



# COUNCIL STAFF REPORT

CITY COUNCIL *OF* SALT LAKE CITY

**TO:** City Council Members

**FROM:** Russell Weeks  
Public Policy Analyst

**DATE:** October 30, 2014 at 12:24 PM

**RE: GROUND TRANSPORTATION  
AMENDMENTS**

## **PROJECT TIMELINE:**

Briefing: September 16, 2014,  
November 14, 2014

Set Date: N/A

Public Hearing: October 14,  
2014

Potential Action: To Be  
Determined

Council Sponsor: Charlie Luke

## **VIEW ADMINISTRATION'S PROPOSAL**

## **ISSUE AT-A-GLANCE**

**The key points in bullets below first appeared in a City Council staff report dated September 11, 2014. They remain pertinent to the City Council's consideration of the issues.**

- Mayor Ralph Becker's Administration has forwarded proposed amendments that would allow Transportation Network Companies such as Uber and Lyft to operate in Salt Lake City either through licensing and regulating individual drivers or the Transportation Network Companies.
- If adopted, the drivers or the companies would be subject to all ordinances regulating ground transportation in the City.
- One unknown is how the proposed amendments would affect the ground transportation market.

## **NEW INFORMATION**

**The new information in this report involves four items: the status of insurance relating to the City Council's discussion; figures pertaining to fees charged ground transportation companies; Better Business Bureau ratings; and a summary of some points presented by W. Cris Lewis in his capacity as an economist advisor to Yellow Cab Utah.**



**Insurance**

**Previous reports and discussions about proposed amendments to Salt Lake City’s ground transportation ordinances have revolved around the current ordinances’ and proposed amendments’ requirement that ground transportation companies provide \$1.5 million in commercial liability insurance for each ground transportation vehicle.**

**Here is the pertinent section in *Salt Lake City Code* pertaining to insurance:**

**5.71.140: INSURANCE REQUIRED:**

- A. Every ground transportation business shall maintain continuous vehicle insurance, when the vehicle is operational, at the minimum levels of coverage set forth by the Federal Motor Carrier Safety Administration, 49 CFR 387.33, or by the Utah Department of Transportation, or by the United States Department of Transportation, whichever levels are higher. Proof of insurance shall be required when a vehicle is initially inspected by the department, and may be verified upon the City's receipt of a complaint, negative comment form, or at the time of an on-street, unscheduled ground transportation vehicle inspection.*
- B. Taxicabs and other authorized ground transportation vehicles with a seating capacity of seven (7) passengers or less, including the driver, shall carry minimum coverage in the amounts required for vehicles with a seating capacity of fifteen (15) or less as set forth in Section 49 CFR 387.33. The exception for taxicab service set forth in Section 49 CFR 387.27 shall not apply to this Subsection B.*
- C. Each ground transportation business shall send a copy of any notice of cancellation or reduction of insurance coverage to the department immediately upon such cancellation or reduction.*
- D. Salt Lake City Corporation shall be named as an additional insured in all insurance contracts.*

The USDOT (section 49 CFR 387.33) reads in part:

§ 387.33 Financial responsibility, minimum levels.  
The minimum levels of financial responsibility referred to in § 387.31 of this subpart are hereby prescribed as follows:

**Schedule of Limits  
Public Liability**

For-hire motor carriers of passengers operating in interstate or foreign commerce.

Vehicle seating capacity	Effective dates	
	Nov. 19, 1983	Nov. 19, 1985
<sup>1</sup> Except as provided in § 387.27(b).		
(1) Any vehicle with a seating capacity of 16 passengers or more	\$2,500,000	\$5,000,000
(2) Any vehicle with a seating capacity of 15 passengers or less <sup>1</sup>	750,000	1,500,000

**It might be noted that Uber Technologies Inc. has obtained a \$1.5 million policy. According to Senior City Attorney Marco Kunz, (i) the insurance coverage when an Uber driver is on Airport property appears to meet the ordinance’s requirements; (ii) the insurance appears to have a gap period of non-coverage when a driver is logged in to the app and waiting, possibly driving around, to be selected by a passenger for a ride.**

The policy obtained by Uber appears to have:

- Liability coverage of \$1.5 million per occurrence.
- Salt Lake City and Uber Technologies Inc. are named as additional insured parties.

The coverage applies when:

- a driver is logged in and has been accepted to transport a passenger; and
- the driver en-route to pick up that passenger; and
- the driver is transporting a passenger to the destination.

In addition to that coverage, an endorsement expands that basic coverage when the vehicle is on airport property to include the following:

- after drop off of passenger while still on airport property.
- any time the driver is logged into the UBER app and is on airport property.<sup>1</sup>

The City has requested a copy of Lyft's policy as well. Information Lyft provided previously indicates that it provides \$1 million in liability coverage while a passenger is in a vehicle arranged through Lyft's electronic application.

Two more things might be noted:

As raised previously by legal counsels to Yellow Cab Utah and Ute Cab, the Utah Insurance Department on May 20, 2014, issued a news release urging people who drive for transportation network companies to contact their respective agents or brokers to discuss "potential insurance needs when driving for a TNC and identify any potential gaps in your current coverages." The news release advised drivers, "You may need to consider increasing coverage limits, and buying a commercial policy ... to be certain that coverage exists for damage or bodily injuries you cause others as well as for damage to you, your car and/or for damage caused by an uninsured or underinsured motorist while you are driving for hire, and the need for worker's compensation insurance."<sup>2</sup> The department has not changed its position since it distributed its news release.<sup>3</sup>

That said, transportation network companies have operated elsewhere under their own existing insurance policies and are preparing to operate under recently passed laws and regulations.

California Gov. Jerry Brown last month signed a bill that requires transportation network companies to have a \$1 million policy that "shall be primary for death, personal injury and property damage" from the time a driver "accepts a ride request on the transportation network company's online-enabled application platform until the driver completes the transaction ... or until the ride is complete, whichever is later." The law also requires \$1 million in coverage for uninsured or underinsured motorists "from the moment a passenger enters the vehicle of a participating driver until the passenger exits the vehicle."<sup>4</sup>

According to the law, the transportation network company insurance "shall be primary and 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 \$30,000 for property damage." In addition, the law requires a transportation network company to maintain insurance coverage that provides excess coverage insuring the transportation network company and the driver in the amount of at least

**\$200,000 per occurrence to cover any liability arising from a participating driver using a vehicle in connection with a company's online-enabled application or platform ..."**

Finally, the law requires transportation network companies to make clear the limits of liability insurance the company provides while a driver is using the company's electronic application, and to "disclose in writing" that a driver's "personal automobile insurance policy will not provide collision or comprehensive coverage for damage to the vehicle used by the driver from the moment the driver logs on to a TNC's application to the moment the driver logs off.

The law takes effect July 1, 2015.

California's law is roughly similar to Colorado's law that will go into effect January 15, 2015. Colorado's law requires a transportation network company to provide proof that "the transportation network company or the driver" has obtained primary liability insurance for at least \$1 million for incidents involving the driver from the time a driver accepts a ride to the time the ride ends. In addition, on or before January 15 a TNC or a driver must maintain a primary automobile insurance policy that meets at least minimum coverage of a least \$50,000 per person in any one accident, \$100,000 to all persons in any one accident, and property damage to a limit of \$30,000 in any one accident. Colorado's law includes a provision that by January 15, 2015, the state Division of Insurance will provide a report on whether the insurance limits "are appropriate for the risk involved with transportation network company services."<sup>5</sup>

It should be noted that Salt Lake City's risk manager indicates that the City loss history apparently contains no liability claims related to ground transportation and bodily injury, wrongful death, or property damage.<sup>6</sup> The risk manager indicated a risk analysis could be commissioned to determine if the current minimum requirements for ground transportation liability insurance should be lowered from their current level.

Here are some insurance requirements in Salt Lake City.

<b><u>Business</u></b>	<b><u>Insurance Coverage Requirements</u></b>
Vending Carts	\$250,000 public liability \$500,000 product liability \$100,000 property damage
Mobile Food Trucks	\$2.3 million - \$2.4 million aggregate commercial general liability <sup>7</sup>
Ground Transportation Companies	\$1.5 million commercial general liability
Airport Consultants	\$2 million commercial general liability \$1 million professional liability
Airport Terminal Tenants	\$2 million commercial general liability
Airport Vendors and Service Contractors	\$5 million commercial general liability and auto liability

### **Salt Lake City Ground Transportation Fees**

Here are Salt Lake City fees associated with ground transportation:

- Annual business license fee: \$141. The fee applies to all businesses – whether large companies or one-person shops. The fee includes a \$118 commercial license fee and \$23 fee for miscellaneous services. If a company has any employees, the City charges \$18 per employee as part of the annual fee.
- Background Check: \$65. Fee includes FBI fingerprint check and TSA security threat assessment.

- Automatic Vehicle Identification Tag: Fees are based on vehicle capacity, not actual passengers per trip:
  - 1 to 5 passengers \$1.01 Per vehicle per trip
  - 6 to 9 passengers \$1.82 Per vehicle per trip
  - 10 to 15 passengers \$3.04 Per vehicle per trip
  - 16 to 24 passengers \$4.86 Per vehicle per trip
  - More than 24 passengers \$6.08 Per vehicle per trip

#### General Fund Contribution to ground transportation enforcement:

Salt Lake City's Non-Departmental budget generally has included \$150,000 to pay the General Fund portion to enforce ground transportation regulations city-wide. The adopted budget for the current fiscal year contains \$50,000 for that purpose. The *Mayor's Recommended Budget* noted that actual costs for enforcing ground transportation costs city-wide "actually were far less" than \$150,000. (Page E-67.) Council staff found a figure of \$57,912 in actual expenses for Fiscal Year 2012-2013.

Ground Transportation Staff: Here is a breakdown of staff assigned to enforce ground transportation ordinances:

- 1 Manager
- 2 Supervisors
- 3 Inspectors

The current workforce is operating at or near maximum potential. Nearly all staff's time is taken working within the office, with little actual patrol of the City and Airport areas. The staff continues to register all companies, inspect all vehicles, AVI tag all vehicles, inspect and certify all taxicab meters (six month rotation) and enter all data into the proper computer programs for compliance and billing for what is currently 252 companies and 1,399 vehicles. In addition, staff must perform investigations into all mystery shopping reports and perform due diligence previous to determining whether the subject of the mystery shop was within compliance or if the issuance of a citation(s) is warranted. Currently the contracted shopping service is to perform 15 mystery shops per week.<sup>8</sup>

#### Better Business Bureau Ratings

During the public hearing on this issue some speakers said Uber had received an F rating by the Better Business Bureau. Uber Technologies and Lyft received Fs from the Better Business Bureau in the greater-San Francisco area. Uber received the grade in part because the Better Business Bureau there closed 96 complaints over a three-year period. Eighty-six complaints in the last 12 months appear to have been resolved by Uber, if City Council staff correctly has read the Better Business Bureau website. Lyft received an F in part because it did not respond to four of six complaints filed with the Better Business Bureau. The Better Business Bureau notes that neither company is accredited by the Bureau, but the Bureau acknowledges that companies are under no obligation to seek Better Business Bureau accreditation.

It should be noted that the Spokane, Washington, Better Business Bureau rated Lyft service there at A-plus, in part because the Bureau has received no complaints in the last three years and in the last 12 months. Lyft began operating in Spokane earlier this year. It also might be noted that Yellow Cab Utah received an A-plus from the Salt Lake City Better Business Bureau in part because the Bureau closed five complaints about the business in the last three years and two complaints in the last 12 months. Ute Cab received no rating from the Bureau apparently because it has not sought the Bureau's accreditation. The Bureau has closed one complaint against Ute Cab in the last three years.

The review of Uber can be found here: <http://www.bbb.org/greater-san-francisco/business-reviews/transportation-services/uber-technologies-in-san-francisco-ca-438996>. Reviews for Lyft in the greater San Francisco area also can be found at the site. The Better Business Bureau websites for Spokane and Salt Lake City can be found at their respective websites.

### Amendments Evaluation by Lewis & Associates

W. Cris Lewis spoke at the October 14 public hearing, and his work *Evaluation of the Proposed Amendments to the Ground Transportation Ordinance – Salt Lake City, Utah*, was included in material sent to the City Council from law firms representing Yellow Cab Utah and Ute Cab.

Although the 14-page report acknowledges that “the introduction of TNCs will increase the range of choice for some passenger consumers,” the report contends:

- If the ordinances are adopted, City regulations about driver and vehicle standards would become more difficult to enforce. “It is one thing to enforce standards on taxicabs operating under agreements with a few firms, but it is quite another to enforce them on several hundred independent operators.”<sup>9</sup>
- The ground transportation industry is not a perfect free market that will provide good service at low prices and requires some limits and some regulation. “In the traditional model where several companies provide taxi service, each firm has a significant incentives to monitor driver performance, check for any criminal history of drivers, provide maintenance and inspection of vehicles, provide insurance for drivers, passengers and vehicles, and to provide some direction and guidance to drivers with regard to most efficient routes, location of taxi stands, and traffic issues in order to maximize revenues (and equivalently, customer service and driver earnings.)<sup>10</sup>
- Adding new drivers to the market likely will concentrate them in areas where they believe they most likely will make money, to the detriment of traditional cab firms.<sup>11</sup>
- Other studies have found that deregulating the number of vehicles providing ground transportation service does not necessarily lead to an improvement of customer service.<sup>12</sup>

**All information below has appeared previously in a City Council staff report dated September 11, 2014.**

### POLICY QUESTIONS

1. This report will reference “Transportation Network Companies” and use the acronym “TNCs” on occasion. The term has been defined by the California Public Utilities Commission and the Colorado Legislature in its regulation of companies such as Uber and Lyft. The companies have developed software to match drivers who have signed contracts with them with people who access the software to obtain rides to locations. In effect, the process is using an electronic digital application to hail a driver. It might be noted that the legal counsel for Yellow Cab Utah and Ute Cab of Salt Lake City said in a recent interview that Ute Cab has developed a similar electronic application and Yellow Cab Utah was developing one.<sup>13</sup>
2. Where do drivers for Uber and Lyft currently provide service in Salt Lake City?
3. If the taxicab companies awarded contracts in October 2011 to operate in Salt Lake City start operating, and companies such as Uber and Lyft plus the existing taxicab companies continue to operate as ground transportation businesses, what effect will that have on the taxicab/ground transportation market?

4. Does **Uber's obtaining a \$1.5 million liability insurance policy supersede its insurance requirements** with individual drivers? Has the new policy become the primary policy, and does it name Salt Lake City as an additional insured party?
5. Does Lyft already require its drivers to **obtain a commercial insurance policy to use Lyft's electronic** application?
6. The proposed amendments contemplate eliminating the 30-minute requirement for pre-arranged service and a \$30 minimum charge for limousine service. Eliminating the \$30 minimum was suggested by an Uber representative because the representative indicated that Uber Black, a limousine service, could provide rides for less than \$30.<sup>14</sup> The intent of the \$30 minimum fee was to differentiate between taxicab service and limousine service. For its Uber Black service, Uber works with existing companies that are full-time ground transportation companies commercially licensed by the City.<sup>15</sup> If Uber already is working with area limousine companies subject to the \$30 minimum fee when they pick up fares, and the fee has worked to date, why should it be eliminated?
7. Should the proposed amendments include establishing a minimum fare that drivers for Transportation Network Companies would charge so that the drivers could be certain of meeting expenses, and the City could avoid market alterations through artificially low fares?
8. The Administration already has presented the proposed amendments to the Transportation Advisory Board and the Business Advisory Board, and the Business Advisory Board has sent a letter to the Mayor and City Council supporting the use of Transportation Network Companies.<sup>16</sup> **Are the Administration's** presentations sufficient for the City Council to move forward with a public hearing, or would the City Council like to return the issue to the boards for further consideration? The City Council generally holds public hearings on issues affecting businesses in Salt Lake City.

## **ADDITIONAL & BACKGROUND INFORMATION**

### **CURRENT SITUATION**

Two companies -- Ace Taxi Service of Cleveland, Ohio, and Total Transit of Glendale, Arizona -- were awarded contracts in October 2011 to operate between 200 and 268 taxicabs in Salt Lake City. Two other taxicab companies -- Ute Cab and Yellow Cab Utah -- filed a lawsuit in Third District Court challenging the process by which Salt Lake City awarded contracts to Ace Taxi and Total Transit.

Neither Ace nor Total has begun operating in Salt Lake City because the lawsuit filed by Ute Cab and Yellow Cab has not yet reached a final legal decision. The contracts for Ace Taxi and Total Transit require them to serve all areas of Salt Lake City seven days a week, 24-hours a day. They also have to equip five percent of their fleets with taxicabs accessible for people with disabilities. The City **Council sets the two companies' meter rates. The current contracts require the two companies to** maintain car fleets no older than five years old.

The contracts were based on the City Council's adoption in November 2010 of ground transportation ordinances that established several regulations **Mayor Ralph Becker's Administration** proposes to amend. One item that will not be amended is the **Executive Branch's** authorization to solicit periodically proposals to operate taxicab services in Salt Lake City.

**Earlier this year, representatives of Uber approached members of Mayor Becker's** Administration, and City Council Chair Charlie Luke to discuss the potential for Uber to operate its Uber Black car service in Salt Lake City. In late spring Lyft started operating in the City without obtaining a business license, and Uber began operating its Uber X service in Salt Lake City, also



without obtaining a business license. It should be noted that Uber plans to apply for a Salt Lake City business license the week of September 15.<sup>17</sup>

As of August 5, Salt Lake City ground transportation enforcement personnel have issued 154 citations to people operating as drivers for Uber and Lyft. Of the citations, 131 of them were warnings, and 23 were actual citations carrying a civil penalty.<sup>18</sup> **The reason for the citations is “a majority, if not all” drivers for the two companies are not registered or licensed by Salt Lake City** to provide transportation for hire.<sup>19</sup> Other civil violations included not obtaining a City vehicle registration, inspection, background check, and picking up passengers without a 30-minute pre-arrangement.<sup>20</sup>

It should be noted that the Department of Airports is the department Mayor Becker has designated to enforce City regulations involving the ground transportation industry, including taxicab companies. Some 252 ground transportation companies using roughly 1,400 vehicles fall under the **City’s ground transportation regulations.**<sup>21</sup> The staff is made up of a manager, two supervisors, and three inspectors. **The department also contracts with a “secret shopper” service to enforce regulations.**

## **PROPOSED ORDINANCE**

**The Administration’s stated goal is to “ensure the safety of the public and the operational and logistical needs of the City, TNCs (such as Uber and Lyft), taxicabs, and other ground transportation providers, while providing “consumer choice” in an “evolving market.”**<sup>22</sup>

To meet the goal, the proposed amendments appear to seek a balance between the companies it has contracted with to provide taxicab service, Transportation Network Companies, and the other ground transportation companies that operate in Salt Lake City.

The way to do that, according to the Administration, is to register and license each person who drives for Uber and Lyft as an individual company. However, the proposed ordinance is structured to apply to Transportation Network Companies, if those companies obtain a business license and the appropriate insurance, and the drivers operate under that umbrella. Either way, every Transportation Network Company vehicle would have to pass a City inspection, and every driver would have to pass a City background check – all items required of every ground transportation business authorized to operate in Salt Lake City.<sup>23</sup>

The proposed amendments appear to hinge on the definitions of **“taxicab”** and **“authorized ground transportation business,”** and **“ground transportation vehicle”**:

- **The definition of “taxicab” in Chapter 5.71 reads: “A motor vehicle used in the on-demand, for hire transportation of passengers or baggage over public streets and not operated on a fixed route or upon a fixed schedule, but which is subject for contract for hire by persons desiring special trips from one point to another, as provided under Chapter 5.72 of this title, or its successor chapter and authorized to operate in Salt Lake City by contract with the department.” The definition is the same, except or minor points involving the capacity of vehicles, in Chapters 5.72 and 16.60.**
- **The definition of “authorized ground transportation business” in Chapter 5.71 reads: “Any business operating any ground transportation vehicle, which has a current, valid business license as required by the City and which:**
  - Registers the business in accordance with the requirements established by the department, and
  - **Is current with all fees or charges imposed by the department and City.”**



- **The definition of “ground transportation vehicle” in Chapter 5.71 reads: “Any motor vehicle used for the transportation of persons using Salt Lake City streets for commercial purposes, regardless of whether a fee or fare is collected.”**

It might be noted that the three definitions are little changed from current definitions in City ordinances. The **words “authorized to operate in Salt Lake City by contract with the department”** separate Ace Taxi and Total Transit from other ground transportation businesses because Ace and Total have signed contracts with the City. When they start operating Ace and Total will be the only taxicab companies authorized to work in Salt Lake City. As that, they can pick up passengers anywhere immediately, including being hailed from someone standing on the sidewalk.

They also have and will have the right – along with free courtesy vehicles and hotel vehicles – to pick up people at Salt Lake City International Airport on demand to take them to destinations inside Salt Lake City. Every other company licensed by the City, **is an “authorized ground transportation business.”**

Under the current ordinances, authorized ground transportation businesses can only pick up fares by having customers arrange rides thirty minutes in advance of being picked up. If they are limousine companies, people have to arrange a ride thirty minutes in advance and pay a \$30 minimum fare. Proposed amendments would eliminate both requirements.

Coupled with eliminating the 30-minute pre-arrangement requirement and \$30 minimum fee, a key proposed change to the ordinance is **to simplify Section 5.71.060 to read, “All authorized ground transportation businesses may provide on-demand service, scheduled service, or prearranged service within the City, except as provided in Salt Lake City Code section 16.60.097.”**

The proposed changes were initiated largely because Uber and Lyft representatives said their technology would not achieve its purpose if its drivers had to wait 30 minutes to pick up a fare. As for limousine service, it should be noted again that an Uber representative indicated its Uber Black service could provide limousine service for less than \$30. But again, the original goal of the minimum \$30 fare was to differentiate between limousine service and other ground transportation services, particularly taxicabs.

The proposed changes would, in effect, allow any of the 1,400 vehicles regulated by the ordinance plus driver fleets for Uber and Lyft, to pick up people in Salt Lake City on demand – except at the Salt Lake City International Airport for destinations within the City.

In an attempt to balance the advantage that would be given up by Ace Taxi and Total Transit under the proposed changes, the Administration has proposed four things.

First, the ordinance defines **“taxi stand”** as: **“A public place along alongside the curb of a street, or elsewhere in the City, which has been designated by the Mayor or the Mayor’s designee, as reserved for the use of taxicabs available for hire by passengers, including places otherwise marked as freight zones or other parking restricted zones if designated for use of taxicabs during specified times.”**

The effect of the change would be to make taxi stands exclusively for Ace Taxi or Total Transit cabs because – under the proposed ordinance – by virtue of their contracts with the City, they would be the only taxicabs recognized by the City. The Administration has indicated that it plans to work with the two companies to locate taxi stands where they would be most effective. The twenty three taxi stands in Salt Lake City currently designated as taxi stands fell into disuse years ago.

**Second, the proposed revision of Section 5.71.060 included the words, “except as provided in Salt Lake City Code section 16.60.097.” That section reads in part, “Only ... taxicabs, courtesy vehicles, and hotel vehicles may provide on-demand service at the airport to points within Salt Lake City.” That**

means Ace Cab and Total Transit taxicabs would be the only fare-charging vehicles allowed to provide on-demand service from the airport to destinations in Salt Lake City. Transportation Network Company rides would have to be pre-arranged.

A key to the revision is “points within Salt Lake City.” Any ground transportation company can provide on-demand service to take people to locations outside Salt Lake City under the current ordinance, and that will not change. A fine point of the proposed change might be how long it will take for an airline passenger to pre-arrange a ride from a TNC driver when a plane lands in Salt Lake City.

Third, Section 5.72.165 would be revised to authorize the Mayor to determine the number of taxicab businesses awarded contracts to provide taxicab service in Salt Lake City. Another revision would authorize the Mayor to determine the total number of taxicabs authorized to operate in the City. **The current ordinance requires “at least two and not more than four taxicab businesses” be awarded** contracts after a request for proposals. It also sets the total number of taxicabs to operate in Salt Lake City at between 200 and 268.

The figures for the total number of taxicabs authorized to operate in the City come from two places. The 200 total is the number of taxis Dr. Ray Mundy, Ph.D., estimated in his 2005 study that would allow taxi drivers to earn a living.<sup>24</sup> The 268 figure came from the number of cabs authorized the three Salt Lake City taxicab companies under certificates of public convenience and necessity.

Both revisions appear to anticipate a potential reduction in taxicab fleets.

Fourth, Section 5.72.405 would be revised to allow taxicab businesses to have a review of taxicab rates every three months. The current ordinance allows for a rate review every six months. It should be noted that the periodic rate review would start a process that would end with the City Council setting rates for taxicabs.

## **INSURANCE ISSUES**

A major point in the proposed amendments involves commercial vehicle insurance. The current ordinance requires commercial ground transportation companies to carry a \$1.5 million commercial liability insurance policy that names Salt Lake City as an insured party. Again, it should be noted that Uber representatives indicate Uber has obtained a \$1.5 million insurance policy.

The Administration estimates that individual drivers registering as a business, getting a background check and registering a vehicle at the airport as a ground transportation vehicle would cost less than \$250. The Administration estimates the cost of obtaining an individual \$1.5 million commercial liability insurance policy that names Salt Lake City as an insured party at between \$2,000 and \$4,000 a year.<sup>25</sup> That comports with a business owner who told Council staff his cost to insure a Toyota Prius as a commercial ground transportation vehicle was about \$3,300 a year.

Requiring commercial insurance that names Salt Lake City as an insured party is standard practice in the City. The City requires vending carts, ice cream trucks, and mobile food trucks to obtain general liability insurance, although in lesser amounts than ground transportation businesses. The City is named as an insured party. **According to the City Attorney’s Office, the City does not contract for services provided by ground transportation companies, mobile food vendors, and similar businesses. However, the City’s role as a regulator creates a liability exposure for Salt Lake City. In such situations, an additional insured endorsement to a general liability policy, which names Salt Lake City Corporation, can provide protection from liability exposure. An additional insured endorsement is intended to provide the City with insurance coverage in the event of related claims or lawsuits.**<sup>26</sup>

Part of the issue involving insurance is the status of people who drive for companies such as Uber and Lyft. Both companies identify those who drive for them as independent contractors.

Language from an agreement between people who drive for Uber and a company connected to Uber says:

You represent that you are an independent contractor engaged in the independent business of **providing the transportation services described in this Agreement ...**<sup>27</sup>

Except as specifically set forth in this Agreement, you are solely responsible for all costs and expenses incident to your personnel and equipment in performing services under this Agreement, including, but not limited to, costs of fuel, fuel taxes, wages, employment taxes, excise taxes, permits of all types, gross revenue taxes, road taxes, equipment use fees and taxes, licensing, insurance coverage and any other tax, fine or fee imposed or assessed against the equipment or you by any state, local, or federal authority as a result of an action by you or your employees, agents, or subcontractors in the performance of this Agreement.<sup>28</sup>

As an express condition of doing business with the Company, and at your sole expense, you agree to maintain current during the life of this Agreement, third-party automobile insurance of the types and amounts specified herein for every vehicle used to perform services under this Agreement.<sup>29</sup>

To perform services under this Agreement, you must maintain automobile insurance with coverage of at least the minimum coverage required by state or local law to operate a private passenger vehicle on public roads. You understand and acknowledge that your personal automobile insurance policy may not afford liability, comprehensive, collision, medical payments, personal injury protection, uninsured motorist, underinsured motorist, or other coverage for the P2P transportation service you provide pursuant to this Agreement. If you have any questions or concerns about the scope or applicability of your own insurance coverage, it is your responsibility, **not the Company's, to resolve them with your insurer(s).**<sup>30</sup>

The Company holds a commercial automobile insurance policy with \$1 million of liability coverage per accident, as defined in the relevant policy. Subject to its specific terms and conditions, this policy is intended to cover your liability to third parties, on an excess basis, from the time you accept a Request via the Software until the completion of the requested trip. You understand and acknowledge that your own automobile insurance policy is primary and that the **Company's policy is excess to your policy.**<sup>31</sup>

By entering into this Agreement, you agree to defend, indemnify, protect and hold harmless the Company, its **Licensors and each such party's parent organizations, subsidiaries,** affiliates, officers, directors, members, employees, attorneys, and agents, from any and all claims, demands, damages, suits, losses, liabilities, expenses (including **attorneys' fees and costs**), and causes of action arising directly or indirectly from out of or In connection with (a) your actions (or omissions) arising from the performance of services under this Agreement, including personal injury or death to any person (including you and/or your employees) ...<sup>32</sup>

This Agreement is between two co-equal, independent business enterprises that are separately owned and operated. The Parties intend this Agreement to create the relationship of principal and independent contractor and not that of employer and employee. The Parties are not employees, agents, joint venturers or partners of each other for any purpose. As an independent contractor, you recognize that you are not entitled to unemployment benefits.<sup>33</sup>

A Lyft representative also described Lyft drivers as independent contractors. However, based **on information Lyft provided, its insurance program is different from Uber's.** Lyft appears to require drivers to have personal liability when **drivers have not accepted a ride request through Lyft's** electronic application.

Lyft says it has four insurance policies that are in effect after a Lyft driver has accepted a ride request. According to Lyft, the four policies are: commercial automobile, contingent liability coverage, contingent comprehensive and collision coverage, and uninsured/underinsured motorist coverage.

When a driver is not **driving with his or her electronic application on, the driver's personal insurance is the only policy that applies.** When a driver turns on his or her electronic application, **Lyft's contingent liability policy provides coverage if a driver's personal insurance does not.** When a driver accepts a hail on his or her electronic application **Lyft's liability coverage** becomes primary to a driver's personal insurance and is designed to cover a driver's liability for property damage or bodily injury to passengers "and/or third parties." The policy appears to have a \$50,000 maximum per person and \$100,000 per accident plus a \$25,000 maximum for physical damage. The uninsured motorist/underinsured motorist coverage covers claims for up to \$1 million per incident, if the Lyft driver is not at fault.<sup>34</sup>

## **INDEPENDENT CONTRACTORS**

Like drivers for Uber X and Lyft, taxicab drivers in Salt Lake City are independent contractors. Independent contractors for taxicab companies are the taxi industry standard. In Salt Lake City, a series of orders by the U.S. Department of Labor and the Utah Industrial Commission between 1982 and 1997 made clear that taxicab drivers were not employees of taxicab companies.

One paragraph in an *Acknowledgement, Waiver & Release* form for a Salt Lake City taxicab company says:

I acknowledge my self-employed, independent contractor status with the Cab Company. Except as may be required by Salt Lake City ordinance or other statutory law, or which may be reasonably **required for purposes of safety or to promote the Cab Company's good name and its** reputation for the prompt and courteous service to the public, the Cab Company does not have the right to direct and control the manner or means of my performance. I can set my own working hours; I am not assigned any routes; I am not required to report or work in any particular location; I have the right to operate without the service of radio dispatch from the Cab Company; I am not paid any salary or wage from the Cab Company; I do not account to the Cab Company for any collections; I am responsible for my own expenses and taxes.

In Salt Lake City, many drivers for Yellow Cab Utah, Ute Cab and City Cab own their vehicles.<sup>35</sup> Although they are independent contractors, taxicab drivers use dispatch systems provided by the companies. The companies also provide the liability insurance required by the City, and the drivers pay for the insurance as part of their lease fees to operate under the companies.

Airport personnel indicate a few ground transportation companies operate only one vehicle as an owner-operator. Some ground transportation companies pay employees an hourly wage.

In sum, drivers for Transportation Network Companies are similar to many taxicab drivers and independent operators. A Lyft representative said most of drivers that use its equipment drive for 10 hours or less, but many TNC drivers operate full-time.

## **OTHER CITIES**

Uber and Lyft have faced opposition wherever they have entered a market. A German court earlier this month issued a temporary injunction stopping Uber from operating in that country because German law prevents drivers without commercial licenses from charging more than the cost of making a journey. Because Uber takes a percentage of each ride, the court issued the injunction, according to CNN Money.<sup>36</sup> The injunction was made in connection with a lawsuit filed by Taxi Deutschland which operates its own car-booking application. Uber also is banned in Spain, and in Brussels, Belgium, among other places.

In the United States, Uber and Lyft have been ordered to stop operating in Virginia until they obtain the proper authority to do so, and Uber has been stopped from operating in New Orleans, Miami, and Portland.

In California, the Public Utilities Commission last September created a new business category called **“transportation network companies”** and enacted some regulations for businesses such as Uber and Lyft. The Commission proposed tougher insurance requirements than it originally proposed. The companies typically provided drivers with \$1 million in insurance coverage, but that kicked in only after a passenger got in the car and applied only if the drivers' personal insurance policies didn't cover an accident. Then an Uber driver struck and killed a 6-year-old girl in San Francisco while on his way to pick up a passenger on New Year's Eve; because no passenger was in the car yet, Uber denied responsibility, according to a story in the San Jose Mercury news.<sup>37</sup>

However, Uber and Lyft voiced support in late August for a California bill that **will require ridesharing companies in California to insure drivers as soon as they log into a ridesharing app to pick up passengers. The bill requires ridesharing companies to provide \$200,000 in coverage once a driver turns on their app — down significantly from [the originally proposed \\$750,000](#).** The coverage is in addition to the required \$1 million insurance policy that covers drivers from when they are matched with a passenger, all the way until the passenger gets out of the car at their destination.<sup>38</sup>

The Seattle City Council adopted an ordinance that allows all for-hire companies to continue operating without a cap placed on the number of drivers on the road at any time. Previously, it had maintained a cap on the number of for-hire drivers, only allowing 150 active drivers on the road at any given time.

Other key terms of the deal included:

- Transportation network companies and their drivers will be licensed and required to meet specific insurance requirements.
- The city will work with the industry to clarify or change state insurance law to account for recent changes in the industry, similar to recent actions in Colorado.
- The city will provide 200 new taxi licenses over the next four years.
- Taxi and for-hire licenses will transition to a property right that is similar to a medallion in other cities.
- For-hire drivers will have hailing rights.
- An accessibility fund will be created through a \$0.10 per ride surcharge for drivers and owners to offset higher trip and vehicle costs for riders who require accessibility services.<sup>39</sup>

The most comprehensive regulations for Transportation Network Companies is a Colorado law signed by Gov. John Hickenlooper in June. Briefly, the law:

- Defines a TNC pre-arranged ride as a ride that starts when a driver accepts a requested ride through a digital network.
- Requires a Transportation Network Company to file with the state commission regulating motor carriers evidence that the company or the driver has secured primary liability insurance coverage for the driver for incidents involving the driver during a pre-arranged ride. The coverage must be at least \$1 million per occurrence.
- Requires the Colorado Division of Insurance to conduct a study of whether insurance levels **in the act “are appropriate for the risk involved with Transportation Network Services.”**
- Limits a driver to working no more than twelve consecutive hours.

