

Stephen L. Nass

Wisconsin State Senator

SB 759 Streamlining Regulation of Taxicab Companies

Testimony of Senator Steve Nass

Senate Committee on Public Benefits, Licensing & State-Federal Relations

March 1, 2018 • 411 South, State Capitol

Thank you Chairman Kapenga for holding a hearing on Senate Bill 759. This legislation will streamline and simplify the regulation of taxicab companies and dispatch services in Wisconsin. Last session, we passed legislation creating uniform regulations on Transportation Network Companies (TNC), like Uber and Lyft, across the state. Creating a statewide regulatory standard avoids the confusion of a patchwork of different and contradictory local ordinances from community to community.

SB 759 provides taxicab companies and dispatch services with a standard statewide regulatory structure similar to TNCs. The bill helps create a level playing field for taxi companies. These two types of transportation companies are competing for a similar pool of customers and should be regulated in a similar manner.

This legislation creates a statewide licensing standard that allows a taxicab company or dispatch service to operate anywhere in the state. It streamlines regulation in the taxicab industry by eliminating the requirement of obtaining a separate license and complying with different rules in every community in which the company operates. The bill also requires background checks of drivers, similar to TNCs.

The Department of Safety and Professional Services (DSPS) will administer the licensing process under the bill. DSPS is required to issue licenses and establish a licensure fee from \$500-\$5,000, on a sliding scale based on the size of the company. A license entitles the license holder to operate the taxicab company or dispatch service and provide trips to passengers throughout the state, without geographic limitation.

Under the bill, no person may own or operate a taxicab company or taxicab dispatch service unless the company is licensed by DSPS. The bill also prohibits any individual from operating a motor vehicle as a taxicab unless it is affiliated with a licensed taxicab company or dispatch service. The bill exempts from the licensure requirements individuals who operate taxis as employees of or independent contractors for taxicab

“In God We Trust”

11th Senate District

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companies, as well as individuals who are independent owner-operators of taxicabs affiliated with licensed taxicab dispatch services.

SB 759 requires each vehicle used as a taxicab to satisfy certain requirements, including being marked as a taxi and marked with the name of the taxicab company or dispatch service with which it is affiliated. The bill also specifies that the owner of a vehicle used as a taxicab is required to comply with the minimum requirements for automobile insurance that apply to vehicle owners generally.

There are two Senate Amendments that make the bill consistent with changes passed by the Assembly in response to suggestions raised at the public hearing. The amendments create exemptions from the bill's licensing requirements for companies that provide only shared-ride taxicab services in a public transit system, and for nonprofit companies or services that primarily transport people suspected of having a prohibited alcohol concentration to their home as part of safe-ride program.

Thank you for the opportunity to provide testimony in support of this legislation to streamline and standardize regulation of the taxi industry. If committee members have further questions, I am happy to answer them at this time.



DAN KNODL

STATE REPRESENTATIVE • 24TH ASSEMBLY DISTRICT

Senate Bill 759

Public Testimony

Senate Committee on Public Benefits, Licensing, and State-Federal Relations

March 1, 2018

Thank you Chairman Kapenga and members of the committee for holding this hearing on Senate Bill 759.

Last session, we passed legislation creating uniform regulations on Transportation Networking Companies (TNCs) like Uber and Lyft across the state. This new technology gives individuals more options when choosing their mode of transportation. It was important to ensure a statewide standard and avoid burdensome regulations that could vary from community to community.

I spoke with individuals who operate a transportation company in the Germantown area about the changes we made to TNCs. They had their concerns, and thought we should be putting more regulations on them like we do with taxicabs. It was this conversation that helped me decide to eventually introduce SB 759. Instead of putting more government regulations on companies, let's figure out a common sense approach. Let's balance the need for some regulation while ensuring businesses have room to innovate and grow.

SB 759 provides taxicab companies and dispatch services with a standard statewide regulation similar to TNCs. Both types of transportation companies are competing for a similar pool of customers and both should be regulated in a similar fashion.

This legislation creates a statewide licensing standard that allows a taxicab company or dispatch service to operate anywhere in the state. It deregulates the taxicab industry by eliminating the necessity to get a separate license and deal with varying regulations and fees for each community in which the company operates. The goal of this legislation is to decrease government regulation and increase competition by allowing taxi companies to compete on a level playing statewide. Additionally, it lets them compete with TNCs like Uber and Lyft by regulating them more evenly.

Whether you like Uber and Lyft or not, they are heavily used on a daily basis. Across the country, local and state governments are looking at ways to reform taxicab licensing to allow for more equitable competition between the two. Here are some headlines:

Texas: “Austin Transportation Department looks to loosen taxi, limo regulations”

Colorado: “Colorado Springs Clerk recommends giving taxi drivers a break”

California: “A California lawmaker wants to make it easier for taxis to compete with Uber. But is it too little too late?”

