



COMMUNITY SAFETY COMMITTEE
Thursday, April 10, 2014; 12:00 – 1:30 p.m.
Room 280

Committee Members: Claire Fallon, Chair
Michael Barnes, Vice Chair
Al Austin
Greg Phipps
Kenny Smith

Staff Resource: Eric Campbell, Assistant City Manager

AGENDA

I. Digital Dispatch

Staff Resources: Eric Campbell & Thomas Powers

The Committee will continue its discussion from the March 17, 2014 meeting regarding Passenger Vehicle for Hire and Digital Dispatch Services.

Attachments: 1. Committee Memo.doc

2. NC Gen State Statute 160A-304.doc

3. Comparison of City Ordinance to State Statute.doc

Next meeting

May 8, 2014 at 12:00 noon, Room 280

Distribution:	City Council	Ron Carlee, City Manager	Executive Team
	Bob Hagemann	Stephanie Kelly	Thomas Powers
	Tracy Evans		



Memorandum

TO: Community Safety Committee

FROM: Eric D. Campbell, Assistant City Manager
Thomas E. Powers III, Assistant City Attorney
Tracey Evans, Assistant City Attorney - Police

DATE: April 4, 2014

RE: Denials/Revocations/Suspensions Background Info, Legislative Comparison,
Draft of Revised N.C. Gen. Stat. § 160A-304, and Draft of Revised City Code Chapter 22

I. Denials/Revocations/Suspensions Background Info

1. Denials

- a. Seventy-eight (78) drivers have been denied by the Passenger Vehicle For Hire (“PVH”) Office pursuant to Charlotte City Code § 22-145. Each driver appealed to the PVH Board.
 - i. Ten (10) drivers were not successful in their appeal to the PVH Board.
 - ii. Sixty-eight (68) drivers got the PVH Board to reverse the initial denial by the PVH Office and had conditions placed on some of their newly issued driver’s permit.
 - 1. Eleven (11) drivers violated the conditions placed on the driver’s permit and had their driver’s permit revoked immediately.
- b. Breakdown
 - i. Eight (8) drivers denied in reference to Driving While Impaired charge.
 - ii. Thirty-two (32) drivers denied in reference to Habitual Traffic laws.
 - iii. Nine (9) drivers denied in reference to Habitual Criminal laws.
 - iv. Seventeen (17) drivers denied in reference to Felony laws.
 - v. One (1) for conduct violation in chapter 22.
 - vi. Eleven (11) for either Habitual Criminal and Felony, or Habitual Traffic and Felony.

2. Revocation

- a. Five (5) Driver’s Permits have been revoked by the PVH Office pursuant to Charlotte City Code § 22-149. Each driver appealed to the PVH Board.
 - i. One (1) driver was not successful in his appeal to the PVH Board.
 - ii. Four (4) drivers got the PVH Board to reverse the revocation by the PVH Office.
- b. One (1) Company Operating Certificate has been revoked by the PVH Office pursuant to Charlotte City Code § 22-70.
 - i. One (1) company was not successful in its appeal to the PVH Board.
- c. Breakdown
 - i. Two (2) drivers revoked for failure to pay penalties in timely manner.

II. Legislative Comparison

There are two charts for the Committee's review.

- The first chart highlights what City Code Chapter 22 requires in comparison to the authority provided by N.C. General Statutes § 160A-304.
- The second chart highlights the North Carolina statutory authority in comparison to the California Public Utilities Commission rulemaking decision

III. Draft of Revised N.C. Gen. Stat. § 160A-304

Staff provides draft legislation for North Carolina General Statutes § 160A-304. The key provisions that Staff has proposed for changes include the following:

- Replacing “taxicab” with “passenger vehicle for hire” to reflect the entire industry and not one segment of the industry
- Deleting N.C. Gen. Stat. § 160A-304(c)(1) to permit the City to regulate digital dispatch service companies in a similar manner to the traditional passenger vehicle for hire industry
- Added a provision to the former N.C. Gen. Stat. § 160A-304(c)(2) stating “However, a city is authorized to establish a non-binding standardized rate schedule for use by any passenger vehicle for hire company.” This would make rate setting optional for passenger vehicle for hire companies to adopt but not mandatory.

