

TRANSPORTATION COMMITTEE REPORT relative to replacing the City's existing taxicab franchise regulatory framework with an open market permitting system.

Recommendations for Council action:

1. REQUEST the City Attorney, with the assistance of the Los Angeles Department of Transportation (LADOT), to prepare and present an ordinance extending the terms of the existing taxicab franchise agreements for six months.
2. REQUEST the Board of Taxicab Commissioners in conjunction with LADOT to prepare and transmit to Council in 90 days a comprehensive set of rules and regulations for the proposed open market permitting system for consideration by the Transportation Committee.
3. CONVENE two meetings of the Transportation Committee subsequent to the transmittal of the rules and regulations for the purpose of reviewing their efficacy on industry operations and on taxicab drivers.

Fiscal Impact Statement: None submitted by the City Attorney. Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

SUMMARY

Accompanying a report to Council dated February 11, 2021, the City Attorney presents Ordinance amending the Los Angeles Municipal Code to replace the City's existing taxicab franchise regulatory framework with an open market permitting system. The City Attorney states that a second ordinance will be transmitted to establish new program fees.

At its meeting held February 16, 2021, the Transportation Committee discussed this matter with a representative of LADOT. The Department representative stated the existed franchise system was established in 2010. The franchise agreements were extended in 2015 to 2019, and again that year to 2020. Also at that time, Council approved in concept a new open market permitting system for the regulation of taxicabs. The Department representative explained that detailed program rules are forthcoming, to be established by the Board of Taxicab Commissioners. Concerns expressed by the industry will be addressed at that time. It was further stated that the Ordinance will clarify the Board's authority to set regulations which currently can contradict what is perceived to be the authority of Council.

During the public comment period, speakers expressed concerns regarding the approval of the Ordinance at this time. It was stated new provisions contradict existing regulations. It was stated that the new program would have a negative impact on the livelihoods of taxi drivers. Speakers urged the Committee to extend the existing franchise agreements and to direct staff to meet with industry representatives to address their concerns.

Committee members expressed concerns regarding the impact of the new open market

permitting system on the incomes of taxicab drivers, conflicts with existing regulations, and how taxicabs can better compete with rideshare operators. The Committee also stated that the Board of Taxicab Commissioners should prepare rules and regulations for the new system prior to adopting the accompanying Ordinance. Committee recommended that Council extend the terms of the existing franchise agreements for an additional six months. Committee further recommended that Council request the Board of Taxicab Commissioners prepare and transmit to Council within 90 days the new rules and regulations that the Transportation Committee convene two meetings to discuss the impact of the rules on operations and on taxicab drivers.

Respectfully Submitted,

TRANSPORTATION COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
BONIN:	YES
KORETZ:	YES
BUSCAINO:	YES

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-NOT OFFICIAL UNTIL COUNCIL ACTS-