Indiana: “Can’t regulate Uber, so Indy commission looks to deregulate taxis”

Chicago: “Emanuel: Allow taxis to charge surge prices, require same background checks as Uber, Lyft”

Under this bill:

- Definition of taxicab does not include the following: personal vehicle used as an Uber or Lyft, funeral car, vehicle of a car pool or van pool operated by private individuals, nonprofit organizations or city, state, or federal governments, an ambulance, vehicle used to transport property, vehicle not designated for use as a taxicab or for public transportation.
- There are no changes to the statutes regulating TNCs. They will still operate under the regulations outlined in the law passed last session.
- Permits and fees regulating taxicab operation at Airports are kept in place.
- Companies are required to conduct local and national background checks and driving history report.
- Taxicab drivers would need to be at least 18, have a valid driver’s license, and vehicle insurance.
- Taxicab drivers could not: have 3 or more moving violations in the past 3 years, or be a habitual traffic offender; have committed an offense in the last 7 years which resulted in a driver’s license suspension or revocation; have been convicted of a sex offense or crime involving fraud, theft, damage to property, violence, acts of terror, or use of a motor vehicle in the commission of a felony; or be listed on the sex offender registry.
- Does not prevent taxicab companies or dispatch services from conducting additional vetting of their drivers, requiring more training, or carrying additional insurance for their operations.
- Does not prevent taxicab companies from entering into service contracts with other entities like schools, hospitals, or other organizations that need transportation.

- Only makes changes to regulations on taxicab companies and dispatch services. It does not make changes to any other industry or require they make any changes in the future. If someone wants to change regulations to other industries, they are free to do so in a separate bill.
- Companies must adopt a policy of non-discrimination for: trip origin or destination, race, color, national origin, religion, sex, disability, age, sexual orientation, or gender identity. Drivers must permit service animals to accompany their passengers. Licensed companies cannot impose additional fees or charges for passengers with disabilities and must give each passenger the opportunity to indicate if they require a wheelchair-accessible vehicle. If the company can't provide it, they must refer the passenger to a company that can provide it (if available).
- DSPTS would oversee the licensing process and establish licensing fees on a sliding scale based on the size of the company. The Department would also be tasked with enforcing regulations required under this bill.
- DSPTS can reprimand a company for violations. It can also deny, limit, or a revoke a license if a licensed company has done any of the following things: Intentionally lied on an application False or misleading advertising Tried to make money through fraud or deceitful practices Violated rules or laws that govern taxicab companies and dispatch services Failed to cooperate with DSPTS in regard to an investigation. The fine can be up to \$1,000 for each offense.

This legislation seeks to strike a balance of government regulation and autonomy for the taxicab industry. Some legislators have circulated bills to try and put more regulation back onto TNCs, but that is counter-productive and helps stifle innovation and progress.

Instead of creating more burdens on one industry, this legislation seeks parity between TNCs and taxicabs. The reforms proposed here are modeled after the ones we implemented last session for TNCs but are not necessarily identical. The goal is to preserve the identity and business models of TNCs and taxicabs, while allowing them to compete with one another on a more level playing field.

During the Assembly public hearing we heard concerns from rural and disability ride-share programs and a Safe-Ride non-profit that operates in the state. The goal of this bill was never to change how they operate or change the service they provide. While the original bill had language to exempt those types of things, we worked with Leg Council to amend the bill and make sure it accomplished that goal.

As we move through this public hearing and the legislative process, I look forward to getting more input on this bill. Thank you.

WISCONSIN ASSOCIATION OF TAXICAB OWNERS

Since 1939

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Neillsville, WI 54456
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WATO supports the creation of a uniform state standard, a statewide license with no geographical boundaries. WATO believes this bill moves the industry in that direction and there for is registering in support of this bill with concerns. There are several areas that could use clearer language and will need to be addressed in the future if this bill should pass as currently written.

These are some of the concerns we as an Association have:

- 1) Licensure Fees: Use of a sliding scale is unclear and, depending how it is set, could be disadvantage to small rural companies and reduce transit options in those areas. Renewal fees and sliding scale needs to assure small rural companies will not be disadvantaged and put out of service.
- 2) Local Units of Government: This bill takes away Local Units of Government input. Historically our industry has worked closely with Local Units of Government, and this bill seems to sever those working relationships. Access to licensure requirements will need to be accessible to Local Units of Government wishing to monitor drivers and vehicles operating in their areas for the purpose of Public Safety.
- 3) Public Safety and Complaints: Monitoring of Complaints and enforcement of Licensure requirements are unclear and less than ideal as currently purposed. Means to report and monitor violations, and timeliness to respond to complaints, needs to be improved.
- 4) Public Transit State and Federal Programs: Clear separation of State and Federally funded transit systems must remain in place. Not covered by the amendment, but believed to be excluded, is the NEMT or Medicaid transportation network that is in place across the state.
- 5) Emergency Rules: Use of emergency rules until June 30, 2020 causes concern. Assurances are needed that the use of emergency rules will be fair and will not be used to penalize our industry more than current regulation.