IV. Draft of Revised City Code Chapter 22,

The primary intent underlying this draft of City Code Chapter 22 is to eliminate redundant provisions, enhance the conciseness of the ordinance language, incorporate the statutory authority of N.C. Gen. Stat. § 160A-304 into the City's ordinance. Here is an overview of the revisions:

1. Numerous provisions were deleted or consolidated due to redundancy, in violation of N.C. Gen. Stat. § 160A-304, or to simply the ordinance. None of these provisions will be included in this memo.
2. Numerous provisions were altered to clarify the text to enhance the readability of the ordinance. None of these provision will be included in this memo.
3. Section 22-27. Definitions
 - a. *Call or demand* is revised to state transportation arrangements made indiscriminately and instantaneously with a request for service which shall include, but shall not be limited to, (i) the hailing of, use of a mobile app, a taxicab, passenger vehicle for hire or any other oral request for a ~~taxicab~~passenger vehicle for hire, (ii) passenger vehicle for hire service made from a public street location, airport terminal roadway or public vehicular area as the pickup. ~~No A~~ passenger vehicle for hire may, other than a taxicab, shall engage in cruising or be operated on call or demand only if it is digitally dispatched through a mobile app.- Taxicabs may engage in cruising or be operated on call or demand.

- b. *Carpooling Network* means (i) two or more persons by any mode of vehicular transportation from one or more points of origin to one or more points of destination, and (ii) dispatched through an online-enabled app, mobile app, or through alternative digital means, and (iii) not required by the State of North Carolina to have a commercial license plate, and (iv) using a personal vehicle, and (v) providing for hire service similar to other passenger vehicles for hire.
- c. *Carpooling Network Companies* means an organization, whether a corporation, partnership, sole proprietor, or other form that provides for hire service through an online-enabled app, mobile app, or platform to connect passengers with drivers using their personal vehicles.
- d. *Chauffered Limousine* means (i) any motor vehicle that meets the manufacturer's specifications and shall have a minimum of four seats or one continuous sofa-styled seating area located behind the operator of the vehicle or (ii) any motor vehicle that provides executive transportation services and shall be equivalent to or larger than a full-size vehicle. The PVH manager shall maintain a list of all the types of vehicles that will be approved to operate for chauffeured limousine service. No chauffeured limousine shall engage in cruising.
- e. *Chauffered Limousine company* means any passenger vehicle for hire company issued a company operating certificate that engages in the business of operating limousines or providing limousine service as an owner or franchisor.
- f. *Chauffered Limousine service* means the service regularly rendered to the public, not over fixed routes, which furnishes transportation by limousines for hire, based on a fee and contracted for by prearrangement with a chauffeured limousine company.
- g. *Passenger vehicle for hire* is revised to state any vehicle ~~(including limousines)~~ licensed by and registered with the North Carolina or South Carolina Department of Motor vehicles (or equivalent state agency). A passenger vehicle for hire is operated by a driver and provides for hire transportation services, as defined in this section. A passenger vehicle for hire shall not include motor vehicles or motor vehicle carriers as defined in G.S. 62-259—62-279 or hotel courtesy vehicles that provide transportation services solely to patrons of the hotel. A passenger vehicle for hire maybe operated on call or demand only if it is digitally dispatched through a mobile app. Taxicabs may engage in cruising or be operated on call or demand.~~No passenger vehicle for hire, other than a taxicab, shall engage in cruising or be operated on call or demand~~