- Requires a Transportation Network Company to **“conduct or have a certified mechanic conduct” a safety inspection of a prospective driver’s vehicle before it is approved for use as** a TNC vehicle and continue periodic inspections of at least one a year.
- Authorizes the appropriate Colorado agency to conduct inspections of personal vehicles 90 days after the law goes into effect.
- Allows any taxicab or shuttle company to convert all or in part to a Transportation Network Company.
- **Requires each personal vehicle providing transportation through a TNC to “display an exterior marking that identifies the personal vehicle as a vehicle for hire.”**
- Requires potential drivers to obtain a criminal history record check through state agencies **or through a “privately administered national criminal history record check, including the National Sex Offender Database.”**
- **Requires a Transportation Network Company to provide “services to the public in a nondiscriminatory manner, regardless of geographic location of the departure point or destination, once the driver and rider have been matched through the digital network.”**

Cc: Mayor Ralph Becker, Cindy Gust-Jenson, David Everitt, Margaret Plane, Maurine Riley, Eric Shaw, Mary De La Mare Schaefer, Marco Kunz, Neil Lindberg, Larry Bowers

File Location: Ground Transportation

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- <sup>1</sup> E-mail, Marco Kunz, October 27.
- <sup>2</sup> News Release, Utah Insurance Department, *Notice to Ride-Share Drivers and Their Passengers*, May 20, 2014.
- <sup>3</sup> E-mail, Tracy Klausmeier, October 28, 2014.
- <sup>4</sup> Attachment No. 2.
- <sup>5</sup> Attachment No. 3.
- <sup>6</sup> E-mail, Tamra Turpin, October 28, 2014.
- <sup>7</sup> The figures are an estimate based on the City ordinance regulating mobile food trucks. When the City Council adopted Section 5.69 in 2012 the ordinance said, “The city council expressly finds that mobile food businesses within public streets pose special dangers to the public health, safety and welfare of residents in the city of Salt Lake City. It is the purpose and intent of the city council, in enacting this chapter, to provide responsible companies and individuals who engage in the operation of mobile food businesses with clear and concise regulations to prevent safety, traffic and health hazards, as well as to preserve the peace, safety and welfare of the community.” The ordinance tied insurance requirements for the businesses to *the Utah Governmental Immunity Act*. In 2008 the aggregate liability requirement was about \$2.3 million for any one occurrence involving more than one person. However the *Immunity Act* contains a clause requiring “the risk manager” to adjust liability limits “each even numbered year” based on the consumer price index. As of July 1, 2014, the aggregate liability limit is \$2,407,000, according to City Risk Manager Tamra Turpin.
- <sup>8</sup> E-mail, Larry Bowers, August 5, 2014.
- <sup>9</sup> *Evaluation of the Proposed Amendments to the Ground Transportation Ordinance – Salt Lake City, Utah*, W. Cris Lewis, October 7, 2014, Page 3.
- <sup>10</sup> Lewis, Page 6.
- <sup>11</sup> Lewis, Pages 7 and 8.
- <sup>12</sup> Lewis, Pages 8-12.
- <sup>13</sup> TribTalk, *Room for Ride-Sharing in the SLC Transportation Scene?*, August 14, 2014, Don Winder.
- <sup>14</sup> E-mail, Marco Kunz, September 9, 2014.
- <sup>15</sup> E-mail, Caitlin O’Neill, Uber Technologies, September 3, 2014.
- <sup>16</sup> Please see attached letter.
- <sup>17</sup> E-Mail, Caitlin O’Neill.
- <sup>18</sup> E-mail, Larry Bowers, August 5, 2014.
- <sup>19</sup> Transmittal Letter, David Everitt, June 30, 2014, Page 3.
- <sup>20</sup> E-Mail, Marco Kunz.
- <sup>21</sup> E-mail, Larry Bowers, August 5.
- <sup>22</sup> Everitt, Page 2.
- <sup>23</sup> E-mail, Marco Kunz.
- <sup>24</sup> *Ground Transportation Study, Salt Lake City, Utah*, July 31, 2005, Ray A. Mundy, Ph.D., Page 62.
- <sup>25</sup> E-mail, Larry Bowers, August 5.
- <sup>26</sup> E-mail, Margaret Plane, September 9, 2014.
- <sup>27</sup> Raiser Software Sublicense & Online Services Agreement, June 20, 2014, Page 5.
- <sup>28</sup> Raiser, Page 6.
- <sup>29</sup> Raiser, Page 7.
- <sup>30</sup> Raiser, Page 8.
- <sup>31</sup> Raiser, Page 8.
- <sup>32</sup> Raiser, Page 11.
- <sup>33</sup> Raiser, Page 11.
- <sup>34</sup> Please see attached Lyft information sheet.
- <sup>35</sup> Mundy, Page 12
- <sup>36</sup> CNN Money, September 2, 2014.
- <sup>37</sup> Uber, Lyft, Sidecar fight to block new California regulations, San Jose Mercury News, Josh Richman, August 13, 2014.
- <sup>38</sup> Uber & Lyft agree to insure drivers in between rides in California, Venture Beat, Harrison Weber, August 27, 2014.
- <sup>39</sup> Seattle City Council OKs measure on for-hire car services, Seattle Fox News, Brett Cihon, July 14, 2014.





State of Utah

GARY R. HERBERT

Governor

SPENCER COX

Lieutenant Governor

TODD E. KISER

Commissioner

## Insurance Department

**For Immediate Release**

May 20, 2014

**Contact: Tracy Klausmeier**

801-538-3869

[tklausmeier@utah.gov](mailto:tklausmeier@utah.gov)

### Notice to Ride-Share Drivers and Their Passengers

Technology based ride-sharing ventures, such as Lyft and UberX, continue to grow in popularity. These ventures – sometimes called ride-sharing programs or transportation network companies (TNC) – rely on apps and other online-enabled platforms to connect paying passengers with drivers who use their own personal vehicles to provide transportation to these passengers. Utah Insurance Commissioner Todd E. Kiser said that most personal automobile insurance policies contain exclusions for livery services. That means that the policy generally will not provide coverage for liability incurred while driving passengers in exchange for payment, other than an expense sharing arrangement, such as a carpool. You should read your policy to determine its specific exclusions from coverage, but a typical exclusion is set forth below:

*We do not provide coverage ... arising out of the ownership or operation of a vehicle while it is being used as a public or livery conveyance. This exclusion does not apply to a share-the-expense car pool.*

Based on this or similar exclusions, insurance companies might deny coverage to TNC drivers who are involved in an accident while driving for hire.

"I encourage anyone who drives for a transportation network company to contact your insurance agent or broker, also known as a "producer," or insurance company," said Commissioner Kiser. "Discuss your potential insurance needs when driving for a TNC and identify any potential gaps in your current coverages." You may need to consider increasing coverage limits, buying a commercial policy with liability,[1] uninsured/underinsured motorists (UM/UIM), [2] personal injury protection (PIP),[3] or comprehensive and collision coverage[4] to be certain that coverage exists for damage or bodily injuries you cause others as well as for damage to you, your car and/or for damage caused by an uninsured or underinsured motorist while you are driving for hire, and the need for worker's compensation insurance.

[1] Liability insurance protects policyholders when they have caused an accident. There are two types of liability coverage that are required by state law: bodily injury liability coverage and property damage liability coverage.

[2] UM/UIM provide bodily injury coverage when the party at fault does not have liability coverage, or the minimum liability coverage is insufficient to cover the injuries. UM/UIM

provide coverage for damage to your vehicle caused by an uninsured or underinsured motorist.

[3] Personal injury protection provides coverage for reasonable and necessary expenses for hospital, medical and disability benefits, as well as certain lost income caused by an accident.

[4] Comprehensive and collision coverage cover physical damage to your vehicle not caused by an uninsured or underinsured motorist. Collision coverage covers damage to your vehicle caused by collision with another vehicle or with any other object, as well as vehicle upset (overturn). Comprehensive coverage covers damage to your vehicle caused by a factor other than collision, such as fire, theft, windstorm, flood, vandalism, etc.

ISSUED MAY 20, 2014

**The Utah Insurance Department** is a State agency. Its mandate is to regulate insurance marketed and sold in Utah. Currently more than 95,000 agents, agencies, and insurers are licensed; domestic insurers are audited to verify financial stability and compliance with insurance laws; administrative action is taken against licensees found to be in violation of insurance laws; calls from consumers with questions or complaints are taken; and licensees and consumers are educated regarding insurance. For more information visit <http://www.insurance.utah.gov/> or call toll free in-state @ 1-800-439-3805 or locally @ 801-538-3077.

## **Assembly Bill No. 2293**

### **CHAPTER 389**

An act to add Article 7 (commencing with Section 5430) to Chapter 8 of Division 2 of the Public Utilities Code, relating to transportation.

[ Approved by Governor September 17, 2014. Filed with Secretary of State  
September 17, 2014. ]

#### **LEGISLATIVE COUNSEL'S DIGEST**

AB 2293, Bonilla. Transportation network companies: insurance coverage.

Existing law, the Passenger Charter-party Carriers' Act, provides for the regulation of charter-party carriers of passengers by the Public Utilities Commission, and makes it unlawful for a charter-party carrier to operate without first obtaining a permit or certificate, from the commission, except as specified. The act requires a charter-party carrier to, among other things, comply with specified vehicle identification and accident liability protection requirements. A violation of the act is generally a misdemeanor, punishable by a specified fine or term of imprisonment, or both, depending on the violation.

This bill would amend the Passenger Charter-party Carriers' Act to enact specified requirements for liability insurance coverage for transportation network companies, as defined, and their participating drivers. These requirements would become operative on July 1, 2015. The bill would describe 2 distinct time periods and would specify the insurance requirements for each of those time periods and alternative methods of compliance with those requirements. The bill would require uninsured and underinsured motorist coverage to be provided for specified time periods. The bill would, in the event a driver's insurance policy ceases to exist or has been canceled, or under certain other circumstances, require a transportation network company's insurance policy to provide the required coverage.

The bill, beginning July 1, 2015, would provide that a participating driver's or vehicle owner's personal automobile insurance policy does not provide coverage to the participating driver, vehicle owner, or any 3rd party unless the policy so provides. The bill, beginning July 1, 2015, would require certain written disclosures by transportation network companies to their participating drivers on the insurance coverage provided by the company and to advise that the driver's personal automobile insurance policy will not provide coverage. The bill would authorize a personal automobile insurer to offer such coverage at its discretion to cover private vehicles, as specified. The bill would require participating drivers to carry proof of insurance coverage, as specified. The bill would require the commission and the Department of Insurance to collaborate on a study of transportation network company insurance, as specified, and would prohibit a transportation network company from disclosing the personally identifiable information of a passenger, except as specified. The bill would specify the Legislature's intent relating to expediting the approval of transportation network company insurance products, and would set forth related legislative findings and declarations.

Because a violation of the bill's provisions would be a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

## DIGEST KEY

Vote: MAJORITY Appropriation: NO Fiscal Committee: YES Local Program: YES

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## BILL TEXT

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

### SECTION 1.

Article 7 (commencing with Section 5430) is added to Chapter 8 of Division 2 of the Public Utilities Code, to read:

#### **Article 7. Transportation Network Companies**

##### **5430.**

Notwithstanding any other provision of this chapter, this article shall apply to transportation network companies.

##### **5431.**

(a) As used in this article, a “transportation network company” is an organization, including, but not limited to, a corporation, limited liability company, partnership, sole proprietor, or any other entity, operating in California that provides prearranged transportation services for compensation using an online-enabled application or platform to connect passengers with drivers using a personal vehicle.

(b) As used in this article, “participating driver” or “driver” is any person who uses a vehicle in connection with a transportation network company’s online-enabled application or platform to connect with passengers.

(c) As used in this article, “transportation network company insurance” is a liability insurance policy that specifically covers liabilities arising from a driver’s use of a vehicle in connection with a transportation network company’s online-enabled application or platform.

##### **5432.**

(a) A transportation network company shall disclose in writing to participating drivers, as part of its agreement with those drivers, the insurance coverage and limits of liability that the transportation network company provides while the driver uses a vehicle in connection with a transportation network company’s online-enabled application or platform, and shall advise a participating driver in writing that the driver’s personal automobile insurance policy will not provide coverage because the driver uses a vehicle in connection with a transportation network company’s online-enabled application or platform.

(b) A transportation network company shall also disclose in writing to participating drivers, as part of its agreement with those drivers, that the driver’s personal automobile insurance policy will not provide collision or comprehensive coverage for damage to the vehicle used by the driver from the moment the driver logs on to the transportation network company’s online-enabled application or platform to the moment the driver logs off the transportation network company’s online-enabled application or platform.

(c) This section shall become operative on July 1, 2015.

##### **5433.**

(a) A transportation network company and any participating driver shall maintain transportation network company insurance as provided in this section.

(b) The following requirements shall apply to transportation network company insurance from the moment a participating driver accepts a ride request on the transportation network company’s online-enabled application or platform until the driver completes the transaction on the online-enabled application or platform or until the ride is complete, whichever is later:

(1) Transportation network company insurance shall be primary and in the amount of one million dollars (\$1,000,000) for death, personal injury, and property damage. The requirements for the coverage required by this subdivision may be satisfied by any of the following:

(A) Transportation network company insurance maintained by a participating driver.

(B) Transportation network company insurance maintained by a transportation network company.

(C) Any combination of subparagraphs (A) and (B).

(2) Transportation network company insurance coverage provided under this subdivision shall also provide for uninsured motorist coverage and underinsured motorist coverage in the amount of one million dollars (\$1,000,000) from the moment a passenger enters the vehicle of a participating driver until the passenger exits the vehicle. The policy may also provide this coverage during any other time period, if requested by a participating driver relative to insurance maintained by the driver.

(3) The insurer, in the case of insurance coverage provided under this subdivision, shall have the duty to defend and indemnify the insured.

(4) A transportation network company may meet its obligations under this subdivision through a policy obtained by a participating driver pursuant to subparagraph (A) or (C) of paragraph (1) only if the transportation network company verifies 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 transportation network company's online-enabled application or platform.

(c) The following requirements shall apply to transportation network company insurance from the moment a participating driver logs on to the transportation network company's online-enabled application or platform until the driver accepts a request to transport a passenger, and from the moment the driver completes the transaction on the online-enabled application or platform or the ride is complete, whichever is later, until the driver either accepts another ride request on the online-enabled application or platform or logs off the online-enabled application or platform:

(1) Transportation network company insurance shall be primary and in the amount of at least fifty thousand dollars (\$50,000) for death and personal injury per person, one hundred thousand dollars (\$100,000) for death and personal injury per incident, and thirty thousand dollars (\$30,000) for property damage. The requirements for the coverage required by this paragraph may be satisfied by any of the following:

(A) Transportation network company insurance maintained by a participating driver.

(B) Transportation network company insurance maintained by a transportation network company that provides coverage in the event a participating driver's insurance policy under subparagraph (A) has ceased to exist or has been canceled, or the participating driver does not otherwise maintain transportation network company insurance pursuant to this subdivision.

(C) Any combination of subparagraphs (A) and (B).

(2) A transportation network company shall also maintain insurance coverage that provides excess coverage insuring the transportation network company and the driver in the amount of at least two hundred thousand dollars (\$200,000) per occurrence to cover any liability arising from a participating driver using a vehicle in connection with a transportation network company's online-enabled application or platform within the time periods specified in this subdivision, which liability exceeds the required coverage limits in paragraph (1).

(3) The insurer providing insurance coverage under this subdivision shall be the only insurer having the duty to defend any liability claim arising from an accident occurring within the time periods specified in this subdivision.

(4) A transportation network company may meet its obligations under this subdivision through a policy obtained by a participating driver pursuant to subparagraph (A) or (C) of paragraph (1) only if the transportation network company verifies 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 transportation network company's online-enabled application or platform.

(d) Coverage under a transportation network company insurance policy shall not be dependent on a personal automobile insurance policy first denying a claim nor shall a personal automobile insurance policy be required to first deny a claim.

(e) In every instance where transportation network company insurance maintained by a participating driver to fulfill the insurance obligations of this section has lapsed or ceased to exist, the transportation network company shall provide the coverage required by this section beginning with the first dollar of a claim.

(f) This article shall not limit the liability of a transportation network company arising out of an automobile accident involving a participating driver in any action for damages against a transportation network company for an amount above the required insurance coverage.

(g) This section shall become operative on July 1, 2015.

**5434.**

(a) Nothing in this section shall be construed to require a private passenger automobile insurance policy to provide primary or excess coverage during the period of time from the moment a participating driver in a transportation network company logs on to the transportation network company's online-enabled application or platform until the driver logs off the online-enabled application or platform or the passenger exits the vehicle, whichever is later.

(b) During the period of time from the moment a participating driver in a transportation network company logs on to the transportation network company's online-enabled application or platform until the driver logs off the online-enabled application or platform or the passenger exits the vehicle, whichever is later, all of the following shall apply:

(1) The participating driver's or the vehicle owner's personal automobile insurance policy shall not provide any coverage to the participating driver, vehicle owner, or any third party, unless the policy expressly provides for that coverage during the period of time to which this subdivision is applicable, with or without a separate charge, or the policy contains an amendment or endorsement to provide that coverage, for which a separately stated premium is charged.

(2) The participating driver's or the vehicle owner's personal automobile insurance policy shall not have the duty to defend or indemnify for the driver's activities in connection with the transportation network company, unless the policy expressly provides otherwise for the period of time to which this subdivision is applicable, with or without a separate charge, or the policy contains an amendment or endorsement to provide that coverage, for which a separately stated premium is charged.

(c) Notwithstanding any other law, a personal automobile insurer may, at its discretion, offer an automobile liability insurance policy, or an amendment or endorsement to an existing policy, that covers a private passenger vehicle, station wagon type vehicle, sport utility vehicle, or similar type of vehicle with a passenger capacity of eight persons or less, including the driver, while used in connection with a transportation network company's online-enabled application or platform only if the policy expressly provides for the coverage during the time period specified in subdivision (b), with or without a separate charge, or the policy contains an amendment or an endorsement to provide that coverage, for which a separately stated premium may be charged.

(d) This section shall become operative on July 1, 2015.

**5435.**

In a claims coverage investigation, a transportation network company or its insurer shall cooperate with insurers that are involved in the claims coverage investigation to facilitate the exchange of information, including the provision of dates and times at which an accident occurred that involved a participating driver and the precise times that the participating driver logged on and off the transportation network company's online-enabled application or platform.

**5436.**

The commission and the Department of Insurance shall collaborate on a study of transportation network company insurance to assess whether coverage requirements are appropriate to the risk of transportation network company services in order to promote data-driven decisions on insurance requirements, and shall report the findings of this study to the Legislature no later than December 31, 2017.

**5437.**

A transportation network company shall not disclose to a third party any personally identifiable information of a transportation network company passenger unless one of the following applies:

- (1) The customer knowingly consents.
- (2) Pursuant to a legal obligation.
- (3) The disclosure is to the commission in order to investigate a complaint filed with the commission against a transportation network company or a participating driver and the commission treats the information under confidentiality protections.

**5438.**

It is the intent of the Legislature that the Department of Insurance expedite review of any application for approval of transportation network company insurance products, and that these products become available for purchase on or before July 1, 2015.

**5439.**

Transportation network company insurance that meets the requirements of Section 5433 shall be deemed to satisfy the financial responsibility requirements of Sections 16054 and 16056 of the Vehicle Code.

**5440.**

The Legislature makes the following findings:

- (a) The commission has initiated regulation of transportation network companies as a new category of charter-party carriers and continues to develop appropriate regulations for this new service.
- (b) Given the rapidly evolving transportation network company service, it is the intent of the Legislature to continue ongoing oversight of the commission's regulation of these services in order to enact legislation to adjust commission authority and impose specific requirements or prohibitions as deemed necessary as these services evolve.

**5441.**

The Legislature does not intend, and nothing in this article shall be construed, to prohibit the commission from exercising its rulemaking authority in a manner consistent with this article, or to prohibit enforcement activities related to transportation network companies.

**5442.**

A participating driver of a transportation network company shall carry proof of transportation network company insurance coverage with him or her at all times during his or her use of a vehicle in connection with a transportation network company's online-enabled application or platform. In the event of an accident, a participating driver shall provide this insurance coverage information to any other party involved in the accident, and to a police officer, upon request.

**5443.**

Notwithstanding Section 11580.9 of the Insurance Code, or any other law affecting whether one or more policies of insurance that may apply with respect to an occurrence is primary or excess, this article determines the obligations under insurance policies issued to transportation network companies and, if applicable, drivers using a vehicle in connection with a transportation network company's online-enabled application or platform.

**SEC. 2.**

No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.



**NOTE:** This bill has been prepared for the signatures of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.

# An Act

SENATE BILL 14-125

BY SENATOR(S) Jahn and Harvey, Baumgardner, Cadman, Crowder, Grantham, Herpin, Hodge, Johnston, Lambert, Marble, Newell, Rivera, Steadman, Todd, Zenzinger, Aguilar;  
also REPRESENTATIVE(S) Pabon and Szabo, Becker, Coram, Foote, Garcia, Gardner, Hamner, Holbert, Hullinghorst, Joshi, Kagan, Landgraf, Lawrence, May, McCann, McNulty, Murray, Navarro, Nordberg, Priola, Rankin, Schafer, Scott, Singer, Stephens, Vigil, Williams, Wilson, Wright, Ginal, Pettersen, Rosenthal, Saine, Sonnenberg, Young.

CONCERNING THE REGULATION OF TRANSPORTATION NETWORK COMPANIES, AND, IN CONNECTION THEREWITH, REQUIRING TRANSPORTATION NETWORK COMPANIES TO CARRY LIABILITY INSURANCE, CONDUCT BACKGROUND CHECKS ON TRANSPORTATION NETWORK COMPANY DRIVERS, INSPECT TRANSPORTATION NETWORK COMPANY VEHICLES, AND OBTAIN A PERMIT FROM THE PUBLIC UTILITIES COMMISSION; AND MAKING AN APPROPRIATION.

*Be it enacted by the General Assembly of the State of Colorado:*

**SECTION 1.** In Colorado Revised Statutes, 40-1-102, **amend** (3) (b) as follows:

**40-1-102. Definitions.** As used in articles 1 to 7 of this title, unless

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

the context otherwise requires:

(3) (b) "Common carrier" does not include a motor carrier that provides transportation not subject to regulation pursuant to section 40-10.1-105, ~~or~~ A MOTOR CARRIER that is subject to part 3, 4, or 5 of article 10.1 of this title, A TRANSPORTATION NETWORK COMPANY, AS DEFINED IN SECTION 40-10.1-602 (3), OR A TRANSPORTATION NETWORK COMPANY DRIVER, AS DEFINED IN SECTION 40-10.1-602 (4).

**SECTION 2.** In Colorado Revised Statutes, 40-7-112, **amend** (1) (a) as follows:

**40-7-112. Applicability of civil penalties.** (1) (a) A person who operates or offers to operate as a motor carrier as defined in section 40-10.1-101; ~~or~~ a motor carrier, motor private carrier, broker, freight forwarder, leasing company, or other person required to register under section 40-10.5-102; OR A TRANSPORTATION NETWORK COMPANY REQUIRED TO OBTAIN A PERMIT UNDER SECTION 40-10.1-606 is subject to civil penalties as provided in this section and sections 40-7-113 to 40-7-116, in addition to any other sanctions that may be imposed pursuant to law.

**SECTION 3.** In Colorado Revised Statutes, 40-10.1-101, **amend** (6) and (10) as follows:

**40-10.1-101. Definitions.** As used in this article, unless the context otherwise requires:

(6) "Contract carrier" means every person, other than a common carrier or a motor carrier of passengers under part 3 of this article, who, by special contract, directly or indirectly affords a means of passenger transportation over any public highway of this state; EXCEPT THAT THE TERM DOES NOT INCLUDE A TRANSPORTATION NETWORK COMPANY, AS DEFINED IN SECTION 40-10.1-602 (3), OR A TRANSPORTATION NETWORK COMPANY DRIVER, AS DEFINED IN SECTION 40-10.1-602 (4).

(10) "Motor carrier" means any person owning, controlling, operating, or managing ~~any~~ A motor vehicle that provides transportation in intrastate commerce pursuant to this article; EXCEPT THAT THE TERM DOES NOT INCLUDE A TRANSPORTATION NETWORK COMPANY, AS DEFINED IN

SECTION 40-10.1-602 (3), OR A TRANSPORTATION NETWORK COMPANY DRIVER, AS DEFINED IN SECTION 40-10.1-602 (4).

**SECTION 4.** In Colorado Revised Statutes, 40-10.1-103, **add** (3) as follows:

**40-10.1-103. Subject to control by commission.**  
(3) TRANSPORTATION NETWORK COMPANIES, AS DEFINED IN SECTION 40-10.1-602 (3), ARE NOT COMMON CARRIERS, CONTRACT CARRIERS, OR MOTOR CARRIERS UNDER THIS TITLE, BUT ARE DECLARED TO BE AFFECTED WITH A PUBLIC INTEREST AND ARE SUBJECT TO REGULATION TO THE EXTENT PROVIDED IN PART 6 OF THIS ARTICLE.

**SECTION 5.** In Colorado Revised Statutes, **add** 40-10.1-117 as follows:

**40-10.1-117. Limited regulation of transportation network companies.** NOTWITHSTANDING ANY OTHER PROVISION OF LAW, TRANSPORTATION NETWORK COMPANIES, AS DEFINED IN SECTION 40-10.1-602 (3), ARE GOVERNED EXCLUSIVELY UNDER PART 6 OF THIS ARTICLE.

**SECTION 6.** In Colorado Revised Statutes, **add** part 6 to article 10.1 of title 40 as follows:

## PART 6 TRANSPORTATION NETWORK COMPANIES

**40-10.1-601. Short title.** THIS ARTICLE SHALL BE KNOWN AND MAY BE CITED AS THE "TRANSPORTATION NETWORK COMPANY ACT".

**40-10.1-602. Definitions.** AS USED IN THIS PART 6, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "PERSONAL VEHICLE" MEANS A VEHICLE THAT IS USED BY A TRANSPORTATION NETWORK COMPANY DRIVER IN CONNECTION WITH PROVIDING SERVICES FOR A TRANSPORTATION NETWORK COMPANY THAT MEETS THE VEHICLE CRITERIA SET FORTH IN THIS PART 6.

(2) "PREARRANGED RIDE" MEANS A PERIOD OF TIME THAT BEGINS



WHEN A DRIVER ACCEPTS A REQUESTED RIDE THROUGH A DIGITAL NETWORK, CONTINUES WHILE THE DRIVER TRANSPORTS THE RIDER IN A PERSONAL VEHICLE, AND ENDS WHEN THE RIDER DEPARTS FROM THE PERSONAL VEHICLE.

(3) "TRANSPORTATION NETWORK COMPANY" MEANS A CORPORATION, PARTNERSHIP, SOLE PROPRIETORSHIP, OR OTHER ENTITY, OPERATING IN COLORADO, THAT USES A DIGITAL NETWORK TO CONNECT RIDERS TO DRIVERS FOR THE PURPOSE OF PROVIDING TRANSPORTATION. A TRANSPORTATION NETWORK COMPANY DOES NOT PROVIDE TAXI SERVICE, TRANSPORTATION SERVICE ARRANGED THROUGH A TRANSPORTATION BROKER, RIDESHARING ARRANGEMENTS, AS DEFINED IN SECTION 39-22-509 (1) (a) (II), C.R.S., OR ANY TRANSPORTATION SERVICE OVER FIXED ROUTES AT REGULAR INTERVALS. A TRANSPORTATION NETWORK COMPANY IS NOT DEEMED TO OWN, CONTROL, OPERATE, OR MANAGE THE PERSONAL VEHICLES USED BY TRANSPORTATION NETWORK COMPANY DRIVERS. A TRANSPORTATION NETWORK COMPANY DOES NOT INCLUDE A POLITICAL SUBDIVISION OR OTHER ENTITY EXEMPTED FROM FEDERAL INCOME TAX UNDER SECTION 115 OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS AMENDED.

(4) "TRANSPORTATION NETWORK COMPANY DRIVER" OR "DRIVER" MEANS AN INDIVIDUAL WHO USES HIS OR HER PERSONAL VEHICLE TO PROVIDE SERVICES FOR RIDERS MATCHED THROUGH A TRANSPORTATION NETWORK COMPANY'S DIGITAL NETWORK. A DRIVER NEED NOT BE AN EMPLOYEE OF A TRANSPORTATION NETWORK COMPANY.

(5) "TRANSPORTATION NETWORK COMPANY RIDER" OR "RIDER" MEANS A PASSENGER IN A PERSONAL VEHICLE FOR WHOM TRANSPORT IS PROVIDED, INCLUDING:

(a) AN INDIVIDUAL WHO USES A TRANSPORTATION NETWORK COMPANY'S ONLINE APPLICATION OR DIGITAL NETWORK TO CONNECT WITH A DRIVER TO OBTAIN SERVICES IN THE DRIVER'S VEHICLE FOR THE INDIVIDUAL AND ANYONE IN THE INDIVIDUAL'S PARTY; OR

(b) ANYONE FOR WHOM ANOTHER INDIVIDUAL USES A TRANSPORTATION NETWORK COMPANY'S ONLINE APPLICATION OR DIGITAL NETWORK TO CONNECT WITH A DRIVER TO OBTAIN SERVICES IN THE DRIVER'S VEHICLE.

(6) "TRANSPORTATION NETWORK COMPANY SERVICES" OR "SERVICES" MEANS THE PROVISION OF TRANSPORTATION BY A DRIVER TO A RIDER WITH WHOM THE DRIVER IS MATCHED THROUGH A TRANSPORTATION NETWORK COMPANY. THE TERM DOES NOT INCLUDE SERVICES PROVIDED EITHER DIRECTLY BY OR UNDER CONTRACT WITH A POLITICAL SUBDIVISION OR OTHER ENTITY EXEMPT FROM FEDERAL INCOME TAX UNDER SECTION 115 OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS AMENDED.

**40-10.1-603. Limited regulation.** NOTWITHSTANDING ANY OTHER PROVISION OF LAW, TRANSPORTATION NETWORK COMPANIES ARE GOVERNED EXCLUSIVELY BY THIS PART 6. A TRANSPORTATION NETWORK COMPANY IS NOT SUBJECT TO THE COMMISSION'S RATE, ENTRY, OPERATIONAL, OR COMMON CARRIER REQUIREMENTS, OTHER THAN THOSE REQUIREMENTS EXPRESSLY SET FORTH IN THIS PART 6.

**40-10.1-604. Registration - financial responsibility of transportation network companies - insurance.** (1) A TRANSPORTATION NETWORK COMPANY SHALL COMPLY WITH THE FILING REQUIREMENTS OF PART 3 AND THE REGISTERED AGENT REQUIREMENT OF PART 7 OF ARTICLE 90 OF TITLE 7, C.R.S.

(2) A TRANSPORTATION NETWORK COMPANY SHALL FILE WITH THE COMMISSION DOCUMENTATION EVIDENCING THAT THE TRANSPORTATION NETWORK COMPANY OR THE DRIVER HAS SECURED PRIMARY LIABILITY INSURANCE COVERAGE FOR THE DRIVER FOR INCIDENTS INVOLVING THE DRIVER DURING A PREARRANGED RIDE. COVERAGE FOR INCIDENTS INVOLVING A DRIVER DURING A PREARRANGED RIDE MUST BE IN THE AMOUNT OF AT LEAST ONE MILLION DOLLARS PER OCCURRENCE. THE INSURANCE POLICY MUST PROVIDE COVERAGE AT ALL TIMES THE DRIVER IS ENGAGED IN A PREARRANGED RIDE. THIS SUBSECTION (2) BECOMES EFFECTIVE NINETY DAYS AFTER THE EFFECTIVE DATE OF THIS PART 6.

(3) FOR THE PERIOD OF TIME WHEN A DRIVER IS LOGGED INTO A TRANSPORTATION NETWORK COMPANY'S DIGITAL NETWORK BUT IS NOT ENGAGED IN A PREARRANGED RIDE, THE FOLLOWING INSURANCE REQUIREMENTS APPLY:

(a) A TRANSPORTATION NETWORK COMPANY OR A DRIVER SHALL MAINTAIN CONTINGENT LIABILITY INSURANCE WITH A LIABILITY LIMIT EQUAL TO AT LEAST THE MINIMUM AMOUNT REQUIRED BY SECTION



10-4-620, C.R.S. AT A MINIMUM, THE 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 AUTOMOBILE INSURANCE POLICY OR THE DRIVER OTHERWISE DOES NOT HAVE PERSONAL AUTOMOBILE INSURANCE COVERAGE. NOTHING IN THIS PARAGRAPH (a) PRECLUDES AN INSURER'S RIGHT TO EQUITABLE SUBROGATION. THE REQUIREMENTS OF THIS PARAGRAPH (a) EXPIRE ON JANUARY 15, 2015, AND THIS PARAGRAPH (a) IS REPEALED, EFFECTIVE JULY 1, 2015.