It is our hope that legislative attention through study and review of the information coming back to the authors of AB 918 will not be the end of matter by any means. Our Wisconsin transit industry is influx. We hope legislators will do the best they can to help our hard working taxpayers and job providers in our state. WATO is the longest functioning taxi group in the nation, 75 years and still doing our best. We ask that you as our legislators please do your best and work so that we do not lose more than what has already been lost.

Sincerely,
Mark Jones

AMERICAN UNITED TRANSPORTATION GROUP



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March 1, 2018

Good Afternoon Chairman Kapenga and Committee Members, thank you for holding this public hearing today on SB759 and allowing me to testify in support of the bill.

My name is Jonathan Liegeois, I am the Business Development Director for American United Transportation Group in Milwaukee. American United is a taxicab dispatch company. We do not own or operate any taxicabs, we sell radio dispatch service to self-employed independent contractors who own and operate their own small taxicab businesses. American United links riders looking for transportation services to drivers willing to offer those services.

The introduction of Transportation Network Companies and rideshare vehicles has caused profound changes for the taxicab industry by reshaping the market demands and expectations of riders. The taxicab industry has been slow to adapt to this changing market. To their detriment, many companies and drivers initially chose to resist change, hoping that the "good old days" would return. Some still do. However as more and more customers abandon taxicabs in favor of rideshares, the course of action essential for our survival is indisputably clear; adapt or become extinct.

Although rideshare drivers and taxicab drivers compete to serve the same customer base, taxicab drivers are at a serious disadvantage when it comes to competing in this newly transformed, modern marketplace. Outdated local regulations inflate costs for taxicab drivers making it hard to compete with the rideshare drivers. In addition, taxi drivers are hampered by local regulations that restrict where they can work, what they can charge and how they must operate. In contrast, rideshare drivers are free from bureaucratic red tape, can operate anywhere in the state and can charge rates set by the free market as opposed to some government agency.

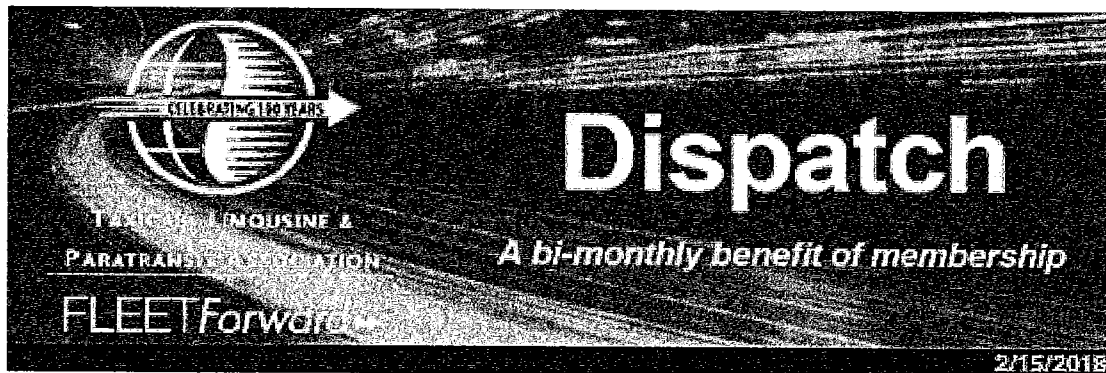
Taxi drivers are small business owners who work hard every day to provide for their families. The heavy regulatory burden in place today has depression era roots and was intended "to protect a taxi driver's ability to earn a living wage". The explosive growth of the rideshare industry in just a few short years has proven that the market has changed. The antiquated laws of yester-year are now prohibiting taxi drivers from earning a living wage rather than protecting them. Modernization is needed now before it is too late, but we need your help.

Recognizing the hardship overregulation places on taxi drivers, many states around the country have or are in the process of modernizing their laws by making taxi regulations less restrictive. California, Colorado, Alaska, and Indiana are just a few examples. Michigan's Act 345 of 2016, the Limousine