- h. *Prearrangement* is revised to state an agreement to provide transportation, in advance of boarding from a specific location by a passenger vehicle for hire, either (i) by registration or (ii) through an online-enabled app, mobile app, or alternative digital means, in advance of boarding from a specific location by a nonmetered passenger vehicle for hire. A driver or company must be able to demonstrate prearrangement by showing a copy of a written or electronic reservation for service from a specific location, at a specific date and time, to travel to any specific destinations. ~~All passenger vehicles for hire (except taxicabs) must be able to present written or electronic proof of a reservation. Rates will be established in one-hour increments for a minimum of a one-hour period without regard to whether the trip requires less than one hour or not or by specific written contract. The key factor in determining the cost of a prearranged non-metered passenger vehicle for hire service shall be the length of time the vehicle is in use, measured in hourly increments or an agreed-upon fixed rate by written contract.~~ Prearrangement does not include the hailing or other oral request for immediate transportation service from a public street location or public vehicular area as the pickup location.
- i. *Vehicle* is revised to state every automobile or motor-propelled vehicle device in, upon, or by which any person or property is or may be transported or drawn upon a highway/roadway, excepting devices moved by human power or used exclusively upon fixed rails or tracks. This term shall not include (i) mopeds, or (ii) electric personal assistive mobility devices as defined in North Carolina General Statutes G.S. § 20-4.01 (7a), or (iii) devices moved by human power or used exclusively upon fixed rails or tracks.
4. Section 22-30(1)(c) is revised to state “*Shared ride.* A passenger vehicle for hire service involving the transportation of several passengers by a taxicab from one or more origins to one or more destinations for compensation, ~~as described in s~~Subsection 22-31(g) applies. If agreed to by the original passenger, a taxicab carrying passengers may answer other calls or pick up additional passengers. Prior to taking the original passenger to his destination, the original passenger must agree to the amount of additional time required for the shared-ride trip as estimated in advance by the driver. Taxicab drivers shall specify any fare discounts authorized by the passenger vehicle for hire board to passengers participating in the shared ride. If the original passenger is a person under 18 years of age and is unaccompanied by a person 18 years of age or older, no other passengers shall be permitted in the taxicab unless permission is given in a prearranged contract by the contracting parties; and
5. Section 22-30(1)(d) is revised to state “*Prearrangement.* A passenger vehicle for hire service involving the transportation of a person or several passengers by a taxicab from one or more points of origin to one or more points of destination for compensation by prearrangement.”

6. Section 22-30(5) consolidates the taxicab special services permit and limo temporary special services permit into one section as follows “*Special service. A passenger vehicle for hire service essentially different from typical taxicab services as described in subsection 22-30(1) or an infrequent and unusual passenger vehicle for hire service requiring the pooling of foreign or unpermitted chauffeured limousines. Services under this subsection include, but are not limited to, fixed route service, paratransit service, geographically or time-of-day/limited service, any other innovative services, or pooling arrangements to service the needs created by one-time citywide tourism events. Applications for a special service permit shall be submitted by the company operating certificate holder, called the applicant, to the passenger vehicle for hire manager. All applications shall contain the following information:*

1. Application for a special service permit shall be addressed in writing to the passenger vehicle for hire manager, shall explain in detail the necessity of the proposed special service.
2. The application shall provide reasons why a regular vehicle operating permit is inadequate, the requested number of passenger vehicles for hire sought, and the number of passenger vehicles for hire presently operated by the applicant on the date of such application.
3. For pooling arrangements to service the needs created by one-time citywide tourism events, the following additional information shall be provided:
 - i. The name and address of each foreign company and, if a foreign company is a corporation, a certified copy of the articles of incorporation, or if such foreign company is an association, a certified copy of the bylaws of the association;
 - ii. The make, model, vehicle owner, vehicle identification number, license plate number, and passenger capacity of all passenger vehicles for hire for which application for a company operating certificate is made;
 - iii. Certificates of insurance or copies of the insurance declaration page for each passenger vehicle for hire planned for use, showing policy number, coverage limits, and vehicle year, make, model and vehicle identification number;
 - iv. A list of all company owners and drivers to include full name, driver's license number, social security number, and date of birth; and
4. Approval and subsequent operation under a special service permit shall be contingent upon any conditions of this article placed in the special service permit by the passenger vehicle for hire manager. Failure to carry out the conditions of the special service permit shall be grounds for revocation of the permit.

