

To the Mayor and Members of the City Council

June 7, 2016

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SUBJECT: PROPOSED RECOMMENDATIONS ON REGULATION OF VEHICLES FOR HIRE

The purpose of this informal report is to provide an update on the proposed recommendations on regulation of Vehicles for Hire relative to the discussion and direction at the May 3, 2016 Pre-Council Meeting.

Through discussions at the recent Pre-Council meeting, staff has streamlined and minimized the proposed regulation of Vehicles for Hire such that free-enterprise and market forces take a lead in determining if quality service is being provided through continued use of specific vendors and business models. Given the advances in technology and customer awareness of how services are being provided, the need for substantial local regulation of services is no longer needed – customer/market response will provide the incentive to vendors to provide quality services.

The proposed recommendations will require all Companies to obtain an Operating License from the City to operate a Vehicle for Hire Service in either a Motorized or Non-Motorized mode. The only requirements under this Operating License will be that the Company must be registered with the Texas Secretary of State and that Drivers and Vehicles must operate in compliance with existing or future State, Federal and Municipal Law - no additional vehicle safety elements or driver requirements will be required. The Operating License will be issued for a two year period. To accommodate operations at DFW International Airport, upon request by a Company, the City will issue Driver ID Badges and Vehicle Decals. Otherwise, no Vehicle Decal or Driver ID will be required. Both the Driver's ID and Vehicle Decal will be valid for a two year period.

For Non-Motorized Vehicles for Hire, the Director shall have the authority to establish rules governing the location, routes and operating hours. Before adopting, amending or abolishing a rule, the Director shall hold a public hearing on the proposal.

The following fees are proposed:

Fee	Amount
Company Fee – per 2 years	\$500.00
Driver ID Fee – per 2 years	\$35.00
Vehicle Decal Fee – per 2 years	\$10.00

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The proposed Vehicles for Hire regulations are structured such that customers and Companies drive the quality of service provided, including fares. The market place along with technology has matured such that minimal local regulatory engagement is necessary.

Next steps will be Mayor and Council consideration of these Vehicles for Hire recommendations at the June 14, 2016 Council Meeting.

If you have any questions, please call Douglas Wiersig at 817-392-7801.

**David Cooke
City Manager**