Trevor Arthur John Gold, et. al.*, a temporary injunction was granted on November 20, 2015, preventing all Uber drivers from operating in Calgary. The basis for the city's claim was that none of the respondents, all Uber drivers, have applied for a Taxi Plate License, Accessible Taxi Plate License, or Limousine Plate License for their personal motor vehicles and are therefore in contravention of the Livery Transport Bylaw.¹¹⁴ The city also argued that the respondents failed to provide proof of vehicle insurance, vehicle inspection certificates, and safety equipment/security cameras, as required by law. The injunction will remain in place until December 17, 2015, at which time, the city will seek to have the injunction made permanent until private for-hire vehicles operating with the Uber application meet safety, insurance, and regulatory requirements.

Additionally, two class action lawsuits have been filed but not yet certified against Uber Canada. The first class action was filed in Toronto on behalf of taxi and limousine drivers, owners and bases. The action seeks \$410 million dollars in compensation for the diversion of revenue created by Uber drivers operating illegally in Ontario.¹¹⁵ The second class action lawsuit was filed in Quebec on behalf of 11,000 traditional taxi drivers claiming that Uber does not follow regulations.¹¹⁶

112 *City of Edmonton v. Uber Canada Inc*, 2015 ABQB 214.

113 *City of Toronto v. Uber Canada Inc. et al.*, 2015 ONSC 3575.

114 *City of Calgary v. Trevor Arthur John Gold, et. al.*, 1501-12242.

115 <http://www.theglobeandmail.com/news/national/ontario-taxi-files-400-million-class-action-suit-against-uber-canada/article25643753/>.

116 http://www.huffingtonpost.ca/2015/02/04/uber-montreal-lawsuit-cars-seized_n_6614538.html.

U.S. Litigation¹¹⁷

The United States is the birthplace of TNCs and so almost all of the litigation involving TNCs is in the United States. This section discusses many of these cases and the legal issues involved. Although some of the legal arguments raised may not have an equivalent concept in Canadian jurisprudence, this section helps to highlight some of the legal issues that may arise from the operation of TNCs.

The advent of TNCs has raised several public safety and consumer protection issues that are currently being litigated in lawsuits across the United States as well as around the world. There is a panoply of claims, although many of the overarching theories of these claims overlap. Indeed, cases involving TNCs are varied and include the following: (i) Equal protection and Mandamus challenges; (ii) labor law violations and worker misclassification claims; (iii) privacy and data; (iv) environmental issues and closed v. open markets (caps); (v) Criminal Background checks; (vi) insurance; and (vii) disability discrimination;

Equal Protection and Mandamus Challenges

The Equal Protection Clause of the 14th Amendment of the U.S. Constitution, as well as similar clauses in many state constitutions, prohibits states from denying any person within its jurisdiction the equal protection of the laws. *See* U.S. Const. Amend. XIV. Taxi industry stakeholders have filed lawsuits against regulators alleging that their treatment of TNCs, which they argue provide the same for-hire vehicle services as taxicabs and limousines, violate equal protection provisions because taxicabs and limousines are subject to stricter laws and regulations.

Labor Law Violations

Drivers have initiated legal action against TNCs for labor law violations particularly with respect to wage and hour issues. In many of these cases, drivers are seeking damages in the form of wages and/or overtime that went unpaid due to their misclassification as independent contractors rather than employees and/or unpaid gratuities that were pocketed by the TNCs rather than the drivers.

Privacy and Data

In the past year, press reports suggest that some TNCs have misused and possibly exploited private passenger data. In March 2015, a former Uber driver based in Portland, Oregon filed a lawsuit against Uber alleging that the company failed to secure and safeguard its drivers' personally identifiable information, including names, drivers licenses numbers and other personal information, and failed to provide timely and adequate notice to Plaintiff and other class members that their private information had been stolen, in violation of California state law.¹¹⁸ Plaintiffs seek an injunction, equitable relief in the form of compelling Uber to adopt appropriate policies and methods to respect its data collection, storage and data safety, restitution and the

¹¹⁷ For a more detailed list of U.S. Litigation against TNCs see Appendix B.

¹¹⁸ *Antman v. Uber*, Case No. 3:15-cv-01175-JCS (N.D. Ca).

payment of actual damages. Uber responded by filing its own lawsuit against an unknown third party it alleges committed the privacy breach.¹¹⁹

Environmental Issues & Closed vs. Open Markets (Caps)

When new laws that greatly affect an entire industry are passed, most local laws require that the government conduct some sort of study or analysis to determine the environmental impact of such laws. An example of one such law is the California Environmental Quality Act (the “CEQA”), although many cities and states have similar procedural requirements that a government agency must adhere to with respect to rulemaking.

Similarly, in New York State, the State Environmental Quality Review Act (“SEQRA”) requires a full environmental review prior to “agency...resolutions that may affect the environment,” such as the major transportation policy effected here, and no agency may approve the action until it has complied with SEQRA. Plaintiffs in California and New York have filed lawsuits alleging that the regulatory agencies did not follow these environmental review laws before allowing TNCs to operate, which they have alleged adversely affects the environment.

Criminal Background Checks

Over the last few years, discussion has been sparked regarding the accuracy, reliability, and adequacy of the public safety requirements that are imposed on TNC providers. Much of the debate has centered on whether the breadth and scope of driver vetting requirements imposed on TNC drivers are comparable to those vetting requirements that have been established for traditional for-hire vehicle providers. This discussion is compounded by the fact that in several jurisdictions TNC background checks are often self-imposed and not regulated by any government entity, which has many consumer rights advocates and law enforcement officials questioning whether TNCs are doing enough to protect the riding public.

The consequences of less than thorough background checks can be seen in the many examples of TNC drivers attacking passengers all over the globe. An Uber driver in China has been accused of robbing a female passenger at knife point and then raping her.¹²⁰ In Chicago, Illinois, a driver exposed himself to a passenger shortly before his prior criminal record was exposed.¹²¹ Another driver in London left a passenger a voicemail threatening to cut her neck.¹²² A woman in New Delhi, India, says she was raped by an Uber driver, and is suing the company for failing to properly check the background of the accused driver.¹²³

Canada has not been immune to such incidents due to weak background checks. In Toronto an Uber driver, Fareborz Karandish, was sought for by police for allegedly sexually assaulting a 21 year old female passenger in the vehicle.¹²⁴ In another case in Toronto, the police

119 *Uber v. John Doe*, case no. Case3:15-cv-00908 (N.D. Ca).

120 <https://www.techinasia.com/uber-nightmare-chinese-woman-robbed-sexually-assaulted-threehour-ordeal/>.

121 <http://abc7chicago.com/news/uber-driver-removed-from-platform-after-failed-background-check-/808080/>.

122 <http://www.buzzfeed.com/alanwhite/an-uber-driver-appears-to-have-left-a-voicemail-threatening>.

123 <http://money.cnn.com/2015/08/20/technology/uber-safety-lawsuit/>.

124 <http://www.torontosun.com/2015/09/25/uber-driver-wanted-for-june-sex-assault>.

charged Uber Driver, Amritpal Singh, with sexual assault and forcible confinement after a passenger claimed he sexually assaulted her in the car outside her destination.¹²⁵ Lastly, a Mississauga Uber driver was charged by York Police with sexual assault. He allegedly told a female passenger that she could either pay with money or by other means, when she exited the car he got out and sexually assaulted her.¹²⁶ The Appendix C annexed hereto includes a list of other incidents all over the world in which TNC drivers have been accused of attacking their passengers.

In September 2014, the San Francisco (“SF”) and Los Angeles (“LA”) district attorneys (“DAs” or “prosecutors”) commenced an investigation of Uber, Lyft and Sidecar alleging that the TNCs were misleading customers by claiming their background checks of drivers screen out anyone who has committed driving violations, including DUIs, as well as sexual assault and other criminal offenses, which the DAs alleged is “patently untrue.”¹²⁷

Insurance

Generally, a standard personal auto policy will not provide coverage for ridesharing. A standard personal auto insurance policy stops providing coverage from the moment a driver logs into a TNC ridesharing app to the moment the customer has exited the car and the transaction is closed. Recognizing this coverage gap, lawmakers have been working to enact legislation that specifies what insurance coverage is needed to operate legally from “app-on to app-off.”

The chart below generally outlines the insurance coverage model currently being provided to drivers by TNCs during different phases of a network trip. In the United States additional coverage is, or should be, provided by TNCs, as required by state and local laws. There are no laws in Canada requiring supplemental insurance for TNCs; however, according to Uber, it provides an additional \$5,000,000 in contingent insurance for its rides. We understand from our independent research with Canadian regulators that Uber is working on an insurance policy based upon the phases of a TNC ride, as it does in the United States.

125 <http://www.cp24.com/news/uber-driver-accused-of-sexual-assault-in-police-custody-1.2607295>.

126 <http://www.theglobeandmail.com/news/toronto/uber-driver-charged-with-sexual-assault-on-female-passenger-in-vaughan-ont/article24519289/>.

127 *Id.*

Phase	Current TNC Coverage
1. Driver is logged into the TNC application but the driver has not yet accepted a ride request. (A "match" has not been made).	Contingent liability coverage if personal auto coverage is declined/not available.
2. A "match" has been made but there is no passenger occupying the vehicle.	Primary liability and Uninsured Motorist /Underinsured Motorist Coverage (UM/UIM) coverage at a higher limit. Contingent comprehensive/collision coverage based on certain circumstances.
3. A passenger is in the vehicle and until the passenger safely exits the vehicle.	Same coverage as Phase 2. ¹²⁸

Personal auto policy is designed to cover only the personal use of a private-passenger vehicle, not the commercial use of a vehicle, and the fact that money is exchanged for the rideshare company's services transforms the transportation into a commercial/for-hire enterprise requiring appropriate commercial insurance coverage. In fact, regular, private car insurance or van insurance will be invalidated if you carry a paying customer.¹²⁹

The insurance industry appears to still be grappling with considerations such as who will ultimately be responsible when a loss occurs, when that responsibility commences and the extent of coverage provided by these TNCs. These risks have resulted in a number of jurisdictions issuing consumer alerts to make consumers (drivers and passengers alike) aware of the potential hidden insurance risks of TNCs. In Canada, the Provinces of Ontario and Alberta's insurance regulators both issued consumer alerts:

- The Financial Services Commission of Ontario issued a cautionary notice that standard automobile insurance excludes coverage when a vehicle is being used for paying passengers or as a taxicab and passengers would probably not be protected against damages, losses and liabilities.¹³⁰
- An advisory notice was issued by Alberta's Superintendent of Insurance on ride sharing services and the insurance risk they currently pose to Albertans. It claimed that after reviewing Uber's insurance policies they found that they were inadequate. The notice also said that Uber's supplementary insurance does not provide the necessary coverage in Alberta. Passengers of TNCs without proper commercial insurance are at "risk of not having access to automobile insurance protection,

128 <http://newsroom.uber.com/2014/02/insurance-for-uberx-with-ridesharing/>.

129 <http://www.gocompare.com/taxi-insurance/uber-and-other-ride-sharing-apps/>.

130 <http://www.fSCO.gov.on.ca/en/auto/Pages/ridesharing-info.aspx>

including accident benefits or any compensation for injuries they may suffer in the event of a collision”.¹³¹

Disability Discrimination

TNCs are also being brought to court for allegedly discriminating against passengers on the basis of disability in violation of the U.S. Americans with Disabilities Act. At least one federal case exists in which disabled passengers and disability rights activists are suing a TNC for refusing to provide service to individuals with disabilities, refusing to have accessible vehicles, and refusing to assist with the stowing of mobility devices.

6 Public Comments - PVAC Meeting Testimony and Written Comments

In order to receive stakeholder input to inform this report, the Public Vehicle Advisory Committee “PVAC” held a meeting¹³² on October 1, 2015, to discuss Transportation Network Company Regulations. All relevant stakeholders and interested parties were encouraged to voice their concerns and recommendations for consideration in this report. Furthermore stakeholders were encouraged to submit their written comments through a designated e-mail (Mississauga@windelsmarx.com) by October 16, 2015.¹³³ Stakeholders were instructed to provide their input on FHV regulations in place in the City of Mississauga.

The PVAC meeting and submitted written comments show a range of views regarding the entrance and regulation of TNCs in Mississauga. Some comments discuss the public’s appreciation of TNC services and that polls show they would like for the services to continue. They also point to the job creation benefits of TNCs and the positive effects of carpooling services provided by TNCs. On the other hand, the vast majority of the comments were from incumbent industry members explaining that the introduction of TNCs in the market has hurt them as a result of unfair competition. Most comments argue that TNCs currently benefit from not following the by-laws that Taxis and Limousines follow, which greatly decreases their overhead allowing them to charge lower prices at a larger profit margin. Under the by-laws, Taxis and Limousines must be licensed, which incurs licensing and registration fees, inspection fees, driver courses, commercial insurance and paying HST which TNCs do not pay. In addition, the by-laws provide for more stringent vehicle standard requirements for licensing that TNCs do not abide by, further decreasing the cost on the drivers. Lastly, the licensed taxi fare structure is set by the City of Mississauga and cannot be altered according to demand as TNCs fares are altered (surge pricing) which further provides an unfair competitive edge to TNCs.

Overwhelmingly, the incumbent industry comments showed high approval of the current by-laws, some stating that they are the “*Best in Canada*” and that they provide high standards for safety and fairness as a result of years of development. Most commentators felt that the by-laws should not be changed and that if TNCs will be allowed to operate, they must be licensed as brokers and fully comply with existing by-laws. Many believed that the definitions of “broker”

131 <http://alberta.ca/release.cfm?xID=383502BD794B4-A4A5-8BA8-DD523635E34F0FD8>

132 For a summary of comments from the October 1st PVAC meeting see **Appendix D**.

133 All submitted comments can be read in **Appendix E**.

and “driver” should be revised in the by-laws to broaden their scope so that there is no doubt about their applicability to TNCs (despite The Enforcement office’s declaration that the current definitions do apply to TNCs). Many of the commenters also called for stricter enforcement of the by-laws, for the police to be included in the enforcement measures, and to increase fines and penalties on offenders (illegal TNC operations).

Some comments discussed the fare structure under the by-laws with regard to TNCs. They asked that either the fare structure set by the municipality become more flexible or be deregulated completely. Others asked for the municipality to force TNCs to follow the same fare structure.

A few comments also addressed the licensing cap set on taxicabs. The commenters felt that the cap should be either removed or increased to allow for more entrants to the market. However, they requested that any new licenses issued should be given to drivers on the priority list first.

A few of the comments also requested that Uber be sent a cease and desist order or that there be a complete ban in the City.

7 Policy Options for By-Law Enforcement and/or Revisions

Regulating TNCs is a very complex and highly politicized issue. Regulators sometimes try to balance service delivery and promote fair competition by creating a level playing field with the incumbent for-hire vehicle industry, consumer and driver safety concerns versus consumer demand and preferences for TNC services. In deciding this balance, different jurisdictions around the world as discussed in this report have responded with a wide range of solutions. Below are some of the ways that jurisdictions from around the world have addressed TNCs:

Option 1: Capture TNCs Under Current Regulations Using Amendments

Under the Municipal Act of 2001 (the “Act”), the City was given the power to create a system of licenses for businesses, and affords the City the authority to prohibit businesses without a license from operating and to impose penalties for non-compliance. The Act also specifically outlines the powers of the City to establish and provide for the collection of rates or fares for taxicabs and the ability to limit the number of taxicabs or any class of them. Under the Act, the City of Mississauga can choose to allow TNCs to operate provided that TNCs follow the by-law regulating for-hire vehicles (“FHV(s)”).

Currently, there are four (4) different types of for-hire vehicles (“FHV(s)”) licensed by the City of Mississauga’s Transportation and Works Department: Taxicabs, Airport Public Transportation Vehicles (“APTVs”), Airport Municipal Transportation Vehicles (“AMTVs”) and Limousines. Each mode of transportation is distinctly defined by the City of Mississauga in their by-laws regarding Public Vehicle Licensing (By-Law Number 420-04) and distinguishable based on the licensing requirements imposed on the respective drivers and vehicle owners.

For TNCs to operate under the current by-laws, they need be clearly included in the current by-laws definitions. The most efficient way of capturing TNCs under the current regulations would be to amend the definitions of either taxis or limousines as well as the definition of what a broker is to ensure TNC operations fall under the city's regulatory umbrella.

Capture Option (Taxis or Limousines)

One option is to amend the current regulations to allow TNC vehicles to be classified as taxis. Unfortunately, a difficulty in implementing this option is that there is currently a cap on the number of Taxi owners' licenses so any current TNC driver who wishes to become licensed as a taxi driver would be barred from entering the market. Recently, the Hara Taxi Plate Issuance Model Review has shown that while Mississauga's current taxi supply is adequate, there is room for a minor increase in fleet size; specifically around airports during the weekday rush and late-night on weekends. Increasing the cap must be done with caution as taxi plate values could be negatively impacted if the market is flooded with new drivers. In addition to a slight increase in the number of taxis, it is recommended that the City also change its By-laws to allow taxi drivers to work for more than one broker at a time. These amendments would give more flexibility and control to drivers and require TNCs to only work with those licensed as taxi drivers, if a closed market is maintained. Additionally, because the definition of taxis in Mississauga requires numerous features that do not exist in most TNC vehicles, such as fully operational security cameras, taximeters and the mandated rate formula, additional amendments expanding the regulations may need to be made to incorporate these types of vehicles under the taxi definition. Otherwise, enforcement efforts would need to increase to ensure complete compliance with the current By-laws. For example, the City could choose to amend and expand the definition of taximeters to include TNC mobile applications, or the city could require all TNC vehicles have an approved taximeter installed and strengthen enforcement mechanisms to ensure compliance.

The other option is to amend existing regulation to classify TNC vehicles as limousines. In order for TNC vehicles to realistically operate as limousines, certain amendments would need to be implemented to make that realistically viable. For example, very few people would choose a TNC vehicle over a taxi or traditional limousine if they had to pay the mandatory rates that limousines currently operate under. Current by-laws state that limousines have a minimum fare of \$50 for the first hour and \$30 for every subsequent hour. A Limousine Class A is also required to be hired for no less than 2 hours. TNCs typically use their own formulas for establishing fares and they are normally lower than the cost of a limousine. Requiring TNCs to use the current limousine rate structure would reduce the consumer appeal of TNCs and have potential to dramatically reduce ridership. Moreover, because TNCs currently do not use a taximeter to calculate fares or the standard limousine rates that exist in Mississauga, for passengers taking the same route, depending on the TNC providing the service and the demand at the time of the ride, fares can drastically vary. TNCs also often use surge pricing which increases the rates during periods of high demand. When implementing the amendments to regulate TNCs limousines, the City must consider how to integrate the already existing aspects of TNC vehicles into the definition of limousine while amending the regulations to standardize and moderate rates. The current rates for limousines are not compatible with the current TNC model and if the city decided to capture TNC vehicles under the City's limousine regulations,

enforcement efforts would also need to increase, at least during the initial period of transition to ensure compliance with the new amendments. One additional amendment the City may consider if implementing this regulatory regime is placing a cap on the total number of limousines in Mississauga. This will reduce the risk of oversaturating the market and help to prevent supply from outpacing demand and negatively impacting the entire FHV market in Mississauga.

Capture Option (Modified)

While option 1 recognizes TNCs as basically taxis or limousines that can be incorporated under the existing By-laws with a few tweaks to address their slightly different business model, this option would create a special limousine license for TNCs. Arguably, TNCs in the City Mississauga operate more similarly to limousines than taxicabs. Like limousines, they do not have taxi meters, they are not allowed to accept street hails and they set their own fares. However, under the existing By-laws, limousines must have minimum fares and minimum engagement times, which is not part of the TNC business model. TNCs also use dynamic pricing, which should be regulated to prevent gouging of prices when the special TNC limousines would be in the greatest demand. By creating this special category, the City of Mississauga may also consider capping the number of these special vehicles. Currently, there is no cap on limousines, but these special TNC limousines will compete heavily against taxicabs and traditional limousines, and a cap would be advisable to prevent an oversaturation of the FHV market and ensure taxicab drivers would pursue an occupation that is economically viable.

Lastly, if the City chooses to capture TNCs under the existing taxi or limousine regulations, TNCs would then be required to apply for a broker's license. Once obtained, a TNC broker could work only with licensed drivers and owners of taxis and/or limousines. Any services provided by drivers using personal vehicles (not licensed as taxis or limousines) such as those currently operating under UberX would be strictly illegal as is the case in New York City, London and most of Europe. Also note that taxis and limousines are only allowed to partner with one broker at a time. For a TNC to then acquire taxi or limousine driver partners, the drivers and owners must disassociate with their current broker and associate with the licensed TNC or accept only new licensees, if new licenses are allowed.

- ***Pros:***

There are numerous benefits that come from instituting a regulatory scheme such as this. First of all, allowing TNCs to operate under the current regulatory structure would ensure consistent regulations for current FHVs and brokers competing with TNCs. Public safety concerns are also addressed in this option by maintaining high standards for insurance, background checks, driver trainings and vehicle standards. Also, it would be less costly to amend current regulations than to create a new class of vehicles and laws governing them. Instituting this method to regulate TNCs would also increase availability of vehicles, fill niche demands that exist in the taxi market, and reduce wait times. This regulatory regime could also, if the City so chooses, restrict open entry into the market and maintain consumer protections and market stability as well as reduce environmental concerns. And lastly, these regulations would allow drivers the flexibility to move between the traditional FHV industry and TNCs, thus enhancing the labor pool and options for drivers.

- **Cons:**

While there are numerous benefits to capturing TNCs under the existing regulations, it would inevitably result in additional enforcement, licensing, and inspection costs. It is costly and difficult to regulate unlicensed TNC operators through officer enforcement and if officer enforcement is unsatisfactory, a court injunction may be required. It would also run the risk of potentially oversaturating the FHV market with too many FHVs, particularly limousines, if open entry is allowed for TNCs (no caps on number of licenses). This leads to environmental concerns that come when adding more vehicles to the road, and economic concerns, such as market failure, which arise with the potential of devaluing taxi plates. Under any circumstances, when TNCs are introduced to a market there is always the potential for insurance gaps with TNC drivers anytime they are involved in an accident. And lastly, data protection is always a risk with mobile applications. The two top concerns should be ensuring client data security as well as accessibility to trip data information by law enforcement and others. Lastly, Taxi licensing fees may need to be increased to offset additional regulatory costs representing an additional burden on the taxi and limousine industries.

- **Regulatory Costs: High**

The regulatory costs of capturing TNCs under the existing regulations would be high. This includes the cost of implementing amendments to the regulations, the cost to the municipality to license TNCs, the cost to license and test new drivers, TNC vehicle inspection costs, and enforcement costs to regulate them in the field. The City would also have to absorb the cost to enforce new regulations among TNCs, which could be challenging particularly if open entry is not allowed for TNCs. If enforcement is unsatisfactory a court injunction may be required and legal costs would be needed for litigation.

- **Jurisdictions which have adopted a similar regulatory scheme (for capture of taxis and limousines):**

- New York City
- London

Option 2: New Licensing Category (Equal Regulation)

Another option the City of Mississauga can choose is to create a new category of regulations for TNCs that is more compatible with the TNC business model but maintain heavily regulated licensing standards equal to the standards set for taxis and limousines. In this case, TNCs would have to obtain the newly created TNC broker, TNC driver and TNC owner licenses. The requirements for licensing should be equivalent to taxis and limousines in terms of insurance, background checks, driver trainings, and vehicle standards. This option could include a licensing cap or growth standard, or an open licensing system to allow TNCs entry to the market in order to allow for a large pool of drivers since most of their drivers are part time workers averaging a few hours per week. Additionally, the City would not regulate TNC fare structure allowing TNCs total control over their pricing schemes, including surge pricing.

- **Pros:**

Regulating TNCs as a more separate FHV category removes the discrepancy between TNCs and the incumbent industry in licensing standards. As a result, public safety concerns are

addressed in this option by maintaining high standards for insurance, background checks, driver trainings and vehicle standards. Furthermore it mitigates the unfair competitive advantage TNCs currently have by foregoing licensing costs including licensing fees and the opportunity cost of time spent on training and the cost of meeting the higher vehicle standards. Lastly, it may satisfy the public to have TNCs available to meet their needs in a safer environment.

- ***Cons:***

Negatively, this regulatory approach gives TNCs an unfair competitive advantage in their freedom to set their own fare structure. Allowing open entry for TNCs but not for Taxis, would potentially have TNCs flood the FHV market, significantly decreasing the Taxi market share, individual driver potential earnings, and taxi plate values. Furthermore, this option has serious negative implications for the taxi industry, particularly complicated by the fact that there is no hail market in Mississauga. Licensing TNC drivers and owners will have significant regulatory costs for the Municipality, which may be offset by new fees for TNC licensing.

- ***Regulatory Costs: High***

This option has high regulatory costs. The creation of a separate category with high regulation means the regulation burden is increased on the municipality. The municipality will potentially have to increase staff and accrue training cost to effectively implement the new licensing structure and accommodate the influx of new license applications for TNC drivers and owners to be processed. Additionally, there are costs for training the drivers and inspecting the vehicles. The City might need to increase licensing fees to meet the needs of the growth of the market. On the other hand, TNCs would be operating legally under this option.

- ***Jurisdictions which have adopted a similar regulatory scheme:***

- Maryland
- Houston
- Edmonton (Proposed)

Option 3: New Licensing Category (Unequal Regulation)

The City of Mississauga can choose to allow TNCs to operate more freely by introducing a new category of regulations for TNCs that are not as strict as regulations governing Taxis and Limousines. These new TNC regulations would provide a basic, self-regulating framework for TNCs to operate legally - determining their own driver fitness licensing standards, exclusively making the decision on whom to license or not to license, and without any government oversight. Alternatively, this option could include a licensing cap or growth standard if the City wants to control the total number of FHVs allowed on the streets. Regardless, under this option TNCs must register with the municipality but can issue their own driver permits, conduct their own background checks, and set their own vehicle standards. This applies to the initial background check process and also to any automated and/or continuous checks, which ensures that there is no subsequent criminal activity after the applicant is approved to drive.

- ***Pros:***

Self-regulation reallocates regulatory responsibility to parties other than the government. One characteristic of success that emerges quite clearly is the importance of being

able to exert sufficient control to ensure compliance with whatever rules are developed.¹³⁴ For self-regulatory bodies to control their members, sanctions—including the ultimate punishment of expulsion—must be costlier than the benefits of misbehavior.¹³⁵ In some ways, this underscores the value of including the platforms themselves as enforcers of the self-regulatory solution. For example, Uber and Lyft have tremendous potential enforcement capabilities as regulatory entities: they control the channels for demand for their drivers, and as digital platforms, disconnecting a driver involves minimal transaction costs for the companies. Rulemaking, monitoring, enforcement and remediation processes can also be faster using self-regulation rather than government regulation, which means that consumers are protected sooner.

- ***Cons:***

Self-regulation and the current processes conducted for background checks today by the TNCs simply do not reach the level of accuracy that the taxi industry and other industries that are trusted with public safety and trust maintain as best practices today, especially since, absent approvals to use a channeling agency, these private companies do not have the same access as government or law enforcement agencies. Regardless of whether the driver is an employee or an independent contractor (or whether the driver is working one hour per month or 40 hours per week), any person engaged to drive the riding public should meet the best standard to ensure public safety. TNC insurance requirements may also not as comprehensive, creating a potential insurance gap if there is an incident. TNCs, unless mandated to do so by regulations, may not provide adequate options for people with disabilities. Finally, allowing open entry may flood the market with TNCs, which would hurt drivers' incomes.

- ***Regulatory Costs: Moderate***

The regulatory costs to the city of Mississauga would be moderate, as the regulatory responsibility would be reallocated from the government to the individual TNC. There would not be a need for enforcement resources to distribute permits or provide background checks for drivers. In addition, as TNCs would be legalized. Furthermore, self-regulation can be more efficient for business, and these savings are passed on to consumers. However, increased costs would be incurred by the City to conduct regular audits of the TNCs to ensure they are in fact self-regulating. The cost of these audits may be offset by TNC licensing fees.

- ***Jurisdictions which have adopted this regulatory scheme:***

- California
- Washington, D.C.
- Kitchener—Waterloo (Proposed)

Option 4: Complete Deregulation Option

The City of Mississauga can also adopt the deregulation model that was implemented in several jurisdictions all over the world starting in the 1980's and 1990's. Ireland, Japan, New Zealand, Sweden, and South Korea all introduced some level of deregulation to their taxi industries by removing entry restrictions, lifting the cap on taxicab vehicle numbers, by

¹³⁴ <https://lawreview.uchicago.edu/page/self-regulation-and-innovation-peer-peer-sharing-economy>.

¹³⁵ *Id.*

abolishing minimum and maximum fare, by enabling taxicabs to operate in all service areas without geographical restrictions previously imposed, and by limiting taxicab driver licensing requirements.¹³⁶ Deregulation in these jurisdictions has been followed by a massive increase in the number of taxicabs, a much wider range of taxi services that exploited different market segments and offer a wider geographic coverage. Many more driving jobs have been opened up, although this is widely believed to have been accompanied by reduced incomes and longer hours. Moreover, it had been reported that little entrepreneurial flair has been observed in cities that have deregulated, and service provision in less dense markets such as suburbs and rural areas did not always improve.¹³⁷

In the United States, over 20 jurisdictions followed the U.S. Congress decision to deregulate wholly or partly, a number of industries, including airlines, motor carriers, railroads, and interstate bus companies in the 1980's, started deregulating their taxi and for-hire vehicle industry. The rationale for deregulating these industries, including the taxi industry impinged upon the ideological movement which loathed government entry and price controls as manifestly causing waste and inefficiency, while denying consumers the range of price and service options they desire. The deregulation ideological movement in the taxi industry heavily relied on the conceptual free market to respond to any inefficiency, such as vehicle quality, taxi fare volatility, and service coverage area, and correct these inefficiencies through a demand-supply driven market correction mechanism.

Thus, in the 1980's, more than 20 cities, most located in the Sunbelt, moved from a traditional regulatory structure to one of two forms of deregulated market entry: (1) open entry (13 cities); and (2) minimum standards (5 cities). Three other cities deregulated fares, but maintained controls over market entry. The open entry system, which is a total deregulation of the industry, permitted almost anyone with a vehicle and driver's license to obtain a taxi permit and provide transportation service. However, regulatory agencies would still check and confirm the existence of the proper insurance coverage and that the driver has passed criminal background check. The cities that opted to keep minimum standards permitted taxis to operate without limiting their number based on a demand driven licensing issuance structure. As such, as long as taxi operators met certain standards, such as minimum number of vehicles, radio dispatch capability, 24 hours service, and vehicle age limit, the industry operated with no further regulatory requirements.