- 5. Fees for the application of special service permits shall be set by the city manager, or his designee.
- 6. A special service permit holder must also obtain a vehicle operating permit for the service to be provided.
- 7. The applicant shall swear that the information submitted is neither false nor misleading. Submitting, or causing to be submitted, false or misleading information is unlawful and shall be grounds for denial of a special temporary service permit and may subject the company operating certificate to revocation.

6.7. Section 22-31(d) is revised to state “The use by a driver of No driver shall have in his possession a lit cigarette, cigar, pipe or tobacco of any kind or incense in a passenger vehicle for hire is prohibited, regardless of whether a passenger is present or not in the while operating a passenger vehicle for hire.”

7.8. Section 22-31(f) is revised to state “No driver of any taxicab shall at any time ~~solicit passengers by any word, sign, signal (audible or otherwise) or gesture or use any word, sign, signal (audible or otherwise) or gesture to solicit patronage,~~ annoy any person, obstruct the movement of any person or traffic or follow any person, ~~except that within a taxicab stand, as designated in subsection 22-32(a), a driver of any taxicab located inside his vehicle or outside, but within ten feet of the taxicab, may solicit passengers by word, sign or gesture. Except as provided by this subsection, a driver of any taxicab may not solicit or have any other person solicit passengers on the driver's behalf.~~ Nothing in this subsection shall prohibit a driver of any taxicab from alighting to the street or sidewalk for the purpose of assisting passengers into or out of his taxicab”

8.9. Section 22-33(b) is revised to state “Upon the failure of an offender to pay any and all civil penalties assessed pursuant to this section or appeal the underlying violation, such penalty may be recovered through all means available under the law, including but not limited to a civil action in the nature of a debt as set forth in Section 2-24 of the City Code.”

9.10. Section 22-33(e) is revised to state “If a person fails to pay or appeal a penalty within thirty (6030) days after the ~~city's mailing of the~~ notice of violation, the passenger vehicle for hire manager shall suspend or revoke the person's company operating certificate, vehicle operating permit, and/or driver's permit in addition to any other action taken pursuant to this article”

10.11. Section 22-62(d)(1)(g) is added to state “one vehicle for any digital dispatch service; or.”

11.12. Section 22-62(e)(1) is revised to standardize all vehicle decals to be on the lower left front windshield.

12.13. Section 22-64(a)(6) is revised to state “Existence of a legal address to receive correspondence.” Similar change in Section 22-66 and Section 22-104.