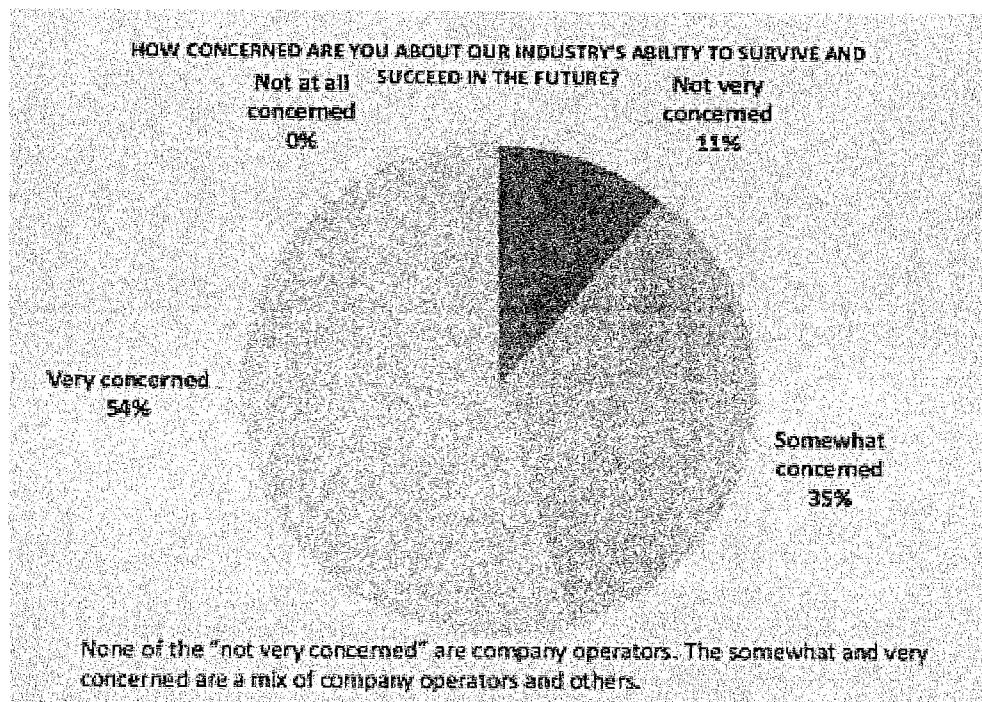
Taxicab and Transportation Network Company Act, created a level playing field for drivers of all three of these vehicle types. The proposal before you today is similar to Michigan's law and will level the playing field for taxicab and rideshare drivers.

The Taxicab Limousine and Paratransit Association (TLPA), our 100-year-old worldwide trade group, is advising members to work with lawmakers at eliminating our competitive disadvantage by reducing the crushing regulatory burdens placed on our industry. Across the country, taxicab companies and drivers are struggling to compete with the rideshare industry. Many have gone out of business and without immediate modernization to the way we license and regulate taxicabs and drivers, many more will.

The licensure reform outlined in SB759 will create fair treatment for taxi drivers by giving them an even playing field on which to compete for customers. I urge you to vote in support of this bill and thank you for your consideration.



Visioning our Industry and TLPA's Future



Thirty-six industry thought leaders participated in TLPA's Industry Envisioned Future Summit held in Arlington, VA, just outside the nation's capital, on Thursday, February 1, 2018. Participants were guided through a visioning process focused on the future of our industry and the TLPA by Glenn Tecker, founder and CEO of Tecker International, a firm that specializes in assisting nonprofit associations with strategic planning, governance, and other core issues.

For the morning sessions, the participants were divided into six tables of six people each. In almost every case, there were three TLPA member operators representing the taxicab, limousine and paratransit segments of our industry; one member vendor; one public official knowledgeable of transportation; one nonmember operator and one TLPA professional staff member or consultant.

During the morning, the group heard the results of a pre-summit survey of the participants, and then each table worked to articulate TLPA's core ideology (purpose, mission and values), and to envision the industry and TLPA ten years in the future.

In the afternoon, the groups were reorganized into five tables of approximately seven participants each. The five groups were organized to represent the view of the beneficiaries of TLPA's activities (members, the industry, the industry's workforce, the public, and the association itself) to articulate outcome-oriented goal statements, to determine and then prioritize strategic objectives, and then to brainstorm possible strategies to be employed to achieve the goals and objectives.

Pre-Summit Survey Results

Titled "Where We Are - Where We Need to Go," the survey compiled the results of the 25 summit participants who responded on time. Twelve of the respondents were operators and the other 13 were vendors, public officials, nonmember operators and TLPA.

When asked about our industry's ability to survive and succeed in the future, 54% of all respondents were "very concerned" and 35% were "somewhat concerned. The remaining 11% were "not very concerned" and all of those responses were from non-operators. No one responded that they were "not at all concerned."

Seven of the 12 operator respondents reported revenue declines of one to 25% in 2016 and again in 2017. Four operators project further revenue losses in 2018.

When asked about the most positive possibilities in the next five to ten years, the responses fit into four categories: Bad things happen to TNCs, Technology changes the way we do business, Traditional transportation companies improve service, and Economy and finances improve.

When asked about the most negative possibilities in the next 5 to 10 years, the responses fit into five categories: Operators won't change fast enough, There will be rapid expansion of current trends, New competitors will enter the transportation market, The unfavorable financial and regulatory environment will continue, and The social consequences will become more widespread.

