



## Legislation Text

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**File #:** Ord 19-62, **Version:** 1

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Amending sections 373.01 and 373.08 of the Legislative Code pertaining to transportation network company (TNC) definitions to include rented or leased vehicles and allow automobile rental companies to make rental vehicles available to TNC endorsed drivers.

### SECTION 1

WHEREAS, the City of St. Paul regulates transportation networks companies (ridesharing) operating in the City pursuant to Chapter 373 of the St. Paul Legislative Code; and

WHEREAS, ridesharing companies continue to expand services available to drivers and riders in St. Paul; and

WHEREAS, ridesharing companies have partnered with automobile rental companies to make rental vehicles available to drivers who might not be able to purchase a new or used vehicle; and

WHEREAS, the rental programs offer earnings opportunities for drivers of modest income; and

WHEREAS, the rental programs offer the opportunity for personal use of vehicles to drivers who might not be able to purchase new or used vehicles; and

WHEREAS, the rental programs ensure regulatory compliance by having vehicles pre-inspected and outfitted in trade dress; and

WHEREAS, the City supports regulatory programs that offer greater economic opportunity; and

WHEREAS, the amendment contained within this ordinance offers expanded economic opportunity without sacrificing regulatory compliance or public safety; now, therefore be it

RESOLVED, that the Council of the City of Saint Paul does hereby ordain:

### SECTION 2

Saint Paul Legislative Code section 373.01. - Definitions is hereby amended to read as follows:

#### Sec. 373.01 - Definitions

As used in this chapter, the following terms shall have the meanings ascribed to them in this section:

*Active on the TNC dispatch system* means, but is not limited to: when the driver is logged onto the transportation network company (TNC) application dispatch system showing that the driver is available to pick up passengers; when a passenger is in the vehicle; or when the driver has accepted a ride request and is en route to provide transportation services to a passenger.

*Authorized TNC Vehicle* means a vehicle that is used by a Transportation network driver and is:

- 1) Owned, leased or otherwise authorized for use by the driver; and
- 2) Not a taxicab, limousine or other similar for hire vehicle.

Beneficial Interest means deriving a financial gain from the provision of financing for the

obtaining, leasing, or ownership of a transportation network vehicle.

*Compensation* means remuneration or anything of economic value that is provided, promised, or donated primarily in exchange for services rendered. This includes, but is not limited to voluntary donations, fee-sharing between a taxicab or transportation network company and an affiliated driver, and passenger, advertisement of a taxicab service company or transportation network company services.

*License* means transportation network company license.

*Licensing official* means the director of the department of safety and inspections or their designees.

*Licensee or transportation network licensee* means the holder of, or a person that is required to hold, a transportation network company license issued pursuant to this chapter.

*Operation of a transportation network vehicle or operating a transportation network vehicle* means offering, making available, or using a transportation network vehicle to provide a transportation network service, including any time when a driver is logged onto the transportation network provider's internet-enabled application or digital platform showing that the driver is available to pick up passengers; when a passenger is in the vehicle; when the provider's records show that the vehicle is en route; or when the driver has accepted a ride request and is in route to provide a transportation network service to a passenger.

*Passenger* means an individual being transported for compensation in an authorized TNC vehicle.

*Place of business in the City of Saint Paul* means a location within twelve (12) miles of Saint Paul City Hall where the city may send, and the licensee shall accept, notices of hearing or other notices from the city.

*Prearranged ride* means a period of time that begins when a TNC driver accepts a requested ride through a digital network, continues while the driver transports the rider in a personal vehicle, and ends when the rider departs from the vehicle.

*Prearranged transportation service* means a transportation service that is offered and accepted through a licensee's internet-enabled application or digital platform before the transportation commences.

*Rideshare* means the traveling of two (2) or more persons by any mode of private passenger vehicle, including, but not limited to, carpooling, vanpooling, or bus pooling to any location incidental to another purpose of the driver for which compensation is neither accepted, collected, encouraged, promoted, or requested, and for which the primary purpose of the driver cannot be profit or revenue based.

*TNC* means a transportation network company.