(b) ON OR BEFORE JANUARY 15, 2015, AND THEREAFTER, A DRIVER OR A TRANSPORTATION NETWORK COMPANY ON THE DRIVER'S BEHALF SHALL MAINTAIN A PRIMARY AUTOMOBILE INSURANCE POLICY THAT:

(I) RECOGNIZES THAT THE DRIVER IS A TRANSPORTATION NETWORK COMPANY DRIVER AND COVERS THE DRIVER'S PROVISION OF TRANSPORTATION NETWORK COMPANY SERVICES WHILE THE DRIVER IS LOGGED INTO THE TRANSPORTATION NETWORK COMPANY'S DIGITAL NETWORK;

(II) MEETS AT LEAST THE MINIMUM COVERAGE OF AT LEAST FIFTY THOUSAND DOLLARS TO ANY ONE PERSON IN ANY ONE ACCIDENT, ONE HUNDRED THOUSAND DOLLARS TO ALL PERSONS IN ANY ONE ACCIDENT, AND FOR PROPERTY DAMAGE ARISING OUT OF THE USE OF THE MOTOR VEHICLE TO A LIMIT, EXCLUSIVE OF INTEREST AND COSTS, OF THIRTY THOUSAND DOLLARS IN ANY ONE ACCIDENT; AND

(III) IS ONE OF THE FOLLOWING:

(A) FULL-TIME COVERAGE SIMILAR TO THE COVERAGE REQUIRED BY COMMISSION RULES PROMULGATED UNDER SECTION 40-10.1-107 (1);

(B) AN INSURANCE RIDER TO, OR ENDORSEMENT OF, THE DRIVER'S PERSONAL AUTOMOBILE INSURANCE POLICY REQUIRED BY THE "MOTOR VEHICLE FINANCIAL RESPONSIBILITY ACT," ARTICLE 7 OF TITLE 42, C.R.S.; OR

(C) A CORPORATE LIABILITY INSURANCE POLICY PURCHASED BY THE TRANSPORTATION NETWORK COMPANY THAT PROVIDES PRIMARY COVERAGE FOR THE PERIOD OF TIME IN WHICH A DRIVER IS LOGGED INTO THE DIGITAL

NETWORK.

(c) THE DIVISION OF INSURANCE SHALL CONDUCT A STUDY OF WHETHER THE LEVELS OF COVERAGE PROVIDED FOR IN THIS SUBSECTION (3) ARE APPROPRIATE FOR THE RISK INVOLVED WITH TRANSPORTATION NETWORK COMPANY SERVICES. IN CONDUCTING THE STUDY, THE DIVISION OF INSURANCE SHALL CONVENE ONE OR MORE STAKEHOLDER MEETINGS TO EVALUATE THE CHOICES OF COVERAGE SET FORTH IN SUBPARAGRAPH (III) OF PARAGRAPH (b) OF THIS SUBSECTION (3). ON OR BEFORE JANUARY 15, 2015, THE DIVISION OF INSURANCE SHALL PRESENT ITS FINDINGS AND ANY RECOMMENDATIONS TO THE BUSINESS, LABOR, ECONOMIC AND WORKFORCE DEVELOPMENT COMMITTEE IN THE HOUSE OF REPRESENTATIVES, THE BUSINESS, LABOR, AND TECHNOLOGY COMMITTEE IN THE SENATE, THE TRANSPORTATION AND ENERGY COMMITTEE IN THE HOUSE OF REPRESENTATIVES, AND THE TRANSPORTATION COMMITTEE IN THE SENATE.

(d) IF A TRANSPORTATION NETWORK COMPANY PURCHASES AN INSURANCE POLICY UNDER THIS SUBSECTION (3), IT SHALL PROVIDE DOCUMENTATION TO THE COMMISSION EVIDENCING THAT THE TRANSPORTATION NETWORK COMPANY HAS SECURED THE POLICY. IF THE RESPONSIBILITY IS PLACED ON A DRIVER TO PURCHASE INSURANCE UNDER THIS SUBSECTION (3), THE TRANSPORTATION NETWORK COMPANY SHALL VERIFY THAT THE DRIVER HAS PURCHASED AN INSURANCE POLICY UNDER THIS SUBSECTION (3).

(4) A DRIVER'S PERSONAL AUTOMOBILE INSURANCE POLICY THAT COMPLIES WITH PART 6 OF ARTICLE 4 OF TITLE 10, C.R.S., IS SUFFICIENT TO SATISFY THE COMPULSORY INSURANCE REQUIREMENTS THEREOF. AN INSURANCE POLICY REQUIRED BY SUBSECTION (2) OR SUBSECTION (3) OF THIS SECTION:

(a) MAY BE PLACED WITH AN INSURER LICENSED UNDER TITLE 10, C.R.S., OR WITH A SURPLUS LINES INSURER AUTHORIZED UNDER ARTICLE 5 OF TITLE 10, C.R.S.; AND

(b) NEED NOT SEPARATELY SATISFY THE REQUIREMENTS OF PART 6 OF ARTICLE 4 OF TITLE 10, C.R.S.

(5) NOTHING IN THIS SECTION REQUIRES A PERSONAL AUTOMOBILE INSURANCE POLICY TO PROVIDE COVERAGE FOR THE PERIOD OF TIME IN



WHICH A DRIVER IS LOGGED INTO A TRANSPORTATION NETWORK COMPANY'S DIGITAL NETWORK.

(6) IF MORE THAN ONE INSURANCE POLICY PROVIDES VALID AND COLLECTIBLE COVERAGE FOR A LOSS ARISING OUT OF AN OCCURRENCE INVOLVING A MOTOR VEHICLE OPERATED BY A DRIVER, THE RESPONSIBILITY FOR THE CLAIM MUST BE DIVIDED ON A PRO RATA BASIS AMONG ALL OF THE APPLICABLE POLICIES. THIS EQUAL DIVISION OF RESPONSIBILITY MAY ONLY BE MODIFIED BY THE WRITTEN AGREEMENT OF ALL OF THE INSURERS OF THE APPLICABLE POLICIES AND THE OWNERS OF THOSE POLICIES.

(7) IN A CLAIMS COVERAGE INVESTIGATION, A TRANSPORTATION NETWORK COMPANY SHALL COOPERATE WITH A LIABILITY INSURER THAT ALSO INSURES THE DRIVER'S TRANSPORTATION NETWORK COMPANY VEHICLE, INCLUDING THE PROVISION OF RELEVANT DATES AND TIMES DURING WHICH AN INCIDENT OCCURRED THAT INVOLVED THE DRIVER WHILE THE DRIVER WAS LOGGED INTO A TRANSPORTATION NETWORK COMPANY'S DIGITAL NETWORK.

(8) NOTHING IN THIS SECTION MODIFIES OR ABROGATES ANY OTHERWISE APPLICABLE INSURANCE REQUIREMENTS SET FORTH IN TITLE 10, C.R.S.

(9) IF A TRANSPORTATION NETWORK COMPANY'S INSURER MAKES A PAYMENT FOR A CLAIM COVERED UNDER COMPREHENSIVE COVERAGE OR COLLISION COVERAGE, THE TRANSPORTATION NETWORK COMPANY SHALL CAUSE ITS INSURER TO ISSUE THE PAYMENT DIRECTLY TO THE BUSINESS REPAIRING THE VEHICLE OR JOINTLY TO THE OWNER OF THE VEHICLE AND THE PRIMARY LIENHOLDER ON THE COVERED VEHICLE. THE COMMISSION SHALL NOT ASSESS ANY FINES AS A RESULT OF A VIOLATION OF THIS SUBSECTION (9).

**40-10.1-605. Operational requirements.** (1) THE FOLLOWING REQUIREMENTS APPLY TO THE PROVISION OF SERVICES:

(a) A DRIVER SHALL NOT PROVIDE SERVICES UNLESS A TRANSPORTATION NETWORK COMPANY HAS MATCHED THE DRIVER TO A RIDER THROUGH A DIGITAL NETWORK. A DRIVER SHALL NOT SOLICIT OR ACCEPT THE ON-DEMAND SUMMONING OF A RIDE, OTHERWISE KNOWN AS A "STREET HAIL".

(b) A TRANSPORTATION NETWORK COMPANY SHALL MAKE AVAILABLE TO PROSPECTIVE RIDERS AND DRIVERS THE METHOD BY WHICH THE TRANSPORTATION NETWORK COMPANY CALCULATES FARES OR THE APPLICABLE RATES BEING CHARGED AND AN OPTION TO RECEIVE AN ESTIMATED FARE.

(c) UPON COMPLETION OF A PREARRANGED RIDE, A TRANSPORTATION NETWORK COMPANY SHALL TRANSMIT TO THE RIDER AN ELECTRONIC RECEIPT, EITHER BY ELECTRONIC MAIL OR VIA TEXT MESSAGE, DOCUMENTING:

(I) THE POINT OF ORIGIN AND DESTINATION OF THE PREARRANGED RIDE;

(II) THE TOTAL DURATION AND DISTANCE OF THE PREARRANGED RIDE;

(III) THE TOTAL FARE PAID, INCLUDING THE BASE FARE AND ANY ADDITIONAL CHARGES INCURRED FOR DISTANCE TRAVELED OR DURATION OF THE PREARRANGED RIDE; AND

(IV) THE DRIVER'S FIRST NAME AND TELEPHONE NUMBER.

(d) BEFORE PERMITTING A PERSON TO ACT AS A DRIVER ON ITS DIGITAL NETWORK, A TRANSPORTATION NETWORK COMPANY SHALL CONFIRM THAT THE PERSON IS AT LEAST TWENTY-ONE YEARS OF AGE AND POSSESSES:

(I) A VALID DRIVER'S LICENSE;

(II) PROOF OF AUTOMOBILE INSURANCE;

(III) PROOF OF A COLORADO VEHICLE REGISTRATION; AND

(IV) WITHIN NINETY DAYS OF THE EFFECTIVE DATE OF THIS PART 6 AND PURSUANT TO COMMISSION RULES, PROOF THAT THE PERSON IS MEDICALLY FIT TO DRIVE.

(e) A DRIVER SHALL NOT OFFER OR PROVIDE TRANSPORTATION NETWORK COMPANY SERVICES FOR MORE THAN TWELVE CONSECUTIVE

HOURS.

(f) A TRANSPORTATION NETWORK COMPANY SHALL IMPLEMENT AN INTOXICATING SUBSTANCE POLICY FOR DRIVERS THAT DISALLOWS ANY AMOUNT OF INTOXICATION OF THE DRIVER WHILE PROVIDING SERVICES. THE TRANSPORTATION NETWORK COMPANY SHALL INCLUDE ON ITS WEB SITE AND MOBILE DEVICE APPLICATION SOFTWARE A NOTICE CONCERNING THE TRANSPORTATION NETWORK COMPANY'S INTOXICATING SUBSTANCE POLICY.

(g)(I) A TRANSPORTATION NETWORK COMPANY SHALL CONDUCTOR HAVE A CERTIFIED MECHANIC CONDUCT A SAFETY INSPECTION OF A PROSPECTIVE DRIVER'S VEHICLE BEFORE IT IS APPROVED FOR USE AS A PERSONAL VEHICLE AND SHALL HAVE PERIODIC INSPECTIONS OF PERSONAL VEHICLES CONDUCTED THEREAFTER, AT INTERVALS OF AT LEAST ONE INSPECTION PER YEAR. A SAFETY INSPECTION SHALL INCLUDE AN INSPECTION OF:

- (A) FOOT BRAKES;
- (B) EMERGENCY BRAKES;
- (C) STEERING MECHANISM;
- (D) WINDSHIELD;
- (E) REAR WINDOW AND OTHER GLASS;
- (F) WINDSHIELD WIPERS;
- (G) HEADLIGHTS;
- (H) TAIL LIGHTS;
- (I) TURN INDICATOR LIGHTS;
- (J) STOP LIGHTS;
- (K) FRONT SEAT ADJUSTMENT MECHANISM;
- (L) THE OPENING, CLOSING, AND LOCKING CAPABILITY OF THE



DOORS;

(M) HORN;

(N) SPEEDOMETER;

(O) BUMPERS;

(P) MUFFLER AND EXHAUST SYSTEM;

(Q) TIRE CONDITIONS, INCLUDING TREAD DEPTH;

(R) INTERIOR AND EXTERIOR REAR-VIEW MIRRORS; AND

(S) SAFETY BELTS.

(II) EFFECTIVE NINETY DAYS AFTER THE EFFECTIVE DATE OF THIS PART 6, THE COMMISSION MAY ALSO CONDUCT INSPECTIONS OF PERSONAL VEHICLES.

(h) A PERSONAL VEHICLE MUST:

(I) HAVE AT LEAST FOUR DOORS; AND

(II) BE DESIGNED TO CARRY NO MORE THAN EIGHT PASSENGERS, INCLUDING THE DRIVER.

(i) A TRANSPORTATION NETWORK COMPANY SHALL MAKE THE FOLLOWING DISCLOSURE TO A PROSPECTIVE DRIVER IN THE PROSPECTIVE DRIVER'S TERMS OF SERVICE:

**WHILE OPERATING ON THE TRANSPORTATION NETWORK COMPANY'S DIGITAL NETWORK, YOUR PERSONAL AUTOMOBILE INSURANCE POLICY MIGHT NOT AFFORD LIABILITY COVERAGE, DEPENDING ON THE POLICY'S TERMS.**

(j) (I) A TRANSPORTATION NETWORK COMPANY SHALL MAKE THE FOLLOWING DISCLOSURE TO A PROSPECTIVE DRIVER IN THE PROSPECTIVE DRIVER'S TERMS OF SERVICE:

**IF THE VEHICLE THAT YOU PLAN TO USE TO PROVIDE TRANSPORTATION NETWORK COMPANY SERVICES FOR OUR TRANSPORTATION NETWORK COMPANY HAS A LIEN AGAINST IT, YOU MUST NOTIFY THE LIENHOLDER THAT YOU WILL BE USING THE VEHICLE FOR TRANSPORTATION SERVICES THAT MAY VIOLATE THE TERMS OF YOUR CONTRACT WITH THE LIENHOLDER.**

(II) THE DISCLOSURE SET FORTH IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (j) MUST BE PLACED PROMINENTLY IN THE PROSPECTIVE DRIVER'S WRITTEN TERMS OF SERVICE, AND THE PROSPECTIVE DRIVER MUST ACKNOWLEDGE THE TERMS OF SERVICE ELECTRONICALLY OR BY SIGNATURE.

(k) A TRANSPORTATION NETWORK COMPANY SHALL MAKE AVAILABLE TO A RIDER A CUSTOMER SUPPORT TELEPHONE NUMBER ON ITS DIGITAL NETWORK OR WEB SITE FOR RIDER INQUIRIES.

(l) THE DISCLOSURE REQUIREMENTS SET FORTH IN THIS SUBSECTION (1) TAKE EFFECT ON JULY 1, 2014.

(m) (I) A TRANSPORTATION NETWORK COMPANY SHALL NOT DISCLOSE TO A THIRD PARTY ANY PERSONALLY IDENTIFIABLE INFORMATION CONCERNING A USER OF THE TRANSPORTATION NETWORK COMPANY'S DIGITAL NETWORK UNLESS:

(A) THE TRANSPORTATION NETWORK COMPANY OBTAINS THE USER'S CONSENT TO DISCLOSE PERSONALLY IDENTIFIABLE INFORMATION;

(B) DISCLOSURE IS NECESSARY TO COMPLY WITH A LEGAL OBLIGATION; OR

(C) DISCLOSURE IS NECESSARY TO PROTECT OR DEFEND THE TERMS AND CONDITIONS FOR USE OF THE SERVICE OR TO INVESTIGATE VIOLATIONS OF THE TERMS AND CONDITIONS.

(II) THE LIMITATION ON DISCLOSURE DOES NOT APPLY TO THE DISCLOSURE OF AGGREGATED USER DATA AND OTHER INFORMATION ABOUT THE USER THAT IS NOT PERSONALLY IDENTIFIABLE.

(n) ANY TAXICAB COMPANY OR SHUTTLE COMPANY AUTHORIZED BY THE COMMISSION UNDER THIS ARTICLE MAY CONVERT TO A TRANSPORTATION NETWORK COMPANY MODEL OR MAY SET UP A SUBSIDIARY OR AFFILIATE TRANSPORTATION NETWORK COMPANY. IN CONVERTING TO A TRANSPORTATION NETWORK COMPANY MODEL OR SETTING UP A TRANSPORTATION NETWORK COMPANY SUBSIDIARY OR AFFILIATE, A TAXICAB COMPANY OR SHUTTLE COMPANY AUTHORIZED BY THE COMMISSION UNDER THIS ARTICLE MAY COMPLETELY OR PARTIALLY SUSPEND ITS CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY ISSUED UNDER SECTION 40-10.1-201. DURING THE PERIOD OF SUSPENSION OF ITS CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY, A TAXICAB COMPANY, SHUTTLE COMPANY, OR A SUBSIDIARY OR AFFILIATE OF A TAXICAB COMPANY OR SHUTTLE COMPANY IS EXEMPT FROM TAXI OR SHUTTLE STANDARDS UNDER THIS ARTICLE, THE STANDARDS CONCERNING THE REGULATION OF RATES AND CHARGES UNDER ARTICLE 3 OF THIS TITLE, AND ANY COMMISSION RULES REGARDING COMMON CARRIERS PROMULGATED UNDER THIS ARTICLE OR ARTICLE 3 OF THIS TITLE.

(o) EACH TRANSPORTATION NETWORK COMPANY SHALL REQUIRE THAT EACH PERSONAL VEHICLE PROVIDING TRANSPORTATION NETWORK COMPANY SERVICES DISPLAY AN EXTERIOR MARKING THAT IDENTIFIES THE PERSONAL VEHICLE AS A VEHICLE FOR HIRE.

(2) A TRANSPORTATION NETWORK COMPANY OR A THIRD PARTY SHALL RETAIN TRUE AND ACCURATE INSPECTION RECORDS FOR AT LEAST FOURTEEN MONTHS AFTER AN INSPECTION WAS CONDUCTED FOR EACH PERSONAL VEHICLE USED BY A DRIVER.

(3) (a) BEFORE A PERSON IS PERMITTED TO ACT AS A DRIVER THROUGH USE OF A TRANSPORTATION NETWORK COMPANY'S DIGITAL NETWORK, THE PERSON SHALL:

(I) OBTAIN A CRIMINAL HISTORY RECORD CHECK PURSUANT TO THE PROCEDURES SET FORTH IN SECTION 40-10.1-110 AS SUPPLEMENTED BY THE COMMISSION'S RULES PROMULGATED UNDER SECTION 40-10.1-110 OR THROUGH A PRIVATELY ADMINISTERED NATIONAL CRIMINAL HISTORY RECORD CHECK, INCLUDING THE NATIONAL SEX OFFENDER DATABASE; AND

(II) IF A PRIVATELY ADMINISTERED NATIONAL CRIMINAL HISTORY RECORD CHECK IS USED, PROVIDE A COPY OF THE CRIMINAL HISTORY



RECORD CHECK TO THE TRANSPORTATION NETWORK COMPANY.

(b) A DRIVER SHALL OBTAIN A CRIMINAL HISTORY RECORD CHECK IN ACCORDANCE WITH SUBPARAGRAPH (I) OF PARAGRAPH (a) OF THIS SUBSECTION (3) EVERY FIVE YEARS WHILE SERVING AS A DRIVER.

(c) (I) A PERSON WHO HAS BEEN CONVICTED OF OR PLED GUILTY OR NOLO CONTENDERE TO DRIVING UNDER THE INFLUENCE OF DRUGS OR ALCOHOL IN THE PREVIOUS SEVEN YEARS BEFORE APPLYING TO BECOME A DRIVER SHALL NOT SERVE AS A DRIVER. IF THE CRIMINAL HISTORY RECORD CHECK REVEALS THAT THE PERSON HAS EVER BEEN CONVICTED OF OR PLED GUILTY OR NOLO CONTENDERE TO ANY OF THE FOLLOWING FELONY OFFENSES, THE PERSON SHALL NOT SERVE AS A DRIVER:

(A) AN OFFENSE INVOLVING FRAUD, AS DESCRIBED IN ARTICLE 5 OF TITLE 18, C.R.S.;

(B) AN OFFENSE INVOLVING UNLAWFUL SEXUAL BEHAVIOR, AS DEFINED IN SECTION 16-22-102 (9), C.R.S.;

(C) AN OFFENSE AGAINST PROPERTY, AS DESCRIBED IN ARTICLE 4 OF TITLE 18, C.R.S.; OR

(D) A CRIME OF VIOLENCE, AS DESCRIBED IN SECTION 18-1.3-406, C.R.S.

(II) A PERSON WHO HAS BEEN CONVICTED OF A COMPARABLE OFFENSE TO THE OFFENSES LISTED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (b) IN ANOTHER STATE OR IN THE UNITED STATES SHALL NOT SERVE AS A DRIVER.

(III) A TRANSPORTATION NETWORK COMPANY OR A THIRD PARTY SHALL RETAIN TRUE AND ACCURATE RESULTS OF THE CRIMINAL HISTORY RECORD CHECK FOR EACH DRIVER THAT PROVIDES SERVICES FOR THE TRANSPORTATION NETWORK COMPANY FOR AT LEAST FIVE YEARS AFTER THE CRIMINAL HISTORY RECORD CHECK WAS CONDUCTED.

(IV) A PERSON WHO HAS, WITHIN THE IMMEDIATELY PRECEDING FIVE YEARS, BEEN CONVICTED OF OR PLED GUILTY OR NOLO CONTENDERE TO A FELONY SHALL NOT SERVE AS A DRIVER.



(4) (a) BEFORE PERMITTING AN INDIVIDUAL TO ACT AS A DRIVER ON ITS DIGITAL NETWORK, A TRANSPORTATION NETWORK COMPANY SHALL OBTAIN AND REVIEW A DRIVING HISTORY RESEARCH REPORT FOR THE INDIVIDUAL.

(b) AN INDIVIDUAL WITH THE FOLLOWING MOVING VIOLATIONS SHALL NOT SERVE AS A DRIVER:

(I) MORE THAN THREE MOVING VIOLATIONS IN THE THREE-YEAR PERIOD PRECEDING THE INDIVIDUAL'S APPLICATION TO SERVE AS A DRIVER; OR

(II) A MAJOR MOVING VIOLATION IN THE THREE-YEAR PERIOD PRECEDING THE INDIVIDUAL'S APPLICATION TO SERVE AS A DRIVER, WHETHER COMMITTED IN THIS STATE, ANOTHER STATE, OR THE UNITED STATES, INCLUDING VEHICULAR ELUDING, AS DESCRIBED IN SECTION 18-9-116.5, C.R.S., RECKLESS DRIVING, AS DESCRIBED IN SECTION 42-4-1401, C.R.S., AND DRIVING UNDER RESTRAINT, AS DESCRIBED IN SECTION 42-2-138, C.R.S.

(c) A TRANSPORTATION NETWORK COMPANY OR A THIRD PARTY SHALL RETAIN TRUE AND ACCURATE RESULTS OF THE DRIVING HISTORY RESEARCH REPORT FOR EACH DRIVER THAT PROVIDES SERVICES FOR THE TRANSPORTATION NETWORK COMPANY FOR AT LEAST THREE YEARS.

(5) IF ANY PERSON FILES A COMPLAINT WITH THE COMMISSION AGAINST A TRANSPORTATION NETWORK COMPANY OR DRIVER, THE COMMISSION MAY INSPECT THE TRANSPORTATION NETWORK COMPANY'S RECORDS AS REASONABLY NECESSARY TO INVESTIGATE AND RESOLVE THE COMPLAINT.

(6) (a) A TRANSPORTATION NETWORK COMPANY SHALL PROVIDE SERVICES TO THE PUBLIC IN A NONDISCRIMINATORY MANNER, REGARDLESS OF GEOGRAPHIC LOCATION OF THE DEPARTURE POINT OR DESTINATION, ONCE THE DRIVER AND RIDER HAVE BEEN MATCHED THROUGH THE DIGITAL NETWORK; RACE; ETHNICITY; GENDER; SEXUAL ORIENTATION, AS DEFINED IN SECTION 2-4-401 (13.5), C.R.S.; GENDER IDENTITY; OR DISABILITY THAT COULD PREVENT CUSTOMERS FROM ACCESSING TRANSPORTATION. A DRIVER SHALL NOT REFUSE TO TRANSPORT A PASSENGER UNLESS:

(I) THE PASSENGER IS ACTING IN AN UNLAWFUL, DISORDERLY, OR ENDANGERING MANNER;

(II) THE PASSENGER IS UNABLE TO CARE FOR HIMSELF OR HERSELF AND IS NOT IN THE CHARGE OF A RESPONSIBLE COMPANION; OR

(III) THE DRIVER HAS ALREADY COMMITTED TO PROVIDING A RIDE FOR ANOTHER RIDER.

(b) A TRANSPORTATION NETWORK COMPANY SHALL NOT IMPOSE ADDITIONAL CHARGES FOR PROVIDING SERVICES TO PERSONS WITH PHYSICAL OR MENTAL DISABILITIES BECAUSE OF THOSE DISABILITIES.

(c) A DRIVER SHALL PERMIT A SERVICE ANIMAL TO ACCOMPANY A RIDER ON A PREARRANGED RIDE.

(d) IF A RIDER WITH PHYSICAL OR MENTAL DISABILITIES REQUIRES THE USE OF THE RIDER'S MOBILITY EQUIPMENT, A DRIVER SHALL STORE THE MOBILITY EQUIPMENT IN THE VEHICLE DURING A PREARRANGED RIDE IF THE VEHICLE IS REASONABLY CAPABLE OF STORING THE MOBILITY EQUIPMENT. IF THE DRIVER IS UNABLE TO STORE A RIDER'S MOBILITY EQUIPMENT IN THE DRIVER'S VEHICLE, THE DRIVER SHALL REFER THE RIDER TO ANOTHER DRIVER OR TRANSPORTATION SERVICE PROVIDER WITH A VEHICLE THAT IS EQUIPPED TO ACCOMMODATE THE RIDER'S MOBILITY EQUIPMENT.

(7)(a) A TRANSPORTATION NETWORK COMPANY IS NOT LIABLE FOR A DRIVER'S VIOLATION OF SUBSECTION (6) OF THIS SECTION UNLESS THE DRIVER'S VIOLATION HAS BEEN PREVIOUSLY REPORTED TO THE TRANSPORTATION NETWORK COMPANY IN WRITING, AND THE TRANSPORTATION NETWORK COMPANY HAS FAILED TO REASONABLY ADDRESS THE ALLEGED VIOLATION. THE COMMISSION SHALL AFFORD A TRANSPORTATION NETWORK COMPANY THE SAME DUE PROCESS RIGHTS AFFORDED TRANSPORTATION PROVIDERS IN DEFENDING AGAINST CIVIL PENALTIES ASSESSED BY THE COMMISSION.

(b) THE COMMISSION MAY ASSESS A CIVIL PENALTY UP TO FIVE HUNDRED FIFTY DOLLARS UNDER THIS SUBSECTION (7).

(8) WITHIN TEN DAYS OF RECEIVING A COMPLAINT ABOUT A DRIVER'S ALLEGED VIOLATION OF SUBSECTION (6) OF THIS SECTION, THE



COMMISSION SHALL REPORT THE COMPLAINT TO THE TRANSPORTATION NETWORK COMPANY FOR WHICH THE DRIVER PROVIDES SERVICES.

(9) A DRIVER SHALL IMMEDIATELY REPORT TO THE TRANSPORTATION NETWORK COMPANY ANY REFUSAL TO TRANSPORT A PASSENGER PURSUANT TO PARAGRAPH (a) OF SUBSECTION (6) OF THIS SECTION, AND THE TRANSPORTATION NETWORK COMPANY SHALL ANNUALLY REPORT ALL SUCH REFUSALS TO THE COMMISSION IN A FORM AND MANNER DETERMINED BY THE COMMISSION.

**40-10.1-606. Permit required for transportation network companies - penalty for violation - rules.** (1) A PERSON SHALL NOT OPERATE A TRANSPORTATION NETWORK COMPANY IN COLORADO WITHOUT FIRST HAVING OBTAINED A PERMIT FROM THE COMMISSION.

(2) THE COMMISSION SHALL ISSUE A PERMIT TO EACH TRANSPORTATION NETWORK COMPANY THAT MEETS THE REQUIREMENTS OF THIS PART 6 AND PAYS AN ANNUAL PERMIT FEE OF ONE HUNDRED ELEVEN THOUSAND TWO HUNDRED FIFTY DOLLARS TO THE COMMISSION. THE COMMISSION MAY ADJUST THE ANNUAL PERMIT FEE BY RULE TO COVER THE COMMISSION'S DIRECT AND INDIRECT COSTS ASSOCIATED WITH IMPLEMENTING THIS PART 6.

(3) THE COMMISSION SHALL DETERMINE THE FORM AND MANNER OF APPLICATION FOR A TRANSPORTATION NETWORK COMPANY PERMIT.

(4) THE COMMISSION MAY TAKE ACTION AGAINST A TRANSPORTATION NETWORK COMPANY AS SET FORTH IN SECTION 40-10.1-112, INCLUDING ISSUING AN ORDER TO CEASE AND DESIST AND SUSPENDING, REVOKING, ALTERING, OR AMENDING A PERMIT ISSUED TO THE TRANSPORTATION NETWORK COMPANY.

(5) (a) FOR A VIOLATION OF THIS PART 6 OR A FAILURE TO COMPLY WITH A COMMISSION ORDER, DECISION, OR RULE ISSUED UNDER THIS PART 6, A TRANSPORTATION NETWORK COMPANY IS SUBJECT TO THE COMMISSION'S AUTHORITY UNDER SECTIONS 40-7-101, 40-7-112, 40-7-113, 40-7-115, AND 40-7-116.

(b) THE COMMISSION SHALL NOT ASSESS A PENALTY AGAINST A DRIVER.

(6) THE COMMISSION MAY DENY AN APPLICATION UNDER THIS PART 6 OR REFUSE TO RENEW THE PERMIT OF A TRANSPORTATION NETWORK COMPANY BASED ON A DETERMINATION THAT THE TRANSPORTATION NETWORK COMPANY HAS NOT SATISFIED A CIVIL PENALTY ARISING OUT OF AN ADMINISTRATIVE OR ENFORCEMENT ACTION BROUGHT BY THE COMMISSION.

**40-10.1-607. Fees - transportation network company fund - creation.** THE COMMISSION SHALL TRANSMIT ALL FEES COLLECTED PURSUANT TO THIS PART 6 TO THE STATE TREASURER, WHO SHALL CREDIT THE FEES TO THE TRANSPORTATION NETWORK COMPANY FUND, WHICH IS HEREBY CREATED IN THE STATE TREASURY. THE MONEYS IN THE FUND ARE CONTINUOUSLY APPROPRIATED TO THE COMMISSION FOR THE PURPOSES SET FORTH IN THIS PART 6. ALL INTEREST EARNED FROM THE INVESTMENT OF MONEYS IN THE FUND IS CREDITED TO THE FUND. ANY MONEYS NOT EXPENDED AT THE END OF THE FISCAL YEAR REMAIN IN THE FUND AND DO NOT REVERT TO THE GENERAL FUND OR ANY OTHER FUND.

**40-10.1-608. Rules.** (1) THE COMMISSION MAY PROMULGATE RULES CONSISTENT WITH THIS PART 6, INCLUDING RULES CONCERNING ADMINISTRATION, FEES, AND SAFETY REQUIREMENTS.

(2) THE COMMISSION MAY PROMULGATE RULES REQUIRING A TRANSPORTATION NETWORK COMPANY TO MAINTAIN AND FILE WITH THE COMMISSION EVIDENCE OF FINANCIAL RESPONSIBILITY AND PROOF OF THE CONTINUED VALIDITY OF THE INSURANCE POLICY, SURETY BOND, OR SELF-INSURANCE, BUT SHALL NOT REQUIRE A TRANSPORTATION NETWORK COMPANY TO FILE A COPY OF THE INSURANCE POLICY.

**SECTION 7.** In Colorado Revised Statutes, **add 8-41-211** as follows:

**8-41-211. Transportation network company drivers - rules.** UPON THE EFFECTIVE DATE OF PART 6 OF ARTICLE 10.1 OF TITLE 40, C.R.S., THE DIRECTOR, UPON CONSIDERATION OF EXISTING COLORADO STATUTORY AND CASE LAW, MAY BY RULE DETERMINE WHETHER OR NOT TRANSPORTATION NETWORK COMPANIES HAVE AN OBLIGATION UNDER EXISTING COLORADO LAW TO PROVIDE OR OFFER FOR PURCHASE WORKERS' COMPENSATION INSURANCE COVERAGE TO TRANSPORTATION NETWORK COMPANY DRIVERS.

**SECTION 8. Appropriation.** (1) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the transportation network company fund created in section 40-10.1-607, Colorado Revised Statutes, not otherwise appropriated, to the department of regulatory agencies, for the fiscal year beginning July 1, 2014, the sum of \$179,777 and 2.5 FTE, or so much thereof as may be necessary, for allocation to the public utilities commission for the administrative costs related to the implementation of this act.

(2) In addition to any other appropriation, there is hereby appropriated to the department of law, for the fiscal year beginning July 1, 2014, the sum of \$9,108 and 0.1 FTE, or so much thereof as may be necessary, for the provision of legal services for the public utilities commission related to the implementation of this act. Said sum is from reappropriated funds received from the department of regulatory agencies out of the appropriation made in subsection (1) of this section.

**SECTION 9. Safety clause.** The general assembly hereby finds,

determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

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Morgan Carroll  
PRESIDENT OF  
THE SENATE

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Mark Ferrandino  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES

---

Cindi L. Markwell  
SECRETARY OF  
THE SENATE

---

Marilyn Eddins  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES

APPROVED \_\_\_\_\_

---

John W. Hickenlooper  
GOVERNOR OF THE STATE OF COLORADO





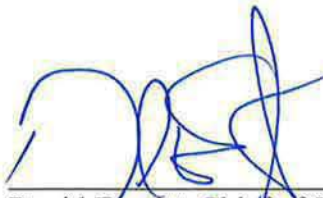
RALPH BECKER  
MAYOR

**SALT LAKE CITY CORPORATION**

OFFICE OF THE MAYOR



**CITY COUNCIL TRANSMITTAL**

  
David Everitt, Chief of Staff

**SCANNED TO:** *hazur*  
**SCANNED BY:** *hazur*  
**DATE:** *06/27/2014*

**Date Received:** *06/27/2014*  
**Date sent to Council:** *06/27/2014*

**TO:** Salt Lake City Council  
Charlie Luke, Chair

**DATE:** June 30, 2014

**FROM:** David Everitt, Chief of Staff  
Office of the Mayor

**SUBJECT:** Amendments to Ground Transportation Ordinances

**STAFF CONTACT:** Larry Bowers, Landside Operations Manager  
Salt Lake City Department of Airports, (801)320-0729

**COUNCIL SPONSOR:** Charlie Luke

**DOCUMENT TYPE:** Ordinance

**RECOMMENDATION:** Amend various ordinances related to ground transportation

**BUDGET IMPACT:** No immediate budget impact

**BACKGROUND/DISCUSSION:**

Peer-to-peer transportation providers, Lyft and UberX, (also called transportation network companies or "TNCs") currently are operating in Salt Lake City. TNCs use an online-enabled platform, typically smart phone applications ("apps"), to connect passengers with drivers. The drivers may be using personal vehicles or commercial transportation vehicles, such as limousines. Most TNCs have a response time around 5-7 minutes. At the destination, the apps often calculate the fare automatically and charge it to the passenger's credit card.