When asked what conventional thinking among TLPA members *needs to change*, the responses included the following: TNCs are competing unfairly; TNCs won't survive; The government will see the light and change the regs; If I just reduce costs, I can survive; I'll just ride this out and then retire; We just need a global app; Taxicabs are a quality product; We just need to concentrate on our core business; and We can't change. It'll never work.

When asked what it will take to survive, the responses broke down into six categories as follows: Focus on the customer experience, speed and reliability of service; Work for favorable government laws, regulations and policies; Flex the fleet with technology and innovation; Be at the table for autonomous-vehicle implementation; More information/access to better technology, better insurance programs; and More TLPA member collaboration.

Next Steps

With a full day of work successfully concluded, the results of this summit are being drafted and will be submitted to the summit participants for review prior to the next summit meeting in March. In April, an update will be presented at TLPA's Spring Conference & Expo in Oklahoma City. We hope you are there to ask questions and receive answers.

SF Yellow Cab Files Bankruptcy

<http://www.forbes.com/sites/briansolomon/2016/01/06/ubers-first-casualty-san-franciscos-largest-taxi-company-filing-for-bankruptcy/>

Lyft is Up Sharply in NYC as Rideshares Stomp Taxis

<http://www.crainsnewyork.com/article/20180222/TRANSPORTATION/180229954/lyft-grows-in-nyc-as-e-hail-services-stomp-taxis>

Uber & Lyft Pound Taxis and Rental Car Business

<https://www.forbes.com/sites/michaelgoldstein/2018/02/22/uber-and-lyft-pound-taxis-rental-cars-in-business-travel-market/#29acf152b5e7>

Uber killing taxi business in Boston

<http://commonwealthmagazine.org/economy/an-uber-problem-for-the-cab-industry/>

Rideshares beat Taxis for utilization rates

<https://www.washingtonpost.com/news/wonk/wp/2016/03/15/one-reason-you-might-be-better-off-driving-for-uber-than-in-a-taxi/>

Rideshare Companies Continue to Pummel Taxi Industry

<http://www.businessinsider.com/bofa-chart-uber-lyft-killing-traditional-taxis-2016-10>

Taxis Continue to Lose Ground on Ground Transportation

<http://www.businesstravelnews.com/Transportation/Ground/Certify-Taxi-Share-of-Ground-Transportation-Expenses-Falls-to-Single-Digits-in-Q2>

FL Taxi Drivers Looking for Way to Combat Uber

<http://www.wjhg.com/content/news/467232623.html>

Poll Shows Americans Embracing Rideshare Services

<http://www.washingtonexaminer.com/americans-embrace-a-shared-ride-future/article/2641743>

Uber Taking Toll on Buffalo & Las Vegas Taxicabs

<http://news.wbfo.org/post/how-business-has-changed-ride-hailing-came-town>

<https://www.reviewjournal.com/local/local-las-vegas/taxi-companies-report-steep-declines-in-ridership-revenue-in-july/>

Rideshare Cutting Into Airport Business

<http://www.mypanhandle.com/news/rideshare-companies-impacting-airport-ground-transportation-companies/796955504>

I support SB759, the Fair Treatment for Taxi Driver bill.

Hiedi Hoover 2-5-18 4
Name Date Cab#

Jermaine Kazez 2-05-18 124
Name Date Cab#

Randy Kantankah 2-5-18 47
Name Date Cab#

Myron Monroe 2-5-18 46
Name Date Cab#

~~James~~ ROOSEVELT THOMAS 2-5-18 71
Name Date Cab#

ASHWANZ SHARMA 02/05/2018 923.
Name Date Cab#

Kimmy L. Chesser 2/5/2018 10
Name Date Cab#

Gilenn Lawrence 2/5/2018 142
Name Date Cab#

James [Signature] 2/5/18 5
Name Date Cab#

I support SB759, the Fair Treatment for Taxi Driver bill.

Michael Ruben 2-5-18 163
Name Date Cab#

M. Lopez 2-5-18 85
Name Date Cab#

Chunhua 2-5-18 177
Name Date Cab#

Pochoy King 2-5-2018 225
Name Date Cab#

Grace English 2/5/18 75
Name Date Cab#

Julie Cort 2-5-18 1
Name Date Cab#

Ricard Hubert 2-5-18 20045
Name Date Cab#

Home Mission 2-5-18 57
Name Date Cab#

A.C. Walker 2/5/18 74
Name Date Cab#

I support SB759, the Fair Treatment for Taxi Driver bill.

Jennifer Williams	2-5-18	52
Name	Date	Cab#

Jonathan Hoggans	2-5-18	16
Name	Date	Cab#

Melissa Mousa	2-5-18	174
Name	Date	Cab#

Zeffy Saksun	2-5-18	291
Name	Date	Cab#

Ayman Baduan	2-5-18	194
Name	Date	Cab#

Bobby Smith		2101
Name	Date	Cab#

Salman Khan	2-5-18	169
Name	Date	Cab#

Justin Soudier	2-5-18	144
Name	Date	Cab#

Beljel Sedell	2/5/18	270
Name	Date	Cab#

I support SB759, the Fair Treatment for Taxi Driver bill.