However, the experience with taxicab deregulation was so profoundly unsatisfactory that virtually every city that embraced it has since abandoned it in favor of resumed economic regulation. A study by Price Waterhouse of these cities which deregulated their taxi industry concluded that:

- Although the supply of taxi services expanded dramatically, only marginal service improvements were experienced by consumers.
- Prices rose in every instance. Paradoxically, the influx of new entrants did not invoke the price competition typically experienced in other newly-deregulated industries.

136 <http://www.taxi-l.org/kang0898.htm#c5>.

137 Frankena, Mark. W. and Paul A Pautler. 1984. An Economic Analysis of Taxicab Regulation. Federal Trade Commission, Washington, D.C.

- Service quality declined. Trip refusals, a decline in vehicle age and condition, and aggressive passenger solicitation associated with an over-supply of taxis are characteristic of a worsening in service quality following deregulation.

As such, even though the deregulation model is one option for the City of Mississauga, the experience of other cities that implemented this model and their decision to revert back to some level of regulation as a result of the markets failure to correct the inefficiencies that arise following the absence of a regulator indicates that this should be one of the lesser strategies the City may adopt to provide a quality taxi service to its residences and visitors. Moreover, the Florida cities that completely deregulated their for-hire vehicle industry to accommodate companies such as Uber and Lyft indicates that the deregulation method that is being exercised has lower standards of accountability and passenger safety consideration than the open entry system that was introduced in the 1980's. For example, as a result of the Collier County, Florida decisions to deregulate the for-hire industry, county's ordinance is officially taken off the books and both taxi companies and new market entrants will no longer have to buy commercial insurance and their drivers won't have to pass criminal background checks. Moreover, Collier County will no longer issue licenses to taxi or limo companies, essentially permitting anyone with a driver's license to be able to operate a for-for-hire in Collier County.

- ***Pros:***

Deregulation does offer some appealing benefits. For example, deregulation often results in an increased number of taxis available for hire, initially expands employment opportunities for prospective taxi drivers, and improves potential for service diversity and the emergence of new service class.

- ***Cons:***

Unfortunately, the tradeoffs for deregulating are almost always not worth the benefits. Deregulation leads to an oversupply of taxicabs, traffic congestion, and the resulting environmental impacts. There is also a danger of creating bad driver pool as a result of ease of entry into the FHV industry. Deregulation leads to a lack of certainty as to taxi fare and the potential of taxi price hike or instability. There have been many cases where deregulation leads to a limited supply of taxi service to suburban and poor neighborhoods and service refusals and discrimination as a result of lack of recourse measures for passengers.

- ***Regulatory Costs:***

Although this option would eliminate the costs of licensing and enforcement, other costs, there may be costs to other government agencies to ensure general laws against the new TNCs. There may also be societal impacts such as increased traffic, labor oversupply, reduced incomes, pollution, motor vehicle accidents, litigation, and increased crime.

- ***Jurisdictions which have adopted this regulatory scheme:***

- Collier County, Florida
- Gainesville, Florida
- Sarasota, Florida

Option 5: Pilot Program: Using New Entrants to Solve Regulatory Problems and Improve Service

The City of Mississauga could elect to amend their regulations to implement a pilot program designed to address problems which currently exist in their FHV industry as well as improve service within the City. In instituting a pilot program, similar to what New York City has enacted, the City could elect to capture TNCs under current regulations or to introduce TNCs as a separate and new heavily regulated class of vehicles. The pilot would measure the introduction of TNCs to ensure entry leads to service improvements and does not cause widespread irreversible safety or environmental problems or market failure. In any case, the pilot program would serve the purpose of improving the City's FHV industry while promoting more sound market conditions. The pilot program should be used to address the lack of wheelchair accessible vehicles as well as shortage of taxis that exists in the northeast area of the City around the airport. The program could allow TNCs to enter this market but only if they are equipped with wheelchair accessibility features and then only serve a certain geographic area. The regulation establishing this TNC approved geographic zone should include an exception that allows TNC vehicles to do passenger pick-ups outside of the TNC zone if they are responding to the requests of customers with disabilities. The City may also consider adding environmentally conscious requirements, such as the use of electric vehicles or other clean air fuels, to ensure the influx of new FHV does not contribute to a negative environmental impact. Additionally, using pilot program gives the City the added luxury of flexibility. At the end of the pilot program the City has the opportunity to analyze what policies worked, which did not, and what can be altered to improve service and/or reduce costs.

- ***Pros:***

Using a pilot program to regulate may help improve consumer protections and ensure public safety without permanently establishing any regulations that may not work. The City will have to option of abandoning any policies with negative effects or outcomes. The City can pick and choose which programs or combinations of programs they think will be most successful and have the option of easily extending programs that work. It may be easier and more palatable to pass temporary regulations and then extend them once members of the public and the FHV industry see them successfully in action. Also, the use of pilot programs removes the risk of long-term wasteful regulations. The program described above will provide greater numbers of accessible vehicles, help meet demands where there are other service gaps, provide competitive protections to current drivers, and potentially lessen negative environmental impact by the FHV industry.

- ***Cons:***

While pilot programs are largely beneficial in instituting new programs, they do have a few negatives aspects. There is a risk that successful programs are not extended because of public opinion or lobbying efforts. There is also a risk that what would become a successful program does not get the time it needs to work out the kinks and gets branded as a failure and discontinued. There is also the costs involved in writing the regulations, holding meetings with industry figures and the public to discuss, and having to reconvene at the prescribe end to the pilot program and go through a similar process in determining what the future holds for each policy. Also, new regulations such as those in pilot programs come with uncertainty in their

application which can create market confusion and increased enforcement costs or conversely a total lack of enforcement.

- ***Regulatory Costs: Low***

While pilot programs certainly come with costs such as those to write and pass the regulations, enforce the new regulations, and assess the regulations at the end of the program, they are minimal compared with instituting permanent laws and enforcing those laws indefinitely.

Option 6: Provincial Regulation

The last option open to the City of Mississauga is to request that the Province of Ontario to enact a law for TNCs for the entire province. There is currently a bill (Bill 131, Opportunity in the Sharing Economy Act, 2015) that is under consideration by the Ontario Legislative Assembly and has passed its second reading. This bill authorizes the Municipalities to regulate TNCs but prohibits a complete ban. The bill provides for licensing by the Province if the municipality in which they operate does not have its own regulations. This bill is similar to the one passed in the State of Illinois which loosely regulates TNCs for the entire state but does not preempt cities such as Chicago from creating further regulations.

- ***Pros:***

Instead of having a patchwork of regulations by cities, this creates consistent regulations for TNCs across the province. TNCs may not be able to operate if they have to follow each City's own unique laws regulating TNCs. The regulations may be crafted based upon more diverse viewpoints because you will get more comments from the entire province. It should also have lower or no regulatory costs to City.

- ***Cons:***

Regulating for-hire vehicles has traditionally been one of the powers of a City. This would take that power away and give it to the province, which might not have the experience to craft regulations to address unique circumstances in each City. There is also the danger of the new regulations creating new unfunded mandates for the City.

- ***Regulatory Costs: Low***

Provincial regulation could decrease costs for municipalities and private transport industries may result. If a less regulated approach is taken, municipalities may have increased externality costs (i.e., traffic, accidents, etc.).

Additional Considerations:

In choosing any type of regulatory system, there are some issues involving TNCs that should be addressed:

Camera/Car identification

An argument has been made that TNCs identify the driver and passenger on their platform so they therefore do not need cameras. In addition to identification, cameras may also help to record what happened in the vehicle if there is a dispute. Cameras can also be helpful to resolve disputes where some TNC drivers may illegally pickup street hails or make their own arrangements to pick up a passenger outside of the platform.

There is a question as to whether a TNC should be required to have some kind of identifying marker on their vehicles such as a special plate or logo. This would clearly identify them to the public and for police enforcement. Some jurisdictions have required TNC cars to have a non-permanent identifier, such as a magnetic sign when they are on-duty to help the public and their riders to identify them. Such markings may help prevent riders from accidentally going into a vehicle they did not request.

Accessibility

Mississauga currently is not meeting its AODA requirements for accessible for hire vehicle service. There are not enough accessible taxis to meet the needs of disabled people in the city. The Hara Associates Study recommends that Mississauga set a target for 21% of taxis to be accessible for there to be on-demand service available at all times in order to meet the AODA requirements.¹³⁸ As Mississauga is working to meet the AODA requirements with its Accessibility Advisory Committee it should also consider how it would apply the requirements to TNCs. An option that has been considered by other jurisdictions is to require TNCs to provide accessible services within a specific time frame from the time the request is made. TNCs are given the option of contracting out accessible service but it would be their responsibility to ultimately provide the service through their platforms. If a TNC does not want to provide wheelchair accessible service, Mississauga may also want to consider imposing a surcharge on TNC rides to help pay the owners and drivers of wheelchair accessible vehicles for the higher costs of operating such vehicles.

Enforcement

The City of Mississauga needs to consider the costs of enforcement against TNCs. Currently, there is a complement of 9 enforcement officers in Mobile Licensing Enforcement that regulate taxi, limousines, tow trucks and other public vehicles. For more effective enforcement more resources are required. Additional resources can be funded by increased fines, which would also act as an effective deterrent, and increased licensing fees, particularly on

¹³⁸ “City of Mississauga, Taxi Plate Issuance Model Review,” Hara Associates, October 7, 2015.

TNCs. Increased licensing fees on the existing for hire industry may be seen as a burden, on an industry already struggling with a new competitive challenge.

HST

A major discrepancy between the current licensed for-hire vehicles and the TNCs operating in Mississauga is that the TNCs do not require their drivers to pay the Harmonized Sales Tax (HST). It is left up to the drivers to pay the HST and they are only required by law to pay the tax if they make over \$30,000 per year. Since there is no oversight on the TNCs and the drivers there is a great window for tax evasion. taxis and Limousines on the other hand are required to pay HST regardless of how much they earn setting an unfair competitive advantage to the TNCs. However, since HST is set by the federal and provincial governing bodies, this matter needs to be addressed by them.

Data Collection

The potential unlawful tracking of passengers and consumer data collection along with lapses in privacy safeguards is troubling. If TNCs are engaging in the collection, use and monitoring of data which is not pursuant to a legitimate business or regulatory purpose, with personal details and customer information so readily available that an intern or a job applicant (or possibly a hacker) could get their hands on it, there is a potential privacy and security issue. Thus, to the extent privacy measures are currently in place for technology used in taxicabs and/or limousines, TNCs should be held to the same standard.

TNCs may have privacy policies in place which are sufficient to protect the riding public. As such, it is recommended that the City of Mississauga conduct an audit/investigation of TNC privacy policies to determine whether they protect against the inappropriate use of data and prevent privacy or security breaches from taking place. Safeguards to be kept in mind during the City's investigation include (1) imposing restrictions on access to data internally at TNCs and to private third parties without express permission from passengers as to the specific entity or purpose for which such data will be used; (2) security safeguards to ensure that hackers cannot access such TNC data, which are imposed and monitored by regulators; and (3) a requirement, as exists in San Francisco and New York City, as well as in various Australian states and elsewhere, for the companies doing business with TNCs or TNCs themselves to submit electronic trip sheet data while on-duty (pick-up, drop-off and fare box data at a minimum) so that regulators can ensure compliance with various laws, and analyze industry economics with a solid factual basis.

It is completely within the power and authority of the City to require, as a condition to the licensure of TNCs, that privacy protections are put in place. Such requirements have been developed and imposed in local jurisdictions (i.e., New York City T-PEP regulations).¹³⁹ By way of example, in New York City, working closely with the New York Civil Liberties Union ("NYCLU"), regulations were enacted that required the vendors which were authorized to install the taxicab technology systems (the credit card machines, screens, monitors and GPS systems (referred to as "TPEP" system)) in NYC yellow taxicabs, to adhere to strict security and privacy protocols to protect the public from credit card fraud, identity theft, and other unlawful hacking

¹³⁹ See e.g., <http://www.buzzfeed.com/bensmith/uber-executive-suggests-digging-up-dirt-on-journalists>

of such data.¹⁴⁰ For example, TLC Rules require that TPEP providers establish an information security policy, prior to developing a system design, which policy must be disseminated to its employees and relevant third parties and which are reviewed and updated at least annually.¹⁴¹ Further, data categorized as private or confidential must not be transitioned to removable media without TLC approval.¹⁴²

Further, the amount of data available to the City could be limited to all that is necessary to maintain consumer safety and TNC oversight. For example, the NYC TLC is entitled to only a limited amount of data: which includes the data relative to taxicab pick-up and drop-offs, as well as certain GPS location information. The TLC does not typically obtain (and is generally shielded from reviewing) breadcrumb data, or the GPS pings of the taxicab and its location throughout the route in between pick-up and passenger drop-off. This is precisely the type of information - the tracking of a passenger trip – that Uber was alleged to have been monitoring as part of its “God View.” The TLC typically obtains very important T-PEP data on the number of rides, the taxi fare information, and other general information that include “blips or dots on a screen” -- with no particular identity of passengers or individual taxicab drivers or medallions (unless requested for a specific legitimate regulatory purpose as part of a TLC or other government investigation). Off-duty locations of taxicabs are completely off-limits to the TLC as a privacy safeguard the TLC agreed to with the NYCLU that was embodied in the T-PEP vendor agreements and the TLC rules. The TLC collects general ridership data to achieve various objectives, not the least of which is to verify that taxicabs are servicing all neighborhoods in the city, and to determine the actual earnings of taxicab drivers and medallion owners in order to make sound fact-based decisions in enacting fare increases as opposed to the prior guesswork involved in manual trip sheet surveys and other primitive regulatory methods. The TLC will only receive further breadcrumb data from the T-PEP system if it is specifically requested for a targeted and disclosed purpose (i.e., lost property; stolen cab, etc.). Further, the TLC will only release more detailed data to law enforcement if served with a subpoena.

Calculating Fares

The most important goal of regulating taxi fares is to ensure that drivers have a reasonable income where they can sustain themselves. With the TNCs that employ surge pricing, also known as dynamic pricing, many stakeholders in the existing taxi industry feel they are at a disadvantage because they are not able to adjust their fares according to supply and demand principles. Many in the industry fear raising the fare too high because they also do not want to “price taxis out of the market.”¹⁴³

As discussed in the Hara Study, one of the fairest ways to set taxicab fares is through the use of a Taxi Cost Index (TCI) that measures the cost of operating a taxicab and assigns a weight to them. Using a TCI instead of the Consumer Price Index (CPI) has the advantage of giving sufficient weight to costs associated with operating a taxicab and can be easily updated and applied. Among the disadvantages is it will preserve the same profit margin without regard to

¹⁴⁰ See Chapter 76 of the NYC TLC Rules and Regulations

¹⁴¹ See NYC TLC Rule 76-03(a).

¹⁴² See NYC TLC Rule 76-03(u)(3).

¹⁴³ “City of Mississauga, Taxi Plate Issuance Model Review,” Hara Associates, October 7, 2015.

whether it was too high or too low and that it requires updating when the weight of various items changes.

Most TNCs use their own formulas to create their fares. Most TNCs also use “dynamic pricing,” also known as “surge pricing.” TNCs argue this helps to ensure an adequate supply of vehicles by incentivizing drivers with higher pay when there is a shortage of vehicles. One TNC will generally surge price up to 8X the normal fare, but has experimented with 50X the normal fare.¹⁴⁴ While “surge pricing” may bring more vehicles on the road, there are fears that the times when “surge pricing” usually take effect are the times when someone may desperately need transportation, such as during inclement weather or on a holiday. Some have accused the TNCs of price gouging and the New York City Council has drafted legislation that would cap “surge pricing” at no more than 2X the normal fare.¹⁴⁵ If the City allows TNCs to set their own fares, we recommend a cap to prevent excessive fares.

Minimum Insurance Requirements for TNCs

With regard to insurance requirements, to ensure that the public is protected, Mississauga should have in place extensive rules requiring all TNC vehicles to have adequate insurance. We therefore recommend that the city follow the New York Model when instituting its insurance policies in its regulations. In NYC, app-based vehicles and drivers have the same insurance as all other taxicabs and for-hire vehicles and further legislation is not required to meet the needs of the public for safety and insurance. If there is an incident in a for-hire vehicle, the TLC has extensive rules requiring all for-hire vehicles to have adequate insurance.¹⁴⁶ Under TLC rules, taxis, livery and black cars must have liability coverage for \$100,000 per person, \$300,000 per occurrence, and \$200,000 in no-fault or personal injury protection coverage to cover medical expenses and lost earnings. Luxury Limousines must have liability coverage for \$500,000 per person, \$1,000,000 per occurrence, and \$200,000 in personal injury protection. This coverage is required at all times (24 hours per day and 7 hours per week), and vehicle owners are required to notify TLC of any changes in insurance coverage.

App-based dispatch companies like Uber and Lyft must dispatch vehicles that maintain insurance coverage in order to operate in New York City. This is not required in jurisdictions that have promulgated TNC laws that have questionable and less coverage available on the primary level, than for taxicabs and limousines providing the same exact for-hire service as TNCs. The TLC also has strict commercial insurance requirements for its licensed vehicles that must be in effect at all times.¹⁴⁷ This requirement for 24/7 insurance eliminates any potential gaps in coverage or disputes over coverage.

Many “rideshare” companies have been operating in states taking advantage of perceived loopholes in local laws to circumvent common sense regulations that protect the public, drivers

144 <http://www.businessinsider.com/ubers-highest-surge-price-ever-may-be-50x-2014-11>.

145 <http://legistar.council.nyc.gov/LegislationDetail.aspx?ID=2073899&GUID=0C1C4C28-9D46-4021-BAA6-EAC0D95D5F09&Options=ID|Text|Search=int.+556>.

146 The chart above generally outlines the insurance coverage model currently being provided to drivers by TNCs during different phases of a network trip.

147 TLC Rule §59A-12.

and others. Although they purport to provide “ridesharing” services, the business model of these companies is in direct violation of any traditional definition or understanding of true ridesharing. “Ridesharing” is the term used to describe grouping travelers into common trips by car or van through “carpooling” or “vanpooling.”¹⁴⁸ At its outset, ridesharing did not, and was not intended to result in financial gain for the driver.¹⁴⁹ The purpose of ridesharing was based on common origin and/or destinations between passengers.¹⁵⁰ The fact that money is exchanged for the “rideshare” company’s services transforms the transportation into a commercial/for-hire enterprise requiring appropriate commercial insurance coverage.

We have been monitoring the actions related to these rideshare companies and raise concerns with regard to the insurance coverage for these companies. The issue of inadequate insurance coverage is a serious one jeopardizing public safety, which could also undermine the public’s confidence in all segments of the for-hire vehicle industry. As discussed above, the Personal Insurance Federation of CA (“PIFC”) was the first insurance trade association to make a public statement addressing the issue of coverage when it comes to rideshare app companies and the transportation services they offer.

Moreover, the California Department of Insurance’s (“CDI”) conducted an investigative hearing on rideshare companies which resulted in the California Insurance Commissioner writing a letter, dated April 7, 2014, to the CPUC offering recommendations for more stringent insurance requirements.¹⁵¹ In the letter, the Insurance Commissioner notes that the CDI finds that personal automobile insurers never planned or intended to underwrite for the risks presented by individuals driving their personal vehicles for commercial purposes, which did not exist, when the current policies were written. As such, insurers did not incorporate for-hire use when developing their rates and the risk exposure to the personal automobile insurance “pool” that is presented by ridesharing app services may increase personal automobile insurance rates. The Insurance Commissioner also stated, “The fact that some exclusions in personal automobile insurance policies may not be clear on this point should not be misinterpreted as an agreement to cover this new TNC risk.”

At least eleven states (California, Connecticut, Kansas, Maryland, Michigan, Minnesota, Nebraska, New Mexico, Ohio, Rhode Island and Tennessee) have issued insurance gap warnings regarding “ridesharing.” Some examples of the alerts issued by insurance regulators over the past several months include the following:

- In February 2014, the California Department of Insurance issued a Notice to drivers for Transportation Network Companies (TNCs) to be aware of potential gaps in insurance coverage. Although TNCs approved by the California Public Utilities Commission are required to maintain \$1 million in liability insurance, TNCs are not required to have medical payments coverage, comprehensive, collision, uninsured/underinsured motorist (UM/UIM) coverage or other optional

148 Transport Reviews, Vol. 32, No. 1, 93-112, January 2012, “Ridesharing in North America: Past, Present and Future”, by Nelson D. Chan and Susan A. Shaheen.

149 *Id.*

150 *Id.*

¹⁵¹ <http://www.insurance.ca.gov/video/0030VideoHearings/upload/CDI-CPUC20140407.pdf>.

coverages. This means that the TNC's liability policy does not have to provide coverage for: 1) bodily injury to the TNC driver; 2) damages to the TNC driver's car, or 3) bodily injury or physical damage caused by an uninsured or underinsured motorist. In addition, the Notice advised that insurance companies might deny coverage to TNC drivers that are driving passengers for payment of more than a share-the-expense car pool fee based on the above exclusion or similar exclusions.¹⁵²

- On March 12, 2014, Tennessee Commerce and Insurance Commissioner, Julie Mix McPeak, issued a warning of potential auto insurance gaps for individuals working as drivers for TNCs such as Lyft, UberX, and Sidecar. "The Department wants Tennesseans to know that most standard auto insurance policies contain exclusions for livery or driving for hire," said McPeak. "These gaps can leave individuals in insurance limbo without the coverage needed to protect their vehicle and passengers in the event of an accident."¹⁵³
- On April 16, 2014, Ohio Lt. Governor and Insurance Director Mary Taylor issued a warning that most personal auto insurance policies don't cover commercial use of a vehicle. Taylor advised would-be rideshare drivers to review their policies with an agent, broker or insurance company. "Ohioans considering these types of services should weigh all factors including any coverage gaps that may exist," Taylor said. "While the driver may have insurance, his or her policy may or may not provide all the coverage needed should an accident occur."¹⁵⁴
- On April 30, 2014, the Rhode Island Department of Business Regulation, Insurance Division, issued Consumer Alert 2014-4 to highlight "potential insurance implications for Rhode Island residents participating in for hire transportation services. The Alert states that there are potential coverage gaps since most standard personal auto policies contain exclusions for livery – which essentially means driving for hire."¹⁵⁵

Driver/Operator Training Requirements

The driver and operator training requirement in Mississauga are thorough. taxicab and limousine driver applicants are required to submit proof of age, and eligibility to work in Canada, provide a valid Ontario Driver's license (Class G or better) in good standing, a certificate of Criminal Conviction, and a medical report from a physician stating the applicant is fit and able to operate a motor vehicle. In addition, applicants must demonstrate a proficiency in English, complete a Defensive Driving Course, a Sensitivity Training Course (which includes training to assist passengers who are disabled, elderly or otherwise in need of assistance), a Taxicab Driving Course, and pass a written test including the local bylaws, the geography and popular sites in the City, and the use of a street guide. Additionally, some jurisdictions require

¹⁵² <http://www.insurance.ca.gov/0250-insurers/0300-insurers/0200-bulletins/bulletin-notices-commiss-opinion/TransNetwkDrvrs.cfm>.

¹⁵³ <https://news.tn.gov/node/12367>.

¹⁵⁴ <http://www.insurance.ohio.gov/Newsroom/Pages/04162014TransportationNetworkingCompanies.aspx>.

¹⁵⁵ <http://www.dbr.state.ri.us/documents/divisions/insurance/consumers/ConsumerAlert2014-4.pdf>.

more than a certificate of criminal conviction and insist on a more complete vetting process including a driver history and criminal background check while other jurisdictions also require the fingerprints of their FHV operators. Mississauga should analyze the full array of driver vetting and training options if and when they make changes to their current requirements.

Environmental Concerns and Clean Air Fuels

Anytime a program which puts additional cars on the road is being implemented, environmental impact should be considered. The City of Mississauga should contemplate the number of additional vehicles their plan would conceivably add to the streets and potentially implement standards to create a net zero environmental impact. This could be done by imposing the use clean air fuel vehicles or other environmentally conscious standards such as minimum Litres per 100 Kilometers standards for traditional fossil fuel vehicles.

Fare Flexibility

One aspect of the current regulations that some consider too onerous is the minimum fare requirements. Whereas some cities take the approach that the rate showing on the meter is a maximum allowable fare, and the majority of cities consider meter rates to be fixed (the maximum and the minimum), Mississauga does not allow drivers to charge less than the price showing on the meter.¹⁵⁶ At least one Toronto taxi company and some industry stakeholders have suggested and requested that drivers be permitted to charge less than the metered rate. The regulations could be amended to allow drivers to charge a flat fee or discounted rates. If this approach is taken, safeguards should also be implemented to prevent drivers from abusing this newfound fare flexibility. One way to ensure passengers are not being overcharged is to require the meters to run during every trip, regardless of whether a flat or discounted fare is being charged; this way the passenger always knows whether or not they are paying a reduced rate or being overcharged. While greater flexibility for drivers and the prospect of lower fares for riders appears beneficial to all parties involved, this change would not be without risk. Companies and drivers could attempt to undercut each other's pricing and reduce profitability. This could lead to cost cutting in crucial areas such as vehicle maintenance and potentially increase enforcement costs.

Taxi Cap Formula

Mississauga currently has one of the most complex formulas for determining when to issue additional taxi plates.¹⁵⁷ The formula uses weighted growth factor models consisting of twenty-two growth factors divided into five categories and each assigned its own weight. Perhaps not surprisingly, this complex formula covers five pages of the Public Vehicle Licensing Bylaw (Schedule 13). The simplest, and most common, plate issuance formula is a per capita formula, which calls for a 1% increase in the number of licenses issued for every 1% increase in the City's population with annual adjustments. The Hara Associates Taxi Plate Issuance Model

156 Unless otherwise noted, information for this paragraph is from the Draft Taxi Plate Issuance Model Review by Hara Associates Incorporated, 6-2, dated October 7, 2015.

157 Unless otherwise noted, information for this paragraph is from the Draft Taxi Plate Issuance Model Review by Hara Associates Incorporated, dated October 7, 2015.

Review recommends Mississauga implement a new formula that combines the 1% increase in taxi plates issued for every 1% growth in population, plus a .07% increase in taxi plates issued for every 1% growth in passenger traffic at Pearson International Airport. They also recommend the number be periodically increased based on the number of taxis and accessible taxis required by TransHelp contracts. This would help ensure the number of taxis in Mississauga remains stable in relation to tourists and visitors, the local population, and the demand for accessible taxis.

Appendix A

Compilation of TNC Regulations

TNC REGULATIONS CHART

LOCATION	DRIVER VETTING	VEHICLE LICENSING & INSPECTIONS	INSURANCE	LICENSING FEES	MISCELLANEOUS
Austin, TX Enacted: 9/25/14 Effective: 10/6/14	The TNC Agreement requires that TNC driver must hold valid driver's license, proof of registration and current automobile insurance, and may not drive for more than 12 consecutive hours; TNC Agreement requires TNC driver to submit to annual national criminal background and driver history checks.	The TNC Agreement requires TNC driver to use a vehicle that is in compliance with Texas' vehicle quality requirements for private vehicles, no further details are specified in TNC Agreement.	The TNC Agreement requires commercial liability insurance with single limit of \$1 million when the driver accepts a trip request via digital network and ending when rider departs the vehicle, and City is named as additional insured with commitment from the insurer that the policy will not be terminated or cancelled without 30 days' notice.	No fees are specified in TNC Agreement	Pursuant to Ordinance No. 20140925-077, the City of Austin provided operation requirements for TNCs, and the City Manager for Austin was directed to enter into agreements ("TNC Agreement") with TNCs to allow their operation, create a penalty, and amend the City Code Chapter 13-2 to increase certain penalties. Taxes: TNC Agreement requires the TNC to pay surcharge of \$0.10 for all rides originating in the City, and surcharge will be used to support TNC riders who require ADA accommodations. Accessibility: TNC Agreement requires TNC to reasonably accommodate service animals, or identify an alternative transportation arrangement for the rider and service animal.

Baton Rouge, LA

Section 10:600-606 (Ord. No. 15722, § 1, 6-25-14).

Enacted: 6/25/14 and the section regarding TNC requirements was amended on 9/24/14

TNCs are charged with registering drivers as Transportation Network Operators. TNCs are required to conduct a criminal background check and driving record check for each applicant. Sec.

TNCs must register vehicles used to provide transportation network services and inspect or have a 3rd party conduct a safety and general appearance inspection of the motor vehicle before an operator may use it to provide transportation network services

TNCs must maintain commercial liability insurance policy that provides:
a. One million per incident when the operator is driving on a trip
b. Uninsured/underinsured motorist coverage of at least one million per incident
c. Contingent comprehensive and collision coverage of at least \$50,000 for physical damage to a transportation network operator vehicle during the course of providing services
d. Additional bodily injury coverage of at least \$50,000 per person and at least \$100,000 per accident and at least \$25,000 for property damage per accident when the operator is available for service, but not providing service
*Does not specify whether it has to be primary

No licenses required, but the Transportation network companies must pay a registration fee of \$250 annually and \$75 for every vehicle it registers.