Lyft and Uber are operating alongside 245 transportation for hire companies or individuals that are registered and licensed to provide ground transportation services in Salt Lake City. Three of those companies are on-demand taxicab operators, which will

continue to operate at least through July 13, 2014, under a temporary waiver that allows them to continue with their on-demand taxi services without a contract while the City works with Ace Taxi and Total Transit (“Contracted Taxicab Companies”) to determine the City’s operational needs in the current business environment and to give the Contracted Taxicab Companies time to ramp up operations. Even without such a waiver, however, those three taxicab operators would be able to operate in the City, but not on-demand at the Airport, as ground transportation for hire companies, assuming they continued to meet the City’s requirements for such operations.

Providing transportation choices is a priority for Salt Lake City. The ground transportation services provided by a majority of transportation for hire companies include pre-arranged cars, vans, courtesy vehicles, hotel vehicles, limousines, and busses. Additionally, traditional taxicab service is required to provide 24-hour, nondiscriminatory, accessible, metered service with regulated rates. TNCs provide another choice to the public that makes car travel conveniently available to those who need it, while reducing the number of cars on the roads. TNCs provide an option to driving a personal automobile, which is an objective supported by several Plans and policies of the City, including the Transportation Master Plan and the City Council’s Philosophy Statement on Transportation.

The explosive global growth of TNCs, which has reached hundreds of cities around the world, has caused ground transportation regulators to rethink their ground transportation policies in an effort to provide for these new transportation services, while honoring existing business agreements, regulations, and practices. Ground transportation regulatory schemes vary widely among jurisdictions. For example, in some locales taxicabs are governed by a separate regulatory body, such as a public service commission, from other ground transportation for hire services. Logistical and operational needs, such as staging of vehicles, numbers of providers, and connections to public transportation and airports, depend on the size and configuration of the local area and airport, as well as the ground transportation needs of the population. Jurisdictions also vary in their treatment of violations as civil or criminal, and whether they must obtain a cease and desist order before they can impose fines or other sanctions.

The ground transportation regulatory scheme in Salt Lake City is relatively straightforward. Except for certain City ordinances that impose some obligations on and grant some exclusive privileges to on-demand taxicab providers, most City ground transportation ordinances apply equally to all providers of ground transportation for hire that operate in the City. For example, violators are subject to civil, not criminal, penalties; fines can be imposed directly, based on City ordinances, and do not require a court order; all ground transportation companies must comply with the same requirements regarding passenger safety, service standards, and insurance coverage. With a few modifications, current City ordinances will be sufficient to address the City’s desire to ensure the safety of the public and the operational and logistical needs of the City, the needs of the TNCs, taxicabs, and other ground transportation providers, while providing consumer choice in this evolving market.



Under Salt Lake City's current regulatory structure, individual Lyft and Uber drivers are held to the same City standards as all ground transportation providers. However, a majority, if not all, TNC drivers are not registered or licensed by the City to provide transportation for hire in the City. Although TNC drivers can, if they so choose, comply with most City ground transportation requirements, including vehicle cleanliness and service standards, driver background checks, insurance, and other standards listed in Chapters 5.71, 5.72, and 16.60 of SLC City Code, TNC companies assert they cannot comply with the current 30 minute prearrangement requirement in City ordinance. That requirement presents an irreconcilable conflict with their business model, which requires a rapid response to internet application-based ride requests. Thus, TNC drivers currently operate in violation of certain City ground transportation requirements, and violators are being cited for such violations.

Certain amendments to the City's ground transportation ordinances are necessary to create a regulatory environment that meets the various needs of the City, supports ground transportation providers, and protects the public, including the following:

1. Thirty minute limitation and \$30 minimum charge. Current restrictions prohibiting non-taxicab operators from providing on-demand service in the City should be eliminated, except at the Airport. The TNCs have indicated they cannot operate according to their business model unless they are able to pick up customers on-demand and without a minimum charge (or with a very nominal minimum charge). The 30 minute pre-arrangement requirement restricts consumer choice to only taxicabs for most on-demand service. Similarly, the \$30 minimum charge for limousines also limits consumer choice.

However, this transmittal recommends that the Council continue to mandate the prearrangement and minimum charge requirements for picking up passengers at the Salt Lake City International Airport. By doing so, the City reserves the privilege of on-demand service for the contracted taxicab companies. Also, the Airport has limited space for taxis and others to dwell, so limiting on-demand at the Airport to the Contracted Taxicab Companies helps to manage the space constraints.

2. Minimum number of taxicabs. This transmittal recommends the elimination of the requirement in City ordinance that sets the minimum number of on-demand taxicabs in the City. The City needs the flexibility to adjust fleet size to changing market conditions.

3. Restrictions on number of taxicab companies. This transmittal recommends the elimination of the requirement in City ordinance that the City select in a competitive process between 2 and 4 companies to provide on-demand taxicab service in the City. The restriction requiring 2-4 companies was incorporated into the City's ordinances over four years ago to allow for the possibility that all three taxicab companies holding certificates of public convenience and necessity at that time would have the possibility of being successful respondents in the competitive public selection process. However, those certificates of public convenience and necessity expired on their own terms on November 28, 2011, and the Contracted Taxicab Companies were selected to provide on-demand taxicab service in the City. Such limits on the number of providers are no longer

necessary and it is in the best interest of the City to have the flexibility going forward to be able to award on-demand taxicab contracts to the appropriate number of companies the market can support.

4. Emergency Powers. The department director appointed by the Mayor to administer and enforce the City's ground transportation ordinances currently is authorized, in emergency and certain other situations, to waive temporarily the requirement that only on-demand taxicab providers with a department contract to provide on-demand services in the City and at the Airport. In the current, rapidly changing ground transportation market, it would be in the City's best interest to allow the department director to waive or impose restrictions in Chapters 5.71, 5.72, and 16.60 on a temporary basis, with the approval of the Mayor and upon notice to the City Council, in the event of congestion and other operational problems, security concerns, or emergency conditions. Such emergency power will enable the City to respond quickly and allow time for the Council to enact the appropriate ordinance amendments after the applicable public process.

5. Miscellaneous. Other changes have been made throughout the ordinances that are necessary or recommended to correspond with and effectuate the changes discussed above. Additionally, a few clean-up changes are included, as well as changes that reflect more modern terminology or remove unnecessary language because of changes in state law.

#### **PUBLIC PROCESS:**

City representatives have met with a representative of Uber about Uber's concerns related to operating in Salt Lake City, and Airport management and staff have discussed the proposed changes to the ordinance with the Contracted Taxicab Companies. The Salt Lake City Business Advisory Board has discussed the proposal as well and is in the process of providing feedback.

SALT LAKE CITY ORDINANCE

No. \_\_\_\_\_ of 2014

(Ground transportation requirements)

An ordinance amending Chapter 5.71, *Salt Lake City Code*, pertaining to ground transportation requirements, to coordinate with taxicab regulations in Chapter 5.72, to provide for regulation of ground transportation providers that supports consumer choice, by expanding on-demand service, eliminating minimum fees, and providing flexibility for the number of taxicab companies that have contracts with the City and taxicab fleet size .

WHEREAS, providing transportation choices is a priority for Salt Lake City; and

WHEREAS, peer-to-peer transportation providers (also called transportation network companies or “TNCs”) currently are operating in Salt Lake City; and

WHEREAS, City has entered into contracts with taxicab providers to provide taxicab service in the City; and

WHEREAS, City desires to provide a regulatory environment for ground transportation in the City that is in the best interests of the City; and

WHEREAS, it is in the best interest of the City to allow all commercial ground transportation providers to offer on-demand service without minimum charge limitations; and

WHEREAS, it is in the best interest of the City to provide for temporary exceptions in the event of emergency, security concerns, and operational needs; and

WHEREAS, City desires to clarify that all ground transportation seals and AVI tags are the property of the Department of Airports; and

WHEREAS, City desires to make certain changes to modernize the language, concepts, and definitions, delete obsolete provisions, and make certain clean-up changes in this ordinance; and

WHEREAS, after a duly noticed public hearing before the City Council, the Council has determined this ordinance is in the best interest of the City.

NOW, THEREFORE, be it ordained by the City Council of Salt Lake City, Utah, as follows:

SECTION 1. That Chapter 5.71, *Salt Lake City Code*, pertaining to ground transportations requirements be, and the same hereby is, amended to read as follows:

## **Chapter 5.71**

### **GROUND TRANSPORTATION REQUIREMENTS**

#### **Article I. Definitions and General Regulations**

##### **5.71.010: DEFINITIONS:**

The following words and phrases, when used in this chapter, shall have the meanings defined and set forth in this section.

**AIRPORT SHARED RIDE SERVICE:** Ground transportation provided by an authorized ground transportation business contracted through the Department of Airports to provide on-demand shared ride service to and from the Salt Lake City International Airport.

**AIRPORT SHARED RIDE VEHICLE:** Any authorized ground transportation vehicle operating under contract with the Department of Airports to provide airport shared ride service to and from the Salt Lake City International Airport.

**APPLICANT:** An individual who has submitted an application to the department to obtain a ground transportation vehicle operator's badge pursuant to Article VII of this chapter.

**AUTHORIZED GROUND TRANSPORTATION BUSINESS:** Any business operating any ground transportation vehicle, which has a current, valid business license as required by the City and which:

A. Registers the business in accordance with the requirements established by the department, and

B. Is current with all fees or charges imposed by the department and City.

**AUTOMOBILE:** Any motor vehicle with passenger seating for five (5) persons or less, not including the driver.

**BUS:** Any licensed motor vehicle operated on the streets and highways for hire on a scheduled or nonscheduled basis with a seating capacity of twenty-five (25) or more passengers, not including the driver.

**BUSINESS:** A voluntary association legally formed and organized to carry on a business in Utah in the legal name of the association, including without limitation a corporation, limited liability company, partnership, or sole proprietorship.

**BUSINESS LICENSING OFFICE:** The division of building services and licensing of Salt Lake City Corporation, or its successor.

**CERTIFICATE:** A certificate of public convenience and necessity issued by the City.

**CIVIL NOTICE:** A written notice of a ground transportation violation as provided under this chapter.

**COMMENT FORM OR FORM:** The form described in Section 5.71.270 of this chapter, or its successor.

**COURTESY VEHICLE:** Any motor vehicle regularly operated on Salt Lake City streets for transportation of customers and/or baggage without making a specific separate charge to the passenger for such transportation.

**DEPARTMENT:** The Salt Lake City Department of Airports or such other City department or division as may be designated by the Mayor to have responsibility for the enforcement of this chapter.

**DEPARTMENT AUTOMATED VEHICLE IDENTIFICATION (AVI) TAG:** An electronic transponder used to identify vehicles and provide the department with vehicle data and billing information.

**DEPARTMENT DIRECTOR:** The director of the department designated by the Mayor to have responsibility for the enforcement of this chapter or the authorized designee of such director.

**DEPARTMENT INSPECTION:** An inspection of a ground transportation vehicle by the department to verify that the vehicle meets the standards set by the department director, department rules and regulations, applicable contracts, and applicable City ordinances, including without limitation the exterior and interior of the vehicle and all associated vehicle licensing, safety, and insurance requirements.

**DEPARTMENT INSPECTION SEAL:** A sticker or seal issued by the department to signify that a ground transportation vehicle has passed the required department inspection. These department inspection seals are non-transferable and no ground transportation vehicle may be operated without such seal.

**DEPARTMENT RULES AND REGULATIONS:** Rules and regulations developed and adopted by the department director to govern commercial ground transportation operations within the City.

**FIXED SCHEDULE:** Ground transportation service operating on a regular time schedule previously announced as to time of departure and arrival between definitely established and previously announced points along definitely established and previously announced routes regardless of whether passengers or freight are to be carried.

**GROUND TRANSPORTATION APPEAL COMMITTEE:** A committee established by the department director to hear and rule on appeals, suspensions, and other matters related to ground transportation in and connected with the City.

**GROUND TRANSPORTATION BUSINESS:** Any business operating any ground transportation vehicle.

**GROUND TRANSPORTATION SERVICE:** The transportation of passengers by a ground transportation business.

**GROUND TRANSPORTATION VEHICLE:** Any motor vehicle used for the transportation of persons using Salt Lake City streets for commercial purposes, regardless of whether a fee or fare is collected.

**HEARING OFFICER:** A hearing officer of the Salt Lake City Justice Court.

**HOLDER:** A person to whom a certificate of public convenience and necessity has been issued.

**HOTEL VEHICLE:** Any motor vehicle regularly operated by a ground transportation business under contract to or directly by a motel, hotel, or other lodging business, to provide transportation of customers and/or baggage for the contracted establishment for which transportation the customer is charged a separate fee or fare, and which is subject to a contract filed with the department providing for operating the vehicle.

**LIMOUSINE:** Any vehicle described by its manufacturer or aftermarket manufacturer as a limousine or a luxury vehicle, with a driver furnished, who is dressed in professional business attire or a chauffeur's uniform.

**MINIBUS:** Any motor vehicle with a passenger seating capacity of sixteen (16) to twenty-four (24) persons, not including the driver.

**NAMED PARTY:** The driver, vehicle owner, or authorized ground transportation business named in a civil notice issued by the City.

**ON-DEMAND AIRPORT SERVICE OR ON-DEMAND SERVICE:** Transportation provided by an authorized ground transportation business which is not scheduled service or prearranged service as defined in this section.

**PERSONS WITH DISABILITIES:** Those persons who are not acutely ill, who do not require the services of an ambulance, and who need or desire special transportation equipment or accommodation for physical or mental infirmities.

**PREARRANGED SERVICE:** Transportation provided by an authorized ground transportation business from points within the City to destinations within the City, or beyond, for which the authorized ground transportation business providing such transportation has recorded the name or description of prospective passenger and the date and time of the request for transportation at least thirty (30) minutes prior to the transporting of the passenger by such vehicle and for which records of such transportation may be required for inspection by the department.

**SCHEDULED SERVICE:** Transportation provided by an authorized ground transportation business on a fixed schedule posted with and approved by the department in advance of such transportation.

**SPECIAL TRANSPORTATION VEHICLE:** Any motor vehicle for hire, other than an airport shared ride vehicle, ambulance, or taxicab, which vehicle is designed, equipped, and used for the transportation of persons with disabilities.

**SPECIALTY VEHICLES:** Any vehicles that are unique in their design, or built for a specific purpose, including but are not limited to, special conversion vehicles and classic or collector automobiles, but excluding special transportation vehicles.



**STARTER:** A person appointed by and representing a ground transportation business who is responsible for managing the coordination of vehicles and passenger transportation for that business.

**TAXICAB:** A motor vehicle used in the on-demand, for hire transportation of passengers or baggage over public streets and not operated over a fixed route or upon a fixed schedule, but which is subject for contract hire by persons desiring special trips from one point to another, as provided under Chapter 5.72 of this title, or its successor chapter, and authorized to operate in Salt Lake City by contract with the department.

**TAXI STAND:** A public place alongside the curb of a street, or elsewhere in the City, which has been designated by the Mayor or the Mayor's designee as reserved for the use of taxicabs available for hire by passengers, including places otherwise marked as freight zones or other parking restricted zones if designated for use of taxicabs during specified times.

**TERMINAL OF TRANSPORTATION:** A facility or location having the primary purpose of facilitating ground transportation services, such as, but not limited to, the Salt Lake City Intermodal Hub.

**TRAILER:** A wheeled vehicle designed to be pulled by a motor vehicle for the transportation of freight, luggage, or other items.

**VAN:** Any licensed motor vehicle other than those designated as a limousine with a passenger seating capacity of six (6) to twelve (12), not including the driver.

**VEHICLE OPERATOR'S BADGE or OPERATOR'S BADGE:** An identification badge issued by the department to an individual to signify that the individual has met the requirements to operate a ground transportation vehicle.

#### **5.71.020: PURPOSE:**

This chapter is enacted to provide for and protect the interests of Salt Lake City residents and visitors using ground transportation services which make use of City streets and other City property, including:

A. To reflect standards of professionalism prevalent in and accepted by the Salt Lake community at large;

B. To enhance the comfort, ease, and safety of the traveling public on Salt Lake City streets;

C. To enhance the City's competitiveness in attracting the traveling public to this City;

D. To increase safety for drivers of ground transportation vehicles, their passengers, and the public;

E. To adequately identify ground transportation vehicles and their drivers to the public in the City;

F. To meet the needs of the public using ground transportation vehicles in the City;

G. To provide for uniform enforcement of standards throughout the City by coordinating the efforts of the departments responsible for enforcement, adjudication, and business licensing of all commercial ground transportation businesses and ground transportation vehicles;

H. To provide that the Mayor designate a department or departments to be responsible for the administration and enforcement of regulations pertaining to all ground transportation businesses, ground transportation vehicles, and ground transportation vehicle drivers in the City; and

I. To provide authority for administration and enforcement of business licensing in connection with ground transportation in the City.

**5.71.025: DESIGNATION OF DEPARTMENT:**

The Mayor shall designate a City department or departments to be responsible for the oversight and enforcement of all ground transportation businesses, ground transportation vehicles, and ground transportation vehicle drivers within the corporate limits of Salt Lake City. Such department or departments shall be responsible for the administration and enforcement of business licensing in connection with ground transportation in the City.

**5.71.030: AUTHORITY TO ESTABLISH RULES AND REGULATIONS:**

A. To the extent authorized by the provisions of this chapter and consistent with other applicable provisions of this code, the department director, under guidance and direction from the Mayor, may enter into contracts deemed necessary or desirable and may establish rules and regulations necessary to administer the provisions of this chapter.

B. The Mayor shall adopt procedures applicable to the establishment of department rules and regulations that provide for:

1. Public notice of any proposed rule that will affect operation of any ground transportation business;
2. An opportunity for public comment on proposed rules before they take effect, and
3. The basis for any proposed rule.

**5.71.040: EXEMPTIONS FROM REQUIREMENTS OF THIS CHAPTER:**

A. The provisions of this chapter shall not apply to vehicles licensed by a governmental agency or operated by a university or school district, the Utah Transit Authority, an ambulance service, and others as may be designated in department rules and regulations.

B. Sections 5.71.095, 5.71.150, 5.71.180, 5.71.190 and 5.71.240 shall not apply to busses and motor coaches, and bus and motor coach drivers, regulated by the U.S. Department of Transportation.

C. If any provision of this chapter is preempted by federal law, such provision shall not apply.

**5.71.050: BUSINESS LICENSE AND REGISTRATION REQUIRED:**

A. It is a violation for any person to operate a ground transportation business without, prior to commencement of the business, completing the following:

1. Obtaining a business license,
2. Registering such business with the department, and
3. Paying all applicable fees associated with the licensing or permitting of such business, its vehicles, and its employees.

B. Business license fees for ground transportation companies shall be calculated to include the cost of administering and enforcing the provisions of this title.

**5.71.060: GROUND TRANSPORTATION SERVICE:**

All Authorized ground transportation businesses may provide on demand service, scheduled service, or prearranged service within the City, except as provided in Salt Lake City Code section 16.60.097.

**Article II. Driver Standards**

**5.71.070: DRIVER AND STARTER APPEARANCE:**

The drivers of ground transportation vehicles and starters representing ground transportation businesses within the City shall adhere to the standards of appearance established

by department rules and regulations while operating such vehicles, or while representing ground transportation businesses, in order to meet the interests of the City in such transportation.

**5.71.080: DRIVER CONDUCT:**

The drivers of ground transportation vehicles and starters representing ground transportation businesses within the City shall adhere to the standards of conduct established by department rules and regulations while operating such vehicles or while representing ground transportation businesses in order to meet the interests of the City in such transportation.

**5.71.090: UNAUTHORIZED SOLICITATION OF BUSINESS:**

No person may solicit for business at any terminal of transportation except in locations and in accordance with department rules and regulations.

**5.71.095: ANNUAL DRIVER APPLICATION RENEWAL:**

A driver may not be required to renew a driver application more than once every two (2) years and shall not be required to provide fingerprints for a background investigation more than one (1) time except:

- A. In the case of an emergency,
- B. As may be otherwise required by a state or federal law, regulation, or directive; or
- C. As the department director may determine, to achieve consistency with a state or federal law, regulation, or directive.

**Article III. Smoking**

**5.71.100: SMOKING RESTRICTIONS:**

Passengers and drivers in ground transportation vehicles may only smoke in such vehicles as set forth in the Utah Code.



## **Article IV. Vehicle Standards**

### **5.71.120: VEHICLE TITLE RESTRICTIONS AND CONDITION:**

A. No vehicle shall be authorized by the city to operate as a ground transportation vehicle if the vehicle has a salvage/branded title.

B. A specialty vehicle shall be exempted from the foregoing salvage/branded title restrictions if the vehicle meets:

1. Safety standards set forth in the vehicle safety inspection manual promulgated by the Utah Department of Public Safety pursuant to Utah administrative rule 714-158-8, or its successor, and
2. Exterior and interior appearance standards set forth in section 5.71.125 of this chapter and department rules and regulations. (Ord. 84-12, 2012)

### **5.71.125: VEHICLE APPEARANCE STANDARDS:**

A. All ground transportation vehicles shall meet the following vehicle exterior appearance standards:

1. All vehicles shall be maintained as required by any state law or city ordinance or statute, whether or not a part of this chapter.
2. Vehicle exteriors shall be clean except during the first twenty four (24) hours following a snow, rain, or dust storm in Salt Lake or surrounding counties.
3. Vehicles, including bumpers and body molding, shall be free of all exterior damage except for dents no larger than six inches (6") in diameter and rust spots no larger than one inch (1") in diameter. Bumpers shall be straight and aligned, as designed by the vehicle manufacturer.

4. Windshields shall be free of cracks and chips larger than six inches (6”) in diameter or length. All other glass and mirrors shall be free of cracks and chips larger than one inch (1”) in diameter or length.

5. Exterior paint shall be maintained in good condition and repair, with no faded, oxidized, or nonmatching paint. Signs, graphics, door handles, antennas, and other equipment used for the ease and convenience of drivers and passengers shall be maintained in a good and operable condition.

6. Exterior tires, brakes, exhaust pipes, lights, wipers, turn signals, horns and other safety equipment shall be maintained in a good and operable condition.

7. Wheels shall have wheel covers, or be equipped with custom wheels.

8. All fluid leaks shall be repaired immediately.

B. All ground transportation vehicles shall meet the following vehicle interior appearance standards:

1. Vehicle interiors shall be clean and sanitary, and free of dirt, oil, litter, or other similar material, or offensive odors.

2. Seats and other interior surfaces shall be in good repair and free of tears and sharp objects. Dashboard covers may be used, but shall be professionally manufactured.

3. Trunks and luggage storage compartments shall at all times be maintained free of oil, dirt, debris, and personal property except for property used by the driver in connection with operating a ground transportation vehicle.

4. All equipment in the interior of the vehicle used for the ease and convenience of drivers and passengers, including, but not limited to, doors, windows, carpets, door and window handles, ashtrays, heaters, air conditioners, and radios, shall be maintained in a good and operable condition.

5. Ashtrays shall be emptied after use and washed each day.

6. Seat belts shall be provided for the driver and for each passenger as required by law for such vehicle. Seat belts and all other safety equipment inside the vehicle, including child safety restraint devices or seats, shall be maintained in a good and operable condition as may be required by Utah and federal law.

#### **5.71.130: CONFLICTING OR MISLEADING DESIGNS AND ADVERTISING**

##### **PROHIBITED:**

A. No vehicle shall be authorized to operate whose color scheme, identifying design, monogram, or insignia, in the opinion of the department director, conflicts with or imitates any color scheme, identifying design, monogram, or insignia used on a vehicle or vehicles already operating under this chapter, in such a manner as to be misleading or tending to deceive or defraud the public or which improperly conveys the nature or the type of the ground transportation service offered.

B. No ground transportation business shall advertise or hold itself out as being licensed by the City under this chapter when in fact no such license has been issued or has been revoked or terminated.

## **Article V. Insurance and Inspections**

### **5.71.140: INSURANCE REQUIRED:**

A. Every ground transportation business shall maintain continuous vehicle insurance, when the vehicle is operational, at the minimum levels of coverage set forth by the Federal Motor Carrier Safety Administration, 49 CFR 387.33, or by the Utah Department of Transportation, or by the United States Department of Transportation, whichever levels are higher. Proof of insurance shall be required when a vehicle is initially inspected by the department, and may be verified upon the City's receipt of a complaint, negative comment form, or at the time of an on-street, unscheduled ground transportation vehicle inspection.

B. Taxicabs and other authorized ground transportation vehicles with a seating capacity of seven (7) passengers or less, including the driver, shall carry minimum coverage in the amounts required for vehicles with a seating capacity of fifteen (15) or less as set forth in Section 49 CFR 387.33. The exception for taxicab service set forth in Section 49 CFR 387.27 shall not apply to this Subsection B.

C. Each ground transportation business shall send a copy of any notice of cancellation or reduction of insurance coverage to the department immediately upon such cancellation or reduction.

D. Salt Lake City Corporation shall be named as an additional insured in all insurance contracts.

### **5.71.150: INSPECTIONS:**

A. All authorized ground transportation vehicles shall be registered with the department and at all times shall meet or exceed standards established by the department rules and regulations in order to meet the interests of Salt Lake City.

B. No vehicle may operate as a ground transportation vehicle within the City without first having been inspected by the department and found to be meeting all requirements of the department Inspection as established by department rules and regulations for the category of vehicle being inspected.

C. Vehicles meeting the requirements of the department inspection shall have a unique department inspection seal affixed to the rear of the vehicle signifying that the vehicle has passed the department inspection and may be operated as a ground transportation vehicle. The department seal is non-transferable and no vehicle may be used as a ground transportation vehicle without the department inspection seal in place.

D. Department Seals are the sole property of the Department and must be returned to the Department upon demand or at the time a vehicle is sold or retired from service.

E. All ground transportation vehicles meeting the requirements of the department inspection shall be issued a department automated vehicle identification (AVI) tag, which the department shall install on the vehicle. These tags are non-transferable and may not be removed or modified without authorization from the department.

F. Department AVI Tags are the sole property of the Department and must be returned to the Department upon demand or at the time a vehicle is sold or retired from service.

G. The department may perform vehicle inspections at any time any ground transportation vehicle is operating within the corporate limits of the City in order to administer and enforce applicable vehicle standards.

H. No ground transportation vehicle may be operated within the City unless it is maintained to the standards and requirements established by department rules and regulations, including without limitation department inspection requirements.



#### **5.71.160: TEMPORARY OPERATIONS:**

A ground transportation business that operates on a limited or temporary basis within the City may petition the department director for a waiver from some of the requirements of this chapter. However, no ground transportation business may operate without paying otherwise applicable fees. Consideration of such waiver may include the following:

- A. The business is based outside of a thirty-five (35) mile radius of the City and the business provides limited services within the City;
- B. The business does not pick up passengers within the City and provides transportation only into the City; and
- C. Any specific ground transportation vehicle that will be used for operations within the City no more than five (5) calendar days per year.

### **Article VI. Special Transportation Businesses**

#### **5.71.170: SPECIAL TRANSPORTATION VEHICLES AND OPERATORS:**

A. It is a violation for any person who owns or controls a special transportation business to allow a special transportation vehicle to be operated without, prior to commencement of the business, completing the following:

- 1. Obtaining a business license;
- 2. Registering such business with the department;
- 3. Paying all applicable fees associated with the licensing or permitting of such business, its vehicles and its employees; and
- 4. Providing the department with certification from the State of Utah that the vehicle meets all State requirements and was found to be in a safe condition for the

transportation of persons with disabilities and had all such equipment as may be required by state law including, but not limited to, the following:

- a. Doorways wide enough to accommodate a wheelchair;
- b. Ramps or lifting devices for elevating persons with disabilities from the curb or sidewalk into the special transportation vehicle, which ramps and lifting devices shall be stored inside the special transportation vehicle while it is moving;
- c. Adequate means of securing persons with disabilities safely to the inside of the special transportation vehicle and safety belts for all passengers;
- d. A door, in addition to those provided in such vehicles for normal ingress and egress, located at the rear thereof, to be used as a method of escape in case of an emergency; and
- e. A fire extinguisher, and first aid equipment and supplies, as prescribed and amended from time to time by state law.

B. In addition to meeting all other department rules and regulations applicable to ground transportation vehicles and businesses, owners and operators of special transportation vehicles shall comply with the following:

- 1. No special transportation vehicle shall be equipped with a siren or be permitted to operate as an emergency vehicle.
- 2. Special transportation vehicles shall be kept in a clean and sanitary condition, according to applicable rules and regulations promulgated by the State.
- 3. All special transportation vehicle operators shall obtain and maintain certification training in first aid, CPR, and AED as taught by an American Heart Association certified instructor.

**5.71.175: EXISTING HOLDERS' CERTIFICATES FOR SPECIAL TRANSPORTATION VEHICLES:**

A. Holders of existing certificates for special transportation vehicles shall retain such certificates, as set forth in Section 5.76.130 of this title, allowing them to operate the same number of vehicles as they are authorized to operate on the effective date of this ordinance, without any hearing, the public convenience and necessity have heretofore been demonstrated.

B. No certificate shall continue in operation unless the holder thereof has paid the annual business regulatory fees each year for each vehicle authorized under a certificate. Such fees shall be in addition to any other fees or charges established by proper authority and applicable to the holder of the vehicle or vehicles under the holder's operation and control.

**Article VII. Vehicle Operator's Badge**

**5.71.180: VEHICLE OPERATOR'S BADGE REQUIRED:**

It is a violation for any person to operate a ground transportation vehicle upon the streets of the City without having first obtained and having then in force a valid ground transportation vehicle operator's badge issued by the department under department rules and regulations.

All Department issued Ground Transportation Vehicle Operators badges are the sole property of the Department and must be surrendered upon demand of a police officer, any authorized agent of the department, or any other person authorized by the Mayor to enforce the provisions of this chapter.

**5.71.190: PERMITTING NON-BADGED OPERATOR TO DRIVE:**

It is a violation for any person who owns or controls a ground transportation vehicle to permit it to be driven, and no ground transportation vehicle authorized by the department shall be

so driven at any time, unless the ground transportation vehicle is operated by a driver who has then in force a valid ground transportation vehicle operator's badge issued by the department.

**5.71.240: DISPLAY OF OPERATOR'S BADGE:**

Every person issued a vehicle operator's badge shall display the badge above the waist, on front side of the outermost garment so as to be in plain view and not covered while such person is operating a ground transportation vehicle. Every such person shall exhibit such badge upon demand by any police officer, any authorized agent of the department, or any other person authorized by the Mayor to enforce the provisions of this chapter.

**Article VIII. Payment For Furnishing Of Passengers**

**5.71.250: PAYMENT:**

It shall be a violation for any person operating a ground transportation vehicle, business, driver, independent contractor, employee, or other person to pay, or offer to pay, any remuneration to another person, specifically including persons employed at a lodging business and vehicle dispatchers, for the furnishing of passengers and/or baggage to be transported by a ground transportation vehicle. It shall be a violation for any person, specifically including persons employed at a lodging business and vehicle dispatchers, to receive or request any remuneration from any person for the furnishing of passengers and/or baggage to be transported by a ground transportation vehicle. Nothing herein shall prohibit hotels and motels from contracting or invoicing for, and being paid, or making payment for, the transportation of customers and/or baggage, which payment may include a portion thereof being distributed by the hotel or motel to a bell staff, door staff, or concierge as a gratuity.

## **Article IX. Ground Transportation Discussion Group**

### **5.71.255: PURPOSE:**

The Mayor shall convene a ground transportation discussion group, committee, or forum to meet informally on a quarterly basis until June 3, 2014 for the purpose of providing advice on the following:

- A. Identifying ground transportation problems and potential solutions;
- B. Identifying items within the ordinances or regulations that appear to be unclear or confusing;
- C. Suggesting improvements to the program for consideration by the City;
- D. Discussing issues of concern to those in attendance;
- E. Identifying barriers to quality transportation service; and
- F. Considering whether the group recommends that a formal city board be established with the Mayor formally appointing an advisory board with the advise and consent of the City Council to address ground transportation issues in Salt Lake City and considering the number and make up of the board and its affiliation to or its independence of other city boards, commissions and committees. (Ord. 84-12, 2012: 84-10,2010)

### **5.71.258: PARTICIPANTS:**

A. Invitations to participate in the discussion group, committee, or forum should include, but not be limited to, representatives of the:

- 1. Hotel industry,
- 2. Hospitality industry,
- 3. Taxi cab industry,
- 4. Shuttle industry,



5. Hotel contract vehicle industry,
6. Utah Transit Authority,
7. Tourism and convention industries,
8. Specialty transportation industries,
9. Wasatch Front Regional Council mobility coordinator,
10. Salt Lake City Accessibility Services Advisory Council or City ADA

Coordinator, and

11. A mechanic familiar with vehicles in commercial ground transportation fleets.

B. Individuals or representative of key transportation user groups including, but not limited to low income, elderly, and persons with physical limitations shall also be invited to participate.

## **Article X. Enforcement and Civil Penalties**

### **5.71.260: DEPARTMENT AUTHORITY:**

A. The department shall enforce the provisions of this chapter and govern the conduct of companies and drivers operating under this chapter.

B. With the approval of the Mayor and upon notice to the City Council the Department Director may waive or temporarily impose restrictions not addressed in this Ordinance or Department Rules and Regulations if it is determined that circumstances in the City exist that create congestion, security concerns, emergency conditions, or other operational problems, and that a temporary suspension or modification of ordinances is in the best interests of the City to address such circumstances.

**5.71.270: COMMENT FORM:**

Any person may complain of any violation of this chapter or comment on any ground transportation business or vehicle, or any driver of a ground transportation vehicle operating within the corporate limits of Salt Lake City, by filing a comment form with the department on forms that the department may require ground transportation businesses to print and provide in their vehicles and which may be found on the City's website and within department rules and regulations.