<u>TOKEER A. BASWA</u>	<u>2/5/18</u>	<u># 927</u>
Name	Date	Cab#
<u>Amandeep Simb</u>	<u>2/5/18</u>	<u># 431</u>
Name	Date	Cab#
<u>Modar ALdakkak</u>	<u>2/5/18</u>	<u>4</u>
Name	Date	Cab#
<u>Larry Lee</u>	<u>2/5/18</u>	<u>187</u>
Name	Date	Cab#
<u>Nijas. Bora</u>	<u>2-5-18</u>	<u>920</u>
Name	Date	Cab#
<u>Rich Seiner</u>	<u>2-5-18</u>	<u>103</u>
Name	Date	Cab#
<u>D'ANDRE GRIFFIN</u>	<u>02-05-18</u>	<u>51</u>
Name	Date	Cab#
<u>Daniel Weston</u>	<u>02-05-18</u>	<u>88</u>
Name	Date	Cab#
<u>Burdeep Singh</u>	<u>2-5-18</u>	<u>944</u>
Name	Date	Cab#

I support SB759, the Fair Treatment for Taxi Driver bill.

Name	Date	Cab#
Hussam Fudeh	02/05/18	757

Name	Date	Cab#
Sulbut Al	2-5-18	113

Name	Date	Cab#
Rakesh Kumar	2-5-18	453

Name	Date	Cab#
Alan Warden	02-05-18	759

Name	Date	Cab#
Anthony Austin	02-5-18	940

Name	Date	Cab#
IMADUDDIN SYED	02/05/18	350

Name	Date	Cab#
ABDULLAH Jany	02/5/18	

Name	Date	Cab#
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Kiros Wehlaebrie	02/05/18	
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Name	Date	Cab#
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I support SB759, the Fair Treatment for Taxi Driver bill.

Emad Emwan 2/5/18 799
Name Date Cab#

TAHIR JAVED 2-5-18 421
Name Date Cab#

FRED YOUNG 2/5/18 597
Name Date Cab#

Abdulahim Bah 2-5-18 804
Name Date Cab#

Calenn Brown 2-5-18 929
Name Date Cab#

Therese M... 2-5-18 416
Name Date Cab#

Olawale Akindele-Obe 2/5/18 61
Name Date Cab#

Alex Nypomy 2/5/18 709
Name Date Cab#

ADENIYI ADESANYA 2/5/18 640
Name Date Cab#

I support SB759, the Fair Treatment for Taxi Driver bill.

Ronald Tyson 2/5/18 89
Name Date Cab#

~~Wm Pugh~~ 2/5/18 ~~120~~
Name Date Cab#

Leon Williams 2/5/18 7
Name Date Cab#

SINGHI JASMEET 2/05/18 613
Name Date Cab#

Magnus Chinedu 2/5/18 746
Name Date Cab#

Okochukwu Igweghu 2-5-18 590
Name Date Cab#

Dalvesh Singh 02-5-18 904
Name Date Cab#

AI GAVEN 2-5-18 67
Name Date Cab#

~~JD~~ 2-05-18 476
Name Date Cab#

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I support SB759, the Fair Treatment for Taxi Driver bill.

Yusef Monstafa Tawfik 02/05/18 877
Name Date Cab#

MIAN S CHANANA 2/6/18 756
Name Date Cab#

Romeal LOVE 2-6-18 78
Name Date Cab#

Yusef Monstafa Tawfik 2-6-18 21
Name Date Cab#

Name Date Cab#

Name Date Cab#

Name Date Cab#

Name Date Cab#

Name Date Cab#

I support SB759, the Fair Treatment for Taxi Driver bill.

Rajan Shrestha	2/7/2018	415
Name	Date	Cab#

Reda SNoubet	2/7/2018	336
Name	Date	Cab#

YADWINDER SINGH	2/7/2018	303
Name	Date	Cab#

JATINDER PAL	2/7/2018	861
Name	Date	Cab#

Jehad NAT	2/7/2018	764
Name	Date	Cab#

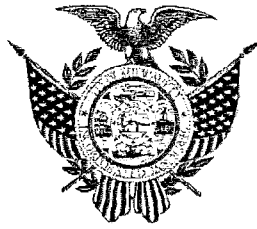
Inqim Hishav	2/7/18	42
Name	Date	Cab#

Balraj Singh	2-7-18	532
Name	Date	Cab#

Saiwan Asaad	2-7-18	894
Name	Date	Cab#

Abd Elrahim Estidary	2/7/18	414
Name	Date	Cab#

	Date	Cab#
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MILWAUKEE COMMON COUNCIL

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City of Milwaukee Testimony on SB 759

Senate Committee on Public Benefits, Licensing and State-Federal Relations

March 1, 2018

The City of Milwaukee is opposed to SB 759 relating to the regulation of taxicab companies. We are generally opposed due to the interference with local control but have much larger concerns due to the diminishment of consumer protection the bill creates and the potential for creating barriers to employment.

