

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	November 7, 2016
	Agenda Item No.	39
	Roll Call No.	<u>16-1921</u>
	Communication No.	<u>16-637</u>
	Submitted by:	Pamela S. Cooksey, P.E., City Engineer

AGENDA HEADING:

Amending Chapter 126 of the Municipal Code to remove regulations for Vehicles for Hire and Paratransit Companies.

SYNOPSIS:

Recommend approval of first reading of the ordinance regarding the proposed changes to rescind the Vehicles for Hire ordinance for taxi, limousines, paratransit and Transportation Network Companies.

FISCAL IMPACT:

Amount: \$20,000 per year reduction in taxi/limo/paratransit company license fees.

Funding Source: 2016-2017 Operating Budget, Page 81, Engineering Department Traffic & Transportation – Traffic Engineering, EG062084.

ADDITIONAL INFORMATION:

- In February 2016, the State Legislature approved House File 2414, “An Act providing for the regulation of Transportation Network Companies, providing penalties, and including effective date and applicability provisions.” This new legislation will go into effect on January 1, 2017. As of that date, the City of Des Moines will no longer be able to regulate or license Transportation Network Companies. All regulation and licensing will be done by the State Department of Transportation.
- At the October 3, 2016 Council Work session, staff presented options the City could consider in response to the new legislation and possible modifications to the existing Vehicles for Hire ordinance. The City currently licenses 13 Vehicles for Hire Companies and eight (8) paratransit companies. The largest of these is UBER, a Transportation Network Company, with over 200 vehicles.

2016 Current Des Moines License Holders		
	# of Companies	# of Vehicles
Vehicles for Hire	13 total (1 TNC)	Over 350
Paratransit	8	84

- On March 9, 2015, by Roll Call Number 15-0417, the City Council passed changes to the Vehicles for Hire ordinance to be inclusive of all vehicle types. It was the Council's desire at the time to have regulations that were uniform and consistent across all companies and drivers providing vehicle transportation services. The new state law does not provide the City a method to consistently regulate the various vehicle transportation services.
- The new state law for Transportation Network Companies prohibits the City from regulating "Transportation Network Companies" like UBER and also mandates different requirements for taxicabs than currently required by City ordinance. The proposed action rescinds the Vehicles for Hire ordinance for taxi, limousines, para-transit, and Transportation Network Companies. If approved, the City of Des Moines would no longer regulate or license Vehicles for Hire Companies or paratransit companies effective January 1, 2017. Regulation of vehicle transportation companies would be performed at the state level.

PREVIOUS COUNCIL ACTION(S):

Date: March 9, 2015

Roll Call Number: [15-0418](#)

Action: [Amending](#) Chapter 126 of the Municipal Code regarding Vehicle Transportation Services, as amended. ([Council Communication No. 15-112](#)) Moved by Hensley that this ordinance be considered and given second vote for passage. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

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