1	ORDINANCE NO.			
2				
3	AN ORDINANCE TO RECOGNIZE TRANSPORTATION NETWORK			
4	COMPANIES AND TO INCORPORATE THE REGULATION OF SUCH			
5	COMPANIES INTO THE CITY TRANSPORTATION CODE; TO			
6	PROVIDE FOR THE ISSUANCE OF APPROPRIATE PERMITS FOR			
7	SUCH A COMPANY AND FOR SUCH A DRIVER; TO DECLARE AN			
8	EMERGENCY; AND FOR OTHER PURPOSES.			
9				
10	WHEREAS, technologies have developed which make it possible to connect persons who seek for-			
11	hire transportation within the City with drivers who are not necessarily involved in such activity on a full-			
12	time basis; and,			
13	WHEREAS, these new technologies enable persons seeking transportation to use wireless or internet			
14	applications to determine the location of a potential driver, obtain information about the driver, and arrange			
15	for transportation with that specific driver; and,			
16	WHEREAS, these new technologies require some amendment to the City Transportation Code (Little			
17	Rock, Ark., Rev. Code §§ 34-1 to -141 (1988), in order to recognize these non-traditional for-hire			
18	transportation services and to protect the safety of drivers, riders, and the general public;			
19	NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE CITY			
20	OF LITTLE ROCK, ARKANSAS:			
21	Section 1. Little Rock, Ark., Rev. Code § 34-2 (1988) is hereby amended to add the following			
22	subsection:			
23	This chapter shall also set forth the requirements necessary to ensure safe, reliable,			
24	and cost-effective transportation network services within the corporate limits of the			
25	City, and to preserve and enhance access to these for-hire transportation options for			
26	residents and visitors to the City even if a transportation network company does not			
27	maintain a place of business within the City as required for other forms of for-hire			
28	transportation.			
29				
30	Section 2. Little Rock, Ark., Rev. Code 34-4 (1988) is hereby amended to add the following			
31	definitions:			
32	(a) Ground Transportation Service shall mean the transportation of			
33	passengers in a for-hire by motor vehicle and by certain other means between points			

originating or terminating within the corporate limits of the City and shall include all persons providing taxicab service, limousine service, luxury-vehicle service, airport-shuttle service, courtesy-vehicle service, medical-transport service, special paratransit service, tour service, transportation network company service, and all other prearranged and demand-response ground transportation services.

- (b) *Transportation Network Company* or *TNC* shall mean an entity licensed or registered to do business within the State of Arkansas which holds a valid permit for a ground transportation service in the City, and which uses a digital network or software application to connect passengers to Transportation Network Company services provided by Transportation Network Company Drivers. A Transportation Network Company does not own or operate the vehicles used by its drivers, and is not a taxicab operator as defined in this ordinance.
- (c) *Transportation Network Company Driver* or *TNC Driver* shall mean an individual who operates a motor vehicle that is:
- (1) owned, leased, or otherwise authorized for for-hire use by the individual;
  - (2) not a taxicab; and,

- (3) used to provide Transportation Network Company Services.
- (d) *Transportation Network Company Services* or *TNC Services* shall mean transportation of a passenger between points chosen by the passenger and prearranged with a Transportation Network Company Driver through the use of a Transportation Network Company digital network or software application. Transportation Network Company Services shall begin when a TNC Driver accepts a request for transportation received through the TNC's digital network or software application service, continues while TNC Driver transports the passenger in the TNC Driver's vehicle, and end when the passenger exits the TNC Driver's vehicle. A Transportation Network Company Service is not a taxicab or street hail service.
- **Section 3.** Little Rock, Ark., Rev. Code § 34-19 (1988) is hereby amended to address the following subsections:
  - (f) Except for a Transportation Network Company, each ground transportation operator shall maintain a central place of business in an area zoned for such, for the purposes of receiving calls and dispatching vehicles. With the exception of taxicab operators, livery vehicle operators and premium taxicab operators, such place of business shall be open and staffed for a minimum of twenty-four (24) hours a day,