- 13.14. Section 22-64(a)(7) is revised to state “Ability to ~~provide radio-dispatched~~ taxicab service throughout the corporate limits of the City of Charlotte 24 hours a day, seven days a week.” Similar change in Section 22-66, Section 22-104, and Section 22-106.
- 14.15. Section 22-101 is revised to state “No person shall operate any passenger vehicle for hire in the city without a valid vehicle operating permit for each vehicle to be operated that shall reflect the following:”
- 15.16. Section 22-111 is revised to state “Denial/~~Grounds for~~ suspension/~~or~~ revocation.”
- 16.17. Section 22-111(f) is added to state “No application for a vehicle operating permit that is denied pursuant to this subsection and for which the denial is affirmed by the passenger vehicle for hire board shall be accepted from the applicant within three years from the decision of the passenger vehicle for hire board.”
- 17.18. Section 22-141 is revised to state “No person shall drive a passenger vehicle for hire within the city without a valid first ~~having obtained a~~ passenger vehicle for hire driver's permit from the passenger vehicle for hire manager as authorized by G.S. 160A-304, which is herein incorporated by reference.”
- 18.19. Section 22-143 is revised to state “Qualifications of applicant for issuance/renewal.”
- 19.20. Section 22-143(a) is revised to state “No application for a driver’s permit shall be accepted from an applicant who does not meet all of the requirements of this section Each applicant for a passenger vehicle for hire driver's permit must:”
- 20.21. Section 22-143(a)(12) is revised to be identical to the similar 22-149(1)(c) language.
- 21.22. Section 22-144 is revised to state “Each company operating certificate holder shall require all applicant’s for passenger vehicle for hire drivers operating under the company's operating certificate to enroll in and successfully complete a driver training course from an approved list of courses maintained in the passenger vehicle for hire office. All drivers of passenger vehicles for hire shall comply with this section before receiving their driver’s permit. The driver training course needs to be completed every five (5) years after initial completion.”
- 22.23. Section 22-145(a)(5) is revised to state “Who does not fulfill the qualifications set forth in section 22-143 or 22-144.”
- 23.24. Section 22-145(c) is revised to state “The passenger vehicle for hire manager shall not issue a driver's permit to any applicant who has: (i) any driving while impaired ("DWI") convictions within the past five years, (ii) two or more arrests for DWI within the past ten years, or (iii) three or more DWI arrests, within the state, or any comparable provision of the law of any other state, territory or possession of the United States of America;“

~~24.~~25. Section 22-149 is revised to state “Revocation.”

~~25.~~26. Section 22-149(8) is altered to state “The offense or violation occurred while the driver was engaged in the operation of a passenger vehicle for hire or was engaged in some act related to the operation of a passenger vehicle for hire and:

- (a) A violation of any section of this article pertaining to the operation of passenger vehicles for hire; or
- (b) A violation of any federal, state or local law pertaining to the public health, safety, welfare or morals;

~~26.~~27. Section 22-149(9) is altered to state “No application for a driver's permit from an applicant whose driver's permit has been revoked pursuant to this section and the revocation of which is affirmed by the passenger vehicle for hire board shall be accepted from the applicant within one year from the date of the decision of the passenger vehicle for hire board to affirm the revocation.”

~~27.~~28. Section 22-151(d) is altered to state “A decision by the passenger vehicle for hire manager to suspend or revoke a driver's permit shall not become final until ten days after the decision is rendered. If the appeal is filed within the allowed time, the passenger vehicle for hire manager's decision shall be stayed pending the final decision of the passenger vehicle for hire board, and the driver may continue to drive the passenger vehicle for hire pending the appeal unless:

- (1) The driver's permit is suspended pursuant to subsections 22-149(1)c. or (4) or the state driver's license of the driver has been revoked or suspended for a violation of any local, state or federal laws; or
- (2) The passenger vehicle for hire manager determines that continued operation of a passenger vehicle for hire by the driver would impose an immediate threat or danger to public health, safety or welfare.

~~28.~~29. Section 22-151(e) is altered to state “If no appeal is filed within the allowed time, the holder of the driver's permit shall immediately surrender the permit to the passenger vehicle for hire manager, and the period of suspension shall not begin until the passenger vehicle for hire manager receives the permit. The passenger vehicle for hire manager, upon taking any action affording a right to appeal, shall give the driver, applicant, company operating certificate holder or vehicle operating permit holder, as appropriate, notice of the right to appeal.”

~~29.~~30. Section 22-251 is revised to state “The passenger vehicle for hire manager may renew a driver's permit from year to year by appropriate endorsement thereon. The driver applying for a renewal of his driver's permit shall make application in accordance with procedures established by the passenger vehicle for hire manager. The application for renewal must meet the requirements of this division.”

~~30.~~31. Section 22-181(f) is revised to state “All terms of office shall be for three years, with no member serving more than two consecutive terms. The terms of one-third of the passenger vehicle for hire board shall expire each year. If a vacancy occurs, the original appointing body shall appoint a person to serve for the unexpired term of the vacant position. Notwithstanding this subsection, if a vacancy occurs in the chair position, the mayor shall designate a new chair who shall meet the requirements set out in this section.”