<p>Chicago, IL</p> <p><u>Section 9-115 of the Chicago Municipal Code</u></p> <p>Effective: 9/2/14</p>	<p>Drivers must (i) be in possession of a valid driver's license; (ii) be 21 years of age or older; (iii) not have any convictions within 12 months of seeking the license of reckless driving, hit and run, more than two moving violations, or license suspension or revocation; (iv) have no guilty findings within five years for felonies, DUIs, crimes of moral turpitude, and sale or possession of controlled substances.</p> <p>- Class A companies (logged in driver averages of less than 20 hours per week): City approval of their policies for background checks and driver training. Zero drug tolerance.</p> <p>- Class B companies (logged in driver averages of more than 20 hours per week) : Background checks and drug tests performed by the city of Chicago. The companies will need to obtain city approval for their driver training process.</p>	<p>All TNCs must be licensed.</p> <p>- Class A companies: City approval of the policy for vehicle inspections required.</p> <p>- Class B companies: Annual third party, 21-point inspection of all vehicles required. Vehicles in this class have an age limit of six years and must pass annual inspections by the city to operate up to 8 years.</p>	<p>TNCs must carry \$1 M in commercial auto liability insurance with a combined single limit for bodily injury and property damage of \$1M per occurrence from the time TNC driver has accepted a ride until the completion of the ride, as well as commercial general liability insurance with limits of at least \$1 M per occurrence for bodily injury, personal injury and property damage. The City of Chicago must be named on the policy as an additional insured.</p>	<p>- Class A companies - \$10,000. - Class B companies - \$25,000.</p>	
<p>Cincinnati, OH</p> <p>Enacted: 10/29/14, Effective: 12/1/14</p>	<p>1) Driver licensing: same requirements proposed for TNC drivers, as currently imposed on taxi drivers; 2) Background checks: criminal background checks proposed for all TNC drivers.</p>	<p>Third-party vehicle inspections and decals proposed for TNC vehicle;</p>	<p>TNC must maintain \$1M in combined single limit liability third party coverage per occurrence for death, bodily injury and property damage beginning from when driver accepts ride request and continuing until passengers exit vehicle, and this policy shall act as primary coverage for driver, driver's vehicle and the passengers of the driver's vehicle for the duration of this period.</p>	<p>Corporate licensing fee of \$10,000 proposed for TNCs.</p>	<p>Taxes: No additional tax currently proposed under new ordinances. Accessibility: No details provided on reasonable accommodations.</p>

<p>Columbus, OH Enacted: 7/23/14</p>	<p>1) Driver licensing: obtain a transportation network driver's license and abide by driver standards; 2) Background checks: TNC driver must submit to criminal background fingerprint check and a driver abstract; and be in good standing with the City's Income Tax Division.</p>	<p>The vehicle must not have been significantly modified from factory specifications (such as "stretch" vehicles), and have the following minimum requirements: (i) three doors; (iii) a working light within passenger compartment; (iv) manufacturer installed safety belts; (v) not require movement of a seat to gain access; (vi) not be older than ten years at time of inspection; and (vii) TNC vehicle subject to third party mechanical inspection, prior to initial licensing and any renewal, and will include an annual inspection form to be completed by the TNC and an inspection by an ASE certified mechanic.</p>	<p>The TNC must carry commercial liability policy with \$1 million coverage and policy shall act as primary and drop down. If the TNC driver maintains collision coverage on his/her personal motor vehicle insurance policy, the TNC shall match the TNC drivers level of collision coverage (not to exceed \$50,000 per incident). A contingent liability insurance policy must provide coverage for each associated driver and vehicle while available for hire.</p>	<p>Annual TNC fee of \$15,000; and as required for other vehicles for-hire, including, \$10 decal fee following vehicle inspection.</p>	<p>Taxes: No additional tax imposed under new ordinances. Accessibility: Must provide passenger ability to contact driver to determine whether vehicle can accommodate persons with disabilities.</p>
<p>Dayton, OH Enacted: 1/2015</p>	<p>Drivers must be registered with the city and have a city tag (though the tag does not need to be displayed), as per R.C.G.O. 115.303.</p>	<p>All public passenger vehicles must meet the standards prescribed and equipment requirements in MCO 100-51.5. Failure to appear for inspection: The Department of Public Works shall immediately suspend the vehicle permit when a vehicle owner does not submit the vehicle for inspection on the date and time given for the inspection to occur. MCO 100-51-6-d-1. No new or renewal public passenger permits for taxicabs shall be issued for any motor vehicles of model years greater than 10 years old at the time of application.</p>	<p>The Ordinance does not address insurance requirements for TNCs. Taxicab operators must carry \$1,000,000 for bodily injury and property damage. The Ordinance not available online at this time.</p>	<p>Annual TNC fee of \$8,500 as per R.C.G.O. 115.301 – 115.303.</p>	<p>Must provide name/ driver identification numbers to passenger if asked; must also provide receipt if requested; may not decline service to disabled passengers or passengers with service animals; trip records required (in format approved by police department); drivers must respond to service request within 30 minutes.</p>

Dallas, TX

TNC Regulations, Ordinance added a new Chapter 47A to the Dallas City Code; passed on December 10, 2014; effective date as of April 30, 2015

Driver licensing: must obtain a driver permit, by submitting driver application form and abide by regulations.

Background checks: official copy of criminal history and all other states applicant resided in for preceding 5 years, or submit to FB Identify History Summary Check; and driving record from Texas and all other states applicant resided in for preceding 3 years.

N/A

Insurance policy requirements, include, having a policy that is acceptable to the City, names the City and its employees as additional insureds, and is listed as an authorized auto liability lines carrier on the Texas Department of Insurance's List of Authorized Insurance Companies or a surplus lines insurer listed on the Texas Department of Insurance's list of Eligible Surplus Lines Insurance Companies. In addition, the policy must include, inter alia, the following provisions:

(a) Insurance required under this article must:

(1) include a cancellation provision with 30 days' written notice to the director, and the City, before canceling for a reason other than non-payment) or making a material change to the insurance policy, or not fewer than 10 days' notice before cancelling for non-payment,

(2) cover all transportation-for-hire vehicles during all times that the vehicles are operating in furtherance of the operating authority's business, whether the vehicles are owned, non-owned, hired, rented, or leased by the operating authority, and whether the vehicles are or are not listed on a schedule of vehicles provided to the insurance company, and

(3) include a provision requiring the insurance company to pay every covered claim on a first-dollar basis.

(b) Proof of any and all applicable liability insurance policies in the vehicle while in service;

(c) The operating authority may not be self-insured; and

(d) File insurance policy required by this article with the City within 45 days of the issuance of the initial operating authority permit, and thereafter within 45 days of the expiration or termination of a previously issued policy.

Pursuant to § 47A-2.5.2, the insurance liability coverage must at a minimum, provide as follows:

(1) From the time a driver indicates that the vehicle is available to accept a ride request, but before the driver has accepted a ride request, the vehicle and driver must be covered by contingent primary liability coverage for injury and property damage arising out of or caused by the operation of the vehicle in the amount of \$50,000 per person, \$100,000 per occurrence for bodily injury and \$25,000 in property damage; and

(2) From the time a driver accepts a ride request, either by being physically hailed or dispatched, to the time the passenger exits the vehicle, the vehicle and driver must be covered by primary commercial automobile liability coverage with a combined single limit of liability for injury and property damage arising out of or caused by the operation of the vehicle in the following amounts:

a. For vehicles with a manufacturer's rated seating capacity of 1-8 passengers, \$500,000; and

b. For vehicles with a manufacturer's rated seating capacity of 9 or more passengers, \$1,000,000.

Licensing fees: \$1,000 fee, together with application fee of \$410.

Taxes: no additional tax imposed under new ordinances

Accessibility: when a wheelchair accessible vehicle is requested, the operating authority must provide an accessible vehicle, or cause one to be provided, without unreasonable delay. In addition, no additional fees or higher rate may be imposed for providing accessible service.

Houston, TX

Enacted: 8/6/14

- 1) Driver licensing: obtain a vehicle for hire permit, submit a drug test, a customer service training course and a physical examination;
- 2) Background checks: Driver must undergo a fingerprint-based FBI background check, and a warrant check.

“Vehicle for hire” was amended to include TNCs and such vehicles must be inspected by the City and are subject to specific age and mileage requirements.

TNCs are required to provide (i) a commercial automobile liability insurance, with a combined single limit of \$1 million per accident, covering liability resulting from any occurrence arising out of or caused by the operation of a transportation network vehicle for incidents involving a driver from the time a driver is matched with and accepts a trip request through the transportation network until the completion of the trip including the drop-off of passenger(s) at their final destination, regardless of whether the driver maintains personal insurance adequate to cover any portion of the claim and regardless of whether a driver is logged onto the transportation network company’s internet-enabled application or digital platform at any point following acceptance of the trip request; and (ii) Commercial automobile liability insurance in no less than the minimum coverage amounts specified in the Texas Motor Vehicle Safety Responsibility Act, as now enforced or hereinafter amended during the time that a driver for a transportation network company is logged in and available to provide services, but not actively engaged in providing the service.

Same fees associated with vehicle for-hire permittees.

Taxes: Two per cent (2%) fee on gross sales currently imposed on taxi drivers.
Accessibility: The City Council has mandated a minimum number of accessible vehicles pursuant to Ordinance 2014-754, \$8 that by the first anniversary of its effective date, not less than three (3%) percent of the Houston for-hire fleet and all new entrants, incl. TNCs, must consist of “ramp or lift-equipped wheelchair accessible vehicle or vehicles constructed and designed.... or equipped to provide vehicle for hire transportation services to persons with disabilities who require the use of a wheelchair as a means of movement or ability to move from one place to another.”

<p>Lansing, MI</p> <p>Partnership Agreement b/t the city of East Lansing and articles of incorporation for the Greater Lansing Taxi Authority entered into on 9/22/2014</p>	<p>No TNC license required, but drivers must possess a valid driver's license, proof of registration, maintain current automobile liability insurance and be at least 21 years old. TNC must, prior to permitting a person to be a driver, and annually thereafter, obtain a criminal history report and driver history report.</p>	<p>A TNC or a 3rd party must conduct safety inspection annually and submit documentation within 21 days of the inspection to the Greater Lansing Taxicab Authority ("Authority"). No license required from the Authority.</p>	<p>Drivers must meet requirements of Michigan No-Fault Insurance. TNCs must meet Michigan business auto liability insurance requirements and maintain a business automobile excess liability insurance policy, covering all vehicles operated by drivers for the TNC, with a minimum combined single limit of \$1 million dollars for each occurrence of bodily injury and property damaged or accidents while a driver is in transit or during a trip. The Authority shall be named an additional insured on the TNC's policy.</p>	<p>No license required, but the TNCs must register with the Authority and pay a registration fee to be determined.</p>	<p>East Lansing and Lansing voted in September to create a Greater Lansing Taxi Authority ("Authority") to regulate TNCs. This information is from the Articles of Incorporation for the Authority. The Authority has not adopted rules yet.</p>
<p>Minneapolis, MN</p> <p>Minneapolis Transportation Network Companies (TNC) Ordinance Updated July 2014</p>	<p>Same background-check requirements for transportation network company drivers as taxi drivers, upon approval, drivers will be endorsed under TNC license.</p>	<p>Transportation network company license required- vehicles will be inspected and must meet the same requirements as taxicabs; upon approval, vehicles will be endorsed under TNC license.</p>	<p>TNCs are required to maintain at least \$1 million of commercial liability coverage per occurrence, covering vehicles while they are "active." TNC or driver maintains minimum liability limits \$50k/\$100k/\$30k while the driver is logged into a TNCs digital network but not engaged in a prearranged ride. https://www.municode.com/lib/rarv/#/mn/minneapolis/codes</p>	<p>\$35,000 flat annual transportation network company license fee.</p>	<p>Consistent, distinctive signage required while vehicle is active on the TNC dispatch system.</p>
<p>Milwaukee, WI</p> <p>Enacted 7/22/14, Effective 9/1/2014</p>	<p>A public passenger vehicle driver's license required.</p>	<p>No public passenger vehicle may operate for hire upon the streets of the city without first obtaining a permit from the Common Council.</p>	<p>Minimum required policy limits are \$50k/\$100k/\$10k during all periods. Uninsured motorist coverage with limits comparable to the respective liability limits for the vehicle are also required during all periods. https://milwaukee.legistar.com L</p>	<p>\$75 fee for public passenger vehicle license.</p>	<p>Passengers must accept the fixed fare agreement prior to the entry of the passenger into the vehicle.</p>

Orlando, FL

TNC regulations, Ordinance No. 2014-64, Section 55.02 of Chapter 55 of the Code of City of Orlando; passed on 12/15/2014

Anyone providing vehicle for-hire services must have a Vehicle Permit: the permit issued which grants the privilege to operate one Vehicle for-Hire within the jurisdictional limits of Orlando. Drivers providing for-hire services on behalf of the Vehicle Permit Holder must have a Driver Permit—must be 18 years of age; sworn affidavit that applicant has not been convicted within the past five (5) years, nor have any charges pending against him or her for DWI, reckless driving, any felony, any crime involving the sale of a controlled substance; the Florida RICO Act; exposure of sexual organs or prostitution.

Livery vehicles accepting fares through a TNC must display the name of that TNC on passenger side or in the rear windshield of the vehicle. Vehicle must be inspected by an inspection facility and receive certification that the vehicle has been inspected by an Automotive Service Excellence mechanic and meets safety and equipment standards.

The Vehicle Permit-Holder shall possess a liability and property damage insurance policy issued by an insurance company or surety company who is authorized to do business in Florida, or who has a current license under federal law as a risk retention group for purposes of insurance. The coverage for each vehicle equipped to carry six (6) or fewer passengers, including the driver, shall be issued, at a minimum, in the amounts required pursuant to section 324.031, Florida Statutes (\$10,000/20,000/10,000 or \$30,000).

The coverage for each vehicle equipped to carry seven (7) or more passengers, including the driver, shall be issued in the amount of \$1M combined, single incident, or its equivalent.

The insurance policy shall list the City of Orlando as an additional insured with all notices of any kind; and must contain, at a minimum, a thirty (30) day written notice period prior to the effective date of termination, cancellation, reduction of coverage, renewal or non-renewal. All vehicle permits issued to a Vehicle Permit-Holder shall be covered under one master policy held by that permit-Holder.

\$250 for initial Vehicle Permit; \$200 for annual renewals an additional permits

Livery vehicles accepting fares from or through a TNC must display the electronic version of any current fare to any vehicle for hire administrator officer or Orlando police officer who so requests and TNC must allow records. Violations of the permitting requirements could result in vehicle impoundment and permit suspension or revocation. *Another note about insurance: The Vehicle Permit-Holder may also self-insure if the Vehicle Permit-Holder is certified for financial responsibility as a self-insurer, and is current in standing with the Insurance Commissioner of the State of Florida; (b) the retention of exposure by the Vehicle Permit-Holder is no greater than allowed by Florida Statute; and (c) the Excess policies, at a minimum, satisfy the policy limits listed above.

Oklahoma City, OK

Ord. No. 25002, § 9, 10-21-14

As part of application for TNV permit, proof of the following must be submitted: TNC must conduct approval process including: (1) providing proof of his personal automobile liability insurance policy; (2) conducting a driving record check from either the Oklahoma Department of Public Safety, or an Oklahoma tag agency or an accredited background company, which includes Oklahoma driving records. If the applicant has resided within other states for the previous three years, the driving record check must be done for all other states such that a complete driving record for the immediate past three years is provided; (3) conducting a criminal record background check by either the Oklahoma State Bureau of Investigation or an accredited background agency, the latter must include Oklahoma State Bureau of Investigation background information. The OSBI background information shall include a check of the sex offender registry, violent offender registry, and the criminal background; and (4) conducting the vehicle inspection requirements set forth in this article.

All vehicles shall be inspected by the TNV inspector prior to providing TNV services; vehicles older than 3 years or with more than \$150,000 must be inspected by an ASE Master Certified Technician.

• Single limit coverage required for each accident or occurrence during period 2 & 3:
o \$100,000 involving six or fewer seating capacity
o \$750,000 involving seven to nine seating capacity
o \$1,000,000 for seating capacity for ten
• During periods 2 & 3 the TNC is required to provide coverage with minimum limits of (\$50k/\$100k/\$25k).
Amended by Ordinance 25,002
https://www.municode.com/lib/okn/#/ok/oklahoma_city/code/s/

Licensing fee of \$302/year for the business license/certificate;

TNCs must apply for a business license/certificate of public convenience. Must provide a list at the end of each month of vehicles permanently taken out of service. Must maintain records of all service. Smoking is prohibited in vehicle while operating as a TNV; a driver may refuse service to anyone smoking. May not refuse service to anyone with a disability or service animal. TNVs are restricted from accepting street hails. It shall be unlawful for a TNV to park or stand within an open stand for taxis or an open stand for carriages. Trip sheet required; most direct route required.

Salt Lake City, UT

Enacted 11/18/14

All drivers required to obtain a vehicle operator's badge. The badge costs \$65 for drivers. Thirty dollars of that is used to process a driver's fingerprints as part of an FBI background check. The badge is renewed every two years, and there is no charge for renewing it.

All ground transportation companies must undergo the same vehicle inspections. City vehicle inspections are based on vehicles meeting the appearance standards required by ordinance. Vehicles that meet or exceed the standards receive an inspection seal and an automated vehicle inspection tag.

TNCs are required to carry the same liability insurance limits as other ground transportation companies (taxis and limousines). There is some debate remaining about when this coverage should begin and end. Insurance coverage levels set by determining the highest limits set by the Federal Motor Carrier Safety Administration, Utah Department of Transportation or U.S. Department of Transportation. The required limits at the time ordinance was passed, was \$1.5 million per occurrence. <http://slcdocs.com/council/agendas/2014agendas/November/Nov25/112514A7D3.pdf>

San Antonio, TX

Ordinance No. 2014-12-11-1002, amending and inserting new provisions under Chapter 33 of the Code of the City of San Antonio; passed on 12/11/2012; effective date as of 3/1/2015

Driver licensing: is a US citizen, or has legal papers to show legal right to engage in employment, is over 18 years of age, and possesses a valid Texas driver's license for class of vehicle to be operated, possesses an active Department of Defense ID and a current and valid driver's license from another state, or is a student and possesses a valid driver's licenses issued by any state or US territory; passes a drug test; completes defense driving test; and provides personal automobile policy in the minimum amount required by law.

Background checks: must furnish release for the City to release criminal history information to the TNC, but it does not require fingerprint checks under the new ordinance.

Vehicle licensing and inspections: Prior to operation, and annually by A.S.E. certified mechanic in accordance with established inspection guidelines and standard of the City.

For all periods when a driver is logged into a TNC's application or digital platform, or is otherwise engaged in transportation network operations, including, but not limited to, when waiting for a dispatch, en route to pick up a passenger, and while providing transportation to a passenger, and insurance shall be maintained by the TNC, the driver, through a policy specifically designed to cover for a TNC, or a combination of both, including the following specific requirements:
(i) General liability insurance and automobile liability insurance, insuring the general public against any loss or damage that may result to any person or property from the operation of the vehicles covered by the permit and securing payment through this policy of any final judgment or settlement of any claim against the applicant, its drivers and employees of the TNC resulting from any occurrence arising out of or caused by the operation of a transportation network vehicle.
(ii) The insurance policy requested in this section shall be available to cover claims as specified in this section regardless of whether a driver maintains insurance adequate to cover any portion of the claim and shall be maintained and available for viewing on the TNC's internet enabled application and website.
(iii) TNC shall at all times maintain the following minimum insurance coverage
a. During the period that a driver is logged-onto TNC's application as a driver, or is otherwise engaged in transportation network operations, but has not accepted a ride and is not providing transportation to a passenger, primary coverage in the amounts of not less than: death and bodily injury coverage of \$50,000 per person; death and bodily injury coverage of \$100,000 per accident; and property damage coverage of \$25,000 per accident. There shall also be excess coverage in an amount of not less than \$200,000 per occurrence for death, bodily injury and property damage; and
b. During the period from the time a driver accepts a trip request through to completion of the trip, primary insurance in an amount of not less than \$1,000,000 per occurrence for bodily injury, personal injury and property damage. In addition, the policy must provide not less than \$1,000,000 in uninsured/underinsured motorist coverage, and comprehensive and collision protection up to the actual value of the transportation network vehicle, up to an amount of \$50,000.
(iv) This requirement may be satisfied by a surplus lines insurance policy that is issued by a company licensed in the United States and registered with the Texas Department of Insurance, which has a minimum A.M. Best rating of A-.

Licensing fees: Driver permit (\$15); Renewal of driver permit (\$15); TNC application (\$110); Citywide vehicle operating permit, per year/per vehicle, (\$160); Re-inspection (\$28); Inspection re-scheduling (\$28).

Taxes: no additional tax imposed under new ordinances

Accessibility: TNC Agreement requires, inter alia, TNC to accommodate service animals, prohibit additional charges to for provision of service; the driver to assist in stowing mobility devices; or refuse transportation of persons of rider capable of using service.

Seattle, WA

TNC regulations implementing Agreement b/t Mayor, TNCs and Industry Enacted: 7/14/2014 retroactively effective as of May 2014

Driver Licensing—TNC drivers shall have in the driver's possession a valid Washington State driver's license, a valid for-hire driver's license, and documentation that they are affiliated with a licensed TNC at any time the TNC driver is active on the TNC dispatch system.

Background Check—TNC must review criminal background checks on every TNC driver and maintain records thereof. Drivers convicted of any traffic and/or criminal offense directly bearing on the driver's fitness including but not limited to theft, fraud, robbery, burglary, assault, sex crimes, alcohol, drugs, or prostitution shall not be permitted to provide TNC services. TNCs must also review driving records of TNC drivers and maintain records thereof. Drivers with convictions for any alcohol or drug related offense, reckless driving, hit and run, or driving with a suspended or revoked license shall not be permitted to provide TNC services.

A TNC vehicle must obtain an endorsement which is not valid and effective until and unless the driver obtains a for-hire driver's license under the law. Endorsements are valid for one year and must be renewed annually.

TNC vehicles are required to undergo an annual 19-point inspection by a third party vendor approved by the Director

TNC vehicles shall not be rebuilt or significantly modified from factory specifications. TNCs shall maintain vehicle inspection records.

TNCs must provide evidence that each vehicle has insurance in an amount no less than required by RCW 46.72.050 and underinsured motorist coverage indicating a minimum coverage of \$100,000 per person, and \$300,000 per accident, at any time while active on the TNC dispatch system.

TNC insurance is only primary & exclusive in the event of failure of the driver to maintain personal auto insurance covering commercial activity.

Such insurance shall name the City of Seattle as an additional insured, provide that the insurer will notify the City in writing of any cancellation and/or non-renewal at least 30 days before that cancellation and/or non-renewal takes effect, and not include self-insured retention, nonstandard deductibles, aggregate limits, territorial restrictions, named driver requirements or exclusions, or any other provisions that limit insurance coverage. RCW 46.72.050 requires: \$100K for any recovery for death or personal injury by one person/\$300K for all persons killed or receiving personal injury by reason of one act of negligence/\$25K for damage to property of any person other than the assured

Licensing and Regulation fee is paid for through a "per-trip fee" of \$0.35 (County) or \$0.10 (City of Seattle) based on where the ride begins.

The total TNC industry fees shall not exceed \$525,000 in year one

Ordinance number 124526. Accessibility: TNCs must impose a ten-cent per ride surcharge to go towards the City's accessibility fund. TNCs must provide passengers requesting accessibility service with contact information for an accessible taxi dispatch.

<p>Tulsa, OK Ordinance 23189, Enacted 8/18/14</p>	<p>The TNC certificate holder must have conducted a local and national criminal background check that shall include the Multi-State/Juris Criminal Records Locator or other similar commercial nationwide database with validation (primary source search) and the National Sex Offender Registry database on each potential driver before the driver is given access to the TNC's digital platform. A match on the national sex offender registry or a conviction that appears on a criminal background check within the past seven (7) years for crimes of violence, sexual abuse, felony robbery, or felony fraud, shall automatically and permanently disqualify an individual from acting as a driver for any Transportation Network Company. The holder must have a driving history record conducted on each potential driver before the driver is given access to the TNC's digital platform. A conviction that appears on a driving history check within the past seven (7) years for aggravated reckless driving, driving under the influence of drugs or alcohol, hit and run, attempting to evade the police, or the use of a motor vehicle to commit a crime, or a conviction that appears on a driving history check in the previous three (3) years for driving with a suspended or revoked license, shall automatically disqualify an individual from acting as a driver for a TNC.</p>	<p>Every vehicle operating under this chapter shall be periodically inspected by the holder/licensee at such intervals as shall ensure the continued maintenance of safe operating conditions. Upon such inspection, if it is found that the vehicle does not meet safe operating requirements, the holder/licensee shall cause the vehicle to be removed from service until such time as the vehicle has complied with safe operating standards.</p>	<p>The driver of the TNC must maintain minimum liability limits of \$25k/\$50k/\$25k. TNC must have a \$1 million per incident excess policy as well as step in to pay losses not covered by the driver's personal auto coverage. https://library.municode.com/index.aspx?clientId=14783&stateID=36&statename=Oklahoma Ordinance No. 23189</p>	<p>An annual certificate fee shall be assessed for each transportation network company. The certificate fee shall be assessed annually for the period from May 1 through April 30 of the following year. The fee shall be in accordance with the following schedule: The annual fee is based on the number of drivers authorized to provide vehicle services through the Holder's digital platform</p> <p>If 10 or fewer \$300.00</p> <p>If 11 – 40 \$600.00</p> <p>If 41-70 \$900.00</p> <p>If more than 70 - \$1200.00. A person shall not operate a transportation network company within the City unless he has been issued a current and valid TNC certificate. Rates and charges shall be posted in the licensee's digital platform or the internet at all times in a place clearly visible to the person requesting the service, prior to the TNC service being booked. Receipts must be furnished upon request; driver's name must be furnished upon request. Most direct route required.</p>
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STATES ONLY (& DC)

<p>Washington, D.C. Innovation Act Passed City Council 10/27/2014</p>	<p>The TNC shall conduct, or have a third party (accredited by the National Association of Professional Background Screeners), conduct a local and national criminal background and driving record check driver-applicants going back 7 years.</p>	<p>TNCs must conduct, or have a third party conduct, a safety inspection of the motor vehicle that a transportation network operator will use before the motor vehicle may be used to provide transportation network services.</p>	<p>TNCs must maintain a primary commercial policy of at least \$1,000,000 per incident for accidents that applies at all times driver is engaged in a "prearranged ride." There are lower minimums when app is on, but no match made: \$50K/\$100K per accident/\$25K for property damage (not primary). Mayor shall assess requirements after 1 year.</p>	<p>The TNC must submit to the District of Columbia Taxicab Commission proof that the company is licensed to do business in the District.</p>	<p>Accessibility: Company that provides digital dispatch shall ensure company's website & apps are accessible; train drivers on how to properly interact with persons w/ disabilities Companies to provide report by 2016 proposing how they plan to increase accessible service. No trip refusals and accessibility report due 2016. The Bill was introduced as the "Transportation Network Services Innovation Act of 2014", but the DC Council passed the legislation as the "vehicle-for-hire Innovation Amendment Act of 2014". No references to worker's compensation.</p>
<p>State of Arizona House Bill 2135, amending sections of the Arizona revised statutes Enacted on 4/2/15; Insurance provisions effective 2/29/2016</p>	<p>The TNC shall conduct or have a third party conduct a local and national criminal background check that includes multijurisdictional criminal records locator or similar, validated commercial nationwide database and a national sex offender registry. TNC shall not permit an individual to act as a driver on its network who had more than three moving violations in the prior three year period, or one major violation in the prior three year period; has been convicted, within the past seven years of DUI, fraud, sexual offenses, use of a motor vehicle to commit a felony.</p>	<p>The vehicle shall have a seating capacity not exceeding 8 passengers, including the driver & authorized by a TNC; must display TNC trade dress, which also shall be filed with the department. Vehicles must also pass state vehicle safety and emissions standards and undergo annual brake and tire inspection by a third party.</p>	<p>An Insurer may issue an endorsement to a private passenger policy that expressly provides coverage for the provision of TNC services. Before 3/1/16, TNC driver shall maintain insurance that meets at least the requirements of section 28-4009. TNC coverage should be in the amount of \$25K/\$50K/\$20K. From 2/29/16, TNC or TNC driver or both shall provide primary coverage in the amount of \$25K/\$50K/\$20K. While a TNC driver is engaged in a trip, a TNC driver or TNC or both must provide primary commercial coverage in a minimum amount of \$250K and commercial uninsured motorist coverage in a minimum amount of \$250K. While TNC driver is logged on but not engaged, primary coverage in the amount of \$25K/\$50K/\$20K.</p>	<p>The department shall charge and collect an application fee as determined by the director.</p>	<p>A TNC that has a permit may not be required to pay a transaction tax or similar tax.</p>

<p>State of Arkansas</p> <p>Senate Bill 800</p> <p>Enacted: 4/4/15</p> <p>(does not limit the Arkansas State Highway 25 and Transportation Department, the Department of Arkansas State Police, the 26 Attorney General, other state agencies, law enforcement, and local 27 governments within this state from enforcing state and federal laws or 28 regulations of general applicability that apply to transportation network 29 companies and transportation network company drivers.)</p>	<p>Applicants must provide address, age, driver's license, driving history, motor vehicle registration, motor vehicle liability insurance coverage. TNC must conduct, or have a third party conduct, national criminal background check for each applicant, including search of National Sex Offender Registry. TNC shall not permit an individual to act as a driver on its network who: has more than three moving violations or has had one major violation within the previous three years; convicted within the past seven years of DUI, fraud, sexual offense, use of motor vehicle to commit felony or a crime involving property damage, theft, acts of violence, or acts of terror; is a match in the National Sex Offender Registry database; does not possess valid driver's license; does not possess proof of registration for the vehicle(s) to be used; does not possess proof of insurance, is not at least 19 years of age.</p>	<p>A Vehicle inspection must be conducted within 90 days of beginning service by a mechanic certified by the National Institute for Automotive Service Excellence.</p>	<p>While a TNCs driver is logged into the network, but is not providing TNC services, the TNC must maintain motor vehicle liability insurance coverage that meets the minimum coverage requirements under § 27-22-104(b), providing coverage beginning with the first dollar of a claim in the event the TNC driver's own motor vehicle liability insurance policy excludes coverage or does not provide the minimum coverage required.</p> <p>While a TNC driver is providing services, the TNC shall provide primary motor vehicle liability insurance that expressly recognizes the transportation network company driver's provision of TNC services or other for-hire vehicle services; and must provide primary motor vehicle liability insurance of at least \$1mil. for death, personal injury, and property damage</p>	<p>Annual Permit Fee = \$15,000 to the Arkansas Public Service Commission</p>	<p>Street hails and cash trips are prohibited.</p>
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<p>State of California</p> <p>Assembly Bill 2293</p> <p>Enacted: 9/17/14</p>	<p>The California Legislature does not intend, and nothing in this article shall be construed, to prohibit the Public Utilities Commission from exercising its rulemaking authority in a manner consistent with this article, or to prohibit enforcement activities related to transportation network companies.</p>	<p>The TNC must conduct national criminal background checks & driving history. TNC drivers must possess a valid California driver's license, be at least 21 years of age, and must provide at least one year of driving history before providing TNC services. TNCs must conduct criminal background checks for each applicant before the applicant may become a driver. The background check must be a national criminal background check, including the national sex offender database, and be based on the applicant's name and social security number. Convictions within seven years for violent crimes, DUI, fraud, use of a motor vehicle to commit a felony, sexual offenses, acts of terror, or crimes involving property damage or theft will bar applicants from becoming TNC drivers.</p>	<p>Prior to operating, and annually thereafter, vehicles used to provide TNC services must pass a 19-point inspection, including foot and emergency brakes; steering; windshield; rear window and other glass; windshield wipers; headlights; taillights; turn indicator lights; stop lights; front seat adjustment mechanism; doors; horn; speedometer; bumpers; muffler and exhaust; tires; rear view mirrors; and safety belts.</p>	<p>Assembly Bill requires TNCs to provide commercial insurance once the driver activates the app. TNC services are defined with three periods. Period One is: App open – waiting for a match. Period Two is: Match accepted – but passenger not yet picked up (i.e. driver is on his/her way to pick up the passenger). Period Three is: Passenger in the vehicle and until the passenger safely exists vehicle.</p> <p>A minimum of at least \$1 million primary commercial insurance is required for Periods 2 & 3.</p> <p>A minimum of at least \$100,000 for one person, \$300,000 for more than one person, and \$50,000 for property damage of excess commercial insurance is required for Period 1.</p> <p>This insurance requirements can be met in one of two ways; 1) the TNC itself can maintain insurance on its own or 2) a combination of a TNC policy and a driver policy that is specifically written for the purpose of covering TNC services, or portion thereof.</p>	<p>The fee for filing a new application or refilling a previously denied or expired application for a TNC Permit is \$1,000. The permit is valid for three years.</p> <p>The fee to renew an existing TNC Permit is \$100.</p>	<p>Ordinance: CPUC Decision 13-09-045. Accessibility: TNCs must "endeavor to provide equal access to all consumers." Public hearings scheduled in September and October to discuss how TNCs are serving the disabled community.</p>
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State of Colorado

Senate Bill 14-125

Effective: 6/5/14;
Temporary rules consistent
with Bill effective on 7/8/14

TNC drivers must pass a criminal background and driving history check. Drivers will also be required to obtain a criminal history check every five years.

