

Submitted by: ASSEMBLY VICE-CHAIR TRAINI
Prepared by: Assembly Counsel
For reading: September 23, 2014

**ANCHORAGE, ALASKA
AO NO. 2014-127**

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.
29

30 **Section 2.** The Memorandum of Understanding shall address these topics for the TNC and
31 its driver partners:

- 32 • Provision of commercial liability insurance for every driver;
- 33 • Vehicle model and model year requirements;
- 34 • Vehicle safety inspection and required components;
- 35 • Criminal record check and driver safety record screening of drivers; exclusion of drivers;
- 36 • Wheel chair and additional accessibility;
- 37 • Service to areas such as Girdwood, Eagle River, Chugiak, Birchwood and Peters Creek;
- 38 • Weekend service downtown during bar closing hours;

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

15 **Section 3.** While provisions of AMC Title 11 and current applicability to TNC service and
 16 TNC driver partners may be subject to differing code interpretation, the Anchorage Assembly
 17 acknowledges application to TNC service and to its driver partners has not been within the
 18 municipality’s experience and may offer reasonable alternatives within the municipality’s
 19 public transportation options. It is envisioned by the Assembly that TNC service and driver
 20 partners will be regulated by the Municipality under appropriate code provisions, after a trial
 21 pilot period of operation under a memorandum of understanding negotiated with the
 22 Municipality. This ordinance does not create a right to a memorandum of understanding.

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 24 **Section 4.** The Memorandum of Understanding may be approved by Assembly
 25 Memorandum (AM) for a time certain, and be extended by Assembly Memorandum to meet
 26 the needs of the Municipality.

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

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

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

38
 39 _____
 40 Chair

41 ATTEST:
 42 _____
 43
 44 Municipal Clerk