~~31.~~32. Section 22-182(c) is revised to state “At least once every two (2) years, the passenger vehicle for hire board shall consider whether limits should be imposed on the number of company operating certificates, vehicle operating permits or driver's permits to be issued by the city. Thereafter, the passenger vehicle for hire board may recommend to the city council that the number of company operating certificates, vehicle operating permits or driver's permits to be issued by the city during any given calendar year should be limited. The passenger vehicle for hire board may recommend that specific limitations be imposed on each type of certificate, permit, vehicle or vehicle for hire service where the public convenience so warrants. Upon approval by the city council, limits recommended under this subsection shall be applied to initial and renewal applications for certificates or permits. The decision to limit the number of certificates and permits shall be solely within the discretion of the city council. The burden of showing that public convenience requires the issuance of the certificates or permits is the responsibility of the certificate or permit holder.”

~~32.~~33. Section 22-182(d) is revised to state “The passenger vehicle for hire board may assess the number of accessible vehicles and alternative-fuel vehicles being operated in the city under company operating certificates for taxicabs, and, upon determining the number of accessible vehicles and alternative-fuel vehicles needed to accommodate the needs of of the city, the passenger vehicle for hire board may make recommendations to the city council based on its findings. Upon reviewing the recommendation of the passenger vehicle for hire board, the city council may mandate a minimum number of accessible vehicles and alternative-fuel vehicles for each company operating certificate holder providing taxicab service in the city.”

~~33.~~34. Section 22-183(a) is revised to state “Appeals shall be on a form and in a manner approved by the passenger vehicle for hire board.”

~~34.~~35. Section 22-183(e)(5) is revised to state “Impose such other lesser penalties as it deems just and appropriate, including, but not limited to probation and/or attendance at a PVH board meetings or training class.”

~~35.~~36. Section 22-212(c) is revised to state “No passenger vehicle for hire shall be permitted to park in a metered space as determined by the director of the department of transportation (as defined in Section 14-1 of the Charlotte City Code) or defined in Chapter 14 of the Charlotte City Code. For purposes of this section, metered spaces also include any spaces for which payment is required through either a parking meter or a parking pay station operated by the City. This section does not restrict the ability of an operator of a passenger vehicle for hire from parking in parking spaces otherwise marked as parking spaces that do not require payment to the City through meters or parking pay stations. This subsection does not apply if a driver has placed an “off-duty” placard on the dashboard of the passenger vehicle for hire as provided for in Section 22-291 of this Code. No driver should loiter near the passenger vehicle for hire if the driver has placed an “off-duty” placard on the vehicle’s dashboard.”

~~36.~~37. Section 22-213(b) is revised to state “Any vehicle owner or person owning or causing any passenger vehicle for hire to be operated shall, upon receipt of any notice of cancellation of the insurance required by this section, immediately notify the passenger vehicle for hire manager and the supporting service provider, if applicable, of the cancellation. The vehicle owner is also required to give the passenger vehicle for hire manager notice of any policy cancellation within 14 days of the date the owner receives notice of any cancellation, reduction in coverage or material change to the policy. Failure to notify the passenger vehicle for hire manager of a cancellation of insurance on a passenger vehicle for hire shall result in the immediate suspension of the vehicle operating permit of the vehicle for a period of 30 days.”

~~37.~~38. Section 22-251 is revised to state “A holder of a company operating certificate, vehicle operating permit, or driver’s permit will not charge, assess, or levy more than five dollars (\$5) per mile, five dollars (\$5) per minute, or combination thereof for any passenger vehicle for hire service.”