TNCs must conduct, or have a certified mechanic, conduct safety inspections on a vehicle before it is approved for use as a TNC vehicle. The vehicle must then have periodic inspections, at intervals of at least one inspection per year conducted thereafter.

TNCs must maintain liability insurance providing a minimum of \$1M coverage that applies all times a driver is logged onto the app. At minimum, contingent liability insurance must provide liability coverage if the driver's insurer for personal automobile insurance validly denies coverage under the terms of the driver's personal policy or the driver is otherwise uninsured. TNCs must disclose to passengers and drivers that personal policies may not provide coverage for these commercial transactions.

No licenses required, but TNCs must pay an annual permit fee of \$111,250.00 to the Commission, which may adjust the annual permit fee by rule.

Accessibility: TNC "shall provide services to the public in a nondiscriminatory manner, regardless of...disability, or other potentially discriminatory factor that could prevent customers from accessing transportation." TNC cannot impose additional charges for providing services to persons with physical or mental disabilities.If a ride requires the use of mobility equipment, a driver shall store the mobility equipment in the vehicle during a prearranged ride.

Senate Bill 14-125. No reference to worker's compensation.

<p>State of Georgia</p> <p>House Bill 225</p> <p>Effective: 7/1/15</p> <p>House Bill 190 (Insurance Requirements) Effective: 1/1/2016</p> <p>Counties and municipalities which have adopted and have valid ordinances as of 43 July 1, 2014, requiring taxicabs to have certificates of public necessity and convenience or 44 medallions to operate within each such county or municipality may continue to require 45 such certificates or medallions. Except as otherwise provided in this subsection, no county 46 or municipality shall enact, adopt, or enforce any ordinance or regulation which requires 47 taxicabs to have certificates of public necessity and convenience or 48 medallions to operate 48 within such county or municipality.</p>	<p>Drivers must have for-hire license endorsement and liability insurance coverage in the required amounts; have a current private background check certificate; must be at least 18 years old; possess valid driver's license; not have been convicted, on probation or parole, or served time on a sentence for a period of seven years prior to the date of the application for any felony or any other crime of moral turpitude.</p> <p>Applicants are subject to electronic fingerprinting; Subject to search of a multistate, multijurisdictional criminal records locator or similar nationwide based search; search of national sex offender registry data base; review of driving history report;</p> <p>No certificate shall be issued to person who has more than three moving violations, or one major traffic violation, in prior three year period; has been convicted in the past 7 years of driving under the influence of drugs/alcohol, fraud, sexual offense, use of vehicle to commit felony, crime involving property damage or theft, crime involving violence or terror.</p>	<p>No</p>	<p>During the time a driver is logged onto the TNC network and available to accept ride request until the driver is logged off: TNC must maintain a minimum of \$100K for bodily injuries to or death of all persons in any one accident with a maximum of \$50K for bodily injuries to or death of one person and \$50K for loss of or damage to property of others;</p> <p>During the time a driver accepts a ride request until the driver completes the transaction, or the ride is complete (whichever is later), the TNC must provide a min. of \$1mil for death, personal injury, and property damage per occurrence and provides uninsured and underinsured motorist coverage of at least \$1mil per incident.</p>	<p>An annual fee not to exceed \$100</p> <p>Annual fee for master license:</p> <p>(A) For 1 to 5 for-hire vehicles: \$1,500.00</p> <p>(B) For 6 to 59 for-hire vehicles \$12,050.00</p> <p>(C) For 60 to 100 for-hire vehicles : \$25,000.00</p> <p>(D) For 101 to 150 for-hire vehicles: \$40,000.00</p> <p>(E) For 151 to 200 for-hire vehicles: \$56,000.00</p> <p>(F) For 201 to 250 for-hire vehicles: \$75,000.00</p> <p>(G) For 251 to 300 for-hire vehicles: \$90,000.00</p> <p>(H) For 301 to 350 for-hire vehicles: \$105,000.00</p> <p>(I) For 351 to 500 for-hire vehicles: \$150,000.00</p> <p>(J) For 501 to 1,000 for-hire vehicles: \$300,000.00</p> <p>K) For 1,001 and greater for-hire vehicles: \$300,000.00</p> <p>plus \$25,000.00 for each 100 vehicles</p>
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<p>State of Idaho</p> <p>Title 49, Idaho Code, Ch. 37</p> <p>Notwithstanding any other provision of law, TNCs and TNC drivers are governed exclusively by this chapter. No municipality or other local entity may impose a tax on, or require a license for, a TNC, a TNC driver, or a vehicle used by a TNC driver where such tax or licenses relates to providing TNC services, or subject a TNC to the municipality or other local entity's rate, entry, operational or other requirements.</p>	<p>Driver-applicants submit an application to the TNC; TNC must conduct or have a third party conduct a local and national criminal background check for each applicant which shall include - multistate/multi jurisdictional criminal records locator or other similar commercial nationwide database with validation (primary source search); and national sex offender registry database; obtain and review a driving history research report for such individual. TNC shall not permit an individual to act as a driver on its network who had more than three moving violations in the prior three year period, or one major violation in the prior three year period; has been convicted, within the past seven years of DUI, fraud, sexual offenses, use of a motor vehicle to commit a felony, acts of violence or terror.</p>	<p>Vehicle registration not required.</p>	<p>TNC and TNC drivers shall comply with all applicable requirements for insurance imposed by Idaho statutes pertaining to automobile liability insurance in Title 49 and Title 41 of the Idaho Code.</p>	<p>No TNC license required.</p>	
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State of Illinois

Senate Bill 2774

Enacted 1/12/15 with an effective date of 6/1/15

Drivers must submit applications to TNC containing: address, age, driver's license, motor vehicle registration, automobile liability insurance, driving history research report. Drivers subject to criminal background checks. TNC cannot permit individuals to act as TNC drivers if individual: had more than 3 moving violations in the prior 3 year period; has been convicted within the last 7 years of driving under the influence, fraud, sexual offenses, use of a motor vehicle to commit a felony a crime involving property damage, or theft, acts of violence or terror; is a match in the National Sex Offenders Registry Database; does not possess a valid driver's license; does not possess proof of registration for the motor vehicle used to provide TNC services; does not possess proof of automobile liability insurance; is under 19 years of age.

None

The following automobile liability insurance requirements shall apply from the moment a participating TNC driver logs onto the TNC's digital network or software application until the TNC driver accepts a request to transport a passenger, and from the moment the TNC driver completes the transaction on the digital network or software application or the ride is complete, whichever is later, until the TNC driver either accepts another ride request on the digital network or software application or logs off the digital network software application: Automobile liability insurance shall be in the amount of at least \$50,000 for death and personal injury per person, \$100,000 for death and personal injury per incident, and \$25,000 for property damage. Contingent automobile liability insurance in these amounts.

The following automobile liability insurance requirements shall apply from the moment a TNC driver accepts a ride request on the TNC's digital network or software application until the TNC driver completes the transaction on the digital network or software application or until the ride is complete, whichever is later: Automobile liability insurance shall be primary and in the amount of \$1,000,000 for death, personal injury, and property damage. Uninsured motorist coverage and underinsured motorist coverage in the amount of \$50,000 from the moment a passenger enters the vehicle of a participating TNC driver until the passenger exits the vehicle.

No fees are specified.

Drivers provide name/driver identification numbers to passenger if asked; must also provide receipt if requested; may not decline service to disabled passengers or passengers with service animals; trip records required (in format approved by police department); drivers must respond to service request within 30 minutes.

<p>State of Indiana House Bill 1278 Enacted 5/5/15</p>	<p>A TNC may not allow a driver on the TNC network who has received judgments for: more than three moving traffic violations or at least one violation involving reckless driving or driving on suspended or revoked license in preceding three years; or who has been convicted of a felony or misdemeanor involving: resisting law enforcement; dishonesty; injury to a person; operating while intoxicated; operation a vehicle in a dangerous manner; operating with a suspended/revoked license in the preceding 7 years; applicant may not be a match in the national sex offender registry; under 19 years old.</p>	<p>A TNC must require that personal vehicles used to provide prearranged rides comply with all applicable laws and regulations concerning vehicle equipment.</p>	<p>A TNC must maintain primary motor vehicle insurance which covers the driver while he/she is logged into the TNC's network (\$50K per death/bodily injury; \$100K per incident for death/bodily injury; and \$25K per incident for property damage); or engaged in a prearranged ride (at least \$1mil per death/bodily injury/property damage.</p>	<p>No fees are specified.</p>	
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<p>State of Kansas Senate Bill No. 117 Enacted 3/24/15</p> <p>Notwithstanding any other provision of law, TNCs and TNC drivers are governed exclusively by this act and any rules promulgated by the commission consistent with this act. No municipality or other local entity may impose a tax on, or require a license for, a TNC, a TNC driver, or a personal vehicle used by a driver where such tax or licenses relate to providing prearranged rides, or subject a TNC to the municipality's or other local entity's rate, entry, operational or other requirements.</p>	<p>Driver must submit an application to the TNC, which includes info regarding the applicant's address, age, driver's license, driving history, motor vehicle registration, automobile liability insurance; conduct or have a third party conduct a local and national criminal background check for each applicant that shall include: multi-state/multi-jurisdiction criminal records locator or other similar commercial nationwide database with validation (primary source search); and national sex offender registry database; obtain and review a driving history research report for such individual. TNC shall not permit an individual to act as a driver on its network who had more than three moving violations in the prior three year period, or one major violation in the prior three year period; has been convicted, within the past seven years of DUI, fraud, sexual offenses, use of a motor vehicle to commit a felony, acts of violence or terror.</p>	<p>Personal vehicle must meet equipment requirements applicable to private personal vehicles under Art. 17 of chapter 8 of the Kansas Statutes Annotated.</p>	<p>On July 1, 2015, a TNC driver or TNC on the driver's behalf shall maintain primary automobile insurance that covers the driver while the driver is logged on to the TNC's digital network, while the driver is engaged in a prearranged ride, or while the driver otherwise uses a vehicle to transport passengers for compensation as follows: (i) while driver is logged on to the app, available for service but not yet engaged - primary auto liability insurance of at least \$50K/\$100K/\$25; (ii) while driver is engaged in a prearranged ride - primary auto liability insurance that provides at least \$1M for death, bodily injury and property damage. Coverage requirements may be satisfied by insurance maintained by the TNC, the driver or any combination of the two. Coverage under the TNC insurance policy shall not be dependent on a personal automobile insurer first denying a claim nor shall a personal auto policy be required to first deny a claim.</p>	<p>Annual TNC permit fee of \$5,000 to the state corporation commission</p>	<p>Accessibility: If TNC cannot arrange wheelchair accessible service, it shall direct the rider to an alternate provider of wheelchair accessible service if available. Privacy: A TNC cannot disclose a rider's personally identifiable info to a third party unless the rider consents.</p>
<p>State of Kentucky Senate Bill 153 Enacted March 19, 2015</p>					

State of Maine

Legislative Bill 1379

Enacted June 30, 2015

Beginning October 1, 2015, a TNC driver or a TNC on the driver's behalf shall maintain primary automobile liability insurance that recognizes that the driver is a TNC driver or otherwise uses a vehicle to transport passengers for compensation and that covers the driver in accordance with the legislation.

Minimum primary auto liability insurance while the driver is logged on to the digital network but not engaged in a prearranged ride in amounts no less than, but the greater of:

- a. \$50,000 per person for death and bodily injury; \$100,000 per incident for death and bodily injury; \$25,000 for property damage; or
- b. The minimum amounts of coverage required under state law.

Minimum primary auto liability insurance while driver is engaged in prearranged rides in amounts no less than, but the greater of:

- a. \$1,000,000 for death, bodily injury, and property damage;
- b. The minimum amounts of coverage required under state law.

<p>State of Maryland Senate Bill 868 Enacted 4/13/15</p>	<p>Regulates TNC auto insurance and financial responsibility and specifying certain plan of maintenance requirements.</p>	<p>PSC may issue a temporary TNC operator's license if the applicant completes the application including a driving record check and a national criminal history records check conducted by the National Association of Professional Background Screeners or a comparable entity approved by the PSC. The criminal records check would include:</p> <ul style="list-style-type: none"> o A multi-state multijurisdictional criminal records database search or a search of a similar database with validation o A search of the sex offender and crimes against minors registry; and o A search of the U.S. Department of Justice's National Sex Offender Public Website; <ul style="list-style-type: none"> • The PSC may issue a permanent TNC operator's license if they submit a satisfactory supplemental fingerprint-based criminal background check, Applicants do not have to comply with the fingerprinting requirement until after April 1, 2016 if they provide details about the background check process they used. A TNC may request a waiver of the fingerprinting requirement and the PSC will determine whether such company's process is as comprehensive and accurate as a fingerprint-based check and make a determination within 3 months of receiving the waiver request whether to grant it, deny it or approve an alternative process 	<p>Vehicles must register with Maryland Public Service Commission</p>	<p>TNCs and/or an operator to maintain primary insurance that:</p> <ul style="list-style-type: none"> Recognizes operator is a TNC operator or otherwise uses a motor vehicle to transport passengers for hire; and Covers the operator while he or she is providing TNC services <p>Require the following coverage when the operator is actually providing TNC services:</p> <ul style="list-style-type: none"> Security of at least \$ Bodily injury of \$50,000 and \$100,000 for two or more people \$ Property damage of up to \$25,000 \$ Uninsured motorist insurance and personal injury protection as required under the Maryland Insurance law o Coverage may be maintained by an operator, a TNC or a combination of both <p>Where insurance is provided by both the TNC operator and TNC, the operator's insurance is primary. "Transportation Network Services" to means the activities of an operator during</p> <p>Period one – when the operator is logged in and ready to accept a prearranged ride request made through a TNC's digital network</p> <p>Period two – when the operator accepts a ride prearranged request from a passenger through a TNC's digital network and is traveling to pick up such passenger; and</p> <p>Period three – when the operator is transporting the passenger and ending after the passenger departs the vehicle</p>	<p>Not specified</p>	<p>TNCs, limousine companies and sedan companies can apply for a waiver from fingerprint based background checks, but there are no such provisions for taxicab companies</p> <p>This bill would exempt almost all of the records collected from TNCs, including insurance, criminal background and assessment information from disclosure</p> <p>This bill would require the preparation of several reports, including an analysis of whether there is adequate TNC insurance and recommendations on how to make traditional FHVs, such as taxis and limousines competitive.</p> <p>This bill would also create a Transportation Network Assessment Fund, which would be used to fund transportation-related projects. We should monitor this to see how this fund is being used.</p>
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State of Minnesota

Senate Bill 1679
Enacted August 1, 2015

None specified.

None specified.

While the TNC driver is logged on to the network but not engaged in a prearranged ride, the following coverage is required:

1. Primary coverage of not less than \$50,000 due to death or bodily injury to one person in any accident;
2. \$100,000 due to death or bodily injury to two or more persons in any accident
3. \$30,000 for injury or destruction of property of others.

The following coverage is required while the TNC driver is engaged in a prearranged ride:

1. Not less than \$1,500,000 for death, injury, or destruction of property.

Coverage can be satisfied by:

1. Auto insurance maintained by the TNC driver;
2. Auto insurance maintained by the TNC
3. Combination of TNC or driver

<p>State of Montana</p> <p>Senate Bill 396 Enacted 5/8/15</p> <p>Notwithstanding any other provision of law, transportation network carrier services are exclusively governed by this chapter and rules promulgated by the commission consistent with this chapter.</p>	<p>None specified</p>	<p>None specified</p>	<p>A TNC must maintain primary motor vehicle insurance which covers the driver while he/she is logged into the TNC's network (\$50K per death/bodily injury; \$100K per incident for death/bodily injury; and \$25K per incident for property damage); or engaged in a prearranged ride (at least \$1mil per death/bodily injury/property damage.</p>	<p>None specified.</p>	
<p>State of Nebraska</p> <p>Legislative Bill 629 Enacted 5/28/15</p>	<p>A TNC must obtain a national criminal history information check on all potential drivers. Fingerprinting is not required. TNCs may not permit drivers who have had at least four moving traffic violations or at least one major moving violation in the past three years; have been convicted of driving under the influence in the past seven years; has been convicted of any offense involving fraud, use of motor vehicle to commit felony; crime involving property damage; theft; violence/acts of terrorism</p>	<p>A TNC or certified mechanic shall perform initial safety inspection on each personal vehicle prior to approval for use as a personal vehicle. Driver shall obtain such inspections annually thereafter.</p>	<p>Insurance must be maintained by either the driver or the TNC TNC insurance during the engaged stage and during the passengers on board state:</p> <ol style="list-style-type: none"> 1. Primary liability coverage in the amount of at least \$1mil for death, personal injury, and property damage; 2. Uninsured and underinsured motorist coverage for both the driver and passengers <p>During the time a driver is logged into the TNC network, the TNC insurance shall be primary and in the amount of \$25K for death and personal injury per person; \$50K for death and personal injury per occurrence; \$25 for property damage.</p>	<p>A TNC can choose to pay annual fee of \$25,000 or not to exceed \$80 for each personal vehicle operated by TNC driver.</p>	

<p>State of Nevada</p> <p>Assembly Bill 176 Enacted 5/28/15</p> <p>Except as otherwise provided in subsection 2, the provisions of this chapter do not exempt any person from any law governing the operation of a motor vehicle upon the highways of this State.</p>	<p>At the time of application and not less than once every 3 years thereafter, TNC must conduct or contract with a third party to conduct an investigation of the criminal history of the applicant, including:</p> <p>Review of criminal records from each state; search of sex offender registry in each state; no conviction of three or more violations of motor vehicle laws in the last 3 years; no conviction of violation of federal, state, or local law prohibiting driving while under the influence of liquor or drugs in the last 7 years; no conviction of any act of terrorism, violence, sex offense, fraud, damage to property or use of vehicle in the commission of felony in the last 7 years.</p>	<p>Annual inspection of each motor vehicle operated by a driver.</p> <p>The inspection must include, without limitation, an inspection of the foot and emergency brakes, steering, windshield, rear window, other glass, windshield wipers, headlights, tail lights, turn indicator lights, braking lights, front seat adjustment mechanism, doors, horn, speedometer, bumpers, muffler, exhaust, tires, rear view mirrors and safety belts of the vehicle which ensures the proper functioning of each component.</p>	<p>A TNC must provide, while driver is providing TNC services, coverage of at least \$1.5mil for bodily injury or death of one or more persons and injury to or destruction of property of others in any one accident; at least \$50K for bodily injury or death of one or more persons which occurs while the driver is logged into the network or app, and available to receive requests, but not otherwise providing services.</p>	<p>No fee specified.</p>	
<p>State of New Mexico</p> <p>Adopted April 22, 2015 by the Public Regulations Commission</p>	<p>None specified.</p>	<p>Annual inspection form completed by a qualified inspector within the preceding twelve (12) months that shows that each motor vehicle proposed to be operated by the applicant meets the safety requirements of the federal motor carrier safety regulations</p>	<p>At a minimum, a TNC's insurance policy evidenced by the Form E shall provide coverage when a driver has turned on the online-enabled app or platform. The TNC's insurance policy shall be the primary insurance policy for coverage of incidents that occur when a driver has turned on the online-enabled app or platform.</p>		

<p>State of North Dakota</p> <p>House Bill 1144 Enacted 4/23/15</p> <p>Notwithstanding any other provision of law, TNCs and TNC drivers are governed exclusively by this chapter and chapter 26.1 - 40.1 and any rules adopted consistent with this chapter and by the insurance commissioner under section 1 of this Act. A political subdivision may not impose a tax on, or require a license for, a TNC or a TNC driver or subject a TNC to the political subdivision's rate, entry, operational, or other requirements. A political subdivision may prohibit a TNC from operating without a state permit within the jurisdiction of the political subdivision.</p>	<p>TNC must conduct or have third party conduct local and national criminal background checks, including: multistate and multijurisdictional criminal records; national sex offender registry database; driving history research report.</p> <p>TNC may not hire any driver who has had more than three moving violations or one major moving violation in the prior three years; who has been convicted, within the past 7 years, of driving under the influence of drugs/alcohol; fraud; sexual offense; use of motor vehicle to commit a felony; crime involving property damage, theft, act of violence or act of terror, or who is a match on the national sex offender registry database.</p>	<p>None specified.</p>	<p>TNC coverage, when driver has accepted a ride until driver completes the transaction or the ride (whichever is later): liability insurance is primary and in the amount of \$1mil. for death, bodily injury and property damage (maintained by either the TNC or by the driver or both).</p> <p>Insurance coverage, while app is on with no passengers in the vehicle: primary liability coverage of at least \$150K per person and \$100K per incident for death and bodily injury, and at least \$25K for property damage.</p>	<p>No fees specified.</p>
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<p>State of Oklahoma</p> <p>Enrolled House Bill 1614</p> <p>Effective 7/1/15</p> <p>Notwithstanding any other provision of law, the regulation, licensing or permitting of TNCs for the provisions of prearranged rides is within the exclusive jurisdiction of the Oklahoma Corporation Commission as set forth in the Oklahoma Transportation Network Company Services Act and any rules promulgated by the Commission consistent with the act. No political subdivision of the state may impose a tax on, or require a license for, a TNC or a TNC driver for the provision of prearranged rides or subject a TNC to the political subdivision's rate requirement, entry requirement, operational requirement or other requirements.</p>	<p>Applicant must be subject to local and national criminal background check including Multi-State/Multi-Jurisdictional criminal records locator and the National Sex Offender Registry; driving history research report.</p> <p>Applicant cannot become driver if he/she has had more than three moving violations or one major violation in the past three years; has been convicted within the past 7 years of driving under the influence of drugs/alcohol, fraud, sexual offense, use of motor vehicle to commit a felony, a crime involving property damage, theft, acts of violence, or acts of terror; cannot be a match on the National Sex Offender Registry database; must possess a valid driver license, and proof of motor vehicle registration, must be at least 19 years old.</p> <p>TNC shall implement a procedure for periodic information updates for each TNC driver for the criminal background and driving record information.</p>	<p>A TNC shall implement a procedure for periodic information updates for each driver's vehicle.</p> <p>TNC shall require that the vehicles meet the equipment standards of private motor vehicles under Section 12-101 of Title 47 of the Oklahoma Statutes.</p>	<p>While driver is logged onto the TNC's network, insurance required: primary automobile liability insurance of at least \$50K for death and bodily injury per person, \$100K for death and bodily injury per incident, and \$25K for property damage</p> <p>While TNC driver is engaged in prearranged ride: primary automobile liability insurance that provides at least \$1mil. for death, bodily injury, and property damage.</p> <p>– may be satisfied by either the driver or TNC or a combination.</p>	<p>Annual Permit Fee: \$5,000.00</p>	
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State of South Carolina

Senate Bill 3525

Transportation Network Company Act

Amends Code of Laws of South Carolina by adding Article 16 to Chapter 23, Title 58 of the 1976 Code.

A TNC must obtain background and qualification information from driver applicants before approval to provide TNC services. Qualification information includes:

A valid driver's license issued by the DMV; 21 years or older; copy of driver's ten year driving record; local and national criminal background check (conducted by TNC or third party); multistate and multijurisdictional criminal records locator (or similar nationwide database); national sex offender registry database search; proof of liability insurance.

Driver qualification documentation must be maintained for three years.

An applicant may not become a driver if the applicant is registered or required to register as a sex offender, has been convicted within the last ten years of driving under the influence of drugs or alcohol, fraud, use of vehicle to commit felony, felony involving property damage, theft and crimes defined as violent

Annual safety inspection of the vehicle performed by certified mechanic. The inspection must include emergency brakes, steering mechanism, windshield, rear window, windshield wipers, tail lights, turn indicator lights, stop lights, front seat adjustment mechanism, door capability to open, close, lock, unlock; horn, speedometer, bumpers, muffler and exhaust, tire condition, interior/exterior rearview mirrors, and safety belts.

A TNC or its driver must maintain primary auto insurance while the driver is logged on to the network or while the driver is engaged in a prearranged ride.

While the driver is logged onto the network but not engaged in a prearranged ride, primary auto liability insurance of at least \$50,000 for death and bodily injury per person; at least \$100,000 for death and bodily injury per incident, and at least \$50,000 for property damage must be maintained; Uninsured motorist coverage

While the driver is engaged in a prearranged ride, the following is required:

Primary auto liability insurance that provides at least \$1,000,000 for death, bodily injury, and property damage Uninsured motorist coverage as provided by state law.

The Office of Regulatory Staff may assess each TNC an annual fee in an amount necessary to permit the Office of Regulatory Staff to carry out the requirements of Article 16 of Chapter 23, Title 58 of the 1976 Code.

<p>State of Tennessee</p> <p>House Bill 992 Effective 7/1/15 Companion Senate Bill 907</p> <p>TNCs are governed exclusively by this part. A TNC is not subject to any regulations passed by a municipality or other governmental entity governing private passenger for-hire vehicles pursuant to § 7-51-1003 and is not subject to the authority of the department of safety to regulate passenger operations pursuant to part 1 or part 2 of this chapter.</p>	<p>A TNC must conduct, or have third party conduct, a local and national criminal background check on any potential driver including a multi-state criminal records locator and national sex offender registry search; must obtain motor vehicle records for any potential driver.</p> <p>A TNC may not permit drivers who have been convicted of more than three moving violations or one major violation in the last 3 years, or who has been convicted, within 7 years, of driving under the influence of drugs/alcohol, fraud, sexual offense, use of motor vehicle to commit felony, crime involving property damage, theft, crime involving acts of violence, or acts of terror.; or applicants who are a match in the national sex offender registry, does not possess a valid license/registration, proof of automobile liability insurance, or who is not at least 19 years old.</p>	<p>None specified.</p>	<p>During the time driver is logged into the TNC network, insurance required: automobile liability insurance that meets at least the minimum coverage requirements set out in §55-12-102(12)(A)(i)(b). While driver is providing services: primary automobile liability insurance of at least \$1mil. for death, personal bodily injury, and property damage.</p>	<p>None specified</p>	<p>A TNC shall adopt a policy prohibiting solicitation or acceptance of cash payments from riders; drivers shall not solicit or accept cash payments from riders; any payment for services shall be made only electronically using the TNC's digital network or app.</p>
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<p>State of Utah</p> <p>Senate Bill 294</p> <p>Except as provided in Subsection (2), this chapter supersedes any regulation of a municipality, county, or local government regarding a transportation network company, a transportation network driver, or transportation network services.</p> <p>This chapter does not supersede a municipal, county, or local government regulation regarding a transportation network driver providing transportation network services at an airport.</p>	<p>Apply with TNC, criminal background check by the TNC or TNC designee and obtain and review report that list the individual's driving history. TNC shall not permit an individual to act as a driver on its network who had more than three moving violations in the prior three year period, or one major violation in the prior three year period; has been convicted, within the past seven years of DUI, fraud, sexual offenses, use of a motor vehicle to commit a felony, acts of violence or terror.</p>	<p>Safety and inspection as required in Sec. 53-8-205; equipment standards described in Sec. 41-6a-1601 and emission requirements adopted by a county.</p>	<p>TNC or TNC driver shall maintain insurance that covers, on a primary basis, a driver's use of a vehicle during a prearranged ride in an amount of \$1M. During "waiting periods", TNC or TNC driver shall maintain primary insurance in the amount of \$50K/\$100K/\$30K.</p>	<p>Registration fee in an amount to be determined by the Division of Consumer Protection</p>	<p>A driver pays a fee to a TNC in exchange for connection to potential passenger from TNC. Accessibility: If TNC cannot arrange wheelchair accessible service, it shall direct the rider to an alternate provider of wheelchair accessible service if available. Explicit preemption language included in bill Sec. 13-51-109 but grants airports their own authority to pass separate requirements.</p>
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State of Virginia

Senate Bill 1025

Enacted 2/17/2015

Except as otherwise provided in this chapter, every transportation network company, TNC partner, and TNC partner vehicle shall be subject to exclusive control, supervision, and regulation by the Department, but enforcement of statutes and Department regulations shall be not only by the Department but also by any other law-enforcement officer. Nothing in this section shall be construed as authorizing the adoption of local ordinances providing for local regulation of transportation network companies, TNC partners, or TNC partner vehicles.

The bill requires TNCs to ensure that all drivers are 21 years old and properly licensed to drive. They must conduct background checks on all drivers including conducting a national criminal background check, drug and alcohol check, obtaining a driving history report, and status on the state and national sex offender registries.

A TNC partner vehicles must be titled and registered personal vehicles; have a maximum seating capacity of no more than seven persons, excluding the driver. They must be registered with the DMV for TNC use and display TNC and DMV identification markers. The bill also requires TNC partners to have valid Virginia safety inspection and carry proof of that inspection in the vehicle.

Until January 1, 2016: TNC insurance shall maintain a minimum vehicle liability coverage for death, bodily injury, and property damage in the amount of and the minimum amount of \$1 million; TNC insurance shall provide uninsured motorist coverage and underinsured motorist coverage to be applied from the moment a passenger enters a TNC partner vehicle until the passenger exits the vehicle. The minimum amount of uninsured motorist coverage and underinsured motorist coverage for death, bodily injury, and property damage is \$1 million; TNC insurance shall provide secondary motor vehicle liability coverage of at least \$125,000 per person and \$250,000 per incident for death and bodily injury and at least \$50,000 for property damage. On and after January 1, 2016: TNC insurance shall provide primary motor vehicle liability coverage of at least \$50,000 per person and \$100,000 per incident for death and bodily injury and at least \$25,000 for property damage.

An Initial TNC license fee of \$100,000 and an annual license renewal fee of \$60,000.

TNC must provide a credential to the driver and disclose information about the TNC partner and TNC policies to passengers. The DMC may conduct periodic reviews of TNCs to confirm compliance and authorizes fees to cover DMV's costs administering the program.