The City currently licenses 1,954 drivers and 416 vehicles that are inspected annually for safety. The bill shifts all regulatory authority to the Department of Safety and Professional Services (DSPS) and places more trust in the taxi companies to regulate themselves in terms of public safety.

The bill requires each company to satisfy all state vehicle safety and emissions standards but does not require an inspection. Each year during our vehicle inspections, safety deficiencies are found in 1 out of 6 vehicles with steering, airbags, brakes, safety belts, and tires that require an immediate response. Three out of every 200 vehicles are immediately removed from operation due to hazardous equipment violations. Our oversight ensures the public safety of these vehicles. There is no similar inspection requirement under the bill.

The bill permits the taxicab companies to perform their own background and driving record investigations, regardless of the size of the organization. This would allow sole proprietors to review their own backgrounds and driving records. We currently have 265 sole proprietors operating in the City of Milwaukee where the Milwaukee Police Department conducts a background check.

Typically, a transportation network company customer knows the total cost of a trip before booking it, but the bill does not require taxi companies to accept credit cards nor does it establish any requirement around maximum allowable rates.

The bill requires a zero tolerance policy for drugs and alcohol and requires the company to handle complaints for violations of this policy. The companies are not required to handle complaints for any other kind of violation for safety or discrimination. The bill requires those types of complaints to be filed with DSPS. DSPS acknowledges on its website that the complaint procedure can take 12-18 months for a resolution. The City in conjunction with the Milwaukee Police Department can respond to complaints quickly with resolution in a matter of weeks. For matters of public safety, the City encourages you to require a more immediate DSPS response.

For these reasons, the City of Milwaukee asks you to oppose SB 759. Thank you for your consideration.



W12845 State Road 188, Lodi, WI 53555

March 1, 2018

Regarding Senate Bill 759 and Assembly Bill 918

The Wisconsin Coordinated Transportation Cooperative (WCTC) includes business owners from: taxicab companies; DOT-subsidized taxicab companies; ambulance services; limousine services; special medical vehicle transporters; and other private cars-for-hire; as well as members of the public at-large who depend on the passenger transportation industry. The Cooperative exists to encourage providers of transportation to network together, share best practices, vehicles, and dispatch services; and seek efficiencies wherever possible.

As currently written the Cooperative has serious concerns and cannot support this legislation. By either amending this bill, or perhaps by offering other assurances, the Cooperative could support a version of this bill in the future.

A short list of our concerns would include:

1. We are concerned that this legislation could harm rural shared-ride taxicabs operating under State Statute 85.20. These rural companies act like city-buses in small Wisconsin cities. They receive mass transit funding from the federal government and the state government. To qualify for funding the city must be in charge of the program. SB-759 exempts these shared-ride taxicab programs from the requirement to purchase a license (Assembly Amendment Number 1), but it doesn't exempt the program from the statute in general (which could be done in 474.10 Definitions), nor does it allow the municipality to continue to pass ordinances which control the program (which could be done in 474.165 Limitations on Local Regulation).

2. In multiple places this legislation distinguishes between taxi companies and dispatch services, but the distinction isn't consistent. It seems that for the first time ever, not only would taxicab companies be regulated, but dispatch offices might also be regulated. Because the legislation isn't consistent this could be resolved by DSPTS in an emergency rule. Of course WCTC would be greatly interested in the details of such an emergency rule. Modern dispatch technologies make it possible to imagine call-centers serving more than one company. It isn't clear that this legislation would help such a modern development---and depending on emergency rules it could even hinder this possibility.

3. This legislation instructs DSPTS to collect fees, and that these fees should be set on a sliding scale, and that DSPTS should set the sliding scale. This legislation misses the opportunity to instruct DSPTS to set lower fees for vehicles which provide wheelchair accessible rides, or which provide low income services, or which provide rides at difficult to serve times of the day.

4. We have additional concerns which we would gladly share, but don't want to take too much time during this hearing.

The Cooperative is aware that the session is ending soon, and that it might be difficult to improve this legislation through the normal amendment process. But given the short timeline, we would gladly work with committee members to see if there is some other way to satisfy our concerns. Perhaps there is a way to instruct the Secretary of DSPTS.

Thank you for your consideration.

Thank you for holding this hearing today. I am Ashley Nedeau-Owen. I am the Treasurer of the Wisconsin Coordinated Transportation Cooperative, WCTC. I am also a shareholder and one of the founding members of WCTC. I was the sole member of WCTC to vote in opposition to this bill. I have concerns. My concerns are about definitions and the use of terms in the language of this bill.