~~38.~~39. Section 22-253 is revised to state “Each passenger vehicle for hire shall have conspicuously displayed within the interior and upon the exterior of the vehicle the rates of fare or by digital display. The rate notice posted inside and outside the passenger compartment shall be in a typewritten notice, impressed upon a contrasting background, in at least 18-point type. The rates and the driver's permit, in addition to the information required by subsection 22-146(b), must be displayed conspicuously at all times in the card frame attached to the back of the driver's seat or headrest area of the vehicle and shall be clearly visible to a passenger seated in the rear seat of the passenger vehicle for hire. In addition, the posting shall also contain language that complaints may be filed with the passenger vehicle for hire manager and shall include the mailing address and telephone number of the passenger vehicle for hire office.”

| ~~39.40.~~ Section 22-256(b) is revised to state “When requested by a passenger, the driver of a passenger vehicle for hire or digital dispatch service shall deliver to the passenger an accurate, legible receipt showing the passenger vehicle for hire's vehicle operating permit number or taxicab number, the passenger vehicle for hire's company name, the driver's permit number, the date and the amount of fare paid. Refusal on the part of the driver to deliver such receipt upon request shall constitute a defense on behalf of a passenger charged with violating subsection (a).”

N.C. General Statutes § 160A-304.
Regulation of ~~taxi~~Vehicles For Hire

Effective: August 23, 2013

- (a) A city may by ordinance license and regulate all vehicles operated for hire in the city. The ordinance may require that the drivers and operators of ~~taxicabs-vehicles for hire~~ engaged in the business of transporting passengers for hire over the public streets shall obtain a license or permit from the city; provided, however, that the license or permit fee for taxicab drivers shall not exceed fifteen dollars (\$15.00). As a condition of licensure, the city may require an applicant for licensure to pass a controlled substance examination. The ordinances may also specify the types of ~~vehicles for hire~~~~taxicab~~ services that are legal in the municipality; provided, that in all cases shared-ride services as well as exclusive-ride services shall be legal. Shared-ride service is defined as a ~~taxi~~-service in which two or more persons with either different origins or with different destinations, or both, occupy a ~~vehicle for hire~~~~taxicab~~ at one time. Exclusive-ride service is defined as a ~~taxi~~-service in which the first passenger or party requests exclusive use of the ~~vehicle for hire~~~~taxicab~~. In the event the applicant is to be subjected to a national criminal history background check, the ordinance shall specifically authorize the use of FBI records. The ordinance shall require any applicant who is subjected to a national criminal history background check to be fingerprinted.

The Department of Justice may provide a criminal record check to the city for a person who has applied for a license or permit through the city. The city shall provide to the Department of Justice, along with the request, the fingerprints of the applicant, any additional information required by the Department of Justice, and a form signed by the applicant consenting to the check of the criminal record and to the use of the fingerprints and other identifying information required by the State or national repositories. The applicant's fingerprints shall be forwarded to the State Bureau of Investigation for a search of the State's criminal history record file, and the State Bureau of Investigation shall forward a set of the fingerprints to the Federal Bureau of Investigation for a national criminal history check. The city shall keep all information pursuant to this ~~subsection-paragraph~~ privileged, in accordance with applicable State law and federal guidelines, and the information shall be confidential and shall not be a public record under Chapter 132 of the General Statutes.

The Department of Justice may charge each applicant a fee for conducting the checks of criminal history records authorized by this subsection.

The following factors shall be deemed sufficient grounds for refusing to issue a permit or for revoking a permit already issued:

- (1) Conviction of a felony against this State, or conviction of any offense against another state which would have been a felony if committed in this State;
- (2) Violation of any federal or State law relating to the use, possession, or sale of alcoholic beverages or narcotic or barbiturate drugs;
- (3) Addiction to or habitual use of alcoholic beverages or narcotic or barbiturate drugs;

- (4) Violation of any federal or State law relating to prostitution;
- (5) Noncitizenship in the United States;
- (6) Habitual violation of traffic laws or ordinances.

