

Municipality of Anchorage April 4, Regular Election
Proposition 8: Repeal of AO 2016-124(S)(As Amended),
Regarding Taxicab Permits and Services

Proposition 8 is a referendum that will appear on the ballot for the April 4, 2017 Regular Municipal Election. "Referendum" is defined in the Municipal Charter as "the process of repealing an ordinance or resolution by vote of the people without assembly action." Anchorage Municipal Charter § 17.13(i).

The verbatim text of Proposition 8 is as follows:

PROPOSITION 8: REPEAL OF AO 2016-124(S)(AS AMENDED), REGARDING TAXICAB PERMITS AND SERVICES

This proposition is to repeal an ordinance adopted by the Assembly entitled "An Ordinance of the Anchorage Assembly Amending Anchorage Municipal Code Title 11 to Improve Taxicab Services by Fostering More Competition and Related Matters Involving the Supply and Demand Framework for Transportation Services." Among other things, the ordinance:

- (1) changed the current system of issuing new permits based on a "public convenience and necessity" study to an "open entry" system, allowing any qualified applicant to receive a permit after a 5-year phase-in period;
- (2) requires the Municipality to issue 116 new taxicab permits by competitive sealed bid over the next 5 years;
- (3) after the 5-year phase-in period, requires an annual hearing to determine if further open entry is harmful to the quality of taxicab services or public safety;
- (4) removes the requirement that permit applicants must have 500 hours of chauffeuring experience in a year;
- (5) establishes minimum hours of operation (8 a.m.-5 p.m., M-F) for wheelchair-accessible permitted taxicabs;
- (6) removes the prohibition on medical transport vehicles-for-hire accepting Medicaid vouchers for transporting passengers;
- (7) allows licensed taxicab dispatch service companies to use a digital dispatch system in place of traditional radio or GPS-based systems;
- (8) increases fines for operating a taxicab, limousine, or vehicle-for hire vehicle without a permit; and
- (9) creates a new "accessible taxicab fleet permit" available to qualified nonprofit organizations that serve persons with disabilities.

Shall AO 2016-124(S)(as amended) be repealed?

Text of Summary of Economic Effects (published pursuant to AMC 2.50.055)

PUBLIC SECTOR ECONOMIC EFFECTS:

If the referendum is approved by the voters at the April 4, 2017 election, AO 2016-124(S)(As Amended) will be repealed. The Municipality then would not collect revenue it

anticipates receiving as a result of issuing additional taxicab permits under AO 2016-124(S)(As Amended): \$30,000 in FY 17; \$34,000 in FY 18 and 19; and \$53,000 in FY 20 and 21. These amounts represent a loss of additional revenues. The Municipality would not lose revenue as compared to the status quo as it existed prior to passage of AO 2016-124(S)(As Amended).

PRIVATE SECTOR ECONOMIC EFFECTS:

If the referendum is approved and AO 2016-124(S)(As Amended) repealed, the status quo for taxicab-permit restricted entry as it existed prior to AO 2016-124(S)(As Amended) would be preserved. Since AO 2016-124(S)(As Amended) has not yet gone into effect, repealing the ordinance would result in no change in private sector status quo. If the referendum fails, and AO2016-124(S) remains law, the Municipality will issue additional taxicab permits, creating job opportunities by opening entry. Existing taxicab permit holders would likely face additional competition and a decrease in permit-resale value. The effects of the additional competition on existing permit holders cannot be easily or reliably quantified.