

DRAFT: The TNC Regulatory Landscape

An Overview of Current TNC Regulation in California
and Across the county

Board Meeting
Agenda Item 12



SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY

December 12, 2017

Overview



How are TNCs regulated in California?

**What is the TNC Regulatory Framework
in other Jurisdictions?**

How are TNCs regulated in California?



California PUC



California DMV

Local Planning, Policies and Regulations in San Francisco



SFMTA
Municipal Transportation Agency



San Francisco
International
Airport



Case Study Examples of TNC-Related Issues



State Authority Examples

- Colorado: Annual Permit fee and registration – similar to CA
- Massachusetts: Per-trip surcharge and background checks – stricter than most

Local Regulatory Authority examples

- NYC: Trip reporting – stricter than all
- Philadelphia: Gross receipts fees for schools
- Chicago: Per-trip fees for administration and disabled access
- Austin: fingerprint background checks (now preempted by state)
- Seattle: Per-trip accessibility surcharge

How are TNCs regulated in California?



Safety



- National criminal and sex offender database background checks are required, and TNCs must conduct a driver history check through the DMV.
- TNC vehicles must undergo a 19-point vehicle inspection before service and annually or every 50,000 miles.
- TNCs must establish a driver training program to ensure that drivers are safely operating their vehicles prior to offering service.
- Drivers are allowed to drive a maximum of 10 hours, which resets after an 8-hour rest period.
- TNCs are required to have a zero-tolerance drug and alcohol policy.
- The DMV requires hands-free operation of cell phones.
- Local laws prohibit double parking and stopping in crosswalks.
- TNCs are required to provide insurance during ride (pre-ride request, ride-accepted, and while transporting the rider).

How are TNCs regulated in California?



Transit



- TNC drivers may only solicit riders through e-hail (street-hailing is prohibited)
- Local regulations restrict use of bus stops and transit lanes
- Local color curb programs identify parking and loading restrictions by vehicle type.

Congestion



- There are currently no TNC-Specific policies to mitigate vehicle congestion.

Sustainability



- TNCs are prohibited from owning fleets, which reduces their ability to shift the TNC fleet to more sustainable fuel types.

How are TNCs regulated in California?



Equitable Access



- TNCs may allow drivers and passengers to “rate each other, but TNCs must ensure that rating platforms do not discriminate against protected classes

Disabled Access



- TNCs must submit and annually update a plan that includes a timeline for passengers with accessibility needs to use their services.

Labor



- TNCs currently operate as independent contractors instead of employees, though this classification is being disputed in federal court

How are TNCs regulated in California?



Financial Impact



- TNCs must pay a \$1,000 initial application fee, with a \$100 annual fee required thereafter.
- TNCs must contribute 0.33% of their gross California revenues, paid into CPUC Transportation Reimbursement Account.
- San Francisco International Airport charges a \$3.80/trip cost recovery fee.

Collaboration



- The state of California does not currently solicit Requests for Proposals from TNCs.
- The state does not require TNCs to engage in any form of community outreach in the municipalities where they operate.

Questions?



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