The ordinance may also require operators and drivers of ~~vehicles for hiretaxicabs~~ to display prominently in each ~~vehicle for hiretaxicab~~, so as to be visible to the passengers, the city ~~vehicle for hiretaxi~~ permit, the schedule of fares, a photograph of the driver, and any other identifying matter that the council may deem proper and advisable. The ordinance may also establish rates that may be charged by ~~vehicle for hiretaxicab~~ operators, may limit the number of ~~vehicle for hiretaxis~~ that may operate in the city, and may grant franchises to ~~vehicle for hiretaxicab~~ operators on any terms that the council may deem advisable.

- (b) When a city ordinance grants a ~~vehicle for hiretaxi~~ franchise for operation of a stated number of ~~vehicle for hiretaxis~~ within the city, the holder of the franchise shall report at least quarterly to the council the average number of taxis actually in operation during the preceding quarter. The council may amend a taxi franchise to reduce the number of authorized vehicles by the average number not in actual operation during the preceding quarter, and may transfer the unused allotment to another franchised operator. Such amendments of ~~vehicles for hiretaxi~~ franchises shall not be subject to G.S. 160A-76. Allotments of ~~vehicles for hiretaxis~~ among franchised operators may be transferred only by the city council ~~or vehicle for hire board~~, and it shall be unlawful for any franchised operator to sell, assign, or otherwise transfer allotments under a ~~vehicle for hiretaxi~~ franchise.

(c) Nothing in this Chapter authorizes a city to adopt an ordinance doing any of the following:

- ~~(1) Requiring licensing or regulation of digital dispatching services for prearranged transportation services for hire connected with vehicles operated for hire in the city if the business providing the digital dispatching services does not own or operate the vehicles for hire in the city.~~
- ~~(2) Requiring~~Setting a minimum rate or minimum increment of time used to calculate a rate for prearranged transportation services for hire. However, a city is authorized to establish a non-binding standardized rate schedule for use by any passenger vehicle for hire company.
- ~~(3) Requiring an operator to use a particular formula or method to calculate rates charged.~~
- ~~(4) Setting a minimum waiting period between requesting prearranged transportation services and the provision of those transportation services when the prearranged transportation services are digitally dispatched.~~
- ~~(5) Requiring a final destination to be set at the time of requesting prearranged transportation services through digital dispatching services.~~

| (65) Requiring or prohibiting taxi franchises or taxi operators from contracting with a person in the business of digital dispatching services for prearranged transportation services for hire.



**COMPARISON OF CITY ORDINANCE TO STATE STATUTE
TRADITIONAL PASSENGER VEHICLE FOR HIRE COMPANIES AND DIGITAL DISPATCH COMPANIES**

April 4, 2014

Council has the authority to:	Traditional Passenger Vehicle for Hire Companies	Digital Dispatch Companies	Recommended Action
Regulate companies	Yes	No	Eliminate N.C. Gen. Stat. § 160A-304(c)(1)
Require criminal background checks of company owners	Yes	No	Eliminate N.C. Gen. Stat. § 160A-304(c)(1)
Regulate any and all automobiles	Yes	Yes	No recommendation
Establish vehicle age limits	Yes	Yes	No recommendation
Require criminal background checks of vehicle owners	Yes	Yes	No recommendation
Regulate any and all drivers for companies	Yes	Yes	No recommendation
Establish a minimum driver age	Yes	Yes	No recommendation
Require criminal background checks of drivers	Yes	Yes	No recommendation
Establish a particular method or formula for rate calculation	Yes	No	No recommendation
Set a minimum fare for time and/or distance for prearranged transportation	Yes	No	No recommendation
Set a maximum fare for time and/or distance for prearranged transportation	Yes	Yes	No recommendation
Establish a minimum wait time between requesting and using prearranged transportation	Yes	No	No recommendation
Require a final destination when requesting prearranged transportation	Yes	No	No recommendation
Require or prohibit contracts between a taxicab company and a digital dispatch service	No	No	No recommendation