

Community Safety Committee
Monday, January 6, 2014; 12:00 p.m. – 1:30 pm
Room 266

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

Staff Resource: Eric D. Campbell

AGENDA

I. Digital Dispatching

Staff Resources: Thomas Powers and Tracy Evans

At the October 7, 2013 City Council Workshop, the issue of Passenger Vehicle for Hire and Digital Dispatching Services was referred to Committee for review and consideration. North Carolina General Statute Section 1604-304 prohibits the regulation and licensing of digital dispatching services by municipalities. However, these companies are currently operating within the City. Staff will update the Committee on this issue.

Attachment 1: NCGS Section 1604-304

Attachment 2: Digital Dispatching Services Presentation

II. 2014 Meeting Schedule

Staff Resource: Eric Campbell

The Committee is requested to consider and adopt the proposed 2014 meeting schedule.

Attachment 3: Draft 2014 Meeting Schedule

Next Meeting: TBD

Distribution: Mayor/City Council
Bob Hagemann
Jon Hannan

Ron Carlee, City Manager
Stephanie Kelly
Thomas Powers

Leadership Team
Rodney Monroe
Tracy Evans

N.C. General Statutes § 160A-304. Regulation of taxis

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 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 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 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 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 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 taxicabs to display prominently in each taxicab, so as to be visible to the passengers, the city taxi 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 taxicab operators, may limit the number of taxis that may operate in the city, and may grant franchises to taxicab operators on any terms that the council may deem advisable.

- (b) When a city ordinance grants a taxi franchise for operation of a stated number of taxis 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 taxi franchises shall not be subject to [G.S. 160A-76](#). Allotments of taxis among franchised operators may be transferred only by the city council, and it shall be unlawful for any franchised operator to sell, assign, or otherwise transfer allotments under a taxi 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) Setting a minimum rate or minimum increment of time used to calculate a rate for prearranged transportation services for hire.
 - (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.
 - (6) 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.




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Passenger Vehicle For Hire & Digital Dispatching Services

By:
Eric Campbell
Thomas Powers III
Tracey Evans

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 CITY OF CHARLOTTE

Intro to PVH Office

- The Passenger Vehicle for Hire Office
 - City authorized by N.C. Gen. Stat. § 160A-304 to regulate passenger vehicle for hire system
 - Chapter 22 of the City Code sets forth the regulations
 - Subdivided into ten divisions
 - Run by a manager and four inspectors
 - Applies PVH ordinance upon companies, taxicabs, executive cars (limos), other special vehicles, and drivers
 - Issues/Suspends/Revokes
 - Company Operating Certificates
 - Vehicle Operating Permits
 - Driver's Permit

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Intro to PVH Office. . . cont.

- Background Checks Prior to Issuance
 - Criminal background checks for Company Operating Certificates, Vehicle Operating Permits, and Driver's Permits
 - Drug testing for Driver's Permits.
- Enforcement After Issuance
 - Charlotte-Mecklenburg Police, PVH inspectors, and Airport Ground Transportation officials issue citations
 - If citation is not paid in a timely manner (typically 60 days), then certificate/permit is revoked or not renewed

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Number of Certificates & Permits
As of January 3, 2014

- Company Operating Certificates
 - Taxi Cabs: Valid from July 1, 2013, – July 31, 2014
 - Executive Cars: Valid from August 1, 2013, – August 31, 2014
 - Renewed annually
 - Number of Companies: Taxi – 10, Executive – 64, Others – 26.
- Vehicle Operating Permits
 - Valid for one year from Manufacture Date; Renewed Annually
 - Number of Vehicles: 1224
- Driver's Permits
 - Some drivers operate taxi cabs and executive cars
 - Taxi Cabs: 830
 - Executive Car: 560

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Intro to PVH Board

- Passenger Vehicle for Hire Board
 - Eleven (11) member board comprised of PVH drivers, company owners, and users
 - Mayor appoints three (3), Council appoints five (5), and city manager appoints three (3).
 - Responsibilities
 - Conducts appeal hearings
 - Sets taxi cab rates, charges, and fare zones (if any)
 - Reviews whether a cap should be placed on company operating certificates, vehicle operating permits, and driver's permits
 - Makes recommendations to Council

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Digital Dispatching Services

- Rapid technological innovation in dispatching, electronic payments, mobile applications and connectivity are beginning to have a major influence on the Passenger Vehicle For Hire Industry
- North Carolina General Assembly passed Session Law 2013-413 (Signed into law on August 23, 2013)
 - Amends N.C. General Statutes § 160A-194
 - Prohibits the City from regulating and licensing digital dispatching services for prearrangement
 - Amends N.C. General Statutes § 160A-304
 - Prohibits the City from adopting an ordinance that regulates and licenses digital dispatching services

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 CITY OF CHARLOTTE Impact & Ramifications

- No definition of “digital dispatching services” in Session Law 2013-413.
 - Legal uncertainty because due to lack of clarity
- PVH Ordinance will need to be revised
- Non-Established Passenger Vehicle Hire Companies
 - Hailo, Uber, UberX, Lyft, Sidecar are mobile apps
- Established Passenger Vehicle Hire Companies
 - Taxi Cab and Black Car companies licensed by the Passenger Vehicle For Hire office

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 CITY OF CHARLOTTE Established vs. Non-Established

	Established Industry	Non-Established Industry
Call or On-Demand	Regulated by Ordinance	Not Regulated by Ordinance
Prearrangement	Regulated by Ordinance	Not Regulated by Ordinance
Fares	Regulated by Ordinance	Not Regulated by Ordinance
Background Checks	Regulated by Ordinance	Unknown
Vehicle Age Limit	Regulated by Ordinance	Unknown

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Digital Dispatching Services Mobile Apps Information

NAME	PURPOSE	Operational	Fees	Vehicles
HAILO	Summons Yellow Cab Taxis	Not in Charlotte	Set By Company	Commercial Vehicles
UBER	Summons Black Cars	Is in Charlotte	Set By Company	Commercial Vehicles
UBERX	Peer-to-Peer Ride-Share	Is in Charlotte	Set By Company	Personal Cars
LYFT	Peer-to-Peer Ride-Share	Is in Charlotte	Donations	Personal Cars (Pink Mustache)
SIDECAR	Peer-to-Peer Ride-Share	Not in Charlotte	Donations	Personal Cars

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- ### Session Law 2013-413
- Questions Concerning Public Safety
 - What is impact of Session Law 2013-413?
 - How does PVH minimize the risks of injury to public?
 - What should be the framework for the Passenger Vehicle For Hire ordinance?
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Recommendation

- Revise the PVH Ordinance to reflect changes of Session Law 2013-413

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2014 DRAFT Meeting Schedule for City Council Community Safety Committee

2nd Thursday of each month at 12:00 pm
Room 280 **unless other noted**

February 13

March 13

April 10

May 8

June 12

September 11

October 9

November 13

December 11

Notes:

No July or August meetings due to Council's summer schedule