

Licensing- Transportation/Commercial Vehicles

Background

In the last 5 years, the hired transportation industry has seen dramatic changes. Transportation Network Companies (TNCs) such as Uber/Lyft were exempted from municipal licensing and regulation by the State of Utah in 2015 the state enacted the preemption clause below:

(SB 294; 13-51-109): -"*...this chapter supersedes any regulation of a municipality, county, or local government regarding a transportation network company, a transportation network driver, or transportation network services.*"

Due to the evolution of the industry and technological advances, the amount of for-hire licenses (traditional taxi/hired transportation) issued by Park City has dropped significantly as shown below:

2014: 125 For Hire licenses	803 cars
2015: 149 For Hire licenses	720 cars
2016: 131 For Hire licenses	599 cars
2017: 125 For Hire licenses	450 cars
2018: 81 For Hire licenses	91 cars
2019: 80 For Hire licenses	101 cars

With the new advances in the industry and changes in legislation, Park City's for-hire licensing codes and regulations have become outdated and out of alignment with industry trends and norms. Staff recommends amending Title 4 of the municipal code to update and enhance the clarity of the requirements and regulations of hired transportation operators in Park City.

Recommendations

#1: Alter the traditional For-Hire license into a Commercial Vehicle license and add Enhanced Enforcement fee (\$45.58) to each vehicle, create "Type I Commercial Vehicle". Amend the definition of Commercial Vehicle license to include "people" as cargo.

Pros:

- Park City maintains regulation of hired transportation in Park City including insurance and background check requirements.
- Operators must abide by regulations or risk enforcement fines or revocation of the license.
- Park City maintains updated business registration information of operators to be able to conduct specific event outreach, road closures, or in share information in emergency situations.
- Park City collects enhanced enforcement fees for Police to help cover the cost of enforcement.

Exhibit H

-Less cost to operators (\$156.66 →\$53.37) and less impact to staff to administer license.

And;

#2: Issue Commercial Vehicle licenses to hotel/courtesy shuttles and add Enhance Enforcement fee (\$45.58/vehicle), create “Type II Commercial Vehicle”.

Pros:

- Recover impact of business activity and define parameters of operation
- Park City collects enhanced enforcement fees for Police to help cover the cost of enforcement.
- Creates a mechanism to encourage compliance →directly tied to “brick and mortar” business license.
- Come into alignment with how other businesses with commercial vehicles are regulated in Park City making it more consistent and equitable to all.

Definitions

Type I & II Commercial Vehicles/Consultant Commercial Vehicles

Type I: Any vehicle offering transportation to the **Public**, whether a fare is charged or not, much in the way a traditional taxi or ground transportation company would operate.

Type II: Any vehicle offering transportation to **Private** guests, whether a fare is charged or not, much in the way hotel courtesy shuttles operate.

Consultant Commercial Vehicle: Issued to businesses which do not have a location within City limits, but come into City limits to operate and **does not carry passengers** in the vehicle (i.e. interior design services, cleaning company, dog-walking company).

<u>Requirements</u>	<u>Insurance (\$1M/\$5M)</u>	<u>Background Check</u>	<u>Driver History Report</u>	<u>Passengers</u>	<u>Cost (new application/renewal)</u>
Type 1 (taxis)	yes*	yes	yes	Public	\$202.37/\$53.37
Type 2 (shuttles)	yes*	no**	no**	Private	\$53.37 (added to hotel license)
Consultant Commercial Vehicle	no	no	no	none	\$156.79/\$29.79
*Any vehicle carrying 15 people or more must submit proof of insurance of \$5M					
**Background check and DMV driver history report not required since not carrying public passengers					