**5.71.280: ISSUANCE OF A CIVIL NOTICE OF GROUND TRANSPORTATION VIOLATION:**

A. Every notice issued under this chapter shall be issued in the form of a written civil notice and shall contain a statement that the named party may appeal the imposition of the penalty and provide information regarding how to appeal.

B. Any driver, vehicle owner, or authorized ground transportation business that violates any provision of this chapter may be named in a civil notice issued by the City. A violation of any provision of this chapter by any driver or vehicle owner shall also constitute a violation of such provision by the ground transportation business under whose authority such driver or owner was operating at the time of the violation.

**5.71.290: RECORD KEEPING:**

The City shall create a file for each driver and for each authorized ground transportation business at the time any document is submitted for application or filing. The City shall maintain any document placed in such files for a period as required by law.

### **5.71.300: CIVIL PENALTIES AND ENFORCEMENT:**

A. The City may revoke, suspend, or deny renewal of a City business license to operate a ground transportation business for violation of any provision of this title, department rules and regulations, or other applicable law.

B. The department may revoke, suspend, or deny renewal of an operator's badge, department automated vehicle identification tag or department inspection seal for violations of any provision of this title, department rules and regulations, or other applicable law. The person or business affected may request, in writing filed with the department, an appeal hearing before the ground transportation appeal committee. Any such revocation, suspension, or denial of renewal shall remain in effect until the party against whom such action is taken requests reinstatement and the ground transportation appeal committee determines that reinstatement is appropriate.

C. If any named party fails to comply with civil penalties imposed under this chapter, such party may be subject to suspension, revocation, or nonrenewal of a City license to operate a ground transportation business, operator's badge, department automated vehicle identification tag or department inspection seal.

D. Civil penalties may be imposed as set forth below. The named party in the civil notice shall be liable for a civil penalty. Any penalty assessed in connection with this section may be in addition to any other penalty that may be imposed by law or department rules and regulations.

<b>CODE</b>	<b>AMOUNT OF PENALTY</b>	<b>VIOLATION</b>
<b>ARTICLE I</b>		
<b>GENERAL REGULATIONS</b>		
5.71.050	\$1000.00	Business license required
<b>ARTICLE II</b>		

<b>DRIVERS STANDARDS</b>		
5.71.070	\$100.00	Driver's appearance
5.71.080	\$300.00	Driver's conduct
5.71.090	\$300.00	Unauthorized solicitation of business
<b>ARTICLE III</b>		
<b>SMOKING</b>		
5.71.100	\$300.00	Smoking in vehicles
<b>ARTICLE IV</b>		
<b>VEHICLE STANDARDS</b>		
5.71.30	\$1000.00	Misleading design prohibited
<b>ARTICLE V</b>		
<b>INSURANCE AND INSPECTIONS</b>		
5.71.140	\$1000.00	Insurance required
5.71.150 (A,B,C)	\$1000.00	Vehicle inspection and seal required
5.71.150 (E)	\$500.00	Automated vehicle identification tag required
5.71.150 (H)	\$500.00	Failure to maintain vehicle inspection standards
<b>ARTICLE VI</b>		
<b>SPECIAL TRANSPORTATION BUSINESSES</b>		
5.71.170 (A,B,C,D)	\$1000.00	License and registration requirements
5.71.170 (E)	\$1000.00	Emergency vehicle equipment prohibited
5.71.170 (F)	\$1000.00	Clean and sanitary condition of vehicle
5.71.170 (G)	\$1000.00	First aid certification required
<b>ARTICLE VII</b>		
<b>VEHICLE OPERATORS BADGE</b>		
5.71.180	\$1000.00	Operator's badge required
5.71.190	\$1000.00	Permitting non-badged operator
5.71.240	\$100.00	Display of badge

<b>ARTICLE VIII</b>		
<b>PAYMENT FOR FURNISHING OF PASSENGERS</b>		
5.71.250	\$300.00	Payment for passenger

### **5.71.310: ENFORCEMENT PROCEDURES; CIVIL NOTICE OF GROUND**

#### **TRANSPORTATION VIOLATION:**

A. Civil notices under this chapter, other than those involving revocations, suspensions, denials or approvals of a business license, operators' badge, department automated vehicle identification tags and department inspection seal shall be heard by the Salt Lake City Justice Court. Any named party may appear before a hearing officer and present and contest an alleged violation as provided in Title 2, Chapter 2.75 of this code, or its successor.

B. The burden to prove any defense shall be upon the person raising such defense. Nothing herein shall affect the City's burden to prove each element of the underlying charge by a preponderance of evidence.

C. If the hearing officer finds that no violation of this chapter occurred, or that a violation occurred but one (1) or more of the defenses set forth in this section is applicable, the hearing officer may dismiss the civil notice and release the named party from liability thereunder, or may reduce the penalty associated therewith as the officer shall determine. Such defenses are:

1. The civil notice does not contain the information required by this chapter;
2. Compliance with the subject ordinances would have presented an imminent and irreparable injury to persons or property; or
3. Such other mitigating circumstances as may be approved by the City Attorney's Office.

**5.71.320: EXPEDITED APPEAL OF EXCLUSION:**

Any named party who is excluded from pursuing commercial activities under this chapter, and has not had a hearing before the ground transportation appeal committee regarding such exclusion as provided for in this chapter, may request an expedited appeal of the action that resulted in such exclusion. Such appeal shall be requested in writing by the party so excluded to the department. The department shall promptly investigate the facts relating to such exclusion. If the evidence indicates such exclusion is improper under this chapter, the department director may reverse the action that resulted in such exclusion. If the department director does not reverse such action, the action resulting in such exclusion shall be heard and determined by the ground transportation appeal committee in accordance with the provisions of this chapter. If a preponderance of the evidence indicates such exclusion is proper under this chapter the ground transportation hearing committee shall uphold such exclusion.

SECTION 2. Effective Date. This ordinance shall become effective on the date of its first publication.

Passed by the City Council of Salt Lake City, Utah this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
CHAIRPERSON

\_\_\_\_\_  
CITY RECORDER

Transmitted to Mayor on \_\_\_\_\_.

Mayor's Action: \_\_\_\_\_ Approved. \_\_\_\_\_ Vetoed.



\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CITY RECORDER

(SEAL)

Bill No. \_\_\_\_\_ of 2014  
Published: \_\_\_\_\_

**APPROVED AS TO FORM**

Date: \_\_\_\_\_

SALT LAKE CITY ORDINANCE

No. \_\_\_\_\_ of 2014

(Taxicab requirements)

An ordinance amending Chapter 5.72, *Salt Lake City Code*, pertaining to taxicab regulation

WHEREAS, the City Council intends to amend Chapter 5.71, *Salt Lake City Code*, regarding ground transportation regulation; and

WHEREAS, the City Council has determined this ordinance corresponds with and supports amendments to Chapter 5.71; and

WHEREAS, it is in the best interest of the City to have the flexibility to award on-demand taxicab contracts to the appropriate number of companies the City believes the market can support; and

WHEREAS, it is in the best interest of the City to have the flexibility to adjust taxicab fleet size to market conditions; and

WHEREAS City has determined it is in the best interest of the City to allow taxicab companies to petition the City for rate adjustments every three (3) months; and

WHEREAS, City desires to make certain changes to modernize the language, concepts, and definitions, delete obsolete provisions, and make certain clean-up changes in this ordinance; and

WHEREAS, after a duly noticed public hearing before the City Council, the Council has determined this ordinance is in the best interest of the City.

NOW, THEREFORE, be it ordained by the City Council of Salt Lake City, Utah as follows:

SECTION 1. That Chapter 5.72, *Salt Lake City Code*, pertaining to taxicabs, be, and the same hereby is, amended to read as follows:

**Chapter 5.72**

**TAXICABS**

**Article I. Definitions and General Regulations**

### **5.72.005: DEFINITIONS:**

The following words and phrases, when used in this chapter, shall have the meanings defined and set forth in this section.

**BUSINESS:** A voluntary association legally formed and organized to carry on a Business in Utah in the legal name of the association, including without limitation a corporation, limited liability company, partnership, or sole proprietorship.

**CERTIFICATE:** A certificate of public convenience and necessity issued by the City.

**CITY:** The governmental institution and landmass contained within the boundaries of Salt Lake City, Utah.

**CIVIL NOTICE:** A written notice of a ground transportation violation as provided under this chapter.

**CLEARED:** That condition of a taximeter when it is inoperative with respect to all fare registration and all cumulative fare and extras charges have been set to zero dollars (\$0).

**CONCESSIONAIRE:** A person or entity with whom the Department of Airports has contracted to provide taxicab services.

**DEPARTMENT:** The Salt Lake City Department of Airports or such other City department or division as may be designated by the Mayor to have responsibility for the enforcement of this chapter.

**DEPARTMENT DIRECTOR:** The director of the department designated by the Mayor to have responsibility for the enforcement of this chapter or the authorized designee of such director.

**DEPARTMENT CONTRACT:** A valid, existing, and current contract negotiated and approved by the department for providing taxicab or other services within the corporate boundaries of Salt Lake City, including the airport.

**DEPARTMENT RULES AND REGULATIONS:** Rules and regulations developed and adopted by the department director to govern ground transportation service and businesses within the City.

**EXTRAS:** Charges to be paid by a customer or passenger in addition to the fare.

**FACE:** That side of a taximeter upon which passenger or customer charges for hire of a taxicab are indicated.

**FARE:** That portion of the charge for hire of a taxicab which is automatically calculated by the taximeter through the operation of the mileage and time mechanism.

**GROUND TRANSPORTATION APPEAL COMMITTEE:** A committee established by the department director to hear and rule on appeals, suspensions, and other matters related to ground transportation in and connected with the City.

**HAIL A TAXICAB:** The act of a person to call out for, or to signal for, an in-service taxicab that is not already engaged in transport of passengers to respond to the person's location for hiring and transport of persons or property.

**HIRED:** The button on the face of a taximeter, which when activated places the taximeter in operation, signifying the start of a billing process for the person(s) engaging the use of the taxicab.

**IN-SERVICE:** A taxicab that is in use on the streets of the City, with a driver, and available for the transportation of passengers for hire.

**PERSON:** An individual, a corporation or other legal entity, a partnership, and any incorporated association.

**TAXI STAND:** A public place alongside the curb of a street, or elsewhere in the City, which has been designated by the Mayor or the Mayor's designee as reserved for the use of taxicabs available for hire by passengers, including places otherwise marked as freight zones or other parking restricted zones if designated for use of taxicabs during specified times.

**TAXICAB:** A motor vehicle with a seating capacity of five (5) passengers or less, not including the driver, or a van with a passenger seating capacity of six (6) to twelve (12), not including the driver, used in the on demand, for hire transportation of passengers or baggage over the public streets and not operated over a fixed route or upon a fixed schedule, but which is subject for contract hire by persons desiring special trips from one point to another and authorized to operate in Salt Lake City by contract with the department.

**TAXIMETER:** A meter instrument or electronic device attached to a taxicab which measures mileage by the distance driven and the waiting time upon which the fare is based, and which automatically calculates, at a predetermined rate or rates, and registers, the charge for hire of a taxicab.

**WAITING TIME:** The time when a taxicab is not in motion, from the time of hiring by a passenger to the time of discharge of passenger(s).

#### **5.72.105: AUTHORITY TO ESTABLISH RULES AND REGULATIONS:**

A. To the extent authorized by the provisions of this chapter and consistent with other applicable provisions of this code, the department director, under guidance and direction from the Mayor, may enter into contracts deemed necessary or desirable and may establish rules and regulations necessary to administer the provisions of this chapter.

B. The Mayor shall adopt procedures applicable to the establishment of department rules and regulations that provide for:

1. Public notice of any proposed rule that will affect operation of any ground transportation business;
2. An opportunity for public comment on proposed rules before they take effect, and
3. The basis for any such proposed rule.

## **Article II. Authority To Operate**

### **5.72.125: COMPLIANCE RESPONSIBILITY:**

A. All persons shall comply with and operate under requirements of applicable law, including without limitation Federal, State, County and City laws and ordinances, including but not limited to, Chapters 5.72, 5.71, and 16.60 of the Salt Lake City Code, and department rules and regulations.

B. A concessionaire shall not be relieved of any responsibility for compliance with the provisions of this chapter, whether the concessionaire leases or rents taxicabs to drivers, or whether the concessionaire pays salary, wages, or any other form of compensation.

### **5.72.155: DEPARTMENT CONTRACT REQUIRED FOR OPERATION:**

A. No person shall operate or permit a taxicab owned or controlled by such person to be operated as a vehicle for hire upon the streets of Salt Lake City unless such person is authorized to do so under a department contract.

B. No person may operate a taxicab business in the City unless the person is authorized to do so under a department contract. Nothing in the department contract shall relieve a



concessionaire of the requirements of applicable laws, including but not limited to Titles 5.71, 5.72, and 16.60 of the Salt Lake City Code, and department rules and regulations.

C. The term "operate for hire upon the streets of Salt Lake City" means and shall include the soliciting or picking up of a passenger or passengers within the corporate limits of the City, whether the destination is within or outside of the corporate limits of the City. For the purpose of this section, the term "operate for hire upon the streets of Salt Lake City" shall not include the transporting, by a taxicab properly licensed in a jurisdiction outside the corporate limits of the City, of a passenger or passengers for hire where a trip originates with the passenger or passengers being picked up outside of the corporate limits of the City and where the destination is either within or beyond the City corporate limits.

**5.72.165: CONTRACT-BASED SYSTEM FOR PROVISION OF TAXI SERVICES:**

A. The City hereby adopts a contract-based system for provision of taxicab services. Only taxicab providers selected pursuant to a competitive request for proposals (RFP) process and who have entered into a department contract, as defined in Section 5.72.005, may operate taxicab services upon Salt Lake City streets.

B. The Mayor shall determine the number of taxicab businesses that shall be awarded a department contract.

C. The Mayor shall determine the total number of taxicabs authorized to operate in the City under all such contracts.

**5.72.205: MANDATORY ADA ACCESSIBLE VEHICLE:**

At least five (5) percent of the vehicle fleet of each taxicab concessionaire shall be available and equipped, consistent with requirements of the Americans with Disabilities Act (ADA), for the use and convenience of persons with disabilities.

### **Article III. Taximeters**

#### **5.72.305: TAXIMETER REQUIRED**

- A. All taxicabs shall be equipped with taximeters approved by the department.
- B. It is a violation for any person to operate or to allow to be operated any taxicab without an operative taximeter.
- C. All taximeters shall be mounted in locations approved by the department.
- D. All taximeters shall be tested and sealed by the department every six (6) months, and after a rate change, and no taximeter may be used without such seal being in place.
- E. Nothing that could shield or conceal the indications and metered fare of the taximeter from passengers may be placed so as to block the face of the taximeter.
- F. Taximeters shall have illuminated faces so as to provide visible indications of the meters status and fare to the passenger in low light or after sundown.
- G. Upon the completion of the service by the taxicab, it shall be the duty of the driver to call the attention of the passenger to the amount registered and to clear the taximeter of all fare indications so as to start at zero dollars (\$0) upon the next fare.
- H. Except as otherwise provided herein, it is a violation for any driver of a taxicab or taxicab business to charge a fare other than as calculated by the taximeter.
- I. It is a violation for any driver of a taxicab or taxicab business to charge any extra that is not approved by the department, calculated by the taximeter, and which is not applicable to the current fare.
- J. A top light shall be installed on every licensed taxicab. The top light shall be illuminated when a taxicab is available for hire and shall not be illuminated when the taximeter is placed into hire.

### **5.72.355: TAXIMETER INSPECTIONS; RECORD KEEPING:**

A. The department shall keep a record of the identification of every taxicab meter number and date of inspection thereof in its office.

B. The department shall inspect, test, and seal every operational taximeter at least every six (6) months. Additionally, the department may inspect and test any taximeter upon receipt of a complaint regarding the operations or accuracy of a taximeter.

C. In the event a change in rates is made, the taximeter shall be adjusted to the new rates, and the taximeter of every taxicab in which a meter has been installed shall be immediately inspected, tested, and sealed by the department. A fee to recover costs of the meter inspection shall be charged by the department for each meter reprogrammed and sealed.

D. No taximeter which is inaccurate in registration in excess of one and one-half percent ( $1\frac{1}{2}\%$ ) shall be allowed to operate in any taxicab, and when an inaccuracy is discovered, such taxicab involved shall immediately cease operation and be kept out of operation until the meter is repaired and in proper working condition.

E. No owner, driver or business shall perform or permit or allow any alterations to a taxicab that will affect the taximeter pulse setting without said taximeter being inspected and recertified by the department. Said alterations shall include, but are not limited to, transmission replacement or remanufacturing, differential replacement or remanufacturing, speedometer cable replacement, speed sensor replacement, repair or replacement of the taxicab's onboard computer, or change of tire size on the drive axle.

## **Article IV. Rates**

### **5.72.405: RATES:**

A. The rates charged by a ground transportation company for taxicab service shall be set by the City Council. The department shall review submittals by taxicab companies for taxicab rates and the department director shall recommend to the City Council the rate structure and extras allowed to be charged for taxicab service.

1. Unless otherwise provided for in a department contract, each taxicab business may file with the department periodically, but no more often than every three (3) months, a statement regarding the adequacy of the existing maximum rates. Said statement shall state whether, in the opinion of the person submitting the statement, the existing maximum rates are at an appropriate level, or whether such rates should be increased or decreased. If the statement indicates existing rates should be increased, the person submitting the statement shall supplement the statement with documentation in support of such increase, such as evidence of increased operating costs, insurance costs, costs of living, fares charged for competing ground transportation services, and any other relevant information.

2. Upon receipt of a statement regarding the adequacy of existing rates, the department director may authorize a temporary increase in rates, not to exceed six (6) months, to account for increased operating costs, insurance costs, costs of living, fares charged for competing ground transportation services, or other factors documented in a rate statement.

3. If the department director authorizes a temporary rate increase, the statement and other information justifying the increase shall be submitted to the City Council for review and consideration of a permanent rate increase.

B. Every taxicab shall have printed on the outside of the cab, in a conspicuous place and of sufficient size, legibility, and in such manner as to be plainly visible to all prospective passengers, all rates and extras in effect for such taxicab. All such rates and extras shall also be posted on the inside of the taxicab in such a manner as to be plainly visible to all passengers.

C. No taxicab or taxicab business shall charge any fee or payment for the use of a taxicab within the City without the prior approval of the City Council or department director, as provided in this chapter.

D. The driver of any taxicab shall render to every passenger a receipt for the amount charged, on which shall be the name of the taxicab business, taxicab number, the date and time the fare was initiated and completed, the miles charged, extras added to the fare, and the total amount of meter reading or charges.

## **Article V. Service Regulations**

### **5.72.455: GENERAL SERVICE REQUIREMENTS:**

A. Taxicab companies shall maintain all service requirements set forth in a department contract and other requirements as provided by applicable law and department rules and regulations.

B. Taxicab services shall be available twenty-four (24) hours per day, seven (7) days per week.

C. Unless otherwise provided in a department contract, it is a violation for any taxicab business to refuse to accept a call for service to or from any point within the corporate limits of

the City at any time when such business has available taxicabs, and it is a violation for any business to fail or refuse to provide all or any service required by this title.

D. Any driver employed to carry a passenger to a definite point shall take the most direct or expeditious route possible that will carry the passenger safely and expeditiously to his or her destination, unless otherwise directed by the passenger.

E. The Mayor or the Mayor's designee is authorized to establish Taxi stands in such place or places upon the streets of the City as the Mayor deems necessary for the use of taxicabs operated in the City. The Mayor shall not create an Taxi stand without taking into consideration the need for such stands by the taxicab industry, the convenience to the general public, and the recommendation of the City traffic engineer. The Mayor shall not create an Taxi stand where such stand would tend to create a traffic hazard.

F. Taxi stands shall be used only by taxicab drivers and their boarding passengers, who shall use them on a first come, first served basis. The driver shall enter the open stand from the rear and shall advance forward as the taxicabs exit. Drivers shall stay within ten feet (10') of their taxicabs. Nothing in this chapter shall be construed to prevent a passenger from boarding the cab of his or her choice that is parked at any position in an Taxi stand. The Mayor or the Mayor's designee shall prescribe the maximum number of cabs that shall occupy such Taxi stands.

G. Private or other vehicles for hire, and persons not waiting for or boarding taxicabs shall not occupy any space upon the streets that has been established as an Taxi stand during any times specified by the Mayor or the Mayor's designee for use by taxicabs.

H. The driver of any taxicab shall remain in the driver's compartment or immediately adjacent to his or her vehicle at all times when such vehicle is upon the public street, except that, when necessary, a driver may be absent from his or her taxicab for not more than twenty (20)



consecutive minutes; and provided further, that nothing herein contained shall be held to prohibit any driver from alighting to the street or sidewalk for the purpose of assisting passengers into or out of such vehicle or to load their baggage into the taxicab.

I. No driver shall permit more persons to be carried in a taxicab as passengers than the rated seating capacity rated by the vehicle manufacturer of his or her taxicab, Child seating shall be in accordance with Utah and federal law.

J. After a taxicab has been hired by a passenger or group of passengers, no driver shall permit any other person to occupy or ride in the taxicab without the consent of the original passenger or group.

K. No driver shall solicit passengers for a taxicab except when sitting in the driver's compartment of such taxicab, while standing within ten feet (10') of such taxicab, or at any authorized Taxi stand.

L. No driver shall refuse or neglect to convey any reasonably orderly person or persons, or their luggage upon request, unless previously engaged or unable or forbidden by the provisions of this chapter to do so. No driver shall refuse to transport a service animal accompanying a person or persons in the passenger compartment of the taxicab.

M. Any person may hail a taxicab for service within the City, except that in locations of an Taxi stand for taxicabs the person should proceed to the taxicab that is "headset" at the stand for service. However, nothing shall prohibit the person from hiring the taxicab of the person's choice.

#### **5.72.505: REQUIREMENT TO PROVIDE SERVICE TO HAILING PUBLIC:**

It is a violation for any taxicab driver to pass by or refuse service to a person hailing a taxicab for service unless the taxicab being hailed is already in route to a dispatched fare, is already hired or is not in service.

#### **5.72.530: ADVERTISING MATERIAL ON CABS PERMITTED:**

In accordance with an applicable department contract, it shall be permitted for any person owning or operating a taxicab to allow advertising matter to be affixed to or installed in or on such taxicabs.

### **Article VIII. Enforcement and Penalties**

#### **5.72.705: DEPARTMENT AUTHORITY:**

The department shall enforce the provisions of this chapter and govern the conduct of companies and drivers operating under this chapter. With the approval of the Mayor and upon notice to the City Council, the Department Director may waive or temporarily impose restrictions not addressed in this Chapter or Department Rules and Regulations if it is determined that circumstances in the City exist that create congestion, security concerns, emergency conditions, or other operational problems, and that a temporary suspension or modification of ordinances is in the best interests of the City to address such circumstances.

#### **5.72.805: ISSUANCE OF A CIVIL NOTICE OF GROUND TRANSPORTATION VIOLATION:**

A. Every notice issued under this chapter shall be issued in the form of a written civil notice and shall contain a statement that the named party may appeal the imposition of the penalty and provide information regarding how to appeal.

B. Any concessionaire, driver, vehicle owner, or authorized ground transportation business that violates any provision of this chapter may be named in a civil notice issued by the City. A violation of any provision of this chapter by any driver or vehicle owner shall also constitute a violation of such provision by the ground transportation business or concessionaire under whose authority such driver or owner was operating at the time of the violation.

**5.72.855: CIVIL PENALTIES AND ENFORCEMENT:**

A. The City may revoke, suspend, or deny renewal of a City business license to operate a ground transportation business for violations of any provision of this title, department rules and regulations, or other applicable law.

B. The department may revoke, suspend, or deny renewal of an operator's badge, department automated vehicle identification tag or department inspection seal for violations of any provision of this title, department rules and regulations, or other applicable law. The person or business affected may request, in writing filed with the department, an appeal hearing before the ground transportation appeal committee. Any such revocation, suspension, or denial of renewal shall remain in effect until the party against whom such action is taken requests reinstatement and the ground transportation appeal committee determines that reinstatement is appropriate.

C. If any named party fails to comply with civil penalties imposed under this chapter, such party may be subject to suspension, revocation or nonrenewal of a City license to operate a ground transportation business, operator's badge, department automated vehicle identification tag and department inspection seal.

D. Civil penalties may be imposed as set forth below. The named party in the civil notice shall be liable for a civil penalty. Any penalty assessed in connection with this section may be in addition to any other penalty that may be imposed by law or department rules and regulations.

<b>ARTICLE II. AUTHORITY TO OPERATE</b>		
5.72.155 (A,B)	\$1000.00	Authority to operate Taxicabs
5.72.205	\$1000.00	ADA vehicle service required
<b>ARTICLE III. TAXIMETERS</b>		
5.72.305 (A,B,D)	\$1000.00	Certified meter required
5.72.305 (G)	\$300.00	Clearing of metered Fare
5.72.305 (C,E,F,J)	\$100.00	Location, visibility & top light requirement
5.72.305 (H,I)	\$500.00	Passenger Fares
5.72.355 (D,E)	\$1000.00	Accuracy in calculation of Fares
<b>ARTICLE IV RATES</b>		
5.72.405	\$100.00	Rates
<b>ARTICLE V SERVICE REGULATIONS</b>		
5.72.455 (A,B,C,G,I,L)	\$500.00	Violation of service requirements
5.72.455 (D,J,)	\$300.00	Violation of service requirements
5.72.455 (F,H,K)	\$100.00	Violation of service requirements
5.72.505	\$500.00	Service to Hailing Person

## **5.72.890: ENFORCEMENT PROCEDURES; CIVIL NOTICE OF GROUND**

### **TRANSPORTATION VIOLATION:**

A. Civil notices under this chapter, other than those involving revocations, suspensions, denials, or approvals of a business license, operators' badge, department automated vehicle identification tags and department inspection seal shall be heard by the Salt Lake City Justice Court. Any named party may appear before a hearing officer and present and contest an alleged violation as provided in Title 2, Chapter 2.75 of this code, or its successor.

B. The burden to prove any defense shall be upon the person raising such defense.

Nothing herein shall affect the City's burden to prove each element of the underlying charge by a preponderance of evidence.

C. If the hearing officer finds that no violation of this chapter occurred, or that a violation occurred but one (1) or more of the defenses set forth in this section is applicable, the hearing officer may dismiss the civil notice and release the named party from liability thereunder, or may reduce the penalty associated therewith as he or she shall determine. Such defenses are:

1. The civil notice does not contain the information required by this chapter;
2. Compliance with the subject ordinances would have presented an imminent and irreparable injury to persons or property; or
3. Such other mitigating circumstances as may be approved by the City Attorney's Office.

#### **5.72.900: EXPEDITED APPEAL OF EXCLUSION:**

Any named party who is excluded from pursuing commercial activities under this chapter, and has not had a hearing before the ground transportation appeal committee regarding such exclusion as provided for in this chapter, such party may request an expedited appeal of the action that resulted in such exclusion. Such appeal shall be requested in writing by the party so excluded to the department. The department shall promptly investigate the facts relating to such exclusion. If the evidence indicates such exclusion is improper under this chapter, the department director may reverse the action that resulted in such exclusion. If the department director does not reverse such action, the action resulting in such exclusion shall be heard and determined by the ground transportation appeal committee in accordance with the provisions of this chapter. If a

preponderance of the evidence indicates such exclusion is proper under this chapter the ground transportation hearing committee shall uphold such exclusion.

SECTION 2. Effective Date. This ordinance shall become effective on the date of its first publication.

Passed by the City Council of Salt Lake City, Utah this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
CHAIRPERSON

\_\_\_\_\_  
CITY RECORDER

Transmitted to Mayor on \_\_\_\_\_.

Mayor's Action: \_\_\_\_\_ Approved. \_\_\_\_\_ Vetoed.

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CITY RECORDER

(SEAL)

Bill No. \_\_\_\_\_ of 2014  
Published: \_\_\_\_\_

**APPROVED AS TO FORM**

Date: \_\_\_\_\_



SALT LAKE CITY ORDINANCE

No. \_\_\_\_\_ of 2010

(Motor vehicle operation at the Salt Lake City International Airport)

An ordinance amending Chapters 16.60 *Salt Lake City Code*, pertaining to motor vehicle operation at the Salt Lake City International Airport, to correspond with changes made in Chapters 5.71 and 5.72, *Salt Lake City Code*.

WHEREAS, the City Council has amended Chapters 5.71 and 5.72, *Salt Lake City Code*, pertaining to ground transportation and taxicabs; and

WHEREAS, the City Council has determined this ordinance corresponds with and supports amendments to Chapters 5.71 and 5.72, *Salt Lake City Code*; and

WHEREAS, after a duly noticed public hearing before the City Council, the Council has determined this ordinance is in the best interest of the City.

NOW, THEREFORE, be it ordained by the City Council of Salt Lake City, Utah as follows:

SECTION 1. That Chapter 16.60, *Salt Lake City Code*, pertaining to motor vehicle operation at the Salt Lake City International Airport, be, and the same hereby is, amended to read as follows:

**Chapter 16.60**

**MOTOR VEHICLE OPERATION**

**Article I. General Regulations**

**16.60.001: AUTHORITY TO ESTABLISH RULES AND REGULATIONS:**

To the extent authorized by the provisions of this chapter and consistent with other applicable provisions of this code, the department director, under guidance and direction from the Mayor, may enter into contracts deemed necessary or desirable and may establish rules and regulations necessary to administer the provisions of this chapter and any security or operating requirements applicable to the Salt Lake City International Airport.

**16.60.005: EXEMPTIONS FROM REQUIREMENTS OF THIS CHAPTER:**

Vehicles licensed and operated by a government agency, a university or school district, the Utah Transit Authority, an ambulance service, and others, as may be designated in department rules and regulations, and others, as may be designated by the director, are exempt from the requirements of this chapter.

**16.60.010: COMPLIANCE WITH STATE AND OTHER REGULATIONS:**

A. No person shall operate a motor vehicle on the airport except in strict compliance with applicable laws of the state, City ordinances, and department rules and regulations.

B. No person or owner shall drive, or permit to be driven, stopped or parked on any street, parking lot, alleyway or driveway within the airport, any vehicle which is required under the laws of the state to be inspected and registered unless such vehicle has been inspected and registered, and has attached thereto in proper position a valid and unexpired certificate of inspection as required by the laws of the state.

C. All vehicles operated on airport property, including ramp areas, shall be maintained in a safe operating condition.

**16.60.020: DRIVING ON LOADING AREAS; RESTRICTIONS:**

A. Any motorized vehicle being used on the ramp as a service vehicle shall display the department-issued identification sticker. Each such vehicle shall also bear company identification visible from fifty feet (50') on both sides of the vehicle.

B. No person or vehicle is permitted in, on, or around any secured area, such as, but not limited to, any hangar, landing field, runway, apron or taxi strip, without prior permission from the department director.

C. Automobiles, trucks and other equipment (including airport maintenance and emergency vehicles) being driven on any landing area, runway, taxi strip, or apron shall display a standard checkered flag or flashing amber or red light, as appropriate, if operated during the nighttime, or, when applicable, be marked in accordance with Federal Aviation Administration regulations or as directed by the department director, and shall not be operated without prior permission of the control tower.

**16.60.030: VEHICLE RAMP OPERATIONS:**

A. Speed Limits: Motor vehicles shall be operated on established streets and roadways within the airport in strict compliance with speed limits posted on traffic signs. They shall also be maintained and operated in conformity with all motor vehicle regulations and laws of the state and City. Motor vehicles being operated on any passenger loading ramp, aircraft parking ramp, or in any area immediately adjacent to the terminals or hangars, shall be driven cautiously and at a safe and reasonable speed, but not to exceed twenty (20) miles per hour.

B. Use of Ramp Roadways: Vehicles shall only be operated within the limits of the designated painted roadways on the air operations areas, except as required to perform aircraft servicing and airfield inspections.

C. Traffic Markings on Paved Surfaces: Vehicle operators shall observe all traffic markings painted on pavement surfaces of the aircraft operations area.

D. Yield Right-of-Way To Aircraft: All vehicles shall yield right-of-way to any aircraft when the aircraft is under tow or has its engines operating. No vehicle shall proceed past such aircraft until the vehicle's progress will not impede the aircraft's movement. This section does not preclude the establishment of agreements to the contrary between the City and the Federal Aviation Administration.

**16.60.040: COMMON CARRIERS:**

No common carrier, vehicle for hire, or ground transportation vehicle shall load or unload passengers at the airport at any place or in any manner other than that designated by the department director.

**16.60.050: ACCIDENTS TO BE REPORTED:**

Any person involved in an accident resulting in personal injury or damage to property on the airport shall report such accident promptly to the office of the department director.

**16.60.060: PROHIBITED VEHICLES AND ANIMALS:**

No go-cart, motorbike, bicycle, house trailer, or similar vehicle, or horse, shall be permitted on any landing area, ramp, taxiway, or hangar area without approval of the department director, except for bicycles that are secured and delivered to an aircraft for transport, or motorcycles used for surface transportation in a hangar area.

**16.60.065: PARKING AREAS:**

A. Parking areas for motor vehicles shall be set aside for airport employees and the general public. No person shall park a motor vehicle or a trailer in any place on the airport other than those areas designated by the department director or as expressly set forth in this title. No person shall park a vehicle in an area designated as an employee parking lot unless such person has complied with all rules and regulations, and other requirements for employee parking as established by the department.

B. Tenants of T-hangars and shade hangars may park their motor vehicles in their own hangars when the aircraft is being flown or in front of their hangar if they are present. Service or delivery vehicles may park next to a tenant's hangar long enough for delivery. All others shall park in public lots.

C. No person shall park a motor vehicle on the airport in excess of seventy-two (72) consecutive hours unless it is parked in the public parking area or with the authorization of the airport.

D. No person shall park a motor vehicle in an area designated as a public parking lot unless such person pays the authorized rate for such parking lots. A schedule of parking rates shall be available in the airport Office of Finance and Administration.

**16.60.067: PARKING VEHICLES:**

No person shall park a vehicle on the airport other than in the manner and at locations indicated by posted traffic signs and markings. Each hour a vehicle remains parked in violation of this section shall be a separate offense.

**16.60.070: IMPOUNDMENT AUTHORIZED WHEN:**

Any vehicle parked in violation of department rules and regulations may be impounded or relocated by a certified peace officer. The owner thereof shall pay for the tow charge, regular parking fees, and other penalties and related charges.