AIRPORT INFO

AIRPORT

NASHVILLE

AGREEMENT

Agreement was reached with Uber and Lyft to allow operations at Nashville International Airport. According to reports, Uber and Lyft are required to obtain a permit, pay user fees and be clearly identified.

SAN FRANCISCO

Agreement was reached with Uber, Lyft and Side Car to allow operations at SFO. According to reports, Uber, Lyft and Sidecar are subject to the same regulations and requirements for all permittees at SFO.

Appendix B

Compilation of all litigation against TNCs in the United States

LITIGATION CHART of U.S. CASES

Case Name	Court and Case No.	Subject Matter/Claims
National Federation of the Blind v. Uber Tech, Inc., et al.	Case No. 3:14-cv-04086-NC (N.D. Ca)	Violations of ADA/Disability discrimination
Solana v. Uber Tech., Inc., et al.	Case No. 21207509 (Circuit Court of the 11th Judicial Circuit, Miami Dade County, Florida)	Negligence
Albuquerque Cab Company Inc., et al. v. Uber Tech., Inc., et al.	D-202-CV-201405912	Unfair Competition
New Mexico Public Regulation Commission v. Lyft, Inc.,	D-101-CV-201401737 (New Mexico State Court)	Enforcement of PRC's cease and desist order
Child Doe, et al. v. Uber Tech., et al.	Civil Action No. CL15-2215 (Circuit Court for the City of Virginia Beach)	Sexual Assault/Kidnapping
McCandliss, et al. v. Uber Tech., Inc., et al.	Case no. 1:14-cv-03275 (N.D. GA)	Unfair Competition
Philliben, et al. v. Uber Tech., Inc., et al.	Case No. 3:2014cv05615 (N.D. CA)	Fraud
Davis, et al. v. Miami-Dade County, et al.	Case No. 2015-2645-CA-01 (11th Judicial Court of Florida)	Antitrust
Borja, et al. v. Uber Tech., Inc. and Lyft.	Case No. 1:15-cv-20040 (S.D. Fl)	Labor Issue
Antman v. Uber Tech., Inc.	Case No. 3:15-cv-01175 (N.D. Ca)	Fraud/Privacy Breach
Ryan Lawrence v. Uber Technologies, Inc.	CGC-13-535949 (California Sup. Ct., County of San Francisco)	Negligence
Jiang Liu, et al. v. Uber Technologies, Inc [Tentative Settlement Reached]	CGC-14-536979 (California Sup. Ct., County of San Francisco)	Negligence/Wrongful Death
United Independent Taxi Drivers Inc., et al v. Uber Tech., Inc, et al.	BC51387 (California Sup. Ct., County of San Francisco)	Negligence
Herrera, et al. v. Uber Tech., Inc., et al.,	CGC-13-536211 (California Sup. Ct., County of San Francisco)	Negligence
Fahrbach v. Uber Tech., Inc.	CGC-13-533103 (California Sup. Ct., County of San Francisco)	Negligence
Goncharov, et al. v. Uber Tech., Inc.	CGC-12-526017 (California Sup. Ct., County of San Francisco)	Economic Interference
Landmark American Insurance Company v. Uber Tech., Inc., [Settled]	1:2013-cv-02109 (ND IL, Eastern Division)	Insurance Issue
O'Connor, et al. v. Uber Tech., Inc.	2013-cv-03826 (N.D. CA)	Worker misclassification
Lavitman v. Uber Tech., Inc	Civil Action No. 12-449 (Suffolk County Superior Court)	Unjust Enrichment
Dundar v. Uber Tech., Inc.,	Case No. 653400-2013 (Supreme Court of New York, New York County)	Promissory Estoppel
Boston Cab Dispatch Inc., et al v. Uber Tech., Inc	Civil Action No. 13-10769-NMG (Massachusetts District)	Misrepresentation & Unfair Competition (Lanham Act) via illegal fares
Yellow Group, LLC, et al v. Uber Tech., Inc., [Voluntarily Dismissed]	Case No. 12-cv-7967 (N.D. IL, Eastern Division)	Misrepresentation & Unfair Competition (Lanham Act) via false advertising
Greater Houston Transportation Company, et al v. Uber Tech., Inc and Lyft, Inc.,	Civil Action No. 14-941 (S.D. Texas, Houston Division)	Misrepresentation & Unfair Competition /Ridesharing vs For-Hire
Western Washington Taxicab Operators Association v. Uber Tech., Inc.	Case No. 14-2-08259-2 (Washington Superior Court)	Misrepresentation
Noorpavar v. Uber Tech., Inc.,	Case No. 2:14-cv-01771-JAK-JCG (C.D. CA)	Violation of Telephone Consumer Protection Act
Manzo Miguel, et al. v. Uber Tech., Inc.,	Case No. 1:2013cv-02407 (Circuit Court Cook County, IL)	Unfair Competition
Ehret, et al v. Uber Tech., Inc.	No. 12-CH36714 (Circuit Court Cook County, IL)	Defraud
Ramos, et al. v. Uber Tech., Inc., and Lyft Inc.	Case No. 5:14-cv-00502-XR (W.D. TX, San Antonio Division)	Violations of ADA/Disability discrimination
United Independent Taxi Drivers Inc., et al. v. Uber Tech., Inc. and Lyft, Inc.	Case No. BC513879 (California Superior Court, Los Angeles)	Economic Interference
City of Columbus v. Uber Tech., Inc.	No. 2014 EVH 60125 (Franklin County Municipal Court, Environmental Division)	Violation of City Regulations/Injunctive Relief
Greenwich Taxi, Inc., et al. v. Uber Tech., Inc. and Lyft	Case No. 3:14-cv-733 (District of Connecticut)	Misrepresentation/Unfair Trade Practices
The Yellow Cab Company, et al. v. Uber Tech., Inc., et al.	1:2012cv07967 (N.D. IL)	Unfair Competition
Cotter v. Lyft	Case No. 3:13-cv-04065-YGR (N.D. Ca)	Worker misclassification
LA Taxi Cooperative, Inc., et al. v. Uber Tech., Inc.	Case No. 3:15-cv-01257-MEJ (N.D. Ca)	False advertising (background checks of drivers)
The People of the State of California v. Uber Tech., Inc., et al.	Case No. CGC 14-543120 (Ca Sup. Ct., County of San Francisco)	False advertising/consumer protection
Ghazi v. Uber Tech., Inc., et al.	CGC-15-545532 (Ca Sup. Ct., City and County of San Francisco)	Unlawful Competition
Uber Tech., v. Berwick	CGC-150546378 (Sup Ct San Francisco)	Appeal of Labor Commissioner's decision re worker misclassification
City of Madison, W.I. v. Uber Tech., Inc.	3:2015cv00101 (Wisconsin Western District Court, Dane County)	Violation of City Regulations
Checker Cab Philadelphia, Inc. et al v. Uber Tech., Inc., et al. [Decision on March 3, 2015]	Civil Action No. 14-7265 (E.D., PA)	False Advertising/Unfair competition
Taxicab Paratransit Association of California v. Public Utilities Commission of the State of California	Case No. C076432 (California Court of Appeal, Third Appellate District)	Violation of equal protection rights under U.S. and CA constitutions
Taxicab Paratransit Association of California v. Public Utilities Commission of the State of California	Case No. S218427 (California Supreme Court, Los Angeles)	Environmental Issues
Illinois Transportation Trade Association et al., v. City of Chicago	Case No. 1:14-cv-00827 (N.D. Il)	Violation of the Takings Clause (5th Amendment) and Equal Protection (14th Amendment) of the U.S. Constitution
Black Car Assistance Corp., et al. v. the City of New York [Dismissed and closed.]	Case No. 100327/2013 (New York Supreme Court, New York County)	Violation of City Regulations
Uber Tech., Inc. v. John Doe	NO. C 15-00908 LB. (N.D. Ca)	Computer Fraud

Appendix C

Compilation of all TNC Incidents

JURISDICTION	DATE	INCIDENT	Source
Alexandria, VA, USA	7/20/2014	Police charged Uber Driver, Reshad Chakari, with second degree sexual abuse after a passenger accused him of assaulting her when she fell asleep during her cab ride home.	http://www.nbcwashington.com/news/local/Police-Make-Arrest-After-Woman-Accuses-Uber-Driver-of-Assault-268755481.html
Arlington, VA, USA	7/12/2015	An Uber driver was charged with misdemeanor sexual battery after allegedly groping a female passenger.	http://wjla.com/news/crime/uber-driver-charged-with-sexual-battery-after-allegedly-groping-passenger
Atlanta, GA, USA	9/7/2014	An Uber driver allegedly pulled a gun on a valet parking attendant and threatened to kill him. The employee asked the Uber driver to move forward to park in a designated space, at which time an altercation ensued. Subsequently, the Uber driver pulled out a gun and pointed it at the employee and told him he was going to kill him.	http://www.wsbtv.com/news/news/local/police-uber-driver-pulled-gun-threatened-kill-vale/nhFxc/
Avalon, NJ, USA	6/3/2015	An Uber driver got in the back seat with the passenger and started touching himself inappropriately and making inappropriate remarks to the female passenger. The passenger caught the whole thing on tape. The driver was removed from the Uber platform.	http://gothamist.com/2015/06/03/video_creeper_uber_driver_fondles_hi.php
Avon, OH, USA	8/16/2015	An Uber driver is accused of sexually assaulting a passenger before dropping her off at her housing development. The passenger was too scared to go home and called 911 while hiding in the bushes by the housing development's pool house.	http://www.cleveland.com/avon/index.ssf/2015/09/avon_police_to_pursue_sexual_a.html

Boston, MA, USA	12/6/2014	An ex-Uber driver Alejandro Done, 46, plead guilty to kidnapping, aggravated rape and assault and battery. He was sentenced to serve 10-12 years in prison. He had picked up a woman on Dec. 6 on Tremont Street in Boston and raped her in Cambridge. He has also been connected to 5 other assault cases. Although he was not a driver for Uber at the time of the rape, he had passed Uber's criminal record checks while he was working for them.	http://www.wcvb.com/news/uber-driver-charged-with-rape-eyed-in-2-other-assaults/30291782 http://www.dailymail.co.uk/news/article-3277241/Ex-Uber-driver-pleads-guilty-Boston-rape-gets-prison.html
Boston, MA, USA	2/8/2015	An Uber driver was charged with indecent assault and battery against a passenger. A female passenger said the driver touched her indecently several times on her ride home.	http://www.bostonglobe.com/metro/2015/02/09/boston-uber-driver-charged-with-indecent-assault-and-battery-boston-police-say/k9eKsX2q95hA9bdM13IorJ/story.html
Charleston, SC, USA	8/9/2015	A middle school teacher moonlighting as an Uber driver was charged with kidnapping and first-degree criminal sexual conduct after sexually assaulting a passenger and kicking her out of the car on the highway. The passenger was then hit by another car. The driver admitted his crimes to the police.	http://www.abcnews4.com/story/29760841/records-jerry-zucker-6th-grade-teacher-arrested-for-criminal-sexual-conduct
Chengdu, China	8/26/2015	An Uber driver was charged with robbery and rape after he pulled a knife on a female customer demanding all her money and then proceeding to rape her and take photographs of her exposed. He dropped her off 3 hours later and threatened her with the photos not to report the crime.	https://www.techinasia.com/uber-nightmare-chinese-woman-robbed-sexually-assaulted-threehour-ordeal/
Chicago, IL, USA	3/8/2014	A driver for Uber faced battery charges for allegedly fondling a passenger.	http://www.nbcchicago.com/news/local/Former-Uber-Driver-Charged-With-Fondling-Passenger-254799501.html

Chicago, IL, USA	7/31/2014	Uber driver, Adnan Nafasat, overpowered and choked his 21-year-old male victim after asking him to sit in the front of his personal car because the back seats were dirty. Police charged the driver with criminal sexual assault, unlawful restraint and kidnapping.	http://www.nbcchicago.com/news/local/uber-driver-charged-288586431.html
Chicago, IL, USA	11/16/2014	A woman told police her Uber driver asked her to sit in the front seat because he was unfamiliar with the area. The driver began assaulting the woman and she blacked out. She woke up to find herself being raped by the driver in an unfamiliar apartment after which he drove her home.	http://www.chicagotribune.com/news/local/breaking/chicago-investigating-uber-driver-20141209-story.html
Chicago, IL, USA	6/6/2015	An Uber Driver was arrested and charged with disorderly conduct, after allegedly exposing and touching himself to a female passenger. He was later found to have had several driving and criminal offences on his record that showed a crack in the Uber background checks.	http://www.sjr.com/article/20150612/NEWS/150619807 http://abc7chicago.com/news/uber-driver-removed-from-platform-after-failed-background-check-/808080/
Columbus, OH, USA	8/29/2015	Monica L. Serrott was run over by the rear wheel of an Uber vehicle and was pronounced dead on the scene. The cause of the accident was not determined and no charges were filed.	http://www.dispatch.com/content/stories/local/2015/08/28/woman-dies-after-struck-by-vehicle-on-north-side.html
Dallas, TX, USA	7/25/2015	Talal Ali Chammout, an Uber Driver, with a criminal record for possession of dozens of guns was arrested for raping a female passenger. He allegedly followed her into her house knocked her out and raped her. The victim is now suing Uber, the driver and his limousine company seeking more than a \$1 million in compensation for medical expenses and mental and physical damages.	http://thescoopblog.dallasnews.com/2015/08/dallas-woman-sues-uber-after-accusing-driver-of-sexual-assault.html/

Delhi, India	5/30/2015	A sexual harassment case was filed against an Uber driver after he tried to forcibly kiss a female passenger.	http://www.huffingtonpost.in/2015/06/01/uber-molest-girl-delhi_n_7482914.html
Delhi, India	6/28/2015	An Uber driver was arrested for molesting a US tourist passenger.	http://www.deccanchronicle.com/150731/nation-crime/article/us-tourist-alleges-molestation-uber-driver-delhi
Delhi, India	12/7/2014	Uber Driver, Shiv Kumar Yadav, was arrested for allegedly sexually assaulting and beating a female passenger. He was found guilty on November 3, 2015 and sentenced to life in prison. Delhi's Transportation department banned Uber from operating in the city after this incident but they later resumed operations.	http://www.cnet.com/news/uber-banned-from-india-capital-after-alleged-rape-incident/ http://money.cnn.com/2015/11/03/news/uber-india-rape-sentence/
Denver, CO, USA	3/31/2015	After dropping off a passenger at the airport, Gerald Montgomery, an Uber Driver, went back to the passenger's home in an attempt to rob it but was surprised by her roommate being home. The driver was taken into police custody and deactivated by Uber pending the investigation.	http://www.people.com/article/uber-driver-arrested-attempted-burglary
Gold Coast, Australia	9/4/2015	Uber Driver yelled at his passenger mid-ride to get out of the cab and then dragged her out of the car himself and proceeded to drive over her leg. The passenger was taken to the hospital with a suspected broken leg and blood clot. Police are investigating the crime and Uber deactivated the driver's account on the platform.	http://www.dailymail.co.uk/news/article-3224535/Gold-Coast-woman-suffers-broken-leg-blood-clot-run-Uber-driver.html
Houston, TX, USA	1/26/2015	An Uber driver was arrested for sexual assault after allegedly taking an intoxicated passenger back to his home and raping her. The driver had previously served 14 years in jail for a drug related crime, which would have disqualified him as a driver by the state law.	http://www.houstonpress.com/news/updated-what-we-know-so-far-about-the-local-uber-driver-accused-of-raping-a-passenger-6715846

Kolkata, India	7/8/2015	An Uber driver was caught masturbating while a 25-year old female passenger was in the car. He was arrested by police and Uber deactivated his account.	http://time.com/3967215/uber-india-driver-arrested-kolkata-masturbating/
London, UK	3/1/2014	An Uber Driver allegedly asked female passenger if she wanted him to perform oral sex on her, offering to pull over on a side street to do so. He was removed as a driver from the platform and the passenger was refunded for the trip.	http://metro.co.uk/2014/12/11/uber-driver-sacked-for-asking-london-passenger-to-perform-oral-sex-4982897/
London, UK	5/17/2015	An Uber Driver pulled over halfway through a passenger's journey from Kensington to Islington demanding that the passenger gets out of the car and told her "I hope you get raped" after the passenger had commented that he was taking a longer route. The passenger pleaded to be driven to her destination which ended up taking twice as long as it should have. After complaining to Uber she was reimbursed for the fare and the driver was de-activated from the platform.	http://www.london24.com/news/crime/i_hope_you_get_raped_uber_driver_tells_woman_1_4077895
London, UK	6/28/2015	After an Uber client cancelled her reservation she received a voicemail from the Uber driver verbally assaulting her and threatening to cut her neck. Uber was notified, the driver was suspended pending investigation and the police were notified.	http://www.dailymail.co.uk/news/article-3156053/Lecturer-left-terrified-Uber-driver-threatened-slit-throat-chilling-voicemail-left-cancelled-taxi.html
London, UK	7/2/2015	Florian Pedemanaud, an Uber passenger, says that he was in a car accident that resulted in the car bursting into flames due to an Uber Driver's reckless driving. They were on the highway on their way to Heathrow Airport. Uber refunded his fare and deactivated the driver but claims no liability for the accident since the driver is an "independent contractor".	http://www.standard.co.uk/news/london/uber-crash-victim-offered-35-refund-after-minicab-crashes-on-m4-and-bursts-into-flames-10370220.html

London, UK	10/8/2015	Uber Customer, Susan Ismaeel, claims that an Uber driver twice tried to drive off while she had not completed her entrance into the car resulting in a gash to her head and scrapes and bruises on her legs.	http://www.mirror.co.uk/news/uk-news/uber-customer-taken-hospital-after-6594474
Los Angeles, CA, USA	4/25/2015	A USC student alleges she was raped by an Uber Driver after he drove her home from a party.	http://www.nbclosangeles.com/news/local/USC-Student-Accuses-Uber-Driver-Rape-302111731.html
Los Angeles, CA, USA	10/14/2014	A Los Angeles Uber customer decided to leave a party for home early via UberX. Instead of taking her home, the driver took her on a nightmare ride to an abandoned lot, 20 miles away from her destination. The driver then locked the doors and would not let her out which prompted the passenger to scream for help, only then did the driver take her home. Uber first responded to the passenger's claim by apologizing for the inefficient route and partially refunding the fare. A day later they refunded the rest of the fare.	http://valleywag.gawker.com/uber-calls-womans-20-mile-nightmare-abduction-an-ineff-1645819700
Los Angeles, CA, USA	2/1/2015	A Los Angeles Uber driver wasn't working early Sunday morning, but he allegedly pulled over to pick up a passenger anyway and then sexually assaulted her.	http://www.bizjournals.com/losangeles/news/2015/02/03/off-duty-1-a-uber-driver-accused-of-sexual-assault.html
Los Angeles, CA, USA	6/2/2014	An Uber driver was arrested for kidnapping for the purpose of sexual assault after a woman woke up in a motel room with him following a night of drinking.	http://abc7.com/news/uber-driver-takes-drunk-woman-to-motel-arrested/91780/
Los Angeles, CA, USA	6/3/2015	Woman claims Uber driver verbally assaulted her, dragged her out of the car, and left her on the street after she told him he was driving the wrong way on a one-way street. Uber refused to release the driver's full name for the police report but said that they had deactivated the driver from the platform and refunded the passenger's \$4 cancellation fee.	http://laist.com/2015/06/04/uber_driver_behaving_badly.php

Madison, WI, USA	4/25/2015	An Uber driver is accused of inappropriately touching a female passenger and commenting that he would take her to a different destination than the one requested. Only after the passenger continued to demand to be let out of the vehicle did he let her go. Uber would not release the driver's information to the police without a warrant or subpoena.	http://www.nbc15.com/home/headlines/Police-Woman-inappropriately-touched-by-Uber-driver-301479391.html
Melbourne, Australia	1/1/2015	An Uber driver was arrested for indecently assaulting a 19-year-old female passenger on New Year's Day.	http://www.heraldsun.com.au/news/law-order/uber-driver-arrested-over-alleged-sex-assault-in-melbourne/news-story/200c9101a4f31ec7218507d7bd6b6d4a
Mississauga, Canada	5/17/2015	A Mississauga Uber driver was charged by York Police with sexual assault. He allegedly told a female passenger that she could either pay with money or by other means, when she exited the car he got out and sexually assaulted her.	http://www.theglobeandmail.com/news/toronto/uber-driver-charged-with-sexual-assault-on-female-passenger-in-vaughan-ont/article24519289/
New York City, NY, USA	9/1/2014	After The Daily Beast writer Olivia Nizzi reached her destination on an Uber ride, the Uber driver asked her if she had been near Lincoln Center a few hours earlier. She said she hadn't, since she didn't remember walking past there. Then he took out his iPad. "Really?" he asked. "Because you look like this girl." He turned the iPad around to face the back seat. To her surprise, she saw a full-length, close-up picture of herself, wearing the workout clothes she'd had on an hour previously. The Uber driver asked her if she wanted him to send her the picture. The driver continued to harass her via email, contacting her employer and her friends through Facebook after getting her full name from the driver's own Uber app.	http://www.thedailybeast.com/articles/2014/03/28/uber-s-biggest-problem-isn-t-surge-pricing-what-if-it-s-sexual-harassment-by-drivers.html

New York, NY, USA	4/30/2015	An Uber driver is accused of assaulting a female passenger after she fell asleep in the car. She woke up to find him caressing her face and trying to kiss her. She ran out of the car and eventually filed a report with the police. Uber deactivated the driver from the platform.	http://newyork.cbslocal.com/2015/04/30/uber-driver-assault-allegation/
Oklahoma City, OK, USA	12/1/2014	An Oklahoma City real estate broker claims in a lawsuit that he needs dental surgery after a late-night ride through the ridesharing service, Uber, ended with a punch in the face in the parking lot of an Arby's restaurant.	http://newsok.com/oklahoma-city-uber-passenger-sues-after-scuffle-with-driver/article/4879999/?page=1
Orlando, FL, USA	9/19/2014	Ramy Botros, an Uber Driver, was arrested and charged with battery after a passenger said he had groped her breast and driven around aimlessly before dropping her off at her destination.	https://www.washingtonpost.com/news/tonypost/wp/2014/09/25/uber-driver-arrested-for-groping-a-woman-because-she-was-asking-for-that/
Paris, France	1/17/2015	An Uber driver was arrested and charged with sexual assault on a female passenger after he would not let her out of the vehicle ordering her to perform oral sex.	http://www.theverge.com/2015/3/25/8287519/uber-driver-arrested-sexual-assault-paris
Philadelphia, PA, USA	7/17/2014	An Uber driver got out of his car and started banging on Lorraine Delp's car and spit on her window. When she got out of the car to confront him, she claims that he physical assaulted her resulting in a broken nose and her earring being pushed into the skin of her neck. The driver was arrested for assault and reckless endangerment. Lorraine Delp has filed a civil law suit against Uber and the driver for the assault.	http://www.nydailynews.com/news/crime/philly-uber-driver-beat-model-traffic-jam-lawsuit-article-1.2054316

Philadelphia, PA, USA	2/6/2015	A police report was filed claiming an Uber driver raped a female passenger and then continued to drive around for two hours before letting her go. Uber claims it was not informed of the incident by police and therefore it took them a month to deactivate the driver.	http://time.com/3757398/uber-rape-philadelphia/
Roselle Park, NJ, USA	8/22/2015	An Uber driver raped a female customer when she invited him into her home with a female friend after driving them around all evening. He was arrested by police for the sexual assault and removed by Uber from their platform.	http://www.nydailynews.com/news/national/uber-driver-25-accused-raping-woman-nj-apartment-article-1.2340882
San Diego, CA, USA	9/5/2015	After a female passenger vomited in a Lyft car, the driver told her there is a 200\$ cleaning fee or 100\$ if she pays it in cash. When she went into her house to get the cash, the driver followed her in, groped her and demanded sexual favors and in exchange he would waive the cleaning fee. The passenger was able to get the Lyft driver to leave and is now suing him and Lyft for the incident. The passenger seeks punitive damages for sexual battery, civil rights violations, gender violence and negligence. Her lawyer argues that Lyft charges \$1.50 as a "trust and safety fee" but fails to take the necessary safety measures.	http://www.sandiegouniontribune.com/news/2015/oct/30/lyft-lawsuit/
San Francisco, CA, USA	12/31/2013	Six year-old Sophia Liu was hit and killed by a vehicle driven by Uber driver Syed Muzaffar, who was logged into the Uber app at the time. Muzaffar had a reckless driving record from almost 10 years prior. Attorneys for Uber argue that the company was not liable for the death because the driver was an independent contractor.	http://www.sfgate.com/bayarea/article/Uber-denies-fault-in-S-F-crash-that-killed-girl-5458290.php

San Francisco, CA, USA	11/24/2014	Daveea Whitmire was charged with two misdemeanor battery counts, one of which stems from a fight with a passenger he picked up through UberX. Whitmire has a felony conviction from 2009 for selling marijuana, a felony charge from 2012 for selling cocaine and is currently on probation for a battery charge. Uber insisted that the driver had passed its standard background checks.	http://www.forbes.com/sites/ellenhuet/2014/06/03/uber-driver-with-felony-conviction-charged-with-battery-for-allegedly-hitting-passenger/
San Francisco, CA, USA	10/15/2015	An Uber Driver threatened to kill and rape a passenger over the phone when he couldn't find her at the pick up location. He called several times verbally assaulting her. Uber contacted the passenger to apologize after she spread news of her encounter on social media. The San Francisco Police department is conducting a criminal investigation on the driver.	http://gawker.com/san-francisco-uber-driver-fired-after-allegedly-threate-1737356150
San Francisco, CA, USA	9/23/2014	Roberto Chicas, a 35-year-old San Francisco bartender, climbed into an UberX car around 2 a.m. and expected to get home safely. Instead, he landed in the hospital after his driver allegedly bashed in his face with a hammer after a dispute over the route.	http://www.forbes.com/sites/ellenhuet/2014/09/30/uber-driver-hammer-attack-liability/
Seattle, WA, USA	5/30/2015	When a Lyft passenger forgot her phone in the car, she called it and the driver answered demanding sex in exchange for the phone. He then came to her house and when she reached for the phone inside the car he drove off dragging her slightly causing her multiple abrasions and lacerations.	http://www.geekwire.com/2015/lyft-driver-in-seattle-allegedly-drags-customer-behind-car-after-demanding-sex/
Sydney, Australia	10/17/2015	An Uber driver was arrested by police for sexually assaulting a British tourist after offering her a ride off the street. The ride was not booked through the platform. Police have CCTV footage capturing the driver purchasing condoms before the assault.	http://www.businessinsider.com.au/a-ride-sharing-driver-has-been-arrested-for-rape-in-sydney-2015-10

Toronto, Canada	6/20/2015	Fareborz Karandish, an Uber driver, is sought by police for allegedly sexually assaulting a 21 year old female passenger in the vehicle.	http://www.torontosun.com/2015/09/25/uber-driver-wanted-for-june-sex-assault
Toronto, Canada	9/15/2015	Toronto police have charged Uber Driver, Amritpal Singh, with sexual assault and forcible confinement after a passenger claimed he sexually assaulted her in the car outside her destination.	http://www.cp24.com/news/uber-driver-accused-of-sexual-assault-in-police-custody-1.2607295
Virginia Beach, VA, USA	11/7/2014	A 13-year old girl had been using Uber to get back and forth from school when she kept getting the same driver who would make inappropriate comments to her despite her giving him low ratings on the app. After several of these uncomfortable rides with the same driver, the girl's mother says the driver reached back and touched her daughter inappropriately asking if her mom was home. The mother is now suing Uber and the driver for \$2 million in compensatory damages and \$350,000 in punitive damages on claims of assault, battery, intentional infliction of emotional distress, negligence, and negligence hiring and retention.	http://www.courthousenews.com/2015/06/16/mom-says-uber-driver-molested-her-daughter.htm
Washington, D.C., USA	7/8/2014	Ryan Simonetti, CEO of New York-based Convene, and two colleagues claim to have been kidnapped, after they summoned an Uber Car. Simonetti said that as they approached their Uber car, they spotted a D.C. taxi inspector talking to the driver. But after they got in the car, the driver started driving and running red lights for about 10 minutes, while being followed by the Taxi Inspector.	http://www.washingtonpost.com/blogs/dr-gridlock/wp/2014/07/09/man-visiting-d-c-says-uber-driver-took-him-on-wild-ride/

Washington, D.C., USA	12/10/2012	A teenage girl was returning home after a late night. The Uber driver pulled into her driveway and after she got out, he waved her back and she complied. That's when he allegedly struck her on the head and raped her. The family has a surveillance camera that shows the driver carrying the girl back to the house.	http://www.nbcwashington.com/news/local/Teen-Accuses-Uber-Driver-of-Rape-183599831.html
Washington, D.C., USA	2/13/2012	A customer's burp allegedly sent the driver into anti-American, anti-gay rant. After customer stepped out of the car, the driver spat in his face and slapped him, the filed complaint claims.	http://www.washingtoncitypaper.com/blogs/citydesk/2013/03/08/uber-driver-allegedly-assaults-customer-for-burping/
Washington, D.C., USA	9/8/2013	A man named Erik Search claims that the driver of the Uber car he ordered on the night of Sept. 8, 2013 was behaving oddly, so he and his friends got out and walked away but were followed. The driver, Yohannes Deresse, then allegedly drew a knife and stabbed Search more than half-a-dozen times, causing major injuries. Uber is being sued for \$2 million.	http://dcinno.streetwise.co/2015/02/24/uber-is-being-sued-for-2m-over-an-alleged-stabbing-in-dc/
San Francisco, CA, USA	9/24/2014	An Uber driver is accused of sexually harassing three female passengers when they used the service to get home. When the women confronted the driver about his actions he stopped in the middle of the highway and started yelling at them. Uber suspended the driver's account pending an investigation.	http://abc7news.com/325011/
Washington, D.C., USA	7/19/2014	An Uber passenger passed out in the car and woke up to find the driver sexually assaulting her. The passenger was able to text her friend that she was in trouble, the friend then called the driver which scared him into dropping her off at a nearby hotel.	http://valleywag.gawker.com/another-uber-driver-stands-accused-of-sexually-assaulti-1612258968

Appendix D

PVAC Meeting Summary

October 1, 2015 – PVAC Hearing (Summary of Comments)

On October 1, 2015, the Public Vehicle Advisory Committee “PVAC” held a public hearing to discuss Transportation Network Company Regulations. All relevant stakeholders and interested parties were encouraged to voice their concerns and recommendations for consideration in this report. The following is a summary of comments from the meeting:

A representative from All Star Taxi (250 drivers) said that the belief that the current regulation system in Mississauga is very good and that TNCs should be made to operate within the current system. He asked that the definitions of “Broker” and “Driver” be revised in the current by-laws to include TNCs so that they can be regulated under the current system. A motion to refer this idea to counsel was passed unanimously.