five (5) days a week, provided, however, a person that operators a limousine service, a luxury vehicle service, or a specialized transportation service may maintain such an office that is open a minimum of eight (8) hours each day if such person also maintains an answering or other call intake service that is available a minimum of twenty-four (24) hours a day, five (5) days a week. With respect to taxicab operators, livery vehicle operators and premium taxicab operators, such place of business shall be open and staffed for a minimum of twenty-four (24) hours a day, seven (7) days a week. A Transportation Network Company shall maintain a site that can be accessed by the public via the internet, e-mail, or other digital or telephonic communications, twenty-four (24) hours a day, seven (7) days a week. Each ground transportation service operator shall provide and keep current with the administrator, the address, telephone number, and internet, e-mail or other digital access information, for use by the City.

 **Section 4.** Little Rock, Ark., Rev. Code § 34-20 (1988) on insurance requirements is hereby amended to read as follows:

- (a) *Insurance requirement*. No person, firm or corporation authorized by a permit to this chapter may operate a vehicle for the transportation of passengers within the city, without first securing, and maintaining in force at all <u>relevant</u> times, a commercial auto liability policy insurance policy issued by a company authorized to do business in the state covering each vehicle to be used for the transportation service and in the following amounts:
  - (1) For taxicab franchises, livery vehicles, premium taxicabs, transportation network companies, and all executive sedans and antique vehicles: Two Hundred Fifty Thousand Dollars (\$250,000.00) for the injury or death of any one (1) person and subject to that limit for each person; Five Hundred Thousand Dollars (\$500,000.00) total liability for any one (1) accident; and Two Hundred Fifty Thousand Dollars (\$250,000.00) for each accident regarding damage to property, with a maximum of Fifty Thousand Dollars (\$50,000.00) deductible coverage per incident. Said insurance in effect shall be for demandresponse service vehicles, not scheduled or routed service vehicles, and any vehicle used by a Transportation Network Company Driver.
  - (2) For SUVs, extended vans, airport shuttle vehicles, and limousines: Two Hundred Fifty Thousand Dollars (\$250,000.00) for

- the injury or death of any one (1) person and subject to that limit for each person; One Million Dollars (\$1,000,000.00) total liability for any one (1) accident; and Five Hundred Thousand Dollars (\$500,000.00) for each accident regarding damage to property, with a maximum of Twenty-Five Thousand Dollars (\$25,000.00) deductible coverage per incident. Said insurance in effect shall be for scheduled or routed service vehicles, not demand-response service vehicles.
- (3) For specialized transportation service vehicles and courtesy service vehicles, exclusive of those ground transportation service vehicles, described above: Two Hundred Fifty Thousand Dollars (\$250,000.00) for the injury or death of any one (1) person and subject to that limit for each person; Five Hundred Thousand Dollars (\$500,000.00) maximum liability for each accident; and Two Hundred Fifty Thousand Dollars (\$250,000.00) for each accident regarding damage to property, with a maximum of Twenty-Five Thousand Dollars (\$25,000.00) deductible coverage per incident.
- (b) *Certificate of insurance*. The liability insurance coverage shall be evidence by a current certificate of insurance covering each vehicle permitted pursuant to this chapter filed annually with the administrator or designated agent.
- (c) *Notice of insurance policy cancellation to be sent to the City.* Each insurance certificate shall include a representation by the insurance carrier that notice of cancellation will be sent to the administrator or his designated agent at least ten (10) days prior to cancellation. Upon lapse or cancellation of such policy, the permit granted to the person, firm or corporation shall be temporarily suspended pending notice of hearing, and no for-hire transportation services will be provided until the conclusion of such hearing and reinstatement of any suspended permit.
- (d) To the extent that the insurance of a Transportation Network Company or a Transportation Network Company Driver may be found to cover actions of misconduct by the driver, neither the company nor the driver shall rely upon any language in any contract, corporate or business materials, that would expressly waive for any passenger or any person other than the driver involved in an incident, the right to seek any and all liability, claims or damages arising from or in any way related to the third party transportation provider; for purposes of this subsection, this lack of a waiver applies only to the Transportation Network Company, and the

1	