**16.60.075: PASSENGER COURTESY CARTS:**

A. No person may operate any vehicle inside a City-owned building at the airport without proper authority. The owner of any such authorized vehicle shall install and maintain a speed governor on each such vehicle which will prevent the vehicle from exceeding five (5) miles per hour. Vehicles at all times shall be maintained in a safe operating condition. Any person operating such vehicle shall yield to pedestrians, not pass pedestrians unless there is enough space to leave an eighteen inch (18") clearance between vehicle and pedestrian, and otherwise operate the vehicle in a safe manner.

B. The department director may prohibit the operation of such vehicles at the Airport or limit their use at any time.

## **Article II. Ground Transportation Businesses**

### **16.60.080: PURPOSE OF ARTICLE II PROVISIONS:**

The provisions set out in this article are enacted for the purpose of:

A. Requiring persons who conduct business at the airport by providing ground transportation service to assist the City in defraying the expense of providing certain facilities and services provided for ground transportation vehicles and services using the airport, and to create an equitable assessment of fees for its use; and

B. Requiring such persons to adhere to department rules and regulations regarding the operation of ground transportation vehicles to ensure that such are conducted in a safe, efficient, and cost effective manner for the public benefit.

### **16.60.090: DEFINITIONS:**

The following words and phrases, when used in this chapter, shall have the meanings defined and set forth in this section.

**AIRPORT SHARED RIDE SERVICE:** Ground transportation provided by an authorized ground transportation business contracted through the Department of Airports to provide on - demand shared ride service to and from the Salt Lake City International Airport.

**AIRPORT SHARED RIDE VEHICLE:** Any authorized ground transportation vehicle operating under contract with the Department of Airports to provide airport shared ride service.

**AUTHORIZED GROUND TRANSPORTATION BUSINESS:** Any business operating any ground transportation vehicle, which has a current, valid business license as required by the City and which:



A. Registers the business in accordance with the requirements established by the department, and

B. Is current with all fees or charges imposed by the Department or City.

**AUTOMOBILE:** Any motor vehicle with passenger seating for five (5) persons or less not including the driver.

**BUS:** Any motor vehicle with a seating capacity of twenty-five (25) passengers or more, not including the driver.

**BUSINESS:** A voluntary association legally formed and organized to carry on a business in Utah in the legal name of the association, including without limitation a corporation, limited liability company, partnership, or sole proprietorship.

**CIVIL NOTICE:** The written notice of a ground transportation violation.

**COURTESY VEHICLE:** Any motor vehicle regularly operated on Salt Lake City streets for transportation of customers and/or baggage without making a specific separate charge to the passenger for such transportation.

**DEPARTMENT:** The Salt Lake City Department of Airports.

**DEPARTMENT AUTOMATED VEHICLE IDENTIFICATION (AVI) TAG:** An electronic transponder used to identify vehicles and provide the department with vehicle data and billing information.

**DEPARTMENT DIRECTOR:** The director of the Salt Lake City Department of Airports.

**DEPARTMENT INSPECTION SEAL:** A sticker or seal issued by the department to signify that a ground transportation vehicle has passed the required department inspection. These department inspection seals are non-transferable and no ground transportation vehicle may be operated without such seal.

**DEPARTMENT RULES AND REGULATIONS:** Rules and regulations developed and adopted by the department director to govern ground transportation service and businesses at the airport.

**FIXED SCHEDULE:** Ground transportation service operating on a regular time schedule previously announced as to time of departure and arrival between the airport and definitely established and previously announced points along definitely established and previously announced routes regardless of whether there are passengers or freight to be carried.

**GROUND TRANSPORTATION BUSINESS:** Any business operating any ground transportation vehicle.

**GROUND TRANSPORTATION SERVICE:** The transportation of passengers by a ground transportation business.

**GROUND TRANSPORTATION APPEAL COMMITTEE:** A committee established by the department director to hear and rule on appeals, suspensions, and other matters related to ground transportation in and connected with the City.

**GROUND TRANSPORTATION VEHICLE:** Any motor vehicle used for the transportation of persons using Salt Lake City streets for commercial purposes regardless of whether a fee or fare is collected.

**HOTEL VEHICLE:** Any motor vehicle regularly operated by a ground transportation business under contract to or directly by a motel, hotel, or other lodging business to provide transportation of customers and/or baggage for the contracted establishment, for which transportation the customer is charged a separate fee or fare, and which is subject to a contract filed with the department providing for operating the vehicle.

**LIMOUSINE:** Any vehicle described by its manufacturer or aftermarket manufacturer as a limousine or a luxury vehicle, with a driver furnished, who is dressed in professional business attire or a chauffeur's uniform.

**MINIBUS:** Any motor vehicle with a seating capacity of sixteen (16) to twenty-four (24) passengers, not including the driver.

**ON-DEMAND AIRPORT SERVICE OR ON-DEMAND SERVICE:** Transportation provided by an authorized ground transportation business which is not scheduled service nor prearranged service from the airport as defined in this section.

**PREARRANGED SERVICE FROM THE AIRPORT:** Transportation from the airport to points within the corporate limits of Salt Lake City provided by an authorized ground transportation business which is contracted for between such business and the person to be transported, or by an agent of the person, prior to the arrival of the person at the Salt Lake City International Airport. Prearranged service from the airport shall include airport ground transportation contracted for by an airline company on behalf of its own passengers whose regular air travel may have been disrupted in some manner. An agent may include a travel agent, family member, employee, business or meeting planner, but excludes an authorized ground transportation business. Prearranged service to the airport shall be provided on the same basis as permitted under Title 5, Chapter 5.71 of this code.

**SCHEDULED SERVICE:** Transportation provided by an authorized ground transportation business on a fixed schedule posted with the department in advance of such transportation.

**TAXICAB:** A motor vehicle used in the on demand for hire transportation of passengers or baggage over the public streets and not operated over a fixed route or upon a fixed schedule, but which is subject for contract hire by persons desiring special trips from one point to another, as

provided under Chapter 5.72 of this title, or its successor chapter, and authorized to operate in Salt Lake City by contract with the department.

**TAXI STAND:** A public place alongside the curb of a street, or elsewhere in the City, which has been designated by the Mayor or the Mayor's designee as reserved for the use of taxicabs available for hire by passengers, including places otherwise marked as freight zones or other parking restricted zones if designated for use of taxicabs during specified times.

**VAN:** Any licensed motor vehicle other than those designated as a limousine with a passenger seating capacity of six (6) to twelve (12), not including the driver

**VEHICLE OPERATOR'S BADGE or OPERATOR'S BADGE:** An identification badge issued by the department to an individual to signify that the individual has met the requirements to operate a ground transportation vehicle.

**16.60.095: BUSINESSES AUTHORIZED TO PROVIDE GROUND  
TRANSPORTATION:**

It shall be a violation to operate a ground transportation vehicle at the airport, unless such vehicle is part of is an authorized ground transportation business.

**16.60.097: GROUND TRANSPORTATION DESTINATIONS:**

A. All authorized ground transportation businesses may provide scheduled service or prearranged service from the airport.

B. Only authorized airport shared ride service vehicles, taxicabs, courtesy vehicles, and hotel vehicles may provide on-demand service at the airport to points within Salt Lake City, except that courtesy vehicles and hotel vehicles may provide on-demand service only to and from the hotel, motel, or other lodging business with whom they hold a current contract for transportation services. The department director may waive these restrictions if the director

determines that circumstances at the airport exist that create congestion, security concerns, emergency conditions, or other operational problems, and that a temporary suspension of this limitation is in the best interests of the City to address such circumstances.

C. All authorized ground transportation businesses may provide on-demand, scheduled service and prearranged service from the airport to destinations outside of the corporate limits of Salt Lake City.

**16.60.100: PASSENGER PICK-UP ZONES:**

All persons operating a ground transportation vehicle on the premises of the airport shall pick up passengers only in areas as designated by the department director. Ground transportation vehicles may occupy such area only for the period of time established by the department director.

**16.60.110: COMMERCIAL CHARGES:**

Commercial charges may be imposed by the City for the use of airport facilities and services. Any business located at, or doing business on, the airport shall pay all established fees applicable to such business.

**16.60.120: GROUND TRANSPORTATION FEES REQUIRED:**

No ground transportation vehicle or business shall use the airport's roadways or facilities without paying required fees established under Section 16.60.110 of this chapter.

**16.60.130: PAYMENT OF FEES:**

Payment of required fees shall be made in the manner prescribed by the department director consistent with department rules and regulations and applicable provisions of this code.

**16.60.140: CITY ORDINANCES APPLICABLE TO AIRPORT:**

All applicable ordinances set forth in the Salt Lake City Code, including without limitation Chapters 5.71 and 5.72 of Title 5 or their successors, shall apply to the airport.

Pursuant to applicable provisions of this code, the department director may enter into contracts and establish rules and regulations for taxicab operations specific to the airport.

**16.60.180: GROUND TRANSPORTATION BOOTHS:**

There may be established within the terminal buildings at the airport one (1) or more ground transportation booths for the exclusive use of authorized ground transportation businesses to assist the public to arrange for transportation, including travel reservations and ticket sales. These booths may be made available to businesses in accordance with applicable contracts and/or department rules and regulations.

A. No authorized ground transportation business may solicit passengers at the airport except at a bona fide ground transportation booth established by the department director and operated by the authorized ground transportation business.

B. No person or business including any ground transportation business may contract for passenger meet and greet services on behalf of any ground transportation business without written permission of the department director.

C. In addition to civil penalties, any violation of these solicitation restrictions by any driver or representative of any authorized ground transportation business may result in such driver or business being barred from any further entry to an airport terminal as a driver or authorized ground transportation business employee.

D. No representative of any authorized ground transportation business shall transport baggage or cargo in behalf of a customer to or from the airport without documentation such as baggage claim tickets or transfer documents clearly indicating the authority of such representative to transport such baggage. Said representative shall produce such documentation for inspection upon request by an authorized official of the department.

#### **16.60.190: STAGING AND PARKING OF GROUND TRANSPORTATION VEHICLES:**

Any use of a staging area, parking facilities, taxi stands, parking areas, traffic lanes or other areas and facilities used by authorized ground transportation vehicles are subject to department rules and regulations.

#### **16.60.200: SIGNS:**

Signs may be posted at the airport by authorized ground transportation businesses if such signs are in accordance with applicable City ordinances, department contracts, department rules and regulations, and have been approved by the department director.

SECTION 2. That Chapter 16.64, *Salt Lake City Code*, pertaining to violations, penalties, and enforcement at the Salt Lake City International Airport be, and the same hereby is, amended to read as follows:

### **VIOLATION, PENALTY AND ENFORCEMENT**

#### **16.60.210: PROHIBITIVE NATURE OF REGULATIONS:**

It is a violation for any person to do any act prohibited by law, to fail or refuse to do any act required by law, to operate any vehicle or aircraft in violation of any provisions of this title or department rules and regulations, or to operate any vehicle or aircraft unless such vehicle or aircraft is equipped and maintained as provided in this title or other applicable law.

#### **16.60.220: REMOVAL AUTHORIZED WHEN:**

Any person using airport property, operating any vehicle or handling any aircraft in violation of this title or other applicable law, or by refusing to comply therewith, may be removed or ejected from the airport, and may be deprived of the further use of the airport and its facilities for such length of time as may be deemed necessary by the department director to ensure the safeguarding of the same and the public and its interest therein.



**16.60.230: VIOLATION; PENALTY:**

Any person guilty of violating any provision of this title shall be deemed guilty of a class B misdemeanor, except the violation of certain sections of this Title 16 as set forth in Section 16.64.030 below, which shall constitute civil violations.

**16.60.240: ISSUANCE OF A CIVIL NOTICE OF GROUND TRANSPORTATION****VIOLATION:**

A. Every notice issued under this chapter shall be issued in the form of a written civil notice and shall contain a statement that the named party may appeal the imposition of the penalty and provide information regarding how to appeal.

B. Any driver, vehicle owner, or authorized ground transportation business that violates any provision of this chapter may be named in a civil notice issued by the City. A violation of any provision of this chapter by any driver or vehicle owner shall also constitute a violation of such provision by the ground transportation business under whose authority such driver or owner was operating at the time of the violation.

**16.60.250: CIVIL PENALTIES AND ENFORCEMENT:**

A. Any person in violation of this title, department rules and regulations, or other applicable law are subject to civil penalties and any other lawful action as may be taken by the department director to ensure the safe and effective operations of the airport.

B. The City may revoke, suspend, or deny renewal of a City business license to operate a ground transportation business for violation of any provision of this title, department rules and regulations, or other applicable law as provided under Chapter 5.02 of this code.

C. The department may revoke, suspend or deny renewal of an operator's badge, department automated vehicle identification tag, or department inspection seal for violation of

any provision of this title, department rules and regulations, or other applicable law. The person or business affected may request, in writing filed with the department, an appeal hearing before the ground transportation appeal committee. Any such revocation, suspension or denial of renewal shall remain in effect until the party against whom such action is taken requests reinstatement, and the ground transportation appeal committee determines that reinstatement is appropriate.

D. If any named party fails to comply with civil penalties imposed under this chapter, such party may be subject to suspension, revocation, or nonrenewal of a City license to operate a ground transportation business, operator's badge, department automated vehicle identification tag and department inspection seal.

E. Civil penalties may be imposed as set forth below. The named party in the civil notice shall be liable for a civil penalty. Any penalty assessed in connection with this section may be in addition to any other penalty that may be imposed by law or department rules and regulations.

F. Violations of the following ordinances shall constitute civil violations and be subject to the following penalties:

<b>CODE</b>	<b>AMOUNT OF PENALTY</b>	<b>VIOLATION</b>
<b>ARTICLE I GENERAL REGULATIONS</b>		
16.60.010	\$500.00	Vehicle operations on airport
16.60.020	\$1000.00	Secured area vehicle operations
16.60.030	\$1000.00	Ramp area vehicle operations
16.60.040	\$200.00	Unauthorized passenger load/unload
16.60.050	\$1000.00	Failure to report accident
16.60.060	\$1000.00	Prohibited vehicle in secure area
16.60.065	\$200.00	Parking area restrictions/failure to pay fees
16.60.067	\$100.00	Parking violation posted signs
16.60.075	\$500.00	Courtesy cart operations
<b>ARTICLE II GROUND TRANSPORTATION</b>		

<b>BUSINESSES</b>		
16.60.095	\$1000.00	Unauthorized ground transportation vehicle
16.60.097	\$500.00	Unauthorized prearranged/on-demand transport
16.60.100	\$200.00	Unauthorized passenger pick up
16.60.120	\$500.00	Failure to pay fees
16.60.180 (A,B,D)	\$500.00	Unauthorized solicitation or baggage transport
16.60.190	\$100.00	Unauthorized staging/use of grounds and facilities
16.60.200	\$500.00	Unauthorized posting of signs

## **16.60.260: ENFORCEMENT PROCEDURES; CIVIL NOTICE OF GROUND**

### **TRANSPORTATION VIOLATION:**

A. Civil notices under this chapter, other than those involving revocations, suspensions, denials or approvals of a business license, operators' badge, department automated vehicle identification tags and department inspection seals shall be heard by the Salt Lake City Justice Court. Any named party may appear before a hearing officer and present and contest an alleged violation as provided in Title 2, Chapter 2.75 of this code, or its successor.

B. The burden to prove any defense shall be upon the person raising such defense. Nothing herein shall affect the City's burden to prove each element of the underlying charge by a preponderance of evidence.

C. If the hearing officer finds that no violation of this chapter occurred, or that a violation occurred but one or more of the defenses set forth in this section is applicable, the hearing officer may dismiss the civil notice and release the named party from liability thereunder, or may reduce the penalty associated therewith as he or she shall determine. Such defenses are:

1. The civil notice does not contain the information required by this chapter;

2. Compliance with the subject ordinances would have presented an imminent and irreparable injury to persons or property; or

3. Such other mitigating circumstances as may be approved by the City Attorney's Office.

**16.60.270: EXPEDITED APPEAL OF EXCLUSION:**

Any named party who is excluded from pursuing commercial activities under this chapter, and has not had a hearing before the ground transportation appeal committee regarding such exclusion as provided for in this chapter, may request an expedited appeal of the action that resulted in such exclusion. Such appeal shall be requested in writing by the party so excluded to the department. The department shall promptly investigate the facts relating to such exclusion. If the evidence indicates such exclusion is improper under this chapter, the department director may reverse the action that resulted in such exclusion. If the department director does not reverse such action, the action resulting in such exclusion shall be heard and determined by the ground transportation appeal committee in accordance with the provisions of this chapter. If a preponderance of the evidence indicates such exclusion is proper under this chapter the ground transportation hearing committee shall uphold such exclusion.

SECTION 3. Effective Date. This ordinance shall become effective on the date of its first publication.

Passed by the City Council of Salt Lake City, Utah this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

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CHAIRPERSON

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CITY RECORDER

Transmitted to Mayor on \_\_\_\_\_.

Mayor's Action: \_\_\_\_\_ Approved. \_\_\_\_\_ Vetoed.

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CITY RECORDER

(SEAL)

Bill No. \_\_\_\_\_ of 2010  
Published: \_\_\_\_\_

**APPROVED AS TO FORM**

Date: \_\_\_\_\_

SALT LAKE CITY ORDINANCE

No. \_\_\_\_\_ of 2014

(Ground transportation requirements)

An ordinance amending Chapter 5.71, *Salt Lake City Code*, pertaining to ground transportation requirements, to coordinate with taxicab regulations in Chapter 5.72, to provide for regulation of ground transportation providers that supports consumer choice, by expanding on-demand service, eliminating minimum fees, and providing flexibility for the number of taxicab companies that have contracts with the City and taxicab fleet size .

WHEREAS, providing transportation choices is a priority for Salt Lake City; and

WHEREAS, peer-to-peer transportation providers (also called transportation network companies or “TNCs”) currently are operating in Salt Lake City; and

WHEREAS, City has entered into contracts with taxicab providers to provide taxicab service in the City; and

WHEREAS, City desires to provide a regulatory environment for ground transportation in the City that is in the best interests of the City; and

WHEREAS, it is in the best interest of the City to allow all commercial ground transportation providers to offer on-demand service without minimum charge limitations; and

WHEREAS, it is in the best interest of the City to provide for temporary exceptions in the event of emergency, security concerns, and operational needs; and

WHEREAS, City desires to clarify that all ground transportation seals and AVI tags are the property of the Department of Airports; and

WHEREAS, City desires to make certain changes to modernize the language, concepts, and definitions, delete obsolete provisions, and make certain clean-up changes in this ordinance; and

WHEREAS, after a duly noticed public hearing before the City Council, the Council has determined this ordinance is in the best interest of the City.

NOW, THEREFORE, be it ordained by the City Council of Salt Lake City, Utah, as follows:

SECTION 1. That Chapter 5.71, *Salt Lake City Code*, pertaining to ground transportations requirements be, and the same hereby is, amended to read as follows:

## **Chapter 5.71**

### **GROUND TRANSPORTATION REQUIREMENTS**

#### **Article I. Definitions and General Regulations**

##### **5.71.010: DEFINITIONS:**

The following words and phrases, when used in this chapter, shall have the meanings defined and set forth in this section.

**AIRPORT SHARED RIDE SERVICE:** Ground transportation provided by an authorized ground transportation business contracted through the Department of Airports to provide on-demand shared ride service to and from the Salt Lake City International Airport.

**AIRPORT SHARED RIDE VEHICLE:** Any authorized ground transportation vehicle operating under contract with the Department of Airports to provide airport shared ride service to and from the Salt Lake City International Airport.

**APPLICANT:** An individual who has submitted an application to the department to obtain a ground transportation vehicle operator's badge pursuant to Article VII of this chapter.

**AUTHORIZED GROUND TRANSPORTATION BUSINESS:** Any business operating any ground transportation vehicle, which has a current, valid business license as required by the City and which:

A. Registers the business in accordance with the requirements established by the department, and

B. Is current with all fees or charges imposed by the department and City.

**AUTOMOBILE:** Any motor vehicle with passenger seating for five (5) persons or less, not including the driver.

**BUS:** Any licensed motor vehicle operated on the streets and highways for hire on a scheduled or nonscheduled basis with a seating capacity of twenty-five (25) or more passengers, not including the driver.

**BUSINESS:** A voluntary association legally formed and organized to carry on a business in Utah in the legal name of the association, including without limitation a corporation, limited liability company, partnership, or sole proprietorship.

**BUSINESS LICENSING OFFICE:** The division of building services and licensing of Salt Lake City Corporation, or its successor.

**CERTIFICATE:** A certificate of public convenience and necessity issued by the City.

**CIVIL NOTICE:** A written notice of a ground transportation violation as provided under this chapter.

**COMMENT FORM OR FORM:** The form described in Section 5.71.270 of this chapter, or its successor.

**COURTESY VEHICLE:** Any motor vehicle regularly operated on Salt Lake City streets for transportation of customers and/or baggage without making a specific separate charge to the passenger for such transportation.

**DEPARTMENT:** The Salt Lake City Department of Airports or such other City department or division as may be designated by the Mayor to have responsibility for the enforcement of this chapter.



**DEPARTMENT AUTOMATED VEHICLE IDENTIFICATION (AVI) TAG:** An electronic transponder used to identify vehicles and provide the department with vehicle data and billing information.

**DEPARTMENT DIRECTOR:** The director of the department designated by the Mayor to have responsibility for the enforcement of this chapter or the authorized designee of such director.

**DEPARTMENT INSPECTION:** An inspection of a ground transportation vehicle by the department to verify that the vehicle meets the standards set by the department director, department rules and regulations, applicable contracts, and applicable City ordinances, including without limitation the exterior and interior of the vehicle and all associated vehicle licensing, safety, and insurance requirements.

**DEPARTMENT INSPECTION SEAL:** A sticker or seal issued by the department to signify that a ground transportation vehicle has passed the required department inspection. These department inspection seals are non-transferable and no ground transportation vehicle may be operated without such seal.

**DEPARTMENT RULES AND REGULATIONS:** Rules and regulations developed and adopted by the department director to govern commercial ground transportation operations within the City.

**FIXED SCHEDULE:** Ground transportation service operating on a regular time schedule previously announced as to time of departure and arrival between definitely established and previously announced points along definitely established and previously announced routes regardless of whether passengers or freight are to be carried.

**GROUND TRANSPORTATION APPEAL COMMITTEE:** A committee established by the department director to hear and rule on appeals, suspensions, and other matters related to ground transportation in and connected with the City.

**GROUND TRANSPORTATION BUSINESS:** Any business operating any ground transportation vehicle.

**GROUND TRANSPORTATION SERVICE:** The transportation of passengers by a ground transportation business.

**GROUND TRANSPORTATION VEHICLE:** Any motor vehicle used for the transportation of persons using Salt Lake City streets for commercial purposes, regardless of whether a fee or fare is collected, ~~which includes, but is not limited to, any airport shared ride vehicle, automobile, bus, courtesy vehicle, hotel vehicle, limousine, minibus, special transportation vehicle, specialty vehicle, taxicab, van, or trailer being towed by a ground transportation vehicle.~~

**HEARING OFFICER:** A hearing officer of the Salt Lake City Justice Court.

**HOLDER:** A person to whom a certificate of public convenience and necessity has been issued.

**HOTEL VEHICLE:** Any motor vehicle regularly operated by a ground transportation business under contract to or directly by a motel, hotel, or other lodging business, to provide transportation of customers and/or baggage for the contracted establishment for which transportation the customer is charged a separate fee or fare, and which is subject to a contract filed with the department providing for operating the vehicle.

**LIMOUSINE:** Any vehicle described by its manufacturer or aftermarket manufacturer as a limousine or a luxury vehicle, ~~such as, but not limited to, a Cadillac Escalade, Chevrolet Suburban, Lincoln Town Car, or Mercedes Benz,~~ with a driver furnished, who is dressed in

professional business attire or a chauffeur's uniform. ~~A limousine may be deemed a hotel vehicle if the service provided is prearranged and minimum fare is charged as provided in this chapter.~~

**MINIBUS:** Any motor vehicle with a passenger seating capacity of ~~six~~thirteen (1~~6~~3) to twenty-four (24) persons, not including the driver.

~~**MODEL YEAR:** The age of a motor vehicle based upon the manufacturer's date of manufacture. The year shall be calculated as beginning January 1 of the model year, regardless of the month of manufacture, purchase, or licensing with the City.~~

**NAMED PARTY:** The driver, vehicle owner, or authorized ground transportation business named in a civil notice issued by the City.

**ON-DEMAND AIRPORT SERVICE OR ON-DEMAND SERVICE:** Transportation provided by an authorized ground transportation business which is not scheduled service or prearranged service as defined in this section.

**PERSONS WITH DISABILITIES:** Those persons who are not acutely ill, who do not require the services of an ambulance, and who need or desire special transportation equipment or accommodation for physical or mental infirmities.

**PREARRANGED SERVICE:** Transportation provided by an authorized ground transportation business from points within the City to destinations within the City, or beyond, for which the authorized ground transportation business providing such transportation has recorded the name or description of prospective passenger and the date and time of the request for transportation at least thirty (30) minutes prior to the transporting of the passenger by such vehicle and for which records of such transportation may be required for inspection by the department.

**SCHEDULED SERVICE:** Transportation provided by an authorized ground transportation business on a fixed schedule posted with and approved by the department in advance of such transportation.

**SPECIAL TRANSPORTATION VEHICLE:** Any motor vehicle for hire, other than an airport shared ride vehicle, ambulance, or taxicab, which vehicle is designed, equipped, and used for the transportation of persons with disabilities.

**SPECIALTY VEHICLES:** Any vehicles that are unique in their design, or built for a specific purpose, including but are not limited to, special conversion vehicles and classic or collector automobiles, but excluding special transportation vehicles.

**STARTER:** A person appointed by and representing a ground transportation business who is responsible for managing the coordination of vehicles and passenger transportation for that business.

**TAXICAB:** A motor vehicle ~~with a seating capacity of five (5) passengers or less, not including the driver, or a van with a passenger seating capacity of six (6) to twelve (12), not including the driver,~~ used in the on-demand, for hire transportation of passengers or baggage over public streets and not operated over a fixed route or upon a fixed schedule, but which is subject for contract hire by persons desiring special trips from one point to another, as provided under Chapter 5.72 of this title, or its successor chapter, and authorized to operate in Salt Lake City by contract with the department.

**TAXI STAND:** A public place alongside the curb of a street, or elsewhere in the City, which has been designated by the Mayor or the Mayor's designee as reserved for the use of taxicabs available for hire by passengers, including places otherwise marked as freight zones or other parking restricted zones if designated for use of taxicabs during specified times.

**TERMINAL OF TRANSPORTATION:** A facility or location having the primary purpose of facilitating ground transportation services, such as, but not limited to, the Salt Lake City Intermodal Hub.

**TRAILER:** A wheeled vehicle designed to be pulled by a motor vehicle for the transportation of freight, luggage, or other items.

**VAN:** Any licensed motor vehicle other than those designated as a limousine with a passenger seating capacity of six (6) to twelve (12), not including the driver.

**VEHICLE OPERATOR'S BADGE or OPERATOR'S BADGE:** An identification badge issued by the department to an individual to signify that the individual has met the requirements to operate a ground transportation vehicle.

**5.71.020: PURPOSE:**

This chapter is enacted to provide for and protect the interests of Salt Lake City residents and visitors using ground transportation services which make use of City streets and other City property, including:

A. To reflect standards of professionalism prevalent in and accepted by the Salt Lake community at large;

B. To enhance the comfort, ease, and safety of the traveling public on Salt Lake City streets;

C. To enhance the City's competitiveness in attracting the traveling public to this City;

D. To increase safety for drivers of ground transportation vehicles, their passengers, and the public;

E. To adequately identify ground transportation vehicles and their drivers to the public in the City;

F. To meet the needs of the public using ground transportation vehicles in the City;

G. To provide for uniform enforcement of standards throughout the City by coordinating the efforts of the departments responsible for enforcement, adjudication, and business licensing of all commercial ground transportation businesses and ground transportation vehicles;

H. To provide that the Mayor designate a department or departments to be responsible for the administration and enforcement of regulations pertaining to all ground transportation businesses, ground transportation vehicles, and ground transportation vehicle drivers in the City; and

I. To provide authority for administration and enforcement of business licensing in connection with ground transportation in the City.

**5.71.025: DESIGNATION OF DEPARTMENT:**

The Mayor shall designate a City department or departments to be responsible for the oversight and enforcement of all ground transportation businesses, ground transportation vehicles, and ground transportation vehicle drivers within the corporate limits of Salt Lake City. Such department or departments shall be responsible for the administration and enforcement of business licensing in connection with ground transportation in the City.

**5.71.030: AUTHORITY TO ESTABLISH RULES AND REGULATIONS:**

A. To the extent authorized by the provisions of this chapter and consistent with other applicable provisions of this code, the department director, under guidance and direction from the Mayor, may enter into contracts deemed necessary or desirable and may establish rules and regulations necessary to administer the provisions of this chapter.

B. The Mayor shall adopt procedures applicable to the establishment of department rules and regulations that provide for:

1. Public notice of any proposed rule that will affect operation of any ground transportation business;
2. An opportunity for public comment on proposed rules before they take effect, and
3. The basis for any proposed rule.

**5.71.040: EXEMPTIONS FROM REQUIREMENTS OF THIS CHAPTER:**

A. The provisions of this chapter shall not apply to vehicles licensed by a governmental agency or operated by a university or school district, the Utah Transit Authority, an ambulance service, and others as may be designated in department rules and regulations.

B. Sections 5.71.095, 5.71.150, 5.71.180, 5.71.190 and 5.71.240 shall not apply to busses and motor coaches, and bus and motor coach drivers, regulated by the U.S. Department of Transportation.

C. If any provision of this chapter is preempted by federal law, such provision shall not apply.

**5.71.050: BUSINESS LICENSE AND REGISTRATION REQUIRED:**

A. It is a violation for any person to operate a ground transportation business without, prior to commencement of the business, completing the following:

1. Obtaining a business license,
2. Registering such business with the department, and
3. Paying all applicable fees associated with the licensing or permitting of such business, its vehicles, and its employees.

B. Business license fees for ground transportation companies shall be calculated to include the cost of administering and enforcing the provisions of this title.

## 5.71.060: GROUND TRANSPORTATION SERVICE:

~~A.~~ All Authorized ground transportation businesses may provide on demand service, scheduled service, or prearranged service within the City, except as provided in Salt Lake City Code section 16.60.097.

~~B. Only airport shared ride vehicles, courtesy vehicles, hotel vehicles, and taxicabs may provide on-demand service within the City, except that:~~

~~1. Limousines may provide prearranged service only upon charging a minimum fare of thirty dollars (\$30.00) per trip; and~~

~~2. Hotel vehicles may provide on-demand service only to and from any railroad station, bus station, airport, or similar terminal of public transportation and any hotel, motel, or other lodging business with whom they hold a current contract for transportation services. Proof of the existence of such contract shall be maintained in each hotel vehicle and shall be subject to inspection on demand.~~

~~——— 3. The Department Director may waive these restrictions if it is determined that circumstances in the City exist that create congestion, security concerns, emergency conditions, or other operational problems, and that a temporary suspension of this limitation is in the best interests of the City to address such circumstances.~~

~~C. Subsection B of this section notwithstanding, hotel vehicles may transport motel or hotel patrons on demand to and from locations other than a terminal of public transportation as follows:~~

~~1. To and from a convention center during a convention within the City involving five thousand (5,000) or more participants, or~~



~~2. To and from other locations providing such transport involves four (4) or more persons riding together to and from the same destination and with the consent of the motel or hotel manager on duty.~~

**~~5.71.065: EXISTING HOLDERS' CERTIFICATES:~~**

~~A. Holders of existing certificates at the effective date hereof shall retain such certificates, allowing them to operate the same number of vehicles as they are presently authorized to operate, without any hearing, the public convenience and necessity having heretofore been demonstrated, until such certificate expires as provided in this section.~~

~~B. Except as provided in Section 5.76.130 of this title, pertaining to special transportation vehicles, existing certificates issued by the City shall expire no sooner than one hundred eighty (180) days from the effective date of this ordinance. The City may elect, in the City's sole discretion, to continue the expiration date up to an additional one hundred eighty (180) days. Upon expiration, a pro rata refund of that portion of the certificate fee shall be given to those persons whose certificates have expired prior to the portion of the year remaining at the time of expiration.~~

~~C. No certificate shall continue in operation prior to the expiration as set forth in Section 5.72.165 of this title unless the holder thereof has paid the annual business regulatory fees each year for each vehicle authorized under a certificate. Such fees shall be in addition to any other fees or charges established by proper authority and applicable to the holder of the vehicle or vehicles under the holder's operation and control.~~

~~———D. No certificate issued in accordance with this chapter, or its successor, shall be construed to be either a franchise or irrevocable.~~

**Article II. Driver Standards**

**5.71.070: DRIVER AND STARTER APPEARANCE:**

The drivers of ground transportation vehicles and starters representing ground transportation businesses within the City shall adhere to the standards of appearance established by department rules and regulations while operating such vehicles, or while representing ground transportation businesses, in order to meet the interests of the City in such transportation.

**5.71.080: DRIVER CONDUCT:**

The drivers of ground transportation vehicles and starters representing ground transportation businesses within the City shall adhere to the standards of conduct established by department rules and regulations while operating such vehicles or while representing ground transportation businesses in order to meet the interests of the City in such transportation.

**5.71.090: UNAUTHORIZED SOLICITATION OF BUSINESS:**

No person may solicit for business at any terminal of transportation except in locations and in accordance with department rules and regulations.

**5.71.095: ANNUAL DRIVER APPLICATION RENEWAL:**

A driver may not be required to renew a driver application more than once every two (2) years and shall not be required to provide fingerprints for a background investigation more than one (1) time except:

- A. In the case of an emergency,
- B. As may be otherwise required by a state or federal law, regulation, or directive; or
- C. As the department director may determine, to achieve consistency with a state or federal law, regulation, or directive.

**Article III. Smoking**

**5.71.100: SMOKING RESTRICTIONS:**

Passengers and drivers in ground transportation vehicles may only smoke in such vehicles as set forth in the Utah Code.

