

Submitted by: ASSEMBLY VICE-CHAIR TRAINI AND
ASSEMBLY MEMBER DEMBOSKI
Prepared by: Assembly Counsel
For reading: November 18, 2014

**ANCHORAGE, ALASKA
AO NO. 2014-127(S)**

AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY TO PROVIDE FOR A MECHANISM TO TEMPORARILY SUSPEND APPLICATION OF TITLE 11 REGULATION OF TRANSPORTATION NETWORK COMPANIES IF A MEMORANDUM OF UNDERSTANDING FOR A PILOT PROGRAM IS IN PLACE; AND TO IDENTIFY AREAS, WITHOUT LIMITATION, TO BE ADDRESSED UNDER A MEMORANDUM OF UNDERSTANDING.

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2 WHEREAS, Transportation Network Companies (TNCs) are companies that use
3 websites or smartphone applications to connect passengers with drivers, and the drivers use
4 personal vehicles for commercial services; and
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6 WHEREAS, TNCs are emerging in population centers as ride-sharing networks to
7 assist with public transportation needs under principles of “shared economy”, and municipal
8 regulation does not currently specifically address TNCs, and these technology platforms be
9 ill-suited for regulation under current code; and
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11 WHEREAS, the “UberX” platform is an example of technology developed to implement
12 TNCs; and
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14 WHEREAS, it is the intent of the Assembly that application of AMC title 11 to TNCs
15 and driver partners, municipal regulation of TNCs and driver partners under title 11, and
16 related matters be temporarily suspended on condition that a memorandum of understanding
17 between the TNC and the Municipality is developed for a pilot program of service, subject to
18 review by the Municipal Attorney and the City Manager, and approval by the Assembly; now
19 therefore,
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21 THE ANCHORAGE ASSEMBLY ORDAINS AS FOLLOWS:
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23 **Section 1.** Provisions of current code notwithstanding, application of AMC Title 11 to a
24 Transportation Network Company (TNC) and its driver partners, municipal regulation of a
25 TNC and its driver partners under Title 11, and related matters are temporarily suspended
26 when a memorandum of understanding between the TNC and the Municipality is developed
27 for a pilot program of service, subject to review by the Municipal Attorney and the City
28 Manager, and is approved by the Assembly, **after public hearing on the memorandum of**
29 **understanding.**
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31 **Section 2.** The Memorandum of Understanding shall address these topics for the TNC and
32 its driver partners:

- 33 • Provision of commercial liability insurance for every driver;
- 34 • Vehicle model and model year requirements;
- 35 • Vehicle safety inspection and required components;
- 36 • Criminal record check and driver safety record screening of drivers; exclusion of drivers;
- 37 • Wheel chair and additional accessibility;

- 1 • Service to areas such as Girdwood, Eagle River, Chugiak, Birchwood and Peters Creek;
- 2 • Weekend service downtown during bar closing hours;
- 3 • Digital tracking and recording requirements;
- 4 • Website, local agent, and record retention requirements;
- 5 • Prohibition of street hails; booking through the digital platform required;
- 6 • Rate disclosure; electronic receipts; picture display of driver and vehicle requirements;
- 7 • Driver training requirements;
- 8 • Zero tolerance policy on impaired driving; passenger reporting program, and
- 9 enforcement after reported use of drugs and alcohol under passenger reporting;
- 10 • Driver age, valid driver's license, proof of registration, and liability insurance
- 11 requirements;
- 12 • Municipal registration and temporary municipal licensing fee; risk management and
- 13 other considerations identified by the municipality;
- 14 • Any other public safety and public transportation service issues identified during
- 15 negotiation.

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17 **For purposes of pilot program implementation, the Assembly finds the proposed**
18 **provisions in AO 2014-135(S) (preliminary copy attached) to be reasonable in approach**
19 **and an appropriate basis for authorized operation of Transportation Network**
20 **Companies within the municipality.**

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22 **Section 3. It is recognized by the Assembly that TNCs do not currently fit into the**
23 **conventional Municipality of Anchorage transportation regulatory framework.** While
24 provisions of AMC Title 11 and current applicability to TNC service and TNC driver partners
25 may be subject to differing code interpretation, the Anchorage Assembly acknowledges
26 application to TNC service and to its driver partners has not been within the municipality's
27 experience and may offer reasonable alternatives within the municipality's public
28 transportation options. It is envisioned by the Assembly that TNC service and driver
29 partners will be regulated by the Municipality under appropriate code provisions, after a trial
30 pilot period of operation under a memorandum of understanding negotiated with the
31 Municipality. This ordinance does not create a right to a memorandum of understanding.

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33 **Section 4.** The Memorandum of Understanding may be approved by Assembly
34 Memorandum (AM) for a time certain, and be extended by Assembly Memorandum to meet
35 the needs of the Municipality. **It is recognized by the Assembly that a structured pilot**
36 **program for TNCs may also assist the Assembly to identify additional regulatory**
37 **updates in transportation for industry-wide application.**

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39 **Section 5.** The Municipality and the TNC seeking temporary suspension of Title 11
40 regulation under a memorandum of agreement proposal may file status of negotiation
41 report(s) with the Municipal Clerk for formal Assembly Information Memorandum (AIM) review
42 and acceptance by the Assembly.

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44 **Section 6.** This ordinance shall become effective immediately upon passage and approval
45 by the Assembly.

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PASSED AND APPROVED by the Anchorage Assembly this _____ day of _____, 2014.

Chair

ATTEST:

Municipal Clerk