It was then clarified by the PVAC Chairperson that currently TNCs were considered to be brokers and that their operation without proper licenses is considered illegal and the City has been enforcing that by-law. However, the Chairperson explained that the problem is not with the laws, but with the resources given to his department to enforce the law. He explained that there are only nine officers on the road and they cannot effectively stop every TNC driver on the road with such limited resources. At the end of the meeting, it was noted that the city finds about 10-15 unlicensed drivers per day.

A representative from Uber recommended that counsel look at different cities and states that have already passed TNC laws for guidance. He said TNCs should not be treated the same as taxis because they have different business models; they don’t allow street hailing and their drivers work less hours (less than 5-10 hours per week). He claimed that Uber gives some people an opportunity to earn extra income. The representative argued that Uber is expanding the transportation market, not taking a share of a fixed market and that their competition is not taxis but the personal automobile. The representative stated that there is no need for cameras in their vehicles for safety because the Uber driver does not accept street hails and that the driver and riders are identified on Uber’s system.

Discussing commercial insurance, the representative explained that Uber has a \$5 million dollar per incident contingent insurance policy on its platform. He further explained that their drivers don’t need commercial insurance since their cars are not used as many hours as taxis. Uber welcomes an insurance package that is more catered to TNC usage. The representative also said that Uber performs background checks, vehicle inspections, and has insurance which Uber welcomes to be codified into law. He explained that Uber is not licensed anywhere in Canada because Uber doesn’t believe the current laws require it to be licensed. The representative defended its pricing, explaining that its prices are completely transparent, that prices are fixed and available on the app before each ride. He said the price is determined by supply and demand (surge pricing) and that hotels and airlines do the same thing. He recommended that regular taxis

should adopt flexible price systems like Uber's system. He said that there are 10-12,000 registered drivers with Uber in the Greater Toronto Area (GTA) and that more than 30% of them only drive 5 hours per week.

A committee member recommended that Uber should request the Province to take up the TNC matter. She explained that while she understands that TNCs are here to stay, the incumbent industry should not be abandoned and that the Province should assist with the transition by perhaps buying up all the old plates and retraining.

Another taxi industry representative spoke, questioning Uber's tax obligations. He showed a newspaper ad claiming that Uber drivers collectively have made \$50 million and asked if taxes were paid on those. (An earlier comment had been made by a PVAC committee member and confirmed by the Uber representative that since Uber drivers are considered independent contractors, they are only required by law to have an HST number if they make more than 30,000 dollars and that responsibility falls on the driver. On the other hand, licensed taxi drivers are required to have an HST number regardless of the amount of income they generate.) The taxi industry representative pointed out that when Uber started in Mississauga they only charged drivers 20% of each fare but that number was later increased to 25% which is more than what a normal brokerage charges. He recommended that four definitions need to be changed for the TNCs to be brought under the current framework; Broker, driver, vehicle and taxi.

The Chairperson of the Accessibility Advisory Committee made a brief statement requesting that the report include accessibility concerns.

A representative from Brant City Taxi also made a statement maintaining that the current taxis in Mississauga have the technology (smartphone apps), that TNCs are not offering a service that taxis don't provide, but, even more so, they offer services to everyone (non-smartphone holders, cash payers, and people with disabilities) which TNCs are not doing. However, TNCs ability to avoid taxes, commercial insurance and other regulations taxi companies have to abide by allows TNCs to set lower prices than the current taxi companies. Thus, taxi companies cannot compete fairly with TNCs.

Appendix E

Comments submitted in response to Request for Comments

Mississauga

From: Chris Schafer
Sent: Thursday, October 01, 2015 1:29 PM
To: Mississauga
Cc: Daus, Matthew
Subject: Uber: Mississauga
Attachments: Mississauga-Best Practices re TMAs (1).pdf

Dear Mr. Daus,

I am bringing this to your attention (see attached). It's a letter that was included as part of the agenda at today's PVAC meeting.

Please let me know if I can be of any further assistance with your review.

Sincerely,

Chris Schafer
Uber Public Policy Manager - Canada

www.uber.com



U B E R

August 27, 2015

Mr. Mickey Frost
Director, Enforcement
Transportation & Works Department
City of Mississauga
300 City Centre Drive
Mississauga, ON
L5B 3C1

Dear Mr. Frost,

RE: Best Practices in Dealing with Mobile Taxicab Mobile Applications (TMA) from other Cities

As you know, city staff has been directed to report on best practices in dealing with mobile taxicab applications from other cities at the September 22, 2015, meeting of the Public Vehicles Advisory Committee (PVAC). In anticipation of that report, I am writing to you in advance to provide the perspective of Uber Canada with respect to this pending report.

As you are aware, Uber is a global technology company with operations in 59 countries and over 330 cities around the world. In Canada, Uber is available in Edmonton, Toronto (the Greater Toronto Area (GTA) including Mississauga), Ottawa, South Western Ontario (Hamilton, Region of Waterloo, London, and Guelph), Montreal, Quebec City, and Halifax. Uber has hundreds of thousands of riders and over 13,000 driver partners in the GTA, a majority of whom drive on the Uber platform part-time.

As a technology company, Uber connects passengers and drivers without the need for a physical intermediary. Passengers use the Uber smartphone application (app) to request a ride on-demand from wherever they happen to be. Drivers, who choose to partner with Uber, use the Uber driver app to receive ride requests from nearby passengers.

In Mississauga, Uber offers a range of products including uberX, uberXL, and uberSELECT. UberX, our peer-to-peer ridesharing service priced at 40-50 percent less expensive than traditional taxi in Mississauga, is the focus of this written submission. UberXL is a larger format uberX vehicle capable of seating more than the traditional four passengers, while uberSELECT guarantees a higher end uberX vehicle such as a BMW, Mercedes, etc.

Across Canada, Uber has been actively engaged in meeting with provincial and municipal officials, both elected and bureaucratic, to share information about Uber and to discuss smart regulatory frameworks to govern ridesharing. To date, there is no Canadian jurisdiction in which Uber is banned. In fact, a number of jurisdictions in Canada are actively engaged in review of their taxi by-laws and ridesharing/Uber:

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- In Vancouver, a Motion was passed late last year to study “the benefits of ridesharing” and report back to Council. Uber and other traditional stakeholders have been actively engaged in stakeholder roundtable consultations on the future of the for-hire transportation sector in Vancouver.
- In Edmonton, it is anticipated that draft TNC by-laws will be presented to the Executive Committee and City Council this fall.
- In Toronto, city staff is preparing a report for consideration by the Licensing and Standards Committee and Council this September with respect to ridesharing/Uber.
- In Ottawa, city staff is engaged in a comprehensive taxi by-law review that will examine ridesharing/Uber this fall, with a new by-law anticipated by the end of 2015 to regulate TNCs such as Uber.
- At the Region of Waterloo, city staff introduced a first-of-its-kind draft by-law to regulate TNCs like Uber. This draft by-law will undergo successive revisions as the public and industry stakeholder consultation process unfolds; a process which includes Uber.

As is evident from the list above, several jurisdictions in Canada are actively considering regulation to address the existence of ridesharing/uberX since its inception in Canada, starting in Toronto in September 2014. Uber has always been supportive of smart adaptable regulations for ridesharing that ensures public safety and consumer interests remain protected.

Internationally, as ridesharing has matured, many jurisdictions have already drafted and passed ridesharing regulations. In fact, 50+ jurisdictions at the state and/or city level in the United States, including Mexico City and the Philippines globally, have adopted smart ridesharing regulations known as Transportation Network Company (TNC) regulations, separate and apart from traditional taxi and limo regulation.

For those jurisdictions interested in studying ridesharing in advance of adopting TNC style regulations and/or amending existing for-hire transportation by-laws, Temporary Operating Agreements (TOAs) have been signed between the TNC (Uber) and municipality to govern the operation of TNCs during this interim period, allowing cities to take the necessary time to study ridesharing before making decisions on an appropriate regulatory response. See the info-graphic below that outlines U.S. jurisdictions with ridesharing regulations and TOAs in place.

Given the recent Ontario Superior Court decision which dismissed the City of Toronto's application for injunctive relief against Uber (in addition to a similar decision from a lower court in Edmonton, Alberta), I understand that Mississauga enforcement staff will now review options to regulate Uber, which includes the engagement of consulting services for the regulation of TMAs like Uber, with a report due back to Council by the end of

U B E R

2015. I look forward to being a constructive participant as that process unfolds in Mississauga.

I would respectfully encourage the City of Mississauga to continue to encourage the Province of Ontario to adopt a smart regulatory framework for ridesharing at the provincial level so that all Ontarians can have consistent access to ridesharing across the province and benefit from the availability of innovative transportation alternatives and the job creation it brings.

At the same time, I would encourage the City of Mississauga to review and learn from the 50+ jurisdictions, including Austin, TX, Washington, DC, and the State of Illinois, in the United States that have already successfully adopted ridesharing regulations to govern TNC's such as Uber and in doing so, have ensured that citizens in those respective jurisdictions continue to have access to a safe, more affordable and more reliable transportation option.

A Leger poll released on August 25, 2015, found that 1 in 5 Greater Toronto Area (GTA) residents have used the Uber app and 4 in 5 Ontario residents believe Uber should continue to operate in the province of Ontario. By adopting smart regulatory responses to ridesharing, Mississauga will be well positioned to harness the economic potential of ridesharing to create jobs for local residents and create value for local consumers by providing them with enhanced transportation alternatives.

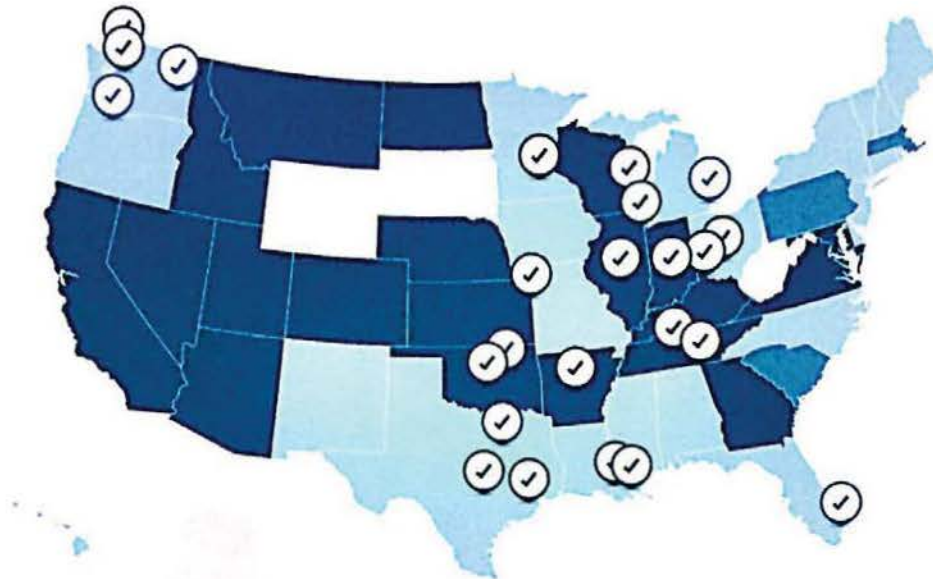
Sincerely,



Chris Schafer
Public Policy Manager
Uber Canada

cc: Mr. Daryl Bell
Ms. Karen Morden
Ms. Sacha Smith
Mayor Bonnie Crombie - Mayor
Councillor Jim Tovey
Councillor Karen Ras
Councillor Chris Fonseca
Councillor John Kovac
Councillor Carolyn Parrish
Councillor Ron Starr
Councillor Nando Iannicca
Councillor Matt Mahoney
Councillor Pat Saito
Councillor Sue McFadden
Councillor George Carlson

Nearly 1M people have signed petitions supporting ridesharing in their cities.



- UBER DOES NOT OPERATE
- UBER OPERATES
- STATEWIDE TEMPORARY OPERATING AGREEMENTS
- STATEWIDE BILL ON THE GOVERNOR'S DESK
- STATEWIDE RIDESHARING REGULATIONS
- RIDESHARING REGULATIONS IN CITY
- TEMPORARY OPERATING AGREEMENTS IN CITY

RIDESHARING REGULATIONS

COLORADO 4.28.2014	HOUSTON 8.6.2014	LITTLE ROCK 11.18.2014	VANCOUVER 2.26.2015	NORTH DAKOTA 4.18.2015	TENNESSEE 5.20.2015
CHICAGO 5.28.2014	TULSA 8.28.2014	DALLAS 12.5.2014	KENTUCKY 3.19.2015	KANSAS CITY 4.23.2015	KANSAS 5.22.2015
BATON ROUGE 6.25.2014	CALIFORNIA 8.28.2014	NASHVILLE 12.16.2014	UTAH 4.1.2015	WISCONSIN 5.1.2015	BLOOMINGTON 5.26.2015
SEATTLE 7.14.2014	AUSTIN 10.16.2014	CHATTANOOGA 1.6.2015	ARKANSAS 4.6.2015	INDIANA 5.5.2015	NEBRASKA 5.27.2015
MINNEAPOLIS 7.18.2014	OKLAHOMA CITY 10.21.2014	SPRINGFIELD, IL 1.6.2015	IDAHO 4.7.2015	GEORGIA 5.6.2015	NEVADA 5.29.2015
COLUMBUS, OH 7.21.2014	DC 10.28.2014	ILLINOIS 1.12.2015	NEW ORLEANS 4.9.2015	OKLAHOMA 5.8.2015	
MILWAUKEE 7.22.2014	CINCINNATI 10.29.2014	VIRGINIA 2.17.2015	ARIZONA 4.10.2015	MARYLAND 5.12.2015	

TEMPORARY OPERATING AGREEMENTS

- DETROIT
- MASSACHUSETTS
- PALM BEACH
- PENNSYLVANIA
- PORTLAND
- SOUTH CAROLINA
- SPOKANE

Mississauga

From: Al Cormier
Sent: Friday, October 02, 2015 11:56 AM
To: Mississauga
Cc: Ron Starr; 'Carolyn Parrish'; mickey.frost@mississauga.ca
Subject: City of Mississauga study - Taxi Regulations

As a member of the City's Public Vehicle Advisory Committee, I thank you for the opportunity to comment on the study you are conducting for the City of Mississauga on its taxi regulations. We all know that the appearance of UBER on the scene is disrupting the taxi industry and caused this study. Your assignment, as I understand it, is to analyze the situation and advise the city on options for moving forward with regulatory reforms - if needed. I have the following comments to submit:

1. I am a citizen representative on the Committee and my comments are aimed at maintaining or improving mobility services for Mississauga's residents. I am cognizant of the fact that the 'taxi industry' needs to operate under a regulatory regime that is both fair and not too intrusive. The industry is well represented by other Committee members who never miss an opportunity to speak on their behalf.
2. According to media coverage, UBER seems to be well received by the general public and we therefore have to think of how UBER like services can co-exist with conventional taxi services. At the end of the day, serving consumers is the primary goal while preserving current institutions as much as possible.
3. Changes to Mississauga's regulations will have to be reasonable to ensure customer protection but not so punitive that it would purposely constraint the growth of TNC type services, which consumers want. Creating a 'level playing field' might well mean abandoning some of our existing taxi regulations such as setting fares and setting the max # of taxis.
4. UBER type services are only one of dozens of technology applications which over the years have benefitted the consumer but have partially or totally eclipsed existing industries. Examples are many (secretaries, postal services, travel agents, bank tellers, typographers etc...) We cannot stand in the way of progress for many to protect the status quo for a few.
5. I recognize that the existing taxi industry has worked hard for the current protection they are getting from local regulations and expect these regulations to be enforced. To some degree, these have also afforded some protection to the public. I have serious difficulty in seeing how once city can provide enough enforcement to successfully curtail all technology applications that might negatively impact on the current taxi business model in their community.
6. Ride Sharing by definition covers a wide range of services beyond competitive services to the taxi industry. Ride sharing promotion can effectively deliver several services that are not competing with taxis but which are needed. Examples are carpooling (which we need more of to reduce traffic congestion) and providing services in low density areas of the city that are not or cannot be served well by transit. Accordingly, any proposed regulatory changes to 'level the playing field' between TNCs and the conventional taxi industry will have to be carefully circumscribed to ensure they do not accidentally prevent the growth of ride sharing in areas where the city would indeed find it desirable as noted.
7. Taxi services for the disabled are in need of improvement. Any regulatory changes must not forget their needs.
8. In closing, I would urge you to think not only of new regulations or revisions to existing regulations but to also think of regulations that may have outlived their usefulness and could be removed. I am thinking of the # of taxis and fare levels in particular. By way of example, we do not set a limit on the number of restaurants in Mississauga nor do we set menu prices. We exercise enough controls for the consumer through health regulations and related rules.
9. In 2013, the International Association of Transportation Regulators published Model Taxi Regulations to deal with TNCs. On reading these regulations, I get the impression they attempt to pigeon new technologies in regulations designed for technologies before the advent of apps and smart phones. Since you are the President

of IATR – on a pro bono basis – and obviously supportive of these model regulations, can we expect a fair set of recommendations for Mississauga.

10. Finally, I am not accustomed to work with consultants that ‘donate their time’. How are you covering your costs?

Regards

Al Cormier

Mississauga

From: Karen Morden <Karen.Morden@mississauga.ca>
Sent: Monday, October 05, 2015 11:51 AM
To: Mickey Frost; Daryl Bell; Robert Genoway; Daus, Matthew; Mississauga
City of Mississauga - Request for Comments
industry request for comments.pdf

Cc:
Subject:
Attachments:

Importance: High

The City of Mississauga is requesting comments and input from all those associated with the Taxicab and Limousine Industry in Mississauga, with respect to the regulation of transportation network companies (TNCs).

Please see the attached, or below, for detailed information. Please distribute to your colleagues and post to make this available to those without access to email.

All written submissions are due on Friday, October 16, 2015. Please send your comments to: mississauga@windelsmarx.com

If you have any questions or require further information, please don't hesitate to contact me for assistance.

Kind regards,

Karen Morden
Legislative Coordinator, PVAC



Karen Morden
Legislative Coordinator, Office of the City Clerk
T 905-615-3200 ext.5471
karen.morden@mississauga.ca

[City of Mississauga](#) | Corporate Services Department,
Legislative Services Division

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Request for Comments

Background:

The City of Mississauga is seeking to analyze and assess the impact of transportation network companies (TNCs) on the City's for-hire transportation market, and to determine whether new regulations should be developed which specifically address regulation of TNCs, or whether the existing regulatory structure of public vehicle licensing by-laws is sufficient.

Comments are being solicited on the current and anticipated impact of TNCs on the taxi and limousine industries within the City. In addition to the public comments received at the Public Vehicle Advisory Committee meeting of October 1, 2015, **you are invited to submit written comments on or before the close of business on Friday, October 16, 2015. Written comments should be limited to the scope of the inquiry and sent to the following email address: mississauga@windelsmarx.com**

Please submit comments on the following:

1. Existing Laws & Regulatory Structure

Are the existing by-laws, service model definitions and procedures, as well as enforcement methods and resources, adequate with respect to existing taxi and limousine service providers as well as new technology market entrants?

2. Licensing Standards

Identify whether the driver qualification and training standards; vehicle condition, safety, inspection and insurance standards; penalties and levels of enforcement; transportation business provider accountability and customer service standards should be applied to new market entrants, and if so, why? – Or, if not, why not?

3. Facts and Data

What facts, data and studies, or information about the business models, pricing and manner of operation of both existing taxi and limousine providers as well as new technology entrants, can you provide to aid this consultation, including how or whether such entrants can be allowed to operate?



Request for Comments

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Mississauga

From: Peter Pellier
Sent: Monday, October 05, 2015 2:51 PM
To: Mississauga
Subject: FW: UBER - A SQUARE PEG IN A ROUND HOLE

TO WHOM IT MAY CONCERN:

By way of introduction, I am a member of the Mississauga taxi industry. Please find enclosed deputation to the Mayor & members on the matter of accommodating Uber. I enclose it for your perusal.

Thank you.

PETER D. PELLIER

From: Peter Pellier
To: mayor@mississauga.ca; jim.tovey@mississauga.ca; karen.ras@mississauga.ca;
chris.fonseca@mississauga.ca; john.kovac@mississauga.ca; carolyn.parrish@mississauga.ca;
ron.starr@mississauga.ca; nando.iannicca@mississauga.ca; matt.mahoney@mississauga.ca;
pat.saito@mississauga.ca; sue.mcfadden@mississauga.ca; george.carlson@mississauga.ca;
carmela.radice@mississauga.ca; karen.morden@mississauga.ca
CC: mickey.frost@mississauga.ca; daryl.bell@mississauga.ca
Subject: UBER - A SQUARE PEG IN A ROUND HOLE
Date: Mon, 5 Oct 2015 14:39:47 -0400

THE MAYOR & MEMBERS OF COUNCIL,
CITY OF MISSISSAUGA.

To accommodate Uber, or not to accommodate Uber, that is the question.

In due course, the PVAC will deliberate the recommendations of a consultant's report regarding so-called 'Technology Network Companies', and, in turn, recommend whether or not to regulate them under the Public Vehicle Licensing By-law. Ultimately, Council will render a final decision, the consequences of which will have far-reaching implications for both the people of Mississauga and members of the taxi industry.

Before proceeding, it is worth noting that the City has one of the best regulated taxi industries in Ontario, if not the entire country. No other jurisdiction can lay claim to a standing committee of Council, with citizen reps and industry

members, which has been operating continuously for more than 40 years.

Reliable taxi service is achieved, first and foremost, by strictly controlling the number of cabs. This enables those who provide the service to earn a reasonable living. Mississauga has carefully regulated the number of licensed cabs since September, 1970, when a freeze on additional plates was first introduced, and the Priority List created. Suffice to say, this policy has served the City exceedingly well.

Enter Uber.

Notwithstanding claims that it is not a taxi service - an assertion rooted in semantics rather than fact, Uber is illegally siphoning off business that is the purview of the City's taxi industry. In short, a regulatory system, in place for more than four decades, has been compromised by an interloper with no official standing in Mississauga.

Imagine the howls should Uber decide to operate a transit system within the City, all the while thumbing its corporate nose at regulations protecting Mississauga Transit. Would the City even remotely consider accommodating Uber in this instance? Hardly. What's good for the goose is good for the gander.

The grim reality for Mississauga's cabbies is inescapable. If Uber, and similar 'TNC's', are recognized as a separate entity in the By-law, and licensed to operate, the balance between the demand for service and the supply of cabs, assiduously monitored lo these many years, effectively will be destroyed, laying waste the livelihoods of hundreds of cabbies who have played by the rules. All may be fair in love and war, but this is business, and, perforce, business needs to be closely regulated.

Invoking the wise words of George Santayana, philosopher, poet and humanist: 'Those who cannot learn from history are doomed to repeat it.' Deregulation of the taxi industry has failed miserably in every single city where it has been introduced. Make no mistake....accommodating Uber effectively would deregulate taxi service in Mississauga, rendering it all but impossible for anyone to earn a living. Greed and opportunism have a nasty habit of spoiling things for all parties concerned.

For those who cling to the misbegotten belief that more cabs equates to better service, think again. An oversupply of cabs/'TNCs' severely depresses individual incomes, in turn leaving operators with insufficient funds to maintain their vehicles. What follows is a sharp decline in the quality of service. Drivers, obliged to work an inordinate number of hours attempting to make ends meet, are prone to error. Friendly service devolves into surly service.

Uber would have you believe the taxi transportation pie is infinite in size. As with so many of Uber's claims, nothing could be further from the truth.

Rather than imperil an industry the City has wholeheartedly supported over time by creating a separate licensing category for 'TNCs', why not simply insist they play by existing rules, and use the services of licensed cabs.

At present, Mississauga licenses 668 standard cabs, 152 of which operate at Pearson International Airport, in accordance with the Licence Issuance Model. As well, 41 Accessible Taxis have been licensed. It would be politically expedient at best, and foolhardy at worst, to circumvent a process that has served the City so well, particularly when it involves a corporate bully with no regard for the consequences of its actions, and, when all is said and done, who chooses to play by its own rules.

Thank you.

PETER D. PELLIER,

Mississauga

From: MARK SEXSMITH
Sent: Thursday, October 08, 2015 8:11 AM
To: Mississauga
Cc: Ron Starr; Carolyn Parrish; mayorcrombie@mississauga.ca
Subject: TNC review
Attachments: TNC Consultant Letter October 6 2015.docx

Attention: Mr. Matt Daus:

Please find attached my presentation for the TNC report.

Best regards,

Mark Sexsmith

October 6/15

Matt Daus, Consultant
Wendelmarx
Mississauga@wendelmarx.com

Re: TNC's and the Mississauga For Hire Transportation Industry

Dear Sir:

My vision of the future of the for hire transportation is a system that is consistent with both the existence of the traditional broker dispatched taxi fleet already working in Mississauga and the advent of the TNC's working exclusively over the internet. I foresee a taxi/limo environment where the current fleet of municipally licensed taxis driven by municipally licensed drivers provides the public with service from hail/pickups at public places, computer dispatched orders from licensed traditional brokers, along with orders received over the internet from national and international TNC's.

Existing Laws & Regulatory Structure:

1. The current By Law 420-04, as amended, needs several changes. In the Definitions section of the By Law, we need to bring the definitions of broker and driver up to date to reflect changes in the technology of connecting customers with drivers. I have proposed to the PVAC that "Broker" means any Person or Corporation which carries on the business of facilitating in any fashion the provision of for hire transportation between any person and any vehicle not owned by that Person or Corporation. I have also proposed to the PVAC that "Driver" means any person who drives a Taxicab, Limousine, Airport Municipal Transportation Vehicle, or any other for hire motor vehicle, excluding public transport. It is vital that all players in the industry are working under the same By Law definitions.
2. All restrictions on drivers accepting orders from TNC's must be removed from the By Law. If we are to expect that TNC's must use only registered drivers and vehicles, then it is fair to assume that they should have access to the vehicle pool. The simple fact is that they would be providing existing operators with extra income. It is unlikely at this time that TNC's could attract vehicles that worked exclusively for them on a full time basis as they do not have the commercial, institutional, and governmental client base to sustain a full business model. However, this model would accommodate any change to this situation, allowing the TNC's to become full service brokers.
3. All TNC's must be registered with the City, and follow all rules and regulations pertinent to Brokers under the Bylaw, with the exception of maintaining an office in the City.
4. The City has a long standing issuance formula which has served the industry well in that the taxi operators can earn a reasonable income for their labour, and a reasonable return on their capital investment, while at the same time supplying the public with a reliable supply of taxi service. We have all seen the disaster that results from unlimited entry into the industry, as is becoming the case in Toronto. We do not want to replicate that administrative nightmare in the Mississauga industry. All new taxi permits should go to those people on the Priority List, as demand indicates necessary.
5. Brokers must be given the right to expand their business extra-territorially in regards to working within one Municipality-the TNC's have this capability, and it seems counterproductive to restrict traditional Brokers in this fashion. All restrictions in the By Law concerning this matter

should be examined with a view to allowing the existing traditional brokers to expand their businesses.

6. Wherever relevant, the enforcement of Highway Traffic Act violations must be strengthened. Either Municipal enforcement officers must be given greater authority to enforce these regulations, or the Police Departments must start to enforce the laws concerning licensing and insurance. Provincial regulations concerning for hire vehicles and drivers must be consistent with those of the Municipalities.
7. For hire fare pricing structures must be loosened so that brokers can compete with virtual brokers; the alternative is that virtual brokers must adhere to Municipal fare structures. All players must be working under the same fare structure.
8. The Province must be pro-active in the area of insurance regulations concerning the for hire transportation industry. No segment of the industry should enjoy a competitive advantage as a result of insurance requirements or regulations that preclude industry wide participation in blanket coverage, or special coverage for differentiated areas of our industry.

Licensing Standards:

It is absolutely essential that uniform licensing standards prevail across the for hire transportation industry. All drivers and vehicles must conform to Municipal standards for training, qualification, vehicle standards, insurance requirements, and be held to the same accountability standards.

All new entrants to the industry must adhere to these standards as a matter of public safety. The Province has delegated the responsibility for public safety in this industry to the Municipality; the By Law must apply to all operators, and the public should be able to travel with the assurance that these standards are in effect, and are being monitored by City Staff.

Of particular importance is the matter of vehicle standards. The City of Mississauga has, over the years, consistently raised the bar on vehicle age limitations and vehicle condition standards, both in terms of physical appearance and mechanical roadworthiness. These standards cannot be compromised by the entry of TNC's that do not do as thorough a job in monitoring vehicle standards, and which allow older vehicles to service the public.

Part time licensed taxi operators must undergo the full regimen of training mandated by the City-there is no condensed course for part timers. The same must apply to any one else entering the for hire business. The TNC's argument that their drivers are only part time, and therefore should not adhere to the same standards as full time taxi/limo drivers is completely without merit. Public safety warrants only competent, fully trained drivers.

Facts and Data:

Insurance: Taxis carry \$2,000,000.00 coverage and the Brokers backstop this with \$5,000,000.00 of supplementary coverage. This coverage ranges from \$5,000.00/year to over \$10,000.00/year. Accessible taxis are generally \$3,000.00 extra. This compares with the \$100-300/month that TNC drivers pay for their private insurance.

Vehicle Costs: Taxis, under the By Law, cannot be put on the road after their fourth year (i.e., the oldest car you can put on the road in 2016 is a 2012. A new vehicle for use as a taxi typically costs \$25,000.00+,

and the accessible can run to \$50,000.00. Compare this with the ten year limit on TNC vehicles, putting the cost for a second hand vehicle in the range of a few thousand dollars (or less). The typical TNC driver is using his private car for taxi service, and is not factoring in the depreciation involved in high mileage use. This gives a comparative pricing advantage to the TNC operator.

Regulatory Costs: The TNC driver does not face the driver training (and retraining) costs, or the yearly permit renewal expenses. The TNC driver does not fact the bi-yearly expenses of vehicle safety inspections.

Taxes: Taxis charge and remit to the various levels of government 13% HST. The TNC's fudge this, stating that it is up to the driver to determine whether they pay. In actual fact, this amount is rarely remitted by the TNC's, which gives an automatic 13% advantage on the fare structure. Additionally, it leaves the business user in the position of either not claiming the amount, or falsely claiming the amount, assuming that they are paying the HST as they do with taxi fares.

It is my opinion that the adoption of these measures would go a long way to ensuring reliable, secure service for the citizens of Mississauga, while providing the taxi industry with a stable operational platform.

Yours truly,

Mark Sexsmith, Sales Manager, All Star Taxi Inc.

Mississauga

From: Aneel Waqar
Sent: Tuesday, October 13, 2015 2:45 AM
To: Mississauga
Subject: TNC REGULATIONS.

Hello,

1.