#### **Article IV. Vehicle Standards**

##### **5.71.120: VEHICLE TITLE RESTRICTIONS~~AGE~~ AND CONDITION:**

A. No vehicle shall be authorized by the city to operate as a ground transportation vehicle if the vehicle has a salvage/branded title.

B. A specialty vehicle shall be exempted from the foregoing salvage/branded title restrictions if the vehicle meets:

1. Safety standards set forth in the vehicle safety inspection manual promulgated by the Utah Department of Public Safety pursuant to Utah administrative rule 714-158-8, or its successor, and
2. Exterior and interior appearance standards set forth in section 5.71.125 of this chapter and department rules and regulations. (Ord. 84-12, 2012)

##### **5.71.125: VEHICLE APPEARANCE STANDARDS:**

A. All ground transportation vehicles shall meet the following vehicle exterior appearance standards:

1. All vehicles shall be maintained as required by any state law or city ordinance or statute, whether or not a part of this chapter.
2. Vehicle exteriors shall be clean except during the first twenty four (24) hours following a snow, rain, or dust storm in Salt Lake or surrounding counties.
3. Vehicles, including bumpers and body molding, shall be free of all exterior damage except for dents no larger than six inches (6”) in diameter and rust spots no larger than one inch (1”) in diameter. Bumpers shall be straight and aligned, as designed by the

vehicle manufacturer.

4. Windshields shall be free of cracks and chips larger than six inches (6”) in diameter or length. All other glass and mirrors shall be free of cracks and chips larger than one inch (1”) in diameter or length.

5. Exterior paint shall be maintained in good condition and repair, with no faded, oxidized, or nonmatching paint. Signs, graphics, door handles, antennas, and other equipment used for the ease and convenience of drivers and passengers shall be maintained in a good and operable condition.

6. Exterior tires, brakes, exhaust pipes, lights, wipers, turn signals, horns and other safety equipment shall be maintained in a good and operable condition.

7. Wheels shall have wheel covers, or be equipped with custom wheels.

8. All fluid leaks shall be repaired immediately.

B. All ground transportation vehicles shall meet the following vehicle interior appearance standards:

1. Vehicle interiors shall be clean and sanitary, and free of dirt, oil, litter, or other similar material, or offensive odors.

2. Seats and other interior surfaces shall be in good repair and free of tears and sharp objects. Dashboard covers may be used, but shall be professionally manufactured.

3. Trunks and luggage storage compartments shall at all times be maintained free of oil, dirt, debris, and personal property except for property used by the driver in connection with operating a ground transportation vehicle.

4. All equipment in the interior of the vehicle used for the ease and convenience of drivers and passengers, including, but not limited to, doors, windows, carpets, door and window handles, ashtrays, heaters, air conditioners, and radios, shall be maintained in a good and operable condition.

5. Ashtrays shall be emptied after use and washed each day.

6. Seat belts shall be provided for the driver and for each passenger as required by law for such vehicle. Seat belts and all other safety equipment inside the vehicle, including child safety restraint devices or seats, shall be maintained in a good and operable condition as may be required by Utah and federal law.

#### **5.71.130: CONFLICTING OR MISLEADING DESIGNS AND ADVERTISING**

##### **PROHIBITED:**

A. No vehicle shall be authorized to operate whose color scheme, identifying design, monogram, or insignia, in the opinion of the department director, conflicts with or imitates any color scheme, identifying design, monogram, or insignia used on a vehicle or vehicles already operating under this chapter, in such a manner as to be misleading or tending to deceive or defraud the public or which improperly conveys the nature or the type of the ground transportation service offered.

B. No ground transportation business shall advertise or hold itself out as being licensed by the City under this chapter when in fact no such license has been issued or has been revoked or terminated.

#### **Article V. Insurance and Inspections**

##### **5.71.140: INSURANCE REQUIRED:**

A. Every ground transportation business shall maintain continuous vehicle insurance, when the vehicle is operational, at the minimum levels of coverage set forth by the Federal Motor Carrier Safety Administration, 49 CFR 387.33, or by the Utah Department of Transportation, or by the United States Department of Transportation, whichever levels are higher. Proof of insurance shall be required when a vehicle is initially inspected by the department, and may be verified upon the City's receipt of a complaint, negative comment form, or at the time of an on-street, unscheduled ground transportation vehicle inspection.

B. Taxicabs and other authorized ground transportation vehicles with a seating capacity of seven (7) passengers or less, including the driver, shall carry minimum coverage in the amounts required for vehicles with a seating capacity of fifteen (15) or less as set forth in Section 49 CFR 387.33. The exception for taxicab service set forth in Section 49 CFR 387.27 shall not apply to this Subsection B.

C. Each ground transportation business shall send a copy of any notice of cancellation or reduction of insurance coverage to the department immediately upon such cancellation or reduction.

D. Salt Lake City Corporation shall be named as an additional insured in all insurance contracts.

#### **5.71.150: INSPECTIONS:**

A. All authorized ground transportation vehicles shall be registered with the department and at all times shall meet or exceed standards established by the department rules and regulations in order to meet the interests of Salt Lake City.

B. No vehicle may operate as a ground transportation vehicle within the City without first having been inspected by the department and found to be meeting all requirements of the

department inspection as established by department rules and regulations for the category of vehicle being inspected. ~~Notwithstanding the foregoing, a ground transportation company that purchases a new ground transportation vehicle may, in lieu of an inspection of such vehicle:~~

~~1. Certify to the department that the vehicle is new and conforms to the standards and requirements established by this section and department rules and regulations, and~~

~~2. Provide proof of insurance as provided in Subsection 5.71.140A.~~

~~3. Installation of an AVI and taximeter shall be subject to inspection by the department.~~

C. Vehicles meeting the requirements of the department inspection shall have a unique department inspection seal affixed to the rear of the vehicle signifying that the vehicle has passed the department inspection and may be operated as a ground transportation vehicle. The department seal is non-transferable and no vehicle may be used as a ground transportation vehicle without the department inspection seal in place.

D. Department Seals are the sole property of the Department and must be returned to the Department upon demand or at the time a vehicle is sold or retired from service.

~~E~~D. All ground transportation vehicles meeting the requirements of the department inspection shall be issued a department automated vehicle identification (AVI) tag, which the department shall install on the vehicle. These tags are non-transferable and may not be removed or modified without authorization from the department.

F. Department AVI Tags are the sole property of the Department and must be returned to the Department upon demand or at the time a vehicle is sold or retired from service.

~~G~~E. The department may perform vehicle inspections at any time any ground transportation vehicle is operating within the corporate limits of the City in order to administer and enforce applicable vehicle standards.

[HF](#). No ground transportation vehicle may be operated within the City unless it is maintained to the standards and requirements established by department rules and regulations, including without limitation department inspection requirements.

**5.71.160: TEMPORARY OPERATIONS:**

A ground transportation business that operates on a limited or temporary basis within the City may petition the department director for a waiver from some of the requirements of this chapter. However, no ground transportation business may operate without paying otherwise applicable fees. Consideration of such waiver may include the following:

A. The business is based outside of a thirty-five (35) mile radius of the City and the business provides limited services within the City;

B. The business does not pick up passengers within the City and provides transportation only into the City; and

C. Any specific ground transportation vehicle that will be used for operations within the City no more than five (5) calendar days per year.

**Article VI. Special Transportation Businesses**

**5.71.170: SPECIAL TRANSPORTATION VEHICLES AND OPERATORS:**

A. It is a violation for any person who owns or controls a special transportation business to allow a special transportation vehicle to be operated without, prior to commencement of the business, completing the following:

1. Obtaining a business license;
2. Registering such business with the department;
3. Paying all applicable fees associated with the licensing or permitting of such business, its vehicles and its employees; and



4. Providing the department with certification from the State of Utah that the vehicle meets all State requirements and was found to be in a safe condition for the transportation of persons with disabilities and had all such equipment as may be required by state law including, but not limited to, the following:

a. Doorways wide enough to accommodate a wheelchair;

b. Ramps or lifting devices for elevating persons with disabilities from the curb or sidewalk into the special transportation vehicle, which ramps and lifting devices shall be stored inside the special transportation vehicle while it is moving;

c. Adequate means of securing persons with disabilities safely to the inside of the special transportation vehicle and safety belts for all passengers;

d. A door, in addition to those provided in such vehicles for normal ingress and egress, located at the rear thereof, to be used as a method of escape in case of an emergency; and

e. A fire extinguisher, and first aid equipment and supplies, as prescribed and amended from time to time by state law.

B. In addition to meeting all other department rules and regulations applicable to ground transportation vehicles and businesses, owners and operators of special transportation vehicles shall comply with the following:

1. No special transportation vehicle shall be equipped with a siren or be permitted to operate as an emergency vehicle.

2. Special transportation vehicles shall be kept in a clean and sanitary condition, according to applicable rules and regulations promulgated by the State.

3. All special transportation vehicle operators shall obtain and maintain certification training in first aid, CPR, and AED as taught by an American Heart Association certified instructor.

**5.71.175: EXISTING HOLDERS' CERTIFICATES FOR SPECIAL TRANSPORTATION VEHICLES:**

A. Holders of existing certificates for special transportation vehicles shall retain such certificates, as set forth in Section 5.76.130 of this title, allowing them to operate the same number of vehicles as they are authorized to operate on the effective date of this ordinance, without any hearing, the public convenience and necessity have heretofore been demonstrated.

B. No certificate shall continue in operation unless the holder thereof has paid the annual business regulatory fees each year for each vehicle authorized under a certificate. Such fees shall be in addition to any other fees or charges established by proper authority and applicable to the holder of the vehicle or vehicles under the holder's operation and control.

**Article VII. Vehicle Operator's Badge**

**5.71.180: VEHICLE OPERATOR'S BADGE REQUIRED:**

It is a violation for any person to operate a ground transportation vehicle upon the streets of the City without having first obtained and having then in force a valid ground transportation vehicle operator's badge issued by the department under department rules and regulations.

~~1.~~ All Department issued Ground Transportation Vehicle Operators badges are the sole property of the Department and must be surrendered upon demand of a police officer, any authorized agent of the department, or any other person authorized by the Mayor to enforce the provisions of this chapter.

**5.71.190: PERMITTING NON-BADGED OPERATOR TO DRIVE:**

It is a violation for any person who owns or controls a ground transportation vehicle to permit it to be driven, and no ground transportation vehicle authorized by the department shall be so driven at any time, unless the ground transportation vehicle is operated by a driver who has then in force a valid ground transportation vehicle operator's badge issued by the department.

**5.71.240: DISPLAY OF OPERATOR'S BADGE:**

Every person issued a vehicle operator's badge shall display the badge above the waist, on front side of the outermost garment so as to be in plain view and not covered while such person is operating a ground transportation vehicle. Every such person shall exhibit such badge upon demand by any police officer, any authorized agent of the department, or any other person authorized by the Mayor to enforce the provisions of this chapter.

**Article VIII. Payment For Furnishing Of Passengers**

**5.71.250: PAYMENT:**

It shall be a violation for any person operating a ground transportation vehicle, business, driver, independent contractor, employee, or other person to pay, or offer to pay, any remuneration to another person, specifically including persons employed at a lodging business and vehicle dispatchers, for the furnishing of passengers and/or baggage to be transported by a ground transportation vehicle. It shall be a violation for any person, specifically including persons employed at a lodging business and vehicle dispatchers, to receive or request any remuneration from any person for the furnishing of passengers and/or baggage to be transported by a ground transportation vehicle. Nothing herein shall prohibit hotels and motels from contracting or invoicing for, and being paid, or making payment for, the transportation of customers and/or baggage, which payment may include a portion thereof being distributed by the hotel or motel to a bell staff, door staff, or concierge as a gratuity.

## **Article IX. Ground Transportation Discussion Group**

### **5.71.255: PURPOSE:**

The Mayor shall convene a ground transportation discussion group, committee, or forum to meet informally on a quarterly basis until June 3, 2014 for the purpose of providing advice on the following:

- A. Identifying ground transportation problems and potential solutions;
- B. Identifying items within the ordinances or regulations that appear to be unclear or confusing;
- C. Suggesting improvements to the program for consideration by the City;
- D. Discussing issues of concern to those in attendance;
- E. Identifying barriers to quality transportation service; and
- F. Considering whether the group recommends that a formal city board be established with the Mayor formally appointing an advisory board with the advise and consent of the City Council to address ground transportation issues in Salt Lake City and considering the number and make up of the board and its affiliation to or its independence of other city boards, commissions and committees. (Ord. 84-12, 2012: 84-10,2010)

### **5.71.258: PARTICIPANTS:**

A. Invitations to participate in the discussion group, committee, or forum should include, but not be limited to, representatives of the:

- 1. Hotel industry,
- 2. Hospitality industry,
- 3. Taxi cab industry,
- 4. Shuttle industry,

5. Hotel contract vehicle industry,
6. Utah Transit Authority,
7. Tourism and convention industries,
8. Specialty transportation industries,
9. Wasatch Front Regional Council mobility coordinator,
10. Salt Lake City Accessibility Services Advisory Council or City ADA

Coordinator, and

11. A mechanic familiar with vehicles in commercial ground transportation fleets.

B. Individuals or representative of key transportation user groups including, but not limited to low income, elderly, and persons with physical limitations shall also be invited to participate.

## **Article X. Enforcement and Civil Penalties**

### **5.71.260: DEPARTMENT AUTHORITY:**

A. The department shall enforce the provisions of this chapter and govern the conduct of companies and drivers operating under this chapter.

B. With the approval of the Mayor and upon notice to the City Council the Department Director may waive or temporarily impose restrictions not addressed in this Ordinance or Department Rules and Regulations if it is determined that circumstances in the City exist that create congestion, security concerns, emergency conditions, or other operational problems, and that a temporary suspension or modification of ordinances is in the best interests of the City to address such circumstances.

### **5.71.270: COMMENT FORM:**

Any person may complain of any violation of this chapter or comment on any ground transportation business or vehicle, or any driver of a ground transportation vehicle operating within the corporate limits of Salt Lake City, by filing a comment form with the department on forms that the department may require ground transportation businesses to print and provide in their vehicles and which may be found on the City's website and within department rules and regulations.

**5.71.280: ISSUANCE OF A CIVIL NOTICE OF GROUND TRANSPORTATION VIOLATION:**

A. Every notice issued under this chapter shall be issued in the form of a written civil notice and shall contain a statement that the named party may appeal the imposition of the penalty and provide information regarding how to appeal.

B. Any driver, vehicle owner, or authorized ground transportation business that violates any provision of this chapter may be named in a civil notice issued by the City. A violation of any provision of this chapter by any driver or vehicle owner shall also constitute a violation of such provision by the ground transportation business under whose authority such driver or owner was operating at the time of the violation.

**5.71.290: RECORD KEEPING:**

The City shall create a file for each driver and for each authorized ground transportation business at the time any document is submitted for application or filing. The City shall maintain any document placed in such files for a period as required by law.

**5.71.300: CIVIL PENALTIES AND ENFORCEMENT:**

A. The City may revoke, suspend, or deny renewal of a City business license to operate a ground transportation business for violation of any provision of this title, department rules and regulations, or other applicable law.

B. The department may revoke, suspend, or deny renewal of an operator's badge, department automated vehicle identification tag or department inspection seal for violations of any provision of this title, department rules and regulations, or other applicable law. The person or business affected may request, in writing filed with the department, an appeal hearing before the ground transportation appeal committee. Any such revocation, suspension, or denial of renewal shall remain in effect until the party against whom such action is taken requests reinstatement and the ground transportation appeal committee determines that reinstatement is appropriate.

C. If any named party fails to comply with civil penalties imposed under this chapter, such party may be subject to suspension, revocation, or nonrenewal of a City license to operate a ground transportation business, operator's badge, department automated vehicle identification tag or department inspection seal.

D. Civil penalties may be imposed as set forth below. The named party in the civil notice shall be liable for a civil penalty. Any penalty assessed in connection with this section may be in addition to any other penalty that may be imposed by law or department rules and regulations.

CODE	AMOUNT OF PENALTY	VIOLATION
<b>ARTICLE I</b>		
<b>GENERAL REGULATIONS</b>		
5.71.050	\$1000.00	Business license required
<del>5.71.060 (B)</del>	<del>\$500.00</del>	<del>Violation of passenger transport</del>
<b>ARTICLE II</b>		
<b>DRIVERS STANDARDS</b>		

5.71.070	\$100.00	Driver's appearance
5.71.080	\$300.00	Driver's conduct
5.71.090	\$300.00	Unauthorized solicitation of business
<b>ARTICLE III</b>		
<b>SMOKING</b>		
5.71.100	\$300.00	Smoking in vehicles
<b>ARTICLE IV</b>		
<b>VEHICLE STANDARDS</b>		
5.71.30	\$1000.00	Misleading design prohibited
<b>ARTICLE V</b>		
<b>INSURANCE AND INSPECTIONS</b>		
5.71.140	\$1000.00	Insurance required
5.71.150 (A,B,C)	\$1000.00	Vehicle inspection and seal required
5.71.150 ( <del>ED</del> )	\$500.00	Automated vehicle identification tag required
5.71.150 ( <del>HF</del> )	\$500.00	Failure to maintain vehicle inspection standards
<b>ARTICLE VI</b>		
<b>SPECIAL TRANSPORTATION BUSINESSES</b>		
5.71.170 (A,B,C,D)	\$1000.00	License and registration requirements
5.71.170 (E)	\$1000.00	Emergency vehicle equipment prohibited
5.71.170 (F)	\$1000.00	Clean and sanitary condition of vehicle
5.71.170 (G)	\$1000.00	First aid certification required
<b>ARTICLE VII</b>		
<b>VEHICLE OPERATORS BADGE</b>		
5.71.180	\$1000.00	Operator's badge required
5.71.190	\$1000.00	Permitting non-badged operator
5.71.240	\$100.00	Display of badge



<b>ARTICLE VIII</b>		
<b>PAYMENT FOR FURNISHING OF PASSENGERS</b>		
5.71.250	\$300.00	Payment for passenger

### **5.71.310: ENFORCEMENT PROCEDURES; CIVIL NOTICE OF GROUND**

#### **TRANSPORTATION VIOLATION:**

A. Civil notices under this chapter, other than those involving revocations, suspensions, denials or approvals of a business license, operators' badge, department automated vehicle identification tags and department inspection seal shall be heard by the Salt Lake City Justice Court. Any named party may appear before a hearing officer and present and contest an alleged violation as provided in Title 2, Chapter 2.75 of this code, or its successor.

B. The burden to prove any defense shall be upon the person raising such defense. Nothing herein shall affect the City's burden to prove each element of the underlying charge by a preponderance of evidence.

C. If the hearing officer finds that no violation of this chapter occurred, or that a violation occurred but one (1) or more of the defenses set forth in this section is applicable, the hearing officer may dismiss the civil notice and release the named party from liability thereunder, or may reduce the penalty associated therewith as the officer shall determine. Such defenses are:

1. The civil notice does not contain the information required by this chapter;
2. Compliance with the subject ordinances would have presented an imminent and irreparable injury to persons or property; or
3. Such other mitigating circumstances as may be approved by the City Attorney's Office.

**5.71.320: EXPEDITED APPEAL OF EXCLUSION:**

Any named party who is excluded from pursuing commercial activities under this chapter, and has not had a hearing before the ground transportation appeal committee regarding such exclusion as provided for in this chapter, may request an expedited appeal of the action that resulted in such exclusion. Such appeal shall be requested in writing by the party so excluded to the department. The department shall promptly investigate the facts relating to such exclusion. If the evidence indicates such exclusion is improper under this chapter, the department director may reverse the action that resulted in such exclusion. If the department director does not reverse such action, the action resulting in such exclusion shall be heard and determined by the ground transportation appeal committee in accordance with the provisions of this chapter. If a preponderance of the evidence indicates such exclusion is proper under this chapter the ground transportation hearing committee shall uphold such exclusion.

SECTION 2. Effective Date. This ordinance shall become effective on the date of its first publication.

Passed by the City Council of Salt Lake City, Utah this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
CHAIRPERSON

\_\_\_\_\_  
CITY RECORDER

Transmitted to Mayor on \_\_\_\_\_.

Mayor's Action: \_\_\_\_\_ Approved. \_\_\_\_\_ Vetoed.

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CITY RECORDER

(SEAL)

Bill No. \_\_\_\_\_ of 2014  
Published: \_\_\_\_\_

**APPROVED AS TO FORM**

Date: \_\_\_\_\_

SALT LAKE CITY ORDINANCE

No. \_\_\_\_\_ of 2014

(Taxicab requirements)

An ordinance amending Chapter 5.72, *Salt Lake City Code*, pertaining to taxicab regulation

WHEREAS, the City Council intends to amend Chapter 5.71, *Salt Lake City Code*, regarding ground transportation regulation; and

WHEREAS, the City Council has determined this ordinance corresponds with and supports amendments to Chapter 5.71; and

WHEREAS, it is in the best interest of the City to have the flexibility to award on-demand taxicab contracts to the appropriate number of companies the City believes the market can support; and

WHEREAS, it is in the best interest of the City to have the flexibility to adjust taxicab fleet size to market conditions; and

WHEREAS City has determined it is in the best interest of the City to allow taxicab companies to petition the City for rate adjustments every three (3) months; and

WHEREAS, City desires to make certain changes to modernize the language, concepts, and definitions, delete obsolete provisions, and make certain clean-up changes in this ordinance; and

WHEREAS, after a duly noticed public hearing before the City Council, the Council has determined this ordinance is in the best interest of the City.

NOW, THEREFORE, be it ordained by the City Council of Salt Lake City, Utah as follows:

SECTION 1. That Chapter 5.72, *Salt Lake City Code*, pertaining to taxicabs, be, and the same hereby is, amended to read as follows:

**Chapter 5.72**

## **TAXICABS**

### **Article I. Definitions and General Regulations**

#### **5.72.005: DEFINITIONS:**

The following words and phrases, when used in this chapter, shall have the meanings defined and set forth in this section.

**BUSINESS:** A voluntary association legally formed and organized to carry on a Business in Utah in the legal name of the association, including without limitation a corporation, limited liability company, partnership, or sole proprietorship.

**CERTIFICATE:** A certificate of public convenience and necessity issued by the City.

**CITY:** The governmental institution and landmass contained within the boundaries of Salt Lake City, Utah.

**CIVIL NOTICE:** A written notice of a ground transportation violation as provided under this chapter.

**CLEARED:** That condition of a taximeter when it is inoperative with respect to all fare registration and all cumulative fare and extras charges have been set to zero dollars (\$0).

**CONCESSIONAIRE:** A person or entity with whom the Department of Airports has contracted to provide taxicab services.

**DEPARTMENT:** The Salt Lake City Department of Airports or such other City department or division as may be designated by the Mayor to have responsibility for the enforcement of this chapter.

**DEPARTMENT DIRECTOR:** The director of the department designated by the Mayor to have responsibility for the enforcement of this chapter or the authorized designee of such director.

**DEPARTMENT CONTRACT:** A valid, existing, and current contract negotiated and approved by the department for providing taxicab or other services within the corporate boundaries of Salt Lake City, including the airport.

**DEPARTMENT RULES AND REGULATIONS:** Rules and regulations developed and adopted by the department director to govern ground transportation service and businesses within the City.

**EXTRAS:** Charges to be paid by a customer or passenger in addition to the fare.

**FACE:** That side of a taximeter upon which passenger or customer charges for hire of a taxicab are indicated.

**FARE:** That portion of the charge for hire of a taxicab which is automatically calculated by the taximeter through the operation of the mileage and time mechanism.

**GROUND TRANSPORTATION APPEAL COMMITTEE:** A committee established by the department director to hear and rule on appeals, suspensions, and other matters related to ground transportation in and connected with the City.

**HAIL A TAXICAB:** The act of a person to call out for, or to signal for, an in-service taxicab that is not already engaged in transport of passengers to respond to the person's location for hiring and transport of persons or property.

**HIRED:** The button on the face of a taximeter, which when activated places the taximeter in operation, signifying the start of a billing process for the person(s) engaging the use of the taxicab.

~~**HOLDER:** A person to whom a certificate of public convenience and necessity has been issued.~~

**IN-SERVICE:** A taxicab that is in use on the streets of the City, with a driver, and available for the transportation of passengers for hire.

**~~OPEN STAND:~~** ~~A public place alongside the curb of a street, or elsewhere in the City, which has been designated by the Mayor or the Mayor's designee as reserved for the use of taxicabs available for hire by passengers, including places otherwise marked as freight zones or other parking restricted zones if designated for use of taxicabs during specified times.~~

**PERSON:** An individual, a corporation or other legal entity, a partnership, and any incorporated association.

**TAXI STAND:** A public place alongside the curb of a street, or elsewhere in the City, which has been designated by the Mayor or the Mayor's designee as reserved for the use of taxicabs available for hire by passengers, including places otherwise marked as freight zones or other parking restricted zones if designated for use of taxicabs during specified times.

**TAXICAB:** A motor vehicle with a seating capacity of five (5) passengers or less, not including the driver, or a van with a passenger seating capacity of six (6) to twelve (12), not including the driver, used in the on demand, for hire transportation of passengers or baggage over the public streets and not operated over a fixed route or upon a fixed schedule, but which is subject for contract hire by persons desiring special trips from one point to another and authorized to operate in Salt Lake City by contract with the department.

**TAXIMETER:** A meter instrument or electronic device attached to a taxicab which measures mileage by the distance driven and the waiting time upon which the fare is based, and which automatically calculates, at a predetermined rate or rates, and registers, the charge for hire of a taxicab.

**WAITING TIME:** The time when a taxicab is not in motion, from the time of hiring by a passenger to the time of discharge of passenger(s).

#### **5.72.105: AUTHORITY TO ESTABLISH RULES AND REGULATIONS:**

A. To the extent authorized by the provisions of this chapter and consistent with other applicable provisions of this code, the department director, under guidance and direction from the Mayor, may enter into contracts deemed necessary or desirable and may establish rules and regulations necessary to administer the provisions of this chapter.

B. The Mayor shall adopt procedures applicable to the establishment of department rules and regulations that provide for:

1. Public notice of any proposed rule that will affect operation of any ground transportation business;
2. An opportunity for public comment on proposed rules before they take effect, and
3. The basis for any such proposed rule.

## **Article II. Authority To Operate**

### **5.72.125: COMPLIANCE RESPONSIBILITY:**

A. All persons shall comply with and operate under requirements of applicable law, including without limitation Federal, State, County and City laws and ordinances, including but not limited to, Chapters 5.72, 5.71, and 16.60 of the Salt Lake City Code, and department rules and regulations.

B. A concessionaire shall not be relieved of any responsibility for compliance with the provisions of this chapter, whether the concessionaire leases or rents taxicabs to drivers, or whether the concessionaire pays salary, wages, or any other form of compensation.

### **5.72.155: DEPARTMENT CONTRACT REQUIRED FOR OPERATION:**



A. No person shall operate or permit a taxicab owned or controlled by such person to be operated as a vehicle for hire upon the streets of Salt Lake City unless such person is authorized to do so under a department contract.

B. No person may operate a taxicab business in the City unless the person is authorized to do so under a department contract. Nothing in the department contract shall relieve a concessionaire of the requirements of applicable laws, including but not limited to Titles 5.71, 5.72, and 16.60 of the Salt Lake City Code, and department rules and regulations.

C. The term "operate for hire upon the streets of Salt Lake City" means and shall include the soliciting or picking up of a passenger or passengers within the corporate limits of the City, whether the destination is within or outside of the corporate limits of the City. For the purpose of this section, the term "operate for hire upon the streets of Salt Lake City" shall not include the transporting, by a taxicab properly licensed in a jurisdiction outside the corporate limits of the City, of a passenger or passengers for hire where a trip originates with the passenger or passengers being picked up outside of the corporate limits of the City and where the destination is either within or beyond the City corporate limits.

**5.72.165: CONTRACT-BASED SYSTEM FOR PROVISION OF TAXI SERVICES:**

A. The City hereby adopts a contract-based system for provision of taxicab services. Only taxicab providers selected pursuant to a competitive request for proposals (RFP) process and who have entered into a department contract, as defined in Section 5.72.005, may operate taxicab services upon Salt Lake City streets.

B. —1. The Mayor shall determine the number of ~~Following the RFP procedure, at least two (2) and not more than four (4)~~ taxicab businesses that shall be awarded a department contract.

~~C. —2.~~ The Mayor shall determine the total number of taxicabs authorized to operate in the City under all such contracts ~~shall be at least two hundred (200) and not more than two hundred sixty-eight (268).~~

~~B. Existing certificates of public convenience and necessity issued by the City for taxicab services shall expire no sooner than one hundred eighty (180) days from the effective date of this ordinance. The City may elect, in the City's sole discretion, to continue the expiration date up to an additional one hundred eighty (180) days. Upon expiration, a pro rata refund of that portion of the certificate fee shall be given to those persons whose certificates have expired prior to the portion of the year remaining at the time of expiration.~~

#### **~~5.72.170 FEES:~~**

~~———No certificate shall continue in operation prior to the expiration as set forth in Section 5.72.165 unless the holder thereof has paid the annual business regulatory fee as set forth in Section 5.04.070 of this title, or its successor section, each year for each vehicle authorized under a certificate. Such fees shall be in addition to any other fees or charges established by proper authority and applicable to the holder of the vehicle or vehicles under the holder's operation and control.~~

#### **~~5.72.175 EXISTING HOLDERS' CERTIFICATES:~~**

~~———All holders of existing taxicab certificates on the effective date of this ordinance shall retain such certificates, allowing them to operate the same number of vehicles as they are presently authorized to operate, without the hearing provided in this article, the public convenience and necessity having heretofore been demonstrated, until such certificate expires as provided in Section 5.72.165B of this chapter.~~

#### **~~5.72.185: CERTIFICATE NOT A FRANCHISE AND NOT IRREVOCABLE:~~**

~~—No certificate issued in accordance with this chapter, or its successor section, shall be construed to be either a franchise or irrevocable.~~

#### **5.72.205: MANDATORY ADA ACCESSIBLE VEHICLE:**

At least five (5) percent of the vehicle fleet of each taxicab concessionaire shall be available and equipped, consistent with requirements of the Americans with Disabilities Act (ADA), for the use and convenience of persons with disabilities.

### **Article III. Taximeters**

#### **5.72.305: TAXIMETER REQUIRED**

- A. All taxicabs shall be equipped with taximeters approved by the department.
- B. It is a violation for any person to operate or to allow to be operated any taxicab without an operative taximeter.
- C. All taximeters shall be mounted in locations approved by the department.
- D. All taximeters shall be tested and sealed by the department every six (6) months; and after a rate change. and no taximeter may be used without such seal being in place.
- E. Nothing that could shield or conceal the indications and metered fare of the taximeter from passengers may be placed so as to block the face of the taximeter.
- F. Taximeters shall have illuminated faces so as to provide visible indications of the meters status and fare to the passenger in low light or after sundown.
- G. Upon the completion of the service by the taxicab, it shall be the duty of the driver to call the attention of the passenger to the amount registered and to clear the taximeter of all fare indications so as to start at zero dollars (\$0) upon the next fare.
- H. Except as otherwise provided herein, it is a violation for any driver of a taxicab or taxicab business to charge a fare other than as calculated by the taximeter.

I. It is a violation for any driver of a taxicab or taxicab business to charge any extra that is not approved by the department, calculated by the taximeter, and which is not applicable to the current fare.

J. A top light shall be installed on every licensed taxicab. The top light shall be illuminated when a taxicab is available for hire and shall not be illuminated when the taximeter is placed into hire.

**5.72.355: TAXIMETER INSPECTIONS; RECORD KEEPING:**

A. The department shall keep a record of the identification of every taxicab meter number and date of inspection thereof in its office.

B. The department shall inspect, test, and seal every operational taximeter at least every six (6) months. Additionally, the department may inspect and test any taximeter upon receipt of a complaint regarding the operations or accuracy of a taximeter.

C. In the event a change in rates is made, the taximeter shall be adjusted to the new rates, and the taximeter of every taxicab in which a meter has been installed shall be immediately inspected, tested, and sealed by the department. A fee to recover costs of the meter inspection shall be charged by the department for each meter reprogrammed and sealed.

D. No taximeter which is inaccurate in registration in excess of one and one-half percent ( $1\frac{1}{2}\%$ ) shall be allowed to operate in any taxicab, and when an inaccuracy is discovered, such taxicab involved shall immediately cease operation and be kept out of operation until the meter is repaired and in proper working condition.

E. No owner, driver or business shall perform or permit or allow any alterations to a taxicab that will affect the taximeter pulse setting without said taximeter being inspected and recertified by the department. Said alterations shall include, but are not limited to, transmission

replacement or remanufacturing, differential replacement or remanufacturing, speedometer cable replacement, speed sensor replacement, repair or replacement of the taxicab's onboard computer, or change of tire size on the drive axle.

#### **Article IV. Rates**

##### **5.72.405: RATES:**

A. The rates charged by a ground transportation company for taxicab service shall be set by the City Council. The department shall review submittals by taxicab companies for taxicab rates and the department director shall recommend to the City Council the rate structure and extras allowed to be charged for taxicab service.

1. Unless otherwise provided for in a department contract, each taxicab business may file with the department periodically, but no more often than every three (3)~~six (6)~~ months, a statement regarding the adequacy of the existing maximum rates. Said statement shall state whether, in the opinion of the person submitting the statement, the existing maximum rates are at an appropriate level, or whether such rates should be increased or decreased. If the statement indicates existing rates should be increased, the person submitting the statement shall supplement the statement with documentation in support of such increase, such as evidence of increased operating costs, insurance costs, costs of living, fares charged for competing ground transportation services, and any other relevant information.

2. Upon receipt of a statement regarding the adequacy of existing rates, the department director may authorize a temporary increase in rates, not to exceed six (6) months, to account for increased operating costs, insurance costs, costs of living, fares

charged for competing ground transportation services, or other factors documented in a rate statement.

3. If the department director authorizes a temporary rate increase, the statement and other information justifying the increase shall be submitted to the City Council for review and consideration of a permanent rate increase.

B. Every taxicab shall have printed on the outside of the cab, in a conspicuous place and of sufficient size, legibility, and in such manner as to be plainly visible to all prospective passengers, all rates and extras in effect for such taxicab. All such rates and extras shall also be posted on the inside of the taxicab in such a manner as to be plainly visible to all passengers.

C. No taxicab or taxicab business shall charge any fee or payment for the use of a taxicab within the City without the prior approval of the City Council or department director, as provided in this chapter.

