

# DRAFT: The TNC Regulatory Landscape

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

Board Meeting  
Agenda Item 11



**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**

**January 23, 2018**

# 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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