The current by laws are adequate for the taxis and limousines but do not take into account these new entrants. The bylaws should be made to include the new entrants into the law, so that training, licensing & enforcement becomes possible.

2.

The driver qualification and training standards; vehicle condition, safety, inspection and insurance standards; penalties and levels of enforcement; transportation business provider accountability and customer service standards should definitely apply to all new entrants as they are in the same business of transporting passengers from point A to point B, as current taxis and limousines and all of the above pertain to safety and well being of the passengers travelling in these vehicles.

3.

If the city of Mississauga implements the same bylaw standard that it has for taxis and limousines, only then should it allow to operate the TNCs.

The drivers should have licenses from the city of Mississauga after completing background checks and training classes.

The vehicle model year should comply with that of the taxis and limousines.

The vehicles should be insured upto \$2000,000 for transportating passengers, as the taxis are.

The TNC vehicles should have a identifiable sign or decal or roof light so that enforcement by inspectors becomes possible.

There should be a cap on the number of plates issued to TNCs just like there is one on taxis and limousines.

The TNCs must have accessible vehicles just as taxicab companies do.

The vehicles must also be equipped with cameras to ensure driver and passenger safety and prevent assaults as seen common in these vehicles.

The city should determine the prices TNCs can charge just like the city sets the meter rate for taxicabs.

There should be a level playing field for existing, law abiding taxicab drivers and the new entrants.

All parties should fall under some sort of a bylaw and pay the licensing fees, have insurance and pay the HST on all fares.

Ensuring public safety should be the utmost priority as well.

Thanks

SYED Asad WAQAR

Mississauga

From: Tejinder Sandhu
Sent: Tuesday, October 13, 2015 8:39 PM
To: Mississauga
Subject: Request for Comments Regarding New City Taxi By-Laws
Attachments: RequestforCommentsRegardingNewCityTaxiBy-Laws.docx

Good Evening,

My name is Tejinder Sandhu. I have been in the taxi industry for the last 25 years. I have attached my comments regarding the new city taxi by-laws.

Thank you for taking the time to review my submission.

Kind Regards,
Tejinder Sandhu

1. Existing Laws and Regulatory Structure

Existing by-laws, service model definitions, and procedures are good for existing taxi and limousine service; but for new entrants in the business must have same methods and procedures, and rules and regulations. New rules and by-laws must be made for those entrants; they must follow those rules. There should be a level playing field for all the for-hire businesses in Mississauga.

2. Licensing Standards

All the businesses doing transportation of people must have qualified drivers, have proper training, and have insurance for the safety of the public. All new entrants must have licensed drivers by the city of Mississauga. They must have commercial vehicle insurance as existing taxis and other commercial vehicles. Public safety is more important - every business in the city is licensed, nobody can do business in the city of Mississauga without license. So why do these new entrants want to do business without license? How far this new technology will go to do other businesses like driving school, tow trucks, food carts, and all the other businesses in the city if there are allowed to transport people without any license. Then they will start doing other business too without license. Then it will be the wild west in the city of Mississauga and the country.

3. Facts and Data

The new entrants in the business should be regulated as per city by-laws. The price should be same for all the transportation business. If they do not want to follow the laws of the city, the province, and the country - then they should not be allowed to operate. They must be banned for running the business in the city. The pricing should be done according to the existing formula. No one should be allowed to undercut the price. The price must be fixed by the city of Mississauga; not by some outside company. They must register for HST, have a valid driving license from the city of Mississauga, and have the appropriate commercial insurance coverage.

Mississauga

From: Rashpal Singh
Sent: Wednesday, October 14, 2015 9:55 PM
To: Mississauga
Subject: Regading uber

We want to keep existing law and regulatory system and same existing licencing standard.

Rashpal Singh

Mississauga

From: Nader Khairallah
Sent: Thursday, October 15, 2015 12:04 PM
To: Mississauga
Subject: FW: Reply to Request For Comment on Behalf of Aeroport Taxi & Limousine
Attachments: Aeroport Taxi - Reply to Request for Comment.pdf

Attention Mr. Matt Deus

Please find attached Aeroport Taxi & Limousine's response to the City of Mississauga's request for comments regarding Taxi Bylaws & regulation of TNC companies.

If you have any questions or would like to discuss any of the material attached please do not hesitate to contact me.

Kind Regards,



Nader Khairallah
General Manager

nader@aeroporttaxi.com
Phone. 905-908-5000 ext 2222
Fax. 905-908-5027

Aeroport Taxi & Limousine Services
849 Westport Crescent
Mississauga, Ontario L5T 1E7
www.aeroporttaxi.com

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Response to Request for Comment

Re: TNC's and the Mississauga for Hire Transportation Industry

To: Matt Daus, Consultant

Wendelmarx

Mississauga@wendelmarx.com

Dear Sir:

1. **Existing Laws & Regulatory Structure** - Are the existing by-laws, service model definitions and procedures, as well as enforcement methods and resources, adequate with respect to existing taxi and limousine service providers as well as new technology market entrants?
-

The current regulatory structure in the City of Mississauga has proven to be more than sufficient and has provided customers years upon years of reliable service. It is not the by laws or regulations that are the issue, it is the fact that the new market entrants are operating outside of such regulations. The City Of Mississauga has historically had one of the most stable, fair and equitable taxi systems in Ontario. The existing by-laws provide consumer protection in terms of proper insurance coverages, criminal background checks, mechanical safety of the vehicles, security cameras (to protect both the public & drivers), easily identifiable vehicles and price protection from gauging. The City of Mississauga is one of the only municipalities where there is relative unity between taxicab drivers, owners, operators & brokerages. The city also has a very fair plate issuance criteria that ensures there is enough supply of vehicles to the general public but more importantly that drivers can earn a full-time living. The sensitive ratio of supply of vehicles vs. demand for service has a direct effect on the sustainability of the taxi industry and recently this ratio has been greatly disrupted by thousands of unlicensed vehicles operating in direct competition with the licensed vehicles.

Industry members and drivers have invested their life's work into the system the City created with the idea that when providing transportation for-hire either a taxicab or limousine license would be required. They invested in the idea that it would not be possible for someone to operate on such a large scale without licenses. The attraction behind owning such license being that the owner can take home that small piece of proverbial pie in order for the driver to cover their expenses and earn an honest day's

wage. The new market entrants have taken the stability out of the industry and have significantly damaged the faith in the system in which industry members have trusted in for years. The Mississauga taxicab industry is particularly vulnerable to the new market entrants as we are very much dependent on dispatched orders through brokerages. The City of Mississauga has a very minimal amount of street hail business available to drivers compared to cities like Toronto.

Enforcement of Current By Laws - Currently the laws are being strictly enforced on licensed operators, while the lawless are roaming free reaping all the benefits of having little to no overhead expenses. The underlying reason why the public are drawn to this service is the price, the reason they can afford to give a cheaper price is through ignoring all the rules that the licensed vehicles have to follow. We do not in anyway feel this is about technology. Our current bylaws should be re-written to encapsulate the new entrants and leave no shadow of doubt that they are operating an illegal taxicab service. An injunction for them to seize all operations of this illegal taxicab service in the City of Mississauga should be sought to strengthen the message that there are reasons we license businesses in Canada. The new market entrants should be fined to the maximum penalty each and every day they operate a taxicab brokerage without a license. Peel Police should also be enforcing the existing HIGHWAY TRAFFIC ACT § 39.1 - PICKING UP PASSENGER FOR COMPENSATION PROHIBITED WITHOUT LICENCE. Laws are blatantly being broken in front of Police & Licensing staff, and we in the taxi industry are curious as to when we became a society that does not enforce our laws.

2. **Licensing Standards** Identify whether the driver qualification and training standards; vehicle condition, safety, inspection and insurance standards; penalties and levels of enforcement; transportation business provider accountability and customer service standards should be applied to new market entrants, and if so, why? – Or, if not, why not?
-

The bottom line is whether speaking of new market entrants or existing taxi companies both are providing ground transportation for compensation, the method by which an order is dispatched to a vehicle does not change the material service that is being offered. Taxicab bylaws were created for reasons of safety, fairness and consumer protection. All taxicab companies in Mississauga possess the same technologies that the unlicensed market entrants have. For instance with our Aeroport Taxi app customers have the capability of seeing the available vehicles on the map, watching their assigned vehicle drive to them and prepaying by credit card within the app. If a two-tier system were to be enacted it would eliminate all benefits of being a licensed Taxicab operator. Why

follow a long list of regulations that create overhead costs when there is a license available to provide the exact same service with much less overhead and red tape. In that scenario majority of operators would look to return all taxicabs permits and operate as TNC companies.

Why would anyone want to drive a vehicle with a list of restrictions when there is a cheaper alternative? If City Council were to choose to offer a different class of licenses to TNC companies it would be the equivalent of offering one specific Taxi company different licenses than all other Taxi companies. If in years past hypothetical Taxi Company "ABC" changed their dispatch method to Cell Phones rather than radio would they have the grounds to approach the City and demand different licenses and regulations?

Imagine if "ABC" Taxi Company demanded the following:

- That the meter rate should not apply to them. "ABC" should be able to charge what they want, whenever they want. In a snow-storm, time of high demand or crisis they should be able to charge their customers 5 times the regular price. Also "ABC" would like their rates not to be inclusive of HST.
- "ABC" would like to use different car types than the list provided to all other taxi companies. There also should be no vehicle age restrictions, any car that "ABC" deems fit should be able to be used. "ABC" would also like their vehicles to be self-inspected.
- When "ABC" need to hire a driver they should be able to just email their paperwork, watch a 5 minute YouTube video and be out on the road picking up passengers the next day. No need for their drivers to go to Taxi School for a week, write an exam and pay a licensing fee.
- "ABC" should not be forced to buy \$2 Million Dollar Commercial Insurance coverage full-time, just when their drivers are working. Or better yet would they would like to be allowed to endanger and mislead the public for an extended period of time before deciding to inquire about insurance coverage.
- "ABC" does not feel the need to have their vehicles identifiable to the public by means of a roof-sign, decals or license numbers. They would prefer an honour system where the city would trust that the registered vehicle is in fact the one the phone is being used in.

- “ABC” would also like to be able to bypass the existing licensing issuing system, and have exceptions be made for them to receive license immediately. They would like to completely disregard the years and years of hard work from drivers who are issued licenses from the priority list.

So in this scenario detailed above would it be justifiable to provide “ABC” Taxi with licenses? Or would that provide them a competitive advantage. Why treat one company differently when they provide the exact same service? Does the method by which you send a ride to a driver really change anything? Or at the end of the day aren’t we all just transporting passengers for compensation. Why change the existing laws that have worked for centuries to help a company that has deliberately ignored existing regulation and knowingly endangered the public? Uber virtually offers the public exactly what the Taxi apps all dispatch companies offer. The new market entrants such as Uber have the capabilities and platforms already established to use licensed vehicles through their UberBlack & UberTaxi. The only option that will allow licensed taxicabs to survive is forcing them to use only these models.

Proposed Changes to Current Bylaws:

Though we are not in any way in favour of a two tier system there are compromises that can be made for the New Market Entrants and the existing licensed operators to co-exist:

- a. License the new market entrants as Taxicab Brokers as defined through definition changes. As a licensed broker rides must be dispatched to only to existing City Licensed Vehicles including all regulations that go along with this.

The current By Law 420-04, as amended, needs several changes. In the Definitions section of the By Law, we need to bring the definitions of broker and driver up to date to reflect changes in the technology of connecting customers with drivers. There has been a motion put forward by the PVAC to define a “Broker” as any Person or Corporation which carries on the business of facilitating in any fashion the provision of for hire transportation between any person and any vehicle not owned by that Person or Corporation. Also that “Driver” means any person who drivers a Taxicab, Limousine, Airport Municipal Transportation Vehicle, or any other for hire motor vehicle, excluding public transport.

- b. Remove restrictions for licensed vehicles to work solely through one brokerage. Allow use of multiple dispatch services for licensed taxicabs.

- c. No Surges or Price Gauging - No matter which dispatch brokerage the licensed vehicle receives an order the rate charged shall only be the rate dictated by the city. In cases where an application is used, driver will manually enter the meter amount into the application at the end of the tip. This is currently the method used by the UberTaxi Service as well the method Hailo used operated while operating with licenced vehicles in the City of Toronto.
- d. Strictly enforce all requirements of current bylaws and increase fines and penalties regarding operating a taxicab without the required licence. Also support Provincial [Bill 53, Protecting Passenger Safety Act, 2015](#) to give police & municipal enforcement officers greater authority to lay charges, impound vehicles of unlicensed vehicles.
- e. If the eventual demand for vehicles increases, the City should continue to issue licenses through the existing plate issuance criteria and priority list. Studies have shown that there are more than enough taxis and limousines on the city streets, through the existing situation licensed operators are struggling.

There are tens of thousands of people and their families that are supported directly or indirectly by Taxi Industry, including: Thousands of Taxi Drivers, Vehicle Operators (whether multiple or individual), License Holders (who have or continue to work year after year in the industry), Auto Mechanics, Dispatch Companies (and their staff), Insurance Brokers, Car Dealers, Vehicle Equipment Installers and Telecommunication Companies. It would be unjust to jeopardize the livelihoods of all these hard working people to accommodate a Non-Canadian, Multi-Billion Dollar enterprise.

3. **Facts and Data** What facts, data and studies, or information about the business models, pricing and manner of operation of both existing taxi and limousine providers as well as new technology entrants, can you provide to aid this consultation, including how or whether such entrants can be allowed to operate.

a) Driving for Uber is not a sustainable full time job.

Through Uber's own admission their turn around on drivers is three months, Uber has also stated that 50% of their drivers work between 0-10 Hours per Week. The concept of UberX is to use part time non-professional drivers that drive on a casual basis. That concept if regulated will replace the jobs thousands of Full-Time law abiding citizens of Mississauga with part-timers trying to temporary supplement

their income. They can pitch the concept of “ridesharing” and “technology” but in reality it is nothing but an unregulated taxi service. There are no rides being shared these drivers are leaving their place of residence, heading city centres and roaming the streets to provide taxi services. They are not picking up people going in the same direction as them on their commute. We as an industry are in no way anti-competition, we have no problem with allowing the new Market Entrants into the fold, we just ask that the same rules that have applied to us for centuries be applied to new market entrants. When Uber entered the market using licensed vehicles through UberBlack and UberTaxi the taxicab and limousine industry were not overly concerned as they were using only city licensed vehicles. But to allow just any one to decide they want to be in the taxicab business and start operating is not just or fair. The barriers to entry should not be at a place where anyone can simply send an email and be out competing with existing operators the next day.

“That’s not a job’: Toronto councillor on Uber and the ‘suckers’ being recruited to drive

<http://www.nationalpost.com/m/wp/blog.html?b=news.nationalpost.com//toronto/thats-not-a-job-toronto-councillor-on-uber-and-the-suckers-being-recruited-to-drive>

b) Traffic Congestion

Through Uber’s own admission they have 16,000 Drivers in Toronto alone, one can only imagine how many drivers they have across the GTA. The addition of these drivers to the thousands of licensed taxicabs in the Greater Toronto Area on can only imagine the congestion this causing. Add to this the fact that the licensed vehicles now have to wait much longer for a fare, as well as work more hours which also contributes to the congestion. In New York City they went the route of along private vehicles to be licensed (with very minimal requirements) as TNCs. The most damaging part in terms of congestion was the fact that there was no Cap on the number of vehicles. Mayor Bill de Blasio had desperately attempted to put a cap on the number of vehicles to combat Congestion in the City but Uber responded by unleashed an ad campaign and an army of lobbyists, forcing the mayor to retreat.

Uber doubles number of drivers—just as Bill de Blasio feared

<http://www.crainsnewyork.com/article/20151006/BLOGS04/151009912/uber-doubles-number-of-drivers-just-as-de-blasio-feared>

New expert report reveals two-tier taxi industry risks include increased congestion and vehicle emissions, while costs saving can prove elusive
<http://www.newswire.ca/news-releases/new-expert-report-reveals-two-tier-taxi-industry-risks-include-increased-congestion-and-vehicle-emissions-while-costs-saving-can-prove-elusive-529905771.html>

Uber's Own Numbers Show It's Making Traffic Worse
<http://www.streetsblog.org/2015/07/22/ubers-own-data-reveals-it-slows-manhattan-traffic-9-percent/>

c) Public Transit Ridership Down 30%

Providing service at such a low cost creates an alternative to public transit. We in the City of Mississauga are spending millions on adding public transit infrastructure meanwhile at the current cost point provided. In recent years the focus in the City of Mississauga has been public transit, but we should ask ourselves what we need to do to protect the future of public transit. All these investments in transit will be at risk. What will happen when Uber decides to provide cheaper transit services on popular MiWay Routes? In recent months, Uber has been trialing a "smart routes" service in San Francisco that has been compared to a bus service in media reports. The service discourages transit use by attracting Uber customers to travel along specific routes like a bus, for a competitive price.

Poll suggests UberX is decreasing TTC and GO transit ridership
<http://www.newswire.ca/news-releases/poll-suggests-uberx-is-decreasing-ttc-and-go-transit-ridership-529475091.htm>

d) Decreased Canadian Tax Revenue - Uber does not pay corporate taxes in Canada

All licensed taxicab brokerages are Canadian owned and operated small business that employ local residents. These companies were built from the ground up by local residents. We all pay our fair share of corporate tax and spend our hard earned dollars in our local economy. The new market entrants have created a strategy that they are quite open about.

Uber and Airbnb confirm they send profit offshore
<http://www.smh.com.au/business/the-economy/uber-airbnb-reveal-they-send-profits-offshore-20151006-gk2v5z.html>

- e) Uber's strategy of intentionally flouting regulation as described by their CEO**
Uber waits for as they call it Regulatory ambiguity, though his company enacts the exact same strategy as what they are criticizing Lyft for in the video below.

Uber CEO calls competitor service 'criminal'

<https://www.youtube.com/watch?v=5fOycXLp7Ik&feature=youtu.be>

- f) Creating Two Sets of Rules for the Same Service Is Unethical and Unfair**

Chicago's differing regulations of Uber vs taxis may violate equal protection, judge says

http://cookcountyrecord.com/stories/510639525-chicago-s-differing-regulations-of-uber-vs-taxis-may-violate-equal-protection-judge-says#sthash.LSVf529p.uxfs&st_refDomain=t.co&st_refQuery=/DKMz2J5aTU

- g) Uber drivers all over the world are doing non-app & street hail pickups**

Hundreds of Uber cars seized in major crackdown on illegal street pickups at city airports

<http://www.nydailynews.com/new-york/close-500-uber-cars-seized-illegal-pickup-crackdown-article-1.2260211>

- h) Governments all over the world have been successful in dealing with Uber**

Please see the article at the URL below.

"Unstoppability" of Uber not a compelling argument + A letter to Taxi Operators & Drivers

<http://us11.campaign-archive2.com/?u=7eef0d79657bcfaa29875872d&id=7ab1450814>

Mississauga

From: rav banwait
Sent: Thursday, October 15, 2015 6:12 PM
To: Mississauga
Subject: Response to Taxi Regulations
Attachments: city of mississauga. survey.docx

Dear Mr. Matt Deus,

Please find attached response to the City of Mississauga's request for comments regarding Taxi Bylaws & Regulation.

If you have any questions or require clarification, please contact me at anytime.

Sincerely,

Rav Banwait

To: Matt Daus, Consultant
mississauga@wendelmarx.com

1. Existing Laws & Regulatory Structure

The existing by-laws and regulatory structure have been the result of decades of experience. MINOR changes are always necessary to ensure the main purpose of these bylaws is not lost or ignored.

New technology or new methods of communication are not industry changing, and do not offer a free pass to allow ignorance of existing city bylaws and regulations.

Many great and powerful cities and nations across the globe have stood true to protect and uphold their city's bylaws and regulations (i.e. Vancouver, Nevada, Spain, Miami, France, and Thailand). These respected places did not bend or cave in to those who 'refused' to follow the City's own set bylaws.

These standards are in place for a reason. Let us hope we were not 'fooled' by these existing rules and regulations these past five decades.

2. Licensing Standards

Licensing Standards should absolutely apply to any new entrants (in any shape or form) entering the taxi/limo industry.

You cannot entertain new bylaws for the same service just based on a new method of communication.

The City of Mississauga controls and limits taxi vehicle licenses in operation (based on a formula) to ensure consistency, safety of passengers, discipline and a reasonable full time salary. If an industry is uncontrolled and becomes 'oversaturated', human willpower to earn a decent living may get ugly. That is human nature.

Not a favourable image for the City of Mississauga, especially to tourism and businesses.

3. Facts and Data

New entrants may operate according to EXISTING bylaws and regulations to ensure safety and fairness.

Allowing illegal services without proper permits, insurance, safety criteria, background checks etc. has and continues to destroy the legitimate businesses, who have respected the existing city bylaws for years.

Until new entrants are willing to follow existing bylaws and regulations of the City of Mississauga, they should be strictly prohibited from the City.

Please ensure each and every new entrant to any existing industry abides by the City of Mississauga's bylaws to ensure a 'level playing field'. Destroying an industry established over years and years of strict regulation cannot be replicated.

Next to God, you hold our trust and we believe you will do the right thing to protect our livelihood and ensure the City of Mississauga's existing bylaws and regulatory framework stands.

Joga S.Banwait

On Behalf of the Taxi Industry who earns its livelihood in the City of Mississauga

“Wrong does not cease to be wrong because the majority share in it.”

Leo Tolstoy

Mississauga

From: cstor
Sent: Thursday, October 15, 2015 7:50 PM
To: Mississauga
Subject: City of Mississauga - Request for Comments

To whom it may concern,

If there is an increase in demand of transportation vehicles in the city of Mississauga, licenses similar to the ones that have been issued previously should be continued to be issued just at a faster rate. There is no reason for a new variation to be introduced into the transport industry. If such a reason were to be identified and thus it were required that TNCs be introduced into the industry, then it would be necessary that they have the same set of requirements as the existing taxicabs and limousines in order to ensure a fair working environment.

The anticipated TNCs should have to follow the existing rules, regulations and laws which the existing taxicab and limousine industry is required to adhere to in Mississauga. These would include all by-laws, procedures, enforcement methods, and resources. Furthermore, they must require identical licensing standards. As a result of doing so, the taxicab and limousine business would not be hindered in any way whatsoever that would make the anticipated TNCs more appealing to customers, thus reducing the amount of business available to taxicab and limousine operators.

Thank you for your time and consideration,

Charanjit Singh Toor

Mississauga

From: Karen Morden <Karen.Morden@mississauga.ca>
Sent: Friday, October 16, 2015 9:03 AM
To: Mississauga
Subject: FW: City of Mississauga - Request for Comments

FYI – from a Mississauga taxicab driver, who is also on PVAC.

From: Karam Punian
Sent: 2015/10/15 4:59 PM
To: Karen Morden
Subject: Re: City of Mississauga - Request for Comments

Plate issuing formula is good. Training period is too long. No place for uber. Staff is not friendly at all

On Monday, October 5, 2015, Karen Morden <Karen.Morden@mississauga.ca> wrote:

The City of Mississauga is requesting comments and input from all those associated with the Taxicab and Limousine Industry in Mississauga, with respect to the regulation of transportation network companies (TNCs).

Please see the attached, or below, for detailed information. Please distribute to your colleagues and post to make this available to those without access to email.

All written submissions are due on Friday, October 16, 2015. Please send your comments to: mississauga@windelsmarx.com

If you have any questions or require further information, please don't hesitate to contact me for assistance.

Kind regards,

Karen Morden

Legislative Coordinator, PVAC



Karen Morden

Legislative Coordinator, Office of the City Clerk

T 905-615-3200 ext.5471

karen.morden@mississauga.ca

[City of Mississauga](#) | Corporate Services Department,

Legislative Services Division

Please consider the environment before printing.

-

Request for Comments

Background:

The City of Mississauga is seeking to analyze and assess the impact of transportation network companies (TNCs) on the City's for-hire transportation market, and to determine whether new regulations should be developed which specifically address regulation of TNCs, or whether the existing regulatory structure of public vehicle licensing by-laws is sufficient.

Comments are being solicited on the current and anticipated impact of TNCs on the taxi and limousine industries within the City. In addition to the public comments received at the Public Vehicle Advisory Committee meeting of October 1, 2015, **you are invited to submit written comments on or before the close of business on Friday, October 16, 2015. Written comments should be limited to the scope of the inquiry and sent to the following email address: mississauga@windelsmarx.com**

Please submit comments on the following:

1. Existing Laws & Regulatory Structure

Are the existing by-laws, service model definitions and

procedures, as well as enforcement methods and resources, adequate with respect to existing taxi and limousine service providers as well as new technology market entrants?

2. Licensing Standards

Identify whether the driver qualification and training standards; vehicle condition, safety, inspection and insurance standards; penalties and levels of enforcement; transportation business provider accountability and customer service standards should be applied to new market entrants, and if so, why? – Or, if not, why not?

3. Facts and Data

What facts, data and studies, or information about the business models, pricing and manner of operation of both existing taxi and limousine providers as well as new technology entrants, can you provide to aid this consultation, including how or whether such entrants can be allowed to operate?

From: [Karen Morden](#)
To: [Karen Morden](#)
Subject: FWD: Motion for PVAC Meeting August 2105
Date: 2015/08/04 4:04:25 PM

From: MARK SEXSMITH
Sent: August 4, 2015 1:42 PM
To: Ron Starr
Cc: Stephanie Smith; Carolyn Parrish; Baljit Pandori; Al Cormier; Mickey Frost; Daryl Bell
Subject: Motion for PVAC Meeting August 12, 2105

Mr. Ron Starr, Chair
PVAC, City of Mississauga

Dear Mr. Chairman:

Please include discussion on the following amendment to By Law 420-04 on the agenda of the August 12, 2015 PVAC meeting.

The motion is:

In regard to By-Law 420-04, the following changes are requested to terms in the "Definitions and Interpretation" Section of the By-Law.

"Broker" means any Person or Corporation which carries on the business of facilitating in any fashion the provision of for hire transportation between any person and any vehicle not owned by that Person or Corporation"

"Driver" means any person who drives a Taxicab, Limousine, Airport Municipal Transportation Vehicle, Airport Public Transportation Vehicle, or any other for hire vehicle, excluding public transit

It is the industry's wish to afford Staff a greater degree of latitude in dealing with matters that pertain to regulating the actions of virtual for hire brokers, as well as those drivers who work with the dispatch systems these brokers utilize.

Yours truly,

Mark Sexsmith, All Star Taxi

From: Peter Pellier

Sent: 2015/08/16 12:33 PM

To: Ron Starr; Carolyn Parrish; Al Cormier; Baljit Pandori; Karen Morden; Mickey Frost; Daryl Bell

Cc: MAYOR; Jim Tovey; Karen Ras; Chris Fonseca; John Kovac; Nando Iannicca; Matt Mahoney; Pat Saito; Sue McFadden; George Carlson; Mark Sexsmith; ronnieb; sami; marialendvay; g_beswick; bestrip

Subject: UBER

THE CHAIR & MEMBERS,
PVAC.

Prior to launching its service in Mississauga, Uber made no attempt whatsoever to clarify or comply with regulatory requirements that applied to them. Instead, the company chose to ignore the law, and aggressively pursue business that, clearly, was the purview of the City's licensed cabs. What resulted was a playing field that was anything but level, seeing as Uber operators, in open defiance, exempted themselves from the financial burden faced by licensed drivers and owners. As a result, considerable financial damage has been inflicted on those who play by the rules.

At the April 12th PVAC meeting, an Uber official advised the Committee that the company is now willing to enter the regulatory fold. Though it was not stated, there is little doubt Uber's newfound enthusiasm to play ball is limited to those provisions that, in no way, impede the company's intended aims and objectives. In short, it will insist on the right to expand at will - a notion completely at odds with the limitation on plates that underpins the taxi industry, and has done so since September, 1970.

Two questions immediately come to mind. Why should the City undertake any attempt to accommodate Uber, given the company's utter disregard for the Public Vehicle Licensing By-law up to now? Secondly, how can Uber X possibly be accommodated, given the strict controls on the number of licensed cabs, in place for 45 years.

As for creating a new licence category to address so-called ridesharing services, such a move not only is antithetical to the Licence Issuance Model, but also, would further destabilize the local taxi industry. It goes without saying the City's responsibility in this matter is not restricted solely to the travelling public. Consideration must be accorded the many drivers and owners who have paid their licence fees over the years in good faith.

If Uber and similar operations wish to operate in Mississauga, let them do so either under a taxi broker's licence, or a limousine broker's licence, and govern themselves accordingly.

In the meantime, under no circumstances can they be allowed to operate at will, to the extreme detriment of local cabbies. The By-law needs to be rigorously enforced.

PETER D. PELLIER

Mississauga

From: Amandeep Singh
Sent: Friday, October 16, 2015 10:12 AM
To: Mississauga
Subject: Feedback on TNC regarding Uber

Hello

I would like to submit the following recommendations:

1. Uber drivers should follow the same standard of livery drivers. This is to ensure the driver education standards, automobile standards, safety standards meet the city's standards.
2. In addition, there should be a mandate on the Uber driver to be working as a full time Uber driver, a minimum of 40 hrs a week. This is to ensure that we don't have a situation where a city which currently has 1000 taxis, ends up reaching to the level of 20000 Uber drivers, excessively diluting the business and resulting in no driver (including Uber) being able to make a meaningful living by doing this job alone. It is the same principal why the administrations around the country don't issue unlimited taxi plates, allow builders to build as many houses as they want (until certain amounts are sold off) etc.
3. Uber drivers should collect HST just as livery and taxi drivers.
4. Since the local Taxi companies pay corporate taxes, Uber should also be mandated to pay corporate taxes on the revenues collected within Canada.

Alternatively, if Uber, the province, the City or an alternative entity can purchase away all the taxi plates, all taxi drivers can join Uber, however, to the demise of the taxi companies and the employment of the people they employ.

Thank you

Mississauga

From: Mangat Singh
Sent: Friday, October 16, 2015 10:56 AM
To: Mississauga

I would like to submit the following option:

1. Uber drivers should follow the same standard of livery drivers. This is to ensure the driver education standards, automobile standards, safety standards meet the city's standards.
2. In addition, there should be a mandate on the Uber driver to be working as a full time Uber driver, a minimum of 40 hrs a week. This is to ensure that we don't have a situation where a city which currently has 1000 taxis, ends up reaching to the level of 20000 Uber drivers, excessively diluting the business and resulting in no driver (including Uber) being able to make a meaningful living by doing this job alone.
3. Uber drivers should collect HST just as livery and taxi drivers.
4. Since the local Taxi companies pay corporate taxes, Uber should also be mandated to pay corporate taxes on the revenues collected within Canada.

Alternatively, if Uber, the province, the city or an alternative entity can purchase away all the taxi plates, all taxi drivers can join Uber, however, to the demise of the taxi companies and the employment of the people they employ.