D. The driver of any taxicab shall render to every passenger a receipt for the amount charged, on which shall be the name of the taxicab business, taxicab number, the date and time the fare was initiated and completed, the miles charged, extras added to the fare, and the total amount of meter reading or charges.

## **Article V. Service Regulations**

### **5.72.455: GENERAL SERVICE REQUIREMENTS:**

A. Taxicab companies shall maintain all service requirements set forth in a department contract and other requirements as provided by applicable law and department rules and regulations.

B. Taxicab services shall be available twenty-four (24) hours per day, seven (7) days per week.

C. Unless otherwise provided in a department contract, it is a violation for any taxicab business to refuse to accept a call for service to or from any point within the corporate limits of the City at any time when such business has available taxicabs, and it is a violation for any business to fail or refuse to provide all or any service required by this title.

D. Any driver employed to carry a passenger to a definite point shall take the most direct or expeditious route possible that will carry the passenger safely and expeditiously to his or her destination, unless otherwise directed by the passenger.

E. The Mayor or the Mayor's designee is authorized to establish Taxiopen stands in such place or places upon the streets of the City as the Mayor deems necessary for the use of taxicabs operated in the City. The Mayor shall not create an Taxiopen stand without taking into consideration the need for such stands by the taxicab industry, the convenience to the general public, and the recommendation of the City traffic engineer. The Mayor shall not create an Taxiopen stand where such stand would tend to create a traffic hazard.

F. TaxiOpen stands shall be used only by taxicab drivers and their boarding passengers, who shall use them on a first come, first served basis. The driver shall enter the open stand from the rear and shall advance forward as the taxicabs exit. Drivers shall stay within ten feet (10') of their taxicabs. Nothing in this chapter shall be construed to prevent a passenger from boarding the cab of his or her choice that is parked at any position in an Taxiopen stand. The Mayor or the Mayor's designee shall prescribe the maximum number of cabs that shall occupy such Taxiopen stands.

G. Private or other vehicles for hire, and persons not waiting for or boarding taxicabs shall not occupy any space upon the streets that has been established as an Taxiopen stand during any times specified by the Mayor or the Mayor's designee for use by taxicabs.

H. The driver of any taxicab shall remain in the driver's compartment or immediately adjacent to his or her vehicle at all times when such vehicle is upon the public street, except that, when necessary, a driver may be absent from his or her taxicab for not more than twenty (20) consecutive minutes; and provided further, that nothing herein contained shall be held to prohibit any driver from alighting to the street or sidewalk for the purpose of assisting passengers into or out of such vehicle or to load their baggage into the taxicab.

I. No driver shall permit more persons to be carried in a taxicab as passengers than the rated seating capacity rated by the vehicle manufacturer of his or her taxicab, Child seating shall be in accordance with Utah and federal law.

J. After a taxicab has been hired by a passenger or group of passengers, no driver shall permit any other person to occupy or ride in the taxicab without the consent of the original passenger or group.

K. No driver shall solicit passengers for a taxicab except when sitting in the driver's compartment of such taxicab, while standing within ten feet (10') of such taxicab, or at any authorized [Taxiopen](#) stand.

L. No driver shall refuse or neglect to convey any reasonably orderly person or persons, or their luggage upon request, unless previously engaged or unable or forbidden by the provisions of this chapter to do so. No driver shall refuse to transport a service animal accompanying a person or persons in the passenger compartment of the taxicab.

M. Any person may hail a taxicab for service within the City, except that in locations of an [Taxiopen](#) stand for taxicabs the person should proceed to the taxicab that is “headset” at the stand for service. However, nothing shall prohibit the person from hiring the taxicab of the person’s choice.



#### **5.72.505: REQUIREMENT TO PROVIDE SERVICE TO HAILING PUBLIC:**

It is a violation for any taxicab driver to pass by or refuse service to a person hailing a taxicab for service unless the taxicab being hailed is already in route to a dispatched fare, is already hired or is not in service.

#### **5.72.530: ADVERTISING MATERIAL ON CABS PERMITTED:**

In accordance with an applicable department contract, it shall be permitted for any person owning or operating a taxicab to allow advertising matter to be affixed to or installed in or on such taxicabs.

### **Article VIII. Enforcement and Penalties**

#### **5.72.705: DEPARTMENT AUTHORITY:**

The department shall enforce the provisions of this chapter and govern the conduct of companies and drivers operating under this chapter. With the approval of the Mayor and upon notice to the City Council, the Department Director may waive or temporarily impose restrictions not addressed in this Chapter or Department Rules and Regulations if it is determined that circumstances in the City exist that create congestion, security concerns, emergency conditions, or other operational problems, and that a temporary suspension or modification of ordinances is in the best interests of the City to address such circumstances.

#### **5.72.805: ISSUANCE OF A CIVIL NOTICE OF GROUND TRANSPORTATION VIOLATION:**

A. Every notice issued under this chapter shall be issued in the form of a written civil notice and shall contain a statement that the named party may appeal the imposition of the penalty and provide information regarding how to appeal.

B. Any concessionaire, driver, vehicle owner, or authorized ground transportation business that violates any provision of this chapter may be named in a civil notice issued by the City. A violation of any provision of this chapter by any driver or vehicle owner shall also constitute a violation of such provision by the ground transportation business or concessionaire under whose authority such driver or owner was operating at the time of the violation.

**5.72.855: CIVIL PENALTIES AND ENFORCEMENT:**

A. The City may revoke, suspend, or deny renewal of a City business license to operate a ground transportation business for violations of any provision of this title, department rules and regulations, or other applicable law.

B. The department may revoke, suspend, or deny renewal of an operator's badge, department automated vehicle identification tag or department inspection seal for violations of any provision of this title, department rules and regulations, or other applicable law. The person or business affected may request, in writing filed with the department, an appeal hearing before the ground transportation appeal committee. Any such revocation, suspension, or denial of renewal shall remain in effect until the party against whom such action is taken requests reinstatement and the ground transportation appeal committee determines that reinstatement is appropriate.

C. If any named party fails to comply with civil penalties imposed under this chapter, such party may be subject to suspension, revocation or nonrenewal of a City license to operate a ground transportation business, operator's badge, department automated vehicle identification tag and department inspection seal.

D. Civil penalties may be imposed as set forth below. The named party in the civil notice shall be liable for a civil penalty. Any penalty assessed in connection with this section may be in addition to any other penalty that may be imposed by law or department rules and regulations.

<b>ARTICLE II. AUTHORITY TO OPERATE</b>		
5.72.155 (A,B)	\$1000.00	Authority to operate Taxicabs
5.72.205	\$1000.00	ADA vehicle service required
<b>ARTICLE III. TAXIMETERS</b>		
5.72.305 (A,B,D)	\$1000.00	Certified meter required
5.72.305 (G)	\$300.00	Clearing of metered Fare
5.72.305 (C,E,F,J)	\$100.00	Location, visibility & top light requirement
5.72.305 (H,I)	\$500.00	Passenger Fares
5.72.355 (D,E)	\$1000.00	Accuracy in calculation of Fares
<b>ARTICLE IV RATES</b>		
5.72.405 ( <del>C,E</del> )	\$100.00	<del>Posting of rates and receipt required</del> <u>Rates</u>
<u>5.72.405 (D)</u>	<u>\$1000.00</u>	<u>Charge of approved Fares only</u>
<b>ARTICLE V SERVICE REGULATIONS</b>		
5.72.455 (A,B, <u>C,G,I,L,H,K</u> )	\$500.00	Violation of service requirements
5.72.455 ( <del>E</del> <u>D,I,J</u> )	\$300.00	Violation of service requirements
5.72.455 ( <del>E,F,G,H,K</del> )	\$100.00	Violation of service requirements
5.72.505	\$500.00	Service to Hailing Person

## **5.72.890: ENFORCEMENT PROCEDURES; CIVIL NOTICE OF GROUND**

### **TRANSPORTATION VIOLATION:**

A. Civil notices under this chapter, other than those involving revocations, suspensions, denials, or approvals of a business license, operators' badge, department automated vehicle identification tags and department inspection seal shall be heard by the Salt Lake City Justice

Court. Any named party may appear before a hearing officer and present and contest an alleged violation as provided in Title 2, Chapter 2.75 of this code, or its successor.

B. The burden to prove any defense shall be upon the person raising such defense.

Nothing herein shall affect the City's burden to prove each element of the underlying charge by a preponderance of evidence.

C. If the hearing officer finds that no violation of this chapter occurred, or that a violation occurred but one (1) or more of the defenses set forth in this section is applicable, the hearing officer may dismiss the civil notice and release the named party from liability thereunder, or may reduce the penalty associated therewith as he or she shall determine. Such defenses are:

1. The civil notice does not contain the information required by this chapter;

2. Compliance with the subject ordinances would have presented an imminent and irreparable injury to persons or property; or

3. Such other mitigating circumstances as may be approved by the City Attorney's Office.

#### **5.72.900: EXPEDITED APPEAL OF EXCLUSION:**

Any named party who is excluded from pursuing commercial activities under this chapter, and has not had a hearing before the ground transportation appeal committee regarding such exclusion as provided for in this chapter, such party may request an expedited appeal of the action that resulted in such exclusion. Such appeal shall be requested in writing by the party so excluded to the department. The department shall promptly investigate the facts relating to such exclusion. If the evidence indicates such exclusion is improper under this chapter, the department director may reverse the action that resulted in such exclusion. If the department director does not reverse such action, the action resulting in such exclusion shall be heard and determined by

the ground transportation appeal committee in accordance with the provisions of this chapter. If a preponderance of the evidence indicates such exclusion is proper under this chapter the ground transportation hearing committee shall uphold such exclusion.

SECTION 2. Effective Date. This ordinance shall become effective on the date of its first publication.

Passed by the City Council of Salt Lake City, Utah this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
CHAIRPERSON

\_\_\_\_\_  
CITY RECORDER

Transmitted to Mayor on \_\_\_\_\_.

Mayor's Action: \_\_\_\_\_ Approved. \_\_\_\_\_ Vetoed.

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CITY RECORDER

(SEAL)

Bill No. \_\_\_\_\_ of 2014  
Published: \_\_\_\_\_

APPROVED AS TO FORM

Date: \_\_\_\_\_



SALT LAKE CITY ORDINANCE  
No. \_\_\_\_\_ of 2010

(Motor vehicle operation at the Salt Lake City International Airport)

An ordinance amending Chapters 16.60 *Salt Lake City Code*, pertaining to motor vehicle operation at the Salt Lake City International Airport, to correspond with changes made in Chapters 5.71 and 5.72, *Salt Lake City Code*.

WHEREAS, the City Council has amended Chapters 5.71 and 5.72, *Salt Lake City Code*, pertaining to ground transportation and taxicabs; and

WHEREAS, the City Council has determined this ordinance corresponds with and supports amendments to Chapters 5.71 and 5.72, *Salt Lake City Code*; and

WHEREAS, after a duly noticed public hearing before the City Council, the Council has determined this ordinance is in the best interest of the City.

NOW, THEREFORE, be it ordained by the City Council of Salt Lake City, Utah as follows:

SECTION 1. That Chapter 16.60, *Salt Lake City Code*, pertaining to motor vehicle operation at the Salt Lake City International Airport, be, and the same hereby is, amended to read as follows:

**Chapter 16.60**

**MOTOR VEHICLE OPERATION**

**Article I. General Regulations**

**16.60.001: AUTHORITY TO ESTABLISH RULES AND REGULATIONS:**

To the extent authorized by the provisions of this chapter and consistent with other applicable provisions of this code, the department director, under guidance and direction from the Mayor, may enter into contracts deemed necessary or desirable and may establish rules and regulations necessary to administer the provisions of this chapter and any security or operating requirements applicable to the Salt Lake City International Airport.

**16.60.005: EXEMPTIONS FROM REQUIREMENTS OF THIS CHAPTER:**

Vehicles licensed and operated by a government agency, a university or school district, the Utah Transit Authority, an ambulance service, and others, as may be designated in department rules and regulations, and others, as may be designated by the director, are exempt from the requirements of this chapter.

**16.60.010: COMPLIANCE WITH STATE AND OTHER REGULATIONS:**

A. No person shall operate a motor vehicle on the airport except in strict compliance with applicable laws of the state, City ordinances, and department rules and regulations.

B. No person or owner shall drive, or permit to be driven, stopped or parked on any street, parking lot, alleyway or driveway within the airport, any vehicle which is required under the laws of the state to be inspected and registered unless such vehicle has been inspected and registered, and has attached thereto in proper position a valid and unexpired certificate of inspection as required by the laws of the state.

C. All vehicles operated on airport property, including ramp areas, shall be maintained in a safe operating condition.

**16.60.020: DRIVING ON LOADING AREAS; RESTRICTIONS:**

A. Any motorized vehicle being used on the ramp as a service vehicle shall display the department-issued identification sticker. Each such vehicle shall also bear company identification visible from fifty feet (50') on both sides of the vehicle.

B. No person or vehicle is permitted in, on, or around any secured area, such as, but not limited to, any hangar, landing field, runway, apron or taxi strip, without prior permission from the department director.



C. Automobiles, trucks and other equipment (including airport maintenance and emergency vehicles) being driven on any landing area, runway, taxi strip, or apron shall display a standard checkered flag or flashing amber or red light, as appropriate, if operated during the nighttime, or, when applicable, be marked in accordance with Federal Aviation Administration regulations or as directed by the department director, and shall not be operated without prior permission of the control tower.

**16.60.030: VEHICLE RAMP OPERATIONS:**

A. Speed Limits: Motor vehicles shall be operated on established streets and roadways within the airport in strict compliance with speed limits posted on traffic signs. They shall also be maintained and operated in conformity with all motor vehicle regulations and laws of the state and City. Motor vehicles being operated on any passenger loading ramp, aircraft parking ramp, or in any area immediately adjacent to the terminals or hangars, shall be driven cautiously and at a safe and reasonable speed, but not to exceed twenty (20) miles per hour.

B. Use of Ramp Roadways: Vehicles shall only be operated within the limits of the designated painted roadways on the air operations areas, except as required to perform aircraft servicing and airfield inspections.

C. Traffic Markings on Paved Surfaces: Vehicle operators shall observe all traffic markings painted on pavement surfaces of the aircraft operations area.

D. Yield Right-of-Way To Aircraft: All vehicles shall yield right-of-way to any aircraft when the aircraft is under tow or has its engines operating. No vehicle shall proceed past such aircraft until the vehicle's progress will not impede the aircraft's movement. This section does not preclude the establishment of agreements to the contrary between the City and the Federal Aviation Administration.

**16.60.040: COMMON CARRIERS:**

No common carrier, vehicle for hire, or ground transportation vehicle shall load or unload passengers at the airport at any place or in any manner other than that designated by the department director.

**16.60.050: ACCIDENTS TO BE REPORTED:**

Any person involved in an accident resulting in personal injury or damage to property on the airport shall report such accident promptly to the office of the department director.

**16.60.060: PROHIBITED VEHICLES AND ANIMALS:**

No go-cart, motorbike, bicycle, house trailer, or similar vehicle, or horse, shall be permitted on any landing area, ramp, taxiway, or hangar area without approval of the department director, except for bicycles that are secured and delivered to an aircraft for transport, or motorcycles used for surface transportation in a hangar area.

**16.60.065: PARKING AREAS:**

A. Parking areas for motor vehicles shall be set aside for airport employees and the general public. No person shall park a motor vehicle or a trailer in any place on the airport other than those areas designated by the department director or as expressly set forth in this title. No person shall park a vehicle in an area designated as an employee parking lot unless such person has complied with all rules and regulations, and other requirements for employee parking as established by the department.

B. Tenants of T-hangars and shade hangars may park their motor vehicles in their own hangars when the aircraft is being flown or in front of their hangar if they are present. Service or delivery vehicles may park next to a tenant's hangar long enough for delivery. All others shall park in public lots.

C. No person shall park a motor vehicle on the airport in excess of seventy-two (72) consecutive hours unless it is parked in the public parking area or with the authorization of the airport.

D. No person shall park a motor vehicle in an area designated as a public parking lot unless such person pays the authorized rate for such parking lots. A schedule of parking rates shall be available in the airport Office of Finance and Administration.

**16.60.067: PARKING VEHICLES:**

No person shall park a vehicle on the airport other than in the manner and at locations indicated by posted traffic signs and markings. Each hour a vehicle remains parked in violation of this section shall be a separate offense.

**16.60.070: IMPOUNDMENT AUTHORIZED WHEN:**

Any vehicle parked in violation of department rules and regulations may be impounded or relocated by a certified peace officer. The owner thereof shall pay for the tow charge, regular parking fees, and other penalties and related charges.

**16.60.075: PASSENGER COURTESY CARTS:**

A. No person may operate any vehicle inside a City-owned building at the airport without proper authority. The owner of any such authorized vehicle shall install and maintain a speed governor on each such vehicle which will prevent the vehicle from exceeding five (5) miles per hour. Vehicles at all times shall be maintained in a safe operating condition. Any person operating such vehicle shall yield to pedestrians, not pass pedestrians unless there is enough space to leave an eighteen inch (18") clearance between vehicle and pedestrian, and otherwise operate the vehicle in a safe manner.

B. The department director may prohibit the operation of such vehicles at the Airport or limit their use at any time.

## **Article II. Ground Transportation Businesses**

### **16.60.080: PURPOSE OF ARTICLE II PROVISIONS:**

The provisions set out in this article are enacted for the purpose of:

A. Requiring persons who conduct business at the airport by providing ground transportation service to assist the City in defraying the expense of providing certain facilities and services provided for ground transportation vehicles and services using the airport, and to create an equitable assessment of fees for its use; and

B. Requiring such persons to adhere to department rules and regulations regarding the operation of ground transportation vehicles to ensure that such are conducted in a safe, efficient, and cost effective manner for the public benefit.

### **16.60.090: DEFINITIONS:**

The following words and phrases, when used in this chapter, shall have the meanings defined and set forth in this section.

**AIRPORT SHARED RIDE SERVICE:** Ground transportation provided by an authorized ground transportation business contracted through the Department of Airports to provide on - demand shared ride service to and from the Salt Lake City International Airport.

**AIRPORT SHARED RIDE VEHICLE:** Any authorized ground transportation vehicle operating under contract with the Department of Airports to provide airport shared ride service.

**AUTHORIZED GROUND TRANSPORTATION BUSINESS:** Any business operating any ground transportation vehicle, which has a current, valid business license as required by the City and which:

A. Registers the business in accordance with the requirements established by the department, and

B. Is current with all fees or charges imposed by the Department or City.

**AUTOMOBILE:** Any motor vehicle with passenger seating for five (5) persons or less not including the driver.

**BUS:** Any motor vehicle with a seating capacity of twenty-five (25) passengers or more, not including the driver.

**BUSINESS:** A voluntary association legally formed and organized to carry on a business in Utah in the legal name of the association, including without limitation a corporation, limited liability company, partnership, or sole proprietorship.

**CIVIL NOTICE:** The written notice of a ground transportation violation.

**COURTESY VEHICLE:** Any motor vehicle regularly operated on Salt Lake City streets for transportation of customers and/or baggage without making a specific separate charge to the passenger for such transportation.

**DEPARTMENT:** The Salt Lake City Department of Airports.

**DEPARTMENT AUTOMATED VEHICLE IDENTIFICATION (AVI) TAG:** An electronic transponder used to identify vehicles and provide the department with vehicle data and billing information.

**DEPARTMENT DIRECTOR:** The director of the Salt Lake City Department of Airports.

**DEPARTMENT INSPECTION SEAL:** A sticker or seal issued by the department to signify that a ground transportation vehicle has passed the required department inspection. These department inspection seals are non-transferable and no ground transportation vehicle may be operated without such seal.

**DEPARTMENT RULES AND REGULATIONS:** Rules and regulations developed and adopted by the department director to govern ground transportation service and businesses at the airport.

**FIXED SCHEDULE:** Ground transportation service operating on a regular time schedule previously announced as to time of departure and arrival between the airport and definitely established and previously announced points along definitely established and previously announced routes regardless of whether there are passengers or freight to be carried.

**GROUND TRANSPORTATION BUSINESS:** Any business operating any ground transportation vehicle.

**GROUND TRANSPORTATION SERVICE:** The transportation of passengers by a ground transportation business.

**GROUND TRANSPORTATION APPEAL COMMITTEE:** A committee established by the department director to hear and rule on appeals, suspensions, and other matters related to ground transportation in and connected with the City.

**GROUND TRANSPORTATION VEHICLE:** Any motor vehicle used for the transportation of persons using Salt Lake City streets for commercial purposes regardless of whether a fee or fare is collected ~~\_, which includes, but is not limited to, any airport shared ride vehicle, automobile, bus, courtesy vehicle, hotel vehicle, limousine, minibus, special transportation vehicle, specialty vehicle, taxicab, van, or trailer being towed by a ground transportation vehicle.~~

**HOTEL VEHICLE:** Any motor vehicle regularly operated by a ground transportation business under contract to or directly by a motel, hotel, or other lodging business to provide transportation of customers and/or baggage for the contracted establishment, for which transportation the

customer is charged a separate fee or fare, and which is subject to a contract filed with the department providing for operating the vehicle.

**LIMOUSINE:** Any vehicle described by its manufacturer or aftermarket manufacturer as a limousine or a luxury vehicle, ~~such as, but not limited to, a Cadillac Escalade, Chevrolet Suburban, Lincoln Town Car, or Mercedes-Benz,~~ with a driver furnished, who is dressed in professional business attire or a chauffeur's uniform. ~~A limousine may be deemed a hotel vehicle if the service provided is prearranged and minimum fare is charged as provided in this chapter.~~

**MINIBUS:** Any motor vehicle with a seating capacity of ~~sixteen~~ (16) to twenty-four (24) passengers, not including the driver.

**ON-DEMAND AIRPORT SERVICE OR ON-DEMAND SERVICE:** Transportation provided by an authorized ~~airport~~ ground transportation business which is not scheduled service nor prearranged service from the airport as defined in this section.

**PREARRANGED SERVICE FROM THE AIRPORT:** Transportation from the airport to points within the corporate limits of Salt Lake City provided by an authorized ground transportation business which is contracted for between such business and the person to be transported, or by an agent of the person, prior to the arrival of the person at the Salt Lake City International Airport. Prearranged service from the airport shall include airport ground transportation contracted for by an airline company on behalf of its own passengers whose regular air travel may have been disrupted in some manner. An agent may include a travel agent, family member, employee, business or meeting planner, but excludes an authorized ground transportation business. Prearranged service to the airport shall be provided on the same basis as permitted under Title 5, Chapter 5.71 of this code.

**SCHEDULED SERVICE:** Transportation provided by an authorized ground transportation business on a fixed schedule posted with the department in advance of such transportation.

**TAXICAB:** A motor vehicle ~~with a seating capacity of five (5) passengers or less, not including the driver, or a van with a passenger seating capacity of six (6) to twelve (12), not including the driver,~~ used in the on demand for hire transportation of passengers or baggage over the public streets and not operated over a fixed route or upon a fixed schedule, but which is subject for contract hire by persons desiring special trips from one point to another, as provided under Chapter 5.72 of this title, or its successor chapter, and authorized to operate in Salt Lake City by contract with the department.

**TAXI STAND:** A public place alongside the curb of a street, or elsewhere in the City, which has been designated by the Mayor or the Mayor's designee as reserved for the use of taxicabs available for hire by passengers, including places otherwise marked as freight zones or other parking restricted zones if designated for use of taxicabs during specified times.

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**VAN:** Any licensed motor vehicle other than those designated as a limousine with a passenger seating capacity of six (6) to twelve (12), not including the driver

**VEHICLE OPERATOR'S BADGE or OPERATOR'S BADGE:** An identification badge issued by the department to an individual to signify that the individual has met the requirements to operate a ground transportation vehicle.

#### **16.60.095: BUSINESSES AUTHORIZED TO PROVIDE GROUND**

##### **TRANSPORTATION:**

It shall be a violation to operate a ground transportation vehicle at the airport, unless such vehicle is part of is an authorized ground transportation business.

#### **16.60.097: GROUND TRANSPORTATION DESTINATIONS:**



A. All authorized ground transportation businesses may provide scheduled service or prearranged service from the airport.

B. Only authorized airport shared ride service vehicles, taxicabs, courtesy vehicles, and hotel vehicles may provide on-demand service at the airport [to points within Salt Lake City](#), except that courtesy vehicles and hotel vehicles may provide on-demand service only to and from the hotel, motel, or other lodging business with whom they hold a current contract for transportation services. The department director may waive these restrictions if the director determines that circumstances at the airport exist that create congestion, security concerns, emergency conditions, or other operational problems, and that a temporary suspension of this limitation is in the best interests of the City to address such circumstances.

C. All authorized ground transportation businesses may provide on-demand, scheduled service and prearranged service from the airport to destinations outside of the corporate limits of Salt Lake City.

**16.60.100: PASSENGER PICK-UP ZONES:**

All persons operating a ground transportation vehicle on the premises of the airport shall pick up passengers only in areas as designated by the department director. Ground transportation vehicles may occupy such area only for the period of time established by the department director.

**16.60.110: COMMERCIAL CHARGES:**

Commercial charges may be imposed by the City for the use of airport facilities and services. Any business located at, or doing business on, the airport shall pay all established fees applicable to such business.

**16.60.120: GROUND TRANSPORTATION FEES REQUIRED:**

No ground transportation vehicle or business shall use the airport's roadways or facilities without paying required fees established under Section 16.60.110 of this chapter.

**16.60.130: PAYMENT OF FEES:**

Payment of required fees shall be made in the manner prescribed by the department director consistent with department rules and regulations and applicable provisions of this code.

**16.60.140: CITY ORDINANCES APPLICABLE TO AIRPORT:**

All applicable ordinances set forth in the Salt Lake City Code, including without limitation Chapters 5.71 and 5.72 of Title 5 or their successors, shall apply to the airport. Pursuant to applicable provisions of this code, the department director may enter into contracts and establish rules and regulations for taxicab operations specific to the airport.

**16.60.180: GROUND TRANSPORTATION BOOTHS:**

There may be established within the terminal buildings at the airport one (1) or more ground transportation booths for the exclusive use of authorized ground transportation businesses to assist the public to arrange for transportation, including travel reservations and ticket sales. These booths may be made available to businesses in accordance with applicable contracts and/or department rules and regulations.

A. No authorized ground transportation business may solicit passengers at the airport except at a bona fide ground transportation booth established by the department director and operated by the authorized ground transportation business.

B. No person or business including any ground transportation business may contract for passenger meet and greet services on behalf of any ground transportation business without written permission of the department director.

C. In addition to civil penalties, any violation of these solicitation restrictions by any driver or representative of any authorized ground transportation business may result in such driver or business being barred from any further entry to an airport terminal as a driver or authorized ground transportation business employee.

D. No representative of any authorized ground transportation business shall transport baggage or cargo in behalf of a customer to or from the airport without documentation such as baggage claim tickets or transfer documents clearly indicating the authority of such representative to transport such baggage. Said representative shall produce such documentation for inspection upon request by an authorized official of the department.

**16.60.190: STAGING AND PARKING OF GROUND TRANSPORTATION VEHICLES:**

Any use of a staging area, parking facilities, taxi stands, parking areas, traffic lanes or other areas and facilities used by authorized ground transportation vehicles are subject to department rules and regulations.

**16.60.200: SIGNS:**

Signs may be posted at the airport by authorized ground transportation businesses if such signs are in accordance with applicable City ordinances, department contracts, department rules and regulations, and have been approved by the department director.

SECTION 2. That Chapter 16.64, *Salt Lake City Code*, pertaining to violations, penalties, and enforcement at the Salt Lake City International Airport be, and the same hereby is, amended to read as follows:

**VIOLATION, PENALTY AND ENFORCEMENT**

**16.60.210: PROHIBITIVE NATURE OF REGULATIONS:**

It is a violation for any person to do any act prohibited by law, to fail or refuse to do any act required by law, to operate any vehicle or aircraft in violation of any provisions of this title or department rules and regulations, or to operate any vehicle or aircraft unless such vehicle or aircraft is equipped and maintained as provided in this title or other applicable law.

**16.60.220: REMOVAL AUTHORIZED WHEN:**

Any person using airport property, operating any vehicle or handling any aircraft in violation of this title or other applicable law, or by refusing to comply therewith, may be removed or ejected from the airport, and may be deprived of the further use of the airport and its facilities for such length of time as may be deemed necessary by the department director to ensure the safeguarding of the same and the public and its interest therein.

**16.60.230: VIOLATION; PENALTY:**

Any person guilty of violating any provision of this title shall be deemed guilty of a class B misdemeanor, except the violation of certain sections of this Title 16 as set forth in Section 16.64.030 below, which shall constitute civil violations.

**16.60.240: ISSUANCE OF A CIVIL NOTICE OF GROUND TRANSPORTATION VIOLATION:**

A. Every notice issued under this chapter shall be issued in the form of a written civil notice and shall contain a statement that the named party may appeal the imposition of the penalty and provide information regarding how to appeal.

B. Any driver, vehicle owner, or authorized ground transportation business that violates any provision of this chapter may be named in a civil notice issued by the City. A violation of any provision of this chapter by any driver or vehicle owner shall also constitute a violation of

such provision by the ground transportation business under whose authority such driver or owner was operating at the time of the violation.

**16.60.250: CIVIL PENALTIES AND ENFORCEMENT:**

A. Any person in violation of this title, department rules and regulations, or other applicable law are subject to civil penalties and any other lawful action as may be taken by the department director to ensure the safe and effective operations of the airport.

B. The City may revoke, suspend, or deny renewal of a City business license to operate a ground transportation business for violation of any provision of this title, department rules and regulations, or other applicable law as provided under Chapter 5.02 of this code.

C. The department may revoke, suspend or deny renewal of an operator's badge, department automated vehicle identification tag, or department inspection seal for violation of any provision of this title, department rules and regulations, or other applicable law. The person or business affected may request, in writing filed with the department, an appeal hearing before the ground transportation appeal committee. Any such revocation, suspension or denial of renewal shall remain in effect until the party against whom such action is taken requests reinstatement, and the ground transportation appeal committee determines that reinstatement is appropriate.

D. If any named party fails to comply with civil penalties imposed under this chapter, such party may be subject to suspension, revocation, or nonrenewal of a City license to operate a ground transportation business, operator's badge, department automated vehicle identification tag and department inspection seal.

E. Civil penalties may be imposed as set forth below. The named party in the civil notice shall be liable for a civil penalty. Any penalty assessed in connection with this section may be in addition to any other penalty that may be imposed by law or department rules and regulations.

F. Violations of the following ordinances shall constitute civil violations and be subject to the following penalties:

CODE	AMOUNT OF PENALTY	VIOLATION
<b>ARTICLE I GENERAL REGULATIONS</b>		
16.60.010	\$500.00	Vehicle operations on airport
16.60.020	\$1000.00	Secured area vehicle operations
16.60.030	\$1000.00	Ramp area vehicle operations
16.60.040	\$200.00	Unauthorized passenger load/unload
16.60.050	\$1000.00	Failure to report accident
16.60.060	\$1000.00	Prohibited vehicle in secure area
16.60.065	\$200.00	Parking area restrictions/failure to pay fees
16.60.067	\$100.00	Parking violation posted signs
16.60.075	\$500.00	Courtesy cart operations
<b>ARTICLE II GROUND TRANSPORTATION BUSINESSES</b>		
16.60.095	\$1000.00	Unauthorized ground transportation vehicle
16.60.097	\$500.00	Unauthorized prearranged/on-demand transport
16.60.100	\$200.00	Unauthorized passenger pick up
16.60.120	\$500.00	Failure to pay fees
16.60.180 (A,B,D)	\$500.00	Unauthorized solicitation or baggage transport
16.60.190	\$100.00	Unauthorized staging/use of grounds and facilities
16.60.200	\$500.00	Unauthorized posting of signs

**16.60.260: ENFORCEMENT PROCEDURES; CIVIL NOTICE OF GROUND  
TRANSPORTATION VIOLATION:**

A. Civil notices under this chapter, other than those involving revocations, suspensions, denials or approvals of a business license, operators' badge, department automated vehicle

identification tags and department inspection seals shall be heard by the Salt Lake City Justice Court. Any named party may appear before a hearing officer and present and contest an alleged violation as provided in Title 2, Chapter 2.75 of this code, or its successor.

B. The burden to prove any defense shall be upon the person raising such defense.

Nothing herein shall affect the City's burden to prove each element of the underlying charge by a preponderance of evidence.

C. If the hearing officer finds that no violation of this chapter occurred, or that a violation occurred but one or more of the defenses set forth in this section is applicable, the hearing officer may dismiss the civil notice and release the named party from liability thereunder, or may reduce the penalty associated therewith as he or she shall determine. Such defenses are:

1. The civil notice does not contain the information required by this chapter;
2. Compliance with the subject ordinances would have presented an imminent and irreparable injury to persons or property; or
3. Such other mitigating circumstances as may be approved by the City Attorney's Office.

**16.60.270: EXPEDITED APPEAL OF EXCLUSION:**

Any named party who is excluded from pursuing commercial activities under this chapter, and has not had a hearing before the ground transportation appeal committee regarding such exclusion as provided for in this chapter, may request an expedited appeal of the action that resulted in such exclusion. Such appeal shall be requested in writing by the party so excluded to the department. The department shall promptly investigate the facts relating to such exclusion. If the evidence indicates such exclusion is improper under this chapter, the department director

may reverse the action that resulted in such exclusion. If the department director does not reverse such action, the action resulting in such exclusion shall be heard and determined by the ground transportation appeal committee in accordance with the provisions of this chapter. If a preponderance of the evidence indicates such exclusion is proper under this chapter the ground transportation hearing committee shall uphold such exclusion.

SECTION 3. Effective Date. This ordinance shall become effective on the date of its first publication.

Passed by the City Council of Salt Lake City, Utah this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

\_\_\_\_\_  
CHAIRPERSON

\_\_\_\_\_  
CITY RECORDER

Transmitted to Mayor on \_\_\_\_\_.

Mayor's Action: \_\_\_\_\_ Approved. \_\_\_\_\_ Vetoed.

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CITY RECORDER

(SEAL)

<b>APPROVED AS TO FORM</b>
Date: _____



Bill No. \_\_\_\_\_ of 2010  
Published: \_\_\_\_\_