I own TransitExec, a scheduling and dispatching software used by specialized transit, taxi and Non-Emergency Transportation providers in 14 states. Sixteen of my customers are in Wisconsin including Jenny Hardesty's company Transit Solutions. You've likely seen some of Jenny's 32 vehicles on the road here in Madison.

The software I sell allows businesses to provide dispatch service. Or taxicab dispatch service. Or, if you wish, transportation network service.

S. B. 759 uses the three terms, Dispatch Service, Taxicab Dispatch Service and Transportation Network Service nearly interchangeably. Dispatch Service is not defined in this bill.

Taxicab dispatch service is defined, and if this bill passes and gets its signature, it will put the definition in our statutes. This bill proposes to define Taxicab Dispatch Service as any business that, for compensation, connects passengers to drivers of taxicabs for the purpose of providing transportation to those passengers. This definition is sufficiently broad as to include my business. The guy I bought TransitExec from started the software to help him run his taxi service in Milwaukee. I currently have two customers who both provide me compensation and operate taxis and use my software for their dispatching. I do not believe your intent is to force me to secure some kind of license.

Our statutes define Transportation Network Services so broadly as to include the software I sell. The definition in Statute 440.41 (7) states:

when the participating driver accepts a passenger's request for transportation received through a transportation network company's digital network, continuing while the participating driver transports that passenger in the participating driver's personal vehicle, and ending when that passenger, or the last person in that passenger's party, whichever occurs later, exits the participating driver's personal vehicle.

At Transit Solutions, Jenny, or her staff, send a passenger's request for transport to a driver through a digital network (a mix of 4G, Wi-Fi and more). Jenny's drivers run my app on their phones. Jenny or her staff enter the passenger's trip request into their computer (or upload it from a file they get from MTM or an insurance company) and on the day of the trip, all of that passenger's trip information appears on the driver's phone and Jenny's drivers accept the

passenger's request. The connection through the app on the driver's phone to the computer at Jenny's office continues throughout the trip to disembarkation.

I have an analogy that helps clarify this. I am Town Chair of West Point in Columbia County. Our biggest expense is roads. What is a road? A cul de sac is defined as a road. A shared driveway is not. In West Point we have a cul de sac that serves one house and a shared driveway that serves five. The town is responsible for maintenance of the cul de sac but not of the shared drive. I task developers that come before our board wanting us to approve a cul de sac to help me understand how their strip of asphalt provides a service to the town that is different from the service a shared driveway provides.

You have an opportunity in this bill to clarify what is meant by Dispatch Service and by Taxicab Dispatch Service and by Transportation Network Service. That clarification would be very helpful. My objection to this bill is wholly based upon the lack of clarity in the one definition given and on the ambiguity provided by the confusing use of these terms.

Thank you.



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March 1st 2018

Mike Hartmann. Owner Stardust Limousine LLC

Wisconsin Limousine Association (WLA) President

Member of the National Limousine Association (NLA)

Board Member of the New Holstein Chamber of Commerce.

Member of Sheboygan, Sheboygan Falls and Kiel Chambers of Commerce. Board Member of (SPIFF) Charity in Manitowoc County. Member of the Wisconsin Coordinated Transportation Cooperative (WCTC)

RE: State Senate Public Hearing Senate Bill 759, Assembly Bill 918

1. The SAFETY of the PUBLIC is the WLA's #1 concern and feels that the DSPS is not the agency to make this happen. We would like to see local control with a DOT type oversight and more enforcement of illegal operators around the state.
2. 100% of our trips are reserved in advance and our clients know what to expect. We see no need for markings on our black car sedan's or SUV's. Some of our clients are high end and do not want markings on the vehicles. This is one item that makes us different from Taxies and TNC's
3. Limousine Companies pay a 5% Rental Fee which no other transportation category has to pay. This Fee goes to road repair. Limousines pay gas tax on fuel. Taxies are exempt from both. We are asking to have the fee (RV-012) removed.
4. Licensure Fees: Use of a sliding scale is unclear and could be a disadvantage to small rural companies and possibly put them out of business. This is WATO's concern also
5. Limo's carry insurance 24/7/365. Sometimes a vehicle will sit 1-2 weeks with no work. TNC's only insured when their apt is on and if they have the correct insurance.
6. What about a special plate for TNC's with a special fee built in.
7. Limousine companies are very different from Taxies and TNC's. We would like to keep that separation. Also Chauffeur term for Limo's and Driver term for Taxi's and TNC's.
8. This bill needs more work.

Respectfully

Mike Hartmann

WLA/President & Owner/Stardust Limousine LLC

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I saw this "company" at a Brewer game in 2017. They had a old school bus that they painted grey with RV plates. I did send this card and the plate info to the DOT. This is just one example of a illegal company. This was not a RV at the Min. He has the wrong plates, but in any case they should of been checked out. There was no DOT# on this vehicle.