Mississauga

From: Ranjit S. Dhesy
Sent: Friday, October 16, 2015 12:59 PM
To: Mississauga
Subject: Aerofleet TNCs Response
Attachments: TNC-2015.pdf

Hello,

attached is the response to TNCs from Aerofleet.

Ranjit Dhesy, Manager
Main: 905-678-7077, Direct: 905-361-0247
Email: ranjit@aerofleet.ca
Aerofleet Cab Services Ltd.

Response to Request for Comments

Attn: mississauga@windelsmarx.com

1. **Existing Laws & Regulatory Structure:** Are the existing by-laws, service model definitions and procedures, as well as enforcement methods and resources, adequate with respect to existing taxi and limousine service providers as well as new technology market entrants?

RESPONSE:

The existing by-laws, procedures, and enforcement methods are adequate for existing taxi and limousine market. However, it is not sufficient to deal with the new entrants due to unregulated business operation by these companies. This unregulated business operation should be shut down immediately. Only if it is an absolute necessity to allow these new entrants then provisions in the existing by-laws to accommodate new entrants must be applied and must apply to all taxis and limousines thus encourage fair competition.

2. **Licensing Standards:** Identify whether the driver qualification and training standards; vehicle condition, safety, inspection and insurance standards; penalties and levels of enforcement; transportation business provider accountability and customer service standards should be applied to new market entrants, and if so, why? – Or, if not, why not?

RESPONSE:

These new entrants are getting unfair advantage by not requiring permits & licences, commercial insurance, commercial vehicles etc. Driver training and background checks are an issue with these drivers and these companies made a mockery of established authorities and people transportation industry by not following the rules. They must be regulated and made to go through the same procedures as taxis and limousines and run business as per licensing by-laws and regulations such as:

- 1. Go through licensing requirement and have commercial vehicle driving licence.*
- 2. Have commercial vehicle & Insurance.*
- 3. Mandatory inspections.*

3. **Facts and Data:** What facts, data and studies, or information about the business models, pricing and manner of operation of both existing taxi and limousine providers as well as new technology entrants, can you provide to aid this consultation, including how or whether such entrants can be allowed to operate?

RESPONSE:

City of Mississauga must enforce the by-laws and shut down any unregulated operation in its boundaries. City of Mississauga must also control the requirements of number of commercial vehicles in operation required by demand and supply. Surplus of vehicles and drivers are beneficial neither to the existing industry nor to the new entrants. The plate issuance formula must be reviewed and updated and drivers on the priority list must be given preference. The pricing, manner of operations, vehicles standards, permits and licensing should all be monitored and regulated by the licensing authority. Fare rates must be regulated and unfair competition and no increase or decrease in fares in rush hours and slow time and unfair soliciting methods.

Sincerely,

Ranjit Dhesy, Manager

T: 905-678-7077, F: 905-206-1211

Email: ranjit@aerofleet.ca

Aerofleet Cab Services Ltd.

Mississauga

From: Ranjit S. Dhesy <ranjit@aerofleet.ca>
Sent: Friday, October 16, 2015 1:08 PM
To: Mississauga
Subject: Fwd: Aerofleet TNCs Response
Attachments: TNC-2015.pdf

Ranjit Dhesy, Manager
Main: 905-678-7077, Direct: 905-361-0247
Email: ranjit@aerofleet.ca
Aerofleet Cab Services Ltd.

----- Forwarded message -----

From: **Ranjit S. Dhesy** <ranjit@aerofleet.ca>
Date: 16 October 2015 at 12:58
Subject: Aerofleet TNCs Response
To: mississauga@windelsmarx.com

Hello,

attached is the response to TNCs from Aerofleet.

Ranjit Dhesy, Manager
Main: [905-678-7077](tel:905-678-7077), Direct: [905-361-0247](tel:905-361-0247)
Email: ranjit@aerofleet.ca
Aerofleet Cab Services Ltd.

Response to Request for Comments

Attn: mississauga@windelsmarx.com

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Sincerely,

Ranjit Dhesy, Manager

T: 905-678-7077, F: 905-206-1211

Email: ranjit@aerofleet.ca

Aerofleet Cab Services Ltd.

Mississauga

From: Karen Morden <Karen.Morden@mississauga.ca>
Sent: Friday, October 16, 2015 2:22 PM
To: Mississauga
Subject: FW: City of Mississauga - Request for Comments

For inclusion in the report for Mississauga.

From: Yad Singh
Sent: 2015/10/16 2:18 PM
To: Karen Morden
Subject: Re: City of Mississauga - Request for Comments

1. Existing Laws & Regulatory Structure

Are the existing by-laws, service model definitions and procedures, as well as enforcement methods and resources, adequate with respect to existing taxi and limousine service providers as well as new technology market entrants?

2. Licensing Standards

Identify whether the driver qualification and training standards; vehicle condition, safety, inspection and insurance standards; penalties and levels of enforcement; transportation business provider accountability and customer service standards should be applied to new market entrants, and if so, why? – Or, if not, why not?

3. Facts and Data

What facts, data and studies, or information about the business models, pricing and manner of operation of both existing taxi and limousine providers as well as new technology entrants, can you provide to aid this consultation, including how or

whether such entrants can be allowed to operate?

"COMMENTS"

1. Definition : Following definition needs changes,

A, Taxi : Any vehicle with driver or driverless or remotely controlled through satellite, used for compensation.

B, Vehicle : Any movable platform in contact with land, water or rope way used for transporting humans.

C, Driver : Some one physically or remotely operating a vehicle.

D, Broker : An agency facilitating operations of human transportation through landlines or Internet by any electronic device.

F, Enforcement : Include Regional & Provincial Police

E. The enforcement needs to be given to the police.

F. Limousine service should be considered as a taxi service and not a separate entity.

G. Enforcements needs to be more stringent.

H. Taxi enforcement inspectors are sufficient if they operate in coordination with provincial and regional police.

2. Licensing standards needs to be applied to every agency dealing with transportation of humans for compensation.

Why ?

A. Standardization

B. Same rules for all, no double standards.

C. Safety of public.

D. Revenue to the city, (should not happen like Detroit)

F. Revenue to the provincial and federal govt.

G. Accountability towards public.

3. Facts & Data

Police and Thief can not operate hand in hand.

It is the responsibility of the municipality to protect its own by- Laws and govern efficiently. Leaving loose ends brings down the cities regulatory frame work.

If uber model persists 95% of the drivers will become part time operators or they will have to move on for other full time jobs.

At present people operating under uber are mostly on welfares. They work to generate extra cash illegally.

Full time operators are paying taxes for the people on govt. assistance and on the other side loosing their full time jobs because of the same people.

It's not the technology which is creating ripples but the cheap fares.

Such agencies affect public transit system too, which is run by public money.

The datas can only be received from individual agencies separately, but future can be predicted on the bases of present scenarios.

Fact is that income of taxi drivers has gone down by almost 30%.

I use to work 11 hours daily, now I am working 14 hours.

The cost of operations have gone up, Insurance has increased by 500 times.

If govt. doesn't work for this industry then it is hard to sustain the business.

These companies should be banned and city must change its bylaw definitions to ensure this type of nuisance does not reoccur.

Mississauga

From: Kirpal Toor
Sent: Friday, October 16, 2015 2:37 PM
To: Mississauga
Subject: City of Mississauga - Request for Comments

To whom it may concern,

The increase in demand for transportation in the city of Mississauga is a clear indicator of the need for more permits similar to the existing ones to be issued. Adding a third tier to an existing two tier system is futile. An increase of taxicab and/or limousine permits will suffice to resolve the issue. On that note, I would like to take the opportunity to compliment the existing priority system and its efficacy.

If the decision to add a third tier is made, then it is only logical that every single rule, regulation, law and standard that the existing taxicab and limousine permit holders adhere to, must be applied to the TNCs as well.

Thank you for your time and consideration,
Kirpal Singh Toor

Mississauga

From: Karen Morden <Karen.Morden@mississauga.ca>
Sent: Friday, October 16, 2015 3:05 PM
To: Mississauga
Subject: FW: City of Mississauga - Request for Comments
Attachments: A1Airlinefinal.pdf

For inclusion in the consultant's report.



Karen Morden

Legislative Coordinator, Office of the City Clerk
T 905-615-3200 ext.5471
karen.morden@mississauga.ca

[City of Mississauga](#) | Corporate Services Department,
Legislative Services Division

Please consider the environment before printing.

From: A1 Airline Taxi & Van Fleet
Sent: 2015/10/16 2:58 PM
To: Karen Morden;
Subject: Fwd: City of Mississauga - Request for Comments

Hi Karen

I have attached our response as per your request for TNC. If you have any question, please contact us back.

Thanks
Manjeet

Manager
A1 Airline Taxi

A-1 Airline Taxi & Van Fleet Services
(2233435 Ontario Ltd)
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Mississauga ON L4W 4Y8
info@a1airlinetaxi.ca

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416 756 1516,
1-800-884-5860
Fax #: 905-629-1618
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Response to Request for Comment

Re: TNC's and the Mississauga for Hire Transportation Industry

To: Matt Daus, Consultant
Wendelmarx
Mississauga@wendelmarx.com

Dear Sir:

1. Existing Laws & Regulatory Structure - Are the existing by-laws, service model definitions and procedures, as well as enforcement methods and resources, adequate with respect to existing taxi and limousine service providers as well as new technology market entrants?

The current regulatory structure in the City of Mississauga has proven to be more than sufficient and has provided customers years upon years of reliable service. It is not the by laws or regulations that are the issue, it is the fact that the new market entrants are operating outside of such regulations. The City Of Mississauga has historically had one of the most stable, fair and equitable taxi systems in Ontario. The existing by-laws provide consumer protection in terms of proper insurance overages, criminal background checks, mechanical safety of the vehicles, security cameras (to protect both the public & drivers), easily identifiable vehicles and price protection from gauging. The City of Mississauga is one of the only municipalities where there is relative unity between taxicab drivers, owners, operators & brokerages. The city also has very fair plate issuance criteria that ensures there is enough supply of vehicles to the general public but more importantly that drivers can earn a full-time living. The sensitive ratio of supply of vehicles vs. demand for service has a direct effect on the sustainability of the taxi industry and recently this ratio has been greatly disrupted by thousands of unlicensed vehicles operating in direct competition with the licensed vehicles.

Industry members and drivers have invested their life's work into the system the City created with the idea that when providing transportation for-hire either a taxicab or limousine license would be required. They invested in the idea that it would not be possible for someone to operate on such a large scale without licenses. The attraction behind owning such license being that the owner can take home that small piece of proverbial pie in order for the driver to cover their expenses and earn an honest day's wage. The new market entrants have taken the stability out of the industry and have significantly damaged the faith in the system in which industry members have trusted in for years. The Mississauga taxicab industry is particularly vulnerable to the new market

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entrants as we are very much dependent on dispatched orders through brokerages. The City of Mississauga has a very minimal amount of street hail business available to drivers compared to cities like Toronto.

Enforcement of Current By Laws - Currently the laws are being strictly enforced on licensed operators, while the lawless are roaming free reaping all the benefits of having little to no overhead expenses. The underlying reason why the public are drawn to this service is the price, the reason they can afford to give a cheaper price is through ignoring all the rules that the licensed vehicles have to follow. We do not in anyway feel this is about technology. Our current bylaws should be re-written to encapsulate the new entrants and leave no shadow of doubt that they are operating an illegal taxicab service. An injunction for them to seize all operations of this illegal taxicab service in the City of Mississauga should be sought to strengthen the message that there are reasons we license businesses in Canada. The new market entrants should be fined to the maximum penalty each and every day they operate a taxicab brokerage without a license. Peel Police should also be enforcing the existing HIGHWAY TRAFFIC ACT § 39.1 - PICKING UP PASSENGER FOR COMPENSATION PROHIBITED WITHOUT LICENCE. Laws are blatantly being broken in front of Police & Licensing staff, and we in the taxi industry are curious as to when we became a society that does not enforce our laws.

2. Licensing Standards Identify whether the driver qualification and training standards; vehicle condition, safety, inspection and insurance standards; penalties and levels of enforcement; transportation business provider accountability and customer service standards should be applied to new market entrants, and if so, why? – Or, if not, why not?

The bottom line is whether speaking of new market entrants or existing taxi companies both are providing ground transportation for compensation, the method by which an order is dispatched to a vehicle does not change the material service that is being offered. Taxicab bylaws were created for reasons of safety, fairness and consumer protection. All taxicab companies in Mississauga possess the same technologies that the unlicensed market entrants have.. If a two-tier system were to be enacted it would eliminate all benefits of being a licensed Taxicab operator.

Why follow a long list of regulations that create overhead costs when there is a license available to provide the exact same service with much less overhead and red tape. In that scenario majority of operators would look to return all taxicabs permits and operate as TNC companies.

Why would anyone want to drive a vehicle with a list of restrictions when there is a cheaper alternative? If City Council were to choose to offer a different class of licenses to TNC companies it would be the equivalent of offering one specific Taxi company different licenses than all other Taxi companies. If in years past hypothetical Taxi

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Company “ABC” changed their dispatch method to Cell Phones rather than radio would they have the grounds to approach the City and demand different licenses and regulations?

Imagine if “ABC” Taxi Company demanded the following:

1. That the meter rate should not apply to them. “ABC” should be able to charge what they want, whenever they want. In a snow-storm, time of high demand or crisis they should be able to charge their customers 5 times the regular price. Also “ABC” would like their rates not to be inclusive of HST.
2. “ABC” would like to use different car types then the list provided to all other taxi companies. There also should be no vehicle age restrictions, any car that “ABC” deems fit should be able to be used. “ABC” would also like their vehicles to be self-inspected.
3. When “ABC” needs to hire a driver they should be able to just email their paperwork, watch a 5 minute You Tube video and be out on the road picking up passengers the next day. No need for their drivers to go to Taxi School for a week, write an exam and pay a licensing fee.
4. “ABC” should not be forced to buy \$2 Million Dollar Commercial Insurance coverage full-time, just when their drivers are working. Or better yet would they would like to be allowed to endanger and mislead the public for an extended period of time before deciding to inquire about insurance coverage.
5. “ABC” does not feel the need to have their vehicles identifiable to the public by means of a roof-sign, decals or license numbers. They would prefer an honour system where the city would trust that the registered vehicle is in fact the one the phone is being used in.

“ABC” would also like to be able to bypass the existing licensing issuing system, and have exceptions be made for them to receive license immediately. They would like to completely disregard the years and years of hard work from drivers who are issued licenses from the priority list.

So in this scenario detailed above would it be justifiable to provide “ABC” Taxi with licenses? Or would that provide them a competitive advantage. Why treat one company differently when they provide the exact same service? Does the method by which you send a ride to a driver really change anything? Or at the end of the day aren’t we all just transporting passengers for compensation. Why change the existing laws that have worked for centuries to help a company that has deliberately ignored existing regulation and knowingly endangered the public? Uber virtually offers the public exactly what the Taxi apps all dispatch companies offer. The new market entrants such as Uber have the capabilities and platforms already established to use licensed vehicles through their UberBlack & UberTaxi. The only option that will allow licensed taxicabs to survive is forcing them to use only these models.

Proposed Changes to Current Bylaws: Though we are not in any way in favour of a

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two tier system there are compromises that can be made for the New Market Entrants and the existing licensed operators to co-exist:

a. License the new market entrants as Taxicab Brokers as defined through definition changes. As a licensed broker rides must be dispatched to only to existing City Licensed Vehicles including all regulations that go along with this. The current By Law 420-04, as amended, needs several changes. In the Definitions section of the By Law, we need to bring the definitions of broker and driver up to date to reflect changes in the technology of connecting customers with drivers. There has been a motion put forward by the PVAC to define a “Broker” as any Person or Corporation which carries on the business of facilitating in any fashion the provision of for hire transportation between any person and any vehicle not owned by that Person or Corporation. Also that “Driver” means any person who drives a Taxicab, Limousine, Airport Municipal Transportation Vehicle, or any other for hire motor vehicle, excluding public transport.

b. Remove restrictions for licensed vehicles to work solely through one brokerage. Allow use of multiple dispatch services for licensed taxicabs.

c. No Surges or Price Gauging - No matter which dispatch brokerage the licensed vehicle receives an order the rate charged shall only be the rate dictated by the city. In cases where an application is used, driver will manually enter the meter amount into the application at the end of the tip. This is currently the method used by the UberTaxi Service as well the method Hailo used operated while operating with licensed vehicles in the City of Toronto.

d. Strictly enforce all requirements of current bylaws and increase fines and penalties regarding operating a taxicab without the required Licence. Also support Provincial [Bill 53, Protecting Passenger Safety Act, 2015](#) to give police & municipal enforcement officer’s greater authority to lay charges, impound vehicles of unlicensed vehicles.

e. If the eventual demand for vehicles increases, the City should continue to issue licenses through the existing plate issuance criteria and priority list. Studies have shown that there are more than enough taxis and limousines on the city streets, through the existing situation licensed operators are struggling.

There are tens of thousands of people and their families that are supported directly or indirectly by Taxi Industry, including: Thousands of Taxi Drivers, Vehicle Operators (whether multiple or individual), License Holders (who have or continue to work year after year in the industry), Auto Mechanics, Dispatch Companies (and their staff), Insurance Brokers, Car Dealers, Vehicle Equipment Installers and Telecommunication Companies. It would be unjust to jeopardize the livelihoods of all these hard working people to accommodate a Non-Canadian, Multi-Billion Dollar enterprise.

3. Facts and Data What facts, data and studies, or information about the business

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models, pricing and manner of operation of both existing taxi and limousine providers as well as new technology entrants, can you provide to aid this consultation, including how or whether such entrants can be allowed to operate.

a) Driving for Uber is not a sustainable full time job.

Through Uber's own admission their turn around on drivers is three months, Uber has also stated that 50% of their drivers work between 0-10 Hours per Week. The concept of UberX is to use part time non-professional drivers that drive on a casual basis. That concept if regulated will replace the jobs thousands of Full-Time law abiding citizens of Mississauga with part-timers trying to temporary supplement their income. They can pitch the concept of "ridesharing" and "technology" but in reality it is nothing but an unregulated taxi service. There are no rides being shared these drivers are leaving their place of residence, heading city centres and roaming the streets to provide taxi services. They are not picking up people going in the same direction as them on their commute. We as an industry are in no way anti-competition, we have no problem with allowing the new Market Entrants into the fold, we just ask that the same rules that have applied to us for centuries be applied to new market entrants. When Uber entered the market using licensed vehicles through UberBlack and UberTaxi the taxicab and limousine industry were not overly concerned as they were using only city licensed vehicles. But to allow just any one to decide they want to be in the taxicab business and start operating is not just or fair. The barriers to entry should not be at a place where anyone can simply send an email and be out competing with existing operators the next day.

"That's not a job": Toronto councilors on Uber and the 'suckers' being recruited to drive
<http://www.nationalpost.com/m/wp/blog.html?b=news.nationalpost.com//toronto/thats-not-a-job-toronto-councillor-on-uber-and-the-suckers-being-recruited-to-drive>

b) Traffic Congestion Through Uber's own admission they have 16,000 Drivers in Toronto alone, one can only imagine how many drivers they have across the GTA. The addition of these drivers to the thousands of licensed taxicabs in the Greater Toronto Area on can only imagine the congestion this causing. Add to this the fact that the licensed vehicles now have to wait much longer for a fare, as well as work more hours which also contributes to the congestion. In New York City they went the route of along private vehicles to be licensed (with very minimal requirements) as TNCs. The most damaging part in terms of congestion was the fact that there was no Cap on the number of vehicles. Mayor Bill de Blasio had desperately attempted to put a cap on the number of vehicles to combat Congestion in the City but Uber responded by unleashed an ad campaign and an army of lobbyists, forcing the mayor to retreat.

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Uber doubles number of drivers—just as Bill de Blasio feared

<http://www.crainsnewyork.com/article/20151006/BLOGS04/151009912/uber-doubles-number-of-drivers-just-as-de-blasio-feared>

New expert report reveals two-tier taxi industry risks include increased congestion and vehicle emissions, while costs saving can prove elusive

<http://www.newswire.ca/news-releases/new-expert-report-reveals-two-tier-taxi-industry-risks-include-increased-congestion-and-vehicle-emissions-while-costs-saving-can-prove-elusive-529905771.html>

Uber's Own Numbers Show It's Making Traffic Worse

<http://www.streetsblog.org/2015/07/22/ubers-own-data-reveals-it-slows-manhattan-traffic-9-percent/>

c) Public Transit Rider ship Down 30% Providing service at such a low cost creates an alternative to public transit. We in the City of Mississauga are spending millions on adding public transit infrastructure meanwhile at the current cost point provided. In recent years the focus in the City of Mississauga has been public transit, but we should ask ourselves what we need to do to protect the future of public transit. All these investments in transit will be at risk. What will happen when Uber decides to provide cheaper transit services on popular MiWay Routes? In recent months, Uber has been trialing a "smart routes" service in San Francisco that has been compared to a bus service in media reports. The service discourages transit use by attracting Uber customers to travel along specific routes like a bus, for a competitive price.

Poll suggests UberX is decreasing TTC and GO transit rider ship <http://www.newswire.ca/news-releases/poll-suggests-uberx-is-decreasing-ttc-and-go-transit-ridership-529475091.htm>

d) Decreased Canadian Tax Revenue - Uber does not pay corporate taxes in Canada

All licensed taxicab brokerages are Canadian owned and operated small business that employ local residents. These companies were built from the ground up by local residents. We all pay our fair share of corporate tax and spend our hard earned dollars in our local economy. The new market entrants have created a strategy that they are quite open about. Uber and Airbnb confirm they send profit offshore <http://www.smh.com.au/business/the-economy/uber-airbnb-reveal-they-send-profits-offshore-20151006-gk2v5z.html>

e) Uber's strategy of intentionally flouting regulation as described by their CEO

Uber waits for as they call it Regulatory ambiguity, though his company enacts the exact same strategy as what they are criticizing Lyft for in the video below.

Uber CEO calls competitor service 'criminal'
<https://www.youtube.com/watch?v=5fOycXLp7Ik&feature=youtu.be>

f) Creating Two Sets of Rules for the Same Service Is Unethical and Unfair

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Chicago's differing regulations of Uber vs. taxis may violate equal protection, judge says
http://cookcountyrecord.com/stories/510639525-chicago-s-differing-regulations-of-uber-vs-taxis-may-violate-equal-protection-judge-says#sthash.LSVf529p.uXfs&st_refDomain=t.co&st_refQuery=/DKMz2J5aTU

g) Uber drivers all over the world are doing non-app & street hail pickups

Hundreds of Uber cars seized in major crackdown on illegal street pickups at city airports
<http://www.nydailynews.com/new-york/close-500-uber-cars-seized-illegal-pickup-crackdown-article-1.2260211>

h) Governments all over the world have been successful in dealing with Uber

Please see the article at the URL below.

"Unstop ability" of Uber not a compelling argument + A letter to Taxi Operators & Drivers <http://us11.campaign-archive2.com/?u=7eef0d79657bcfaa29875872d&id=7ab1450814>

Mississauga

From: Baljit Pandori
Sent: Friday, October 16, 2015 3:51 PM
To: Mississauga; Daryl.Bell@mississauga.ca
Cc: Ron.Starr@mississauga.ca; carolyn.parrish@mississauga.ca
Subject: request for Comment on Taxi Industry
Attachments: Bw Taxi Comments.PDF

Attention Mr. Matt Deus

Please find attached Blue and White Taxi response to the City of Mississauga's request for comments regarding Taxi Bylaws & regulation of TNC companies.

If you have any questions or would like to discuss any of the material attached please do not hesitate to contact me.

Regards,

Baljit Pandori

GENERAL MANAGER



Direct line : 905 271 5001

Mobile : 416 417 7724

Fax : 905 274 8939

Email : baljit@blueandwhitetaxi.ca



1. Existing Laws & Regulatory Structure

Are the existing by-laws, service model definitions and procedures, as well as enforcement methods and resources, adequate with respect to existing taxi and limousine service providers as well as new technology market entrants?

Blue and White Taxi Response

While the intent of the existing by-laws appear to protect industry stakeholders as well as the riding public, these by-laws do need to be updated to reflect the modern day era and existing and future technologies and advancements. A workshop of industry stakeholders should be conducted in order to receive input to help structure those new by-laws.

In meetings with Peel Region police recently, the police are unable to provide resources to enforce violations of the municipal by-laws. Furthermore, as it pertains to the provincial highway traffic laws, the police have admitted they do not have the resources nor the direction from their municipality to make the illegal entities a priority for policing and enforcement. Blue and White Taxi understands the Peel Region Police position however more Municipal Licensing Enforcement Officers should be added to target illegal entities, drivers and vehicles. In addition we believe Peel Region Police should be directed to increase enforcement of the highway traffic laws regarding illegal companies and drivers receiving compensation for transportation.

2. Licensing Standards

Identify whether the driver qualification and training standards; vehicle condition, safety, inspection and insurance standards; penalties and levels of enforcement; transportation business provider accountability and customer service standards, should be applied to new market entrants, and if so, why? – Or, if not, why not?

Blue and White Taxi Response

The current Licensing Standards have proven to be more than adequate for the Taxi and Limousine industry and as such should be the same for any other entity, vehicle or driver providing service to the citizens of Peel Region.

The current standards include Defensive Driving courses as part of the training modules for new drivers entering the industry. Criminal background checks protect the citizens from unwanted individuals and in light of all the most recent allegations of passenger assaults, we believe on board security cameras would not only be a must, but would also be more than welcomed by Transportation for Hire companies and drivers in order to protect them from criminal and legal prosecution. On board security cameras also protect the passengers and can only be accessed by the police.

3. Facts and Data

What facts, data and studies, or information about the business models, pricing and manner of operation of both existing taxi and limousine providers as well as new technology entrants, can you provide to aid this consultation, including how or whether such entrants can be allowed to operate?

Baljit Pandori

General Manager

Mississauga

From: rav banwait
Sent: Friday, October 16, 2015 4:27 PM
To: Mississauga
Subject: Fwd: Response to Taxi Regulations city
Attachments: of mississauga. survey.docx

Dear Mr. Matt Deus,

Please find attached response to the City of Mississauga's request for comments regarding Taxi Bylaws & Regulation.

If you have any questions or require clarification, please contact me at anytime.

Sincerely,

Rav Banwait

To: Matt Daus, Consultant
mississauga@wendelmarx.com

1. Existing Laws & Regulatory Structure

The existing by-laws and regulatory structure have been the result of decades of experience. MINOR changes are always necessary to ensure the main purpose of these bylaws is not lost or ignored.

New technology or new methods of communication are not industry changing, and do not offer a free pass to allow ignorance of existing city bylaws and regulations.

Many great and powerful cities and nations across the globe have stood true to protect and uphold their city's bylaws and regulations (i.e. Vancouver, Nevada, Spain, Miami, France, and Thailand). These respected places did not bend or cave in to those who 'refused' to follow the City's own set bylaws.

These standards are in place for a reason. Let us hope we were not 'fooled' by these existing rules and regulations these past five decades.

2. Licensing Standards

Licensing Standards should absolutely apply to any new entrants (in any shape or form) entering the taxi/limo industry.

You cannot entertain new bylaws for the same service just based on a new method of communication.

The City of Mississauga controls and limits taxi vehicle licenses in operation (based on a formula) to ensure consistency, safety of passengers, discipline and a reasonable full time salary. If an industry is uncontrolled and becomes 'oversaturated', human willpower to earn a decent living may get ugly. That is human nature.

Not a favourable image for the City of Mississauga, especially to tourism and businesses.

3. Facts and Data

New entrants may operate according to EXISTING bylaws and regulations to ensure safety and fairness.

Allowing illegal services without proper permits, insurance, safety criteria, background checks etc. has and continues to destroy the legitimate businesses, who have respected the existing city bylaws for years.

Until new entrants are willing to follow existing bylaws and regulations of the City of Mississauga, they should be strictly prohibited from the City.

Please ensure each and every new entrant to any existing industry abides by the City of Mississauga's bylaws to ensure a 'level playing field'. Destroying an industry established over years and years of strict regulation cannot be replicated.

Next to God, you hold our trust and we believe you will do the right thing to protect our livelihood and ensure the City of Mississauga's existing bylaws and regulatory framework stands.

Joga S.Banwait

On Behalf of the Taxi Industry who earns its livelihood in the City of Mississauga

“Wrong does not cease to be wrong because the majority share in it.”

Leo Tolstoy

Public Vehicle Advisory Committee
DEC 07 2015



MISSISSAUGA

City of Mississauga Memorandum

To: Chair and Members of Public Vehicle Advisory Committee

From: Karen Morden, Legislative Coordinator

Date: November 24, 2015

Subject: 2016 Public Vehicle Advisory Committee Meeting Dates - Revised

The 2016 meeting dates for the Public Vehicle Advisory Committee have been scheduled as follows:

- Tuesday, February 16, 2016
- Tuesday, April 19, 2016
- Tuesday, June 21, 2016
- Tuesday, October 18, 2016
- Tuesday, December 13, 2016

Unless otherwise advised, all meetings will be held at 10:00 AM at the Mississauga Civic Centre, 300 City Centre Drive, Mississauga, in the Council Chambers.

Meetings may be cancelled at the call of the Chair due to insufficient agenda items or lack of quorum.

Please kindly contact me in advance of the meeting if you will be absent or late so that quorum issues can be anticipated and dealt with accordingly.



Karen Morden
 Legislative Coordinator, Office of the City Clerk
 T 905-615-3200 ext.5471
karen.morden@mississauga.ca



Advisory Committee Role:

- provide non-binding insight and feedback to Council and staff on agenda items;
- share expertise and perspective to Council and staff on agenda items;
- respond to agenda items as presented to Committee by Council or staff;
- uphold the mandate and vision of the Committee;
- focus on the collective interest of the City rather than self-interest;
- ensure all matters are dealt with in an open and transparent manner.

Recommendations of Advisory Committees are forwarded to General Committee for consideration. The final decision regarding all recommendations is made by Council.

Ground Rules for Committees and their members:

1. Meetings start and end on time.
2. Discussions stay on subject and follow the agenda.
3. One person speaks at a time. Others do not interrupt when someone is speaking.
4. All conversations related to the Committee's business shall occur at the Committee meeting with no sidebar conversations outside of the publicly held meeting.
5. Members will come prepared and ready to speak.
6. Members listen and are open to hearing other people's perspectives.
7. Cell phones are off.
8. Consensus, majority rule or unanimous agreement is how decisions are made.
9. Members will accurately communicate recommendations of the Committee even if they disagree with the final decision. This will maintain the integrity of the decision making process.
10. The Chair of the Committee is the spokesperson for the Committee. Any comments made must align with and be in agreement with the direction given by the Committee. When outside of the meeting, members speak for themselves as individuals and not for the Committee.