*Trade dress* means the unique visual element associated with a TNC that is attached to a vehicle affiliated with a TNC so the public and passengers can identify the vehicle as being associated with that particular TNC. Trade dresses are mandatory, must be the same for all vehicles associated with a particular TNC, and must be approved by the licensing official.

*Transportation network company (TNC)* means a person or entity affiliated with TNC drivers that arranges transportation services via one (1) unique internet-based transportation application system, connecting TNC-endorsed drivers with passengers for the transport of passengers for compensation, and meeting the licensing requirements of section 373.05 and any other requirements under this chapter.

*Transportation network company (TNC) endorsed driver* means a for-hire driver affiliated with and accepting trips requested through the internet-based transportation application system of a licensed transportation network company, while operating a ~~personal~~, TNC endorsed vehicle ~~he or she owns~~. A TNC endorsed driver is someone who has been screened and approved by a licensed TNC, and who meets the requirements of this chapter.

*Transportation network company (TNC) representative* means the person or persons that a transportation network company has authorized to:

- (a) File applications, rates and charges with the licensing official on behalf of the TNC;
- (b) Receive and accept all correspondence and notices from the city pertaining to the TNC, or to affiliated drivers operating within the TNC; and
- (c) Forward any correspondence, notices and/or legal process received by the TNC and intended for an affiliated driver operating within the TNC.

*Transportation network company (TNC) endorsed vehicle* means a ~~privately owned~~ an Authorized TNC vehicle endorsed by the affiliated TNC and authorized to provide for-hire services within their network. A TNC endorsed vehicle has been inspected and approved by a licensed TNC company representative, and meets the requirements of this chapter.

*Transportation network company (TNC) vehicle endorsement* means an endorsement for a ~~personal vehicle~~ an Authorized TNC vehicle that allows a TNC endorsed driver to use the endorsed vehicle to affiliate with a transportation network company to provide for-hire transportation to passengers via a transportation application system. The endorsement demonstrates that the vehicle has met the minimum operating requirements as set forth in this chapter.

*Transportation network driver* means an individual affiliated with a transportation network company, authorized to transport passengers for compensation using an authorized transportation network company vehicle.

*Transportation network service* means a prearranged transportation service offered or provided for compensation using an internet-enabled application or digital platform to connect potential passengers with transportation network drivers. The term transportation network service does not include a ridesharing arrangement as that term is defined in Minn. Stat. ch. 169.011 subd. 65.

*Wheelchair accessible transportation network vehicle* means a transportation network vehicle that a person in a wheelchair may enter and exit independently or with assistance while seated in a wheelchair. A wheelchair accessible transportation network vehicle shall safely secure and restrain the wheelchair, and shall comply with all applicable standards provided by law for wheelchair accessible vehicles.

### SECTION 3

Saint Paul Legislative Code section 373.08. - Transportation network vehicles ownership and standards is hereby amended to read as follows:

Sec. 373.08. - Transportation network vehicles ownership and standards.

- (a) No licensee shall own, provide financing for the obtaining, leasing, or ownership of, or have a ~~beneficial interest~~ Beneficial Interest in transportation network vehicles unless approved by the licensing official.
- (b) In addition to all other applicable legal requirements, it shall be unlawful for any person to operate or cause to be operated any transportation network vehicle unless such vehicle:
  - (1) Has a manufacturer's rated seating capacity of seven (7) persons or less, including the transportation network driver;
  - (2) Has at least four (4) doors and meets applicable Federal Motor Vehicle Safety Standards for vehicles of its size, type and proposed use;
  - (3) Is a sedan or light-duty vehicle, including a minivan, sport utility vehicle, pickup truck, hatchback or convertible; and
  - (4) At the time of annual inspection, is not more than ten (10) model years of age from the current model year (as measured from June 30 of the calendar year following the model year), or has an odometer

reading of less than one hundred fifty thousand (150,000) miles.

- (c) The licensee and the TNC driver may be jointly cited if the licensee permits the TNC driver to use a vehicle that does not meet the requirements for a transportation network vehicle.

#### SECTION 4

This ordinance shall take effect and be in force thirty (30) days from and after its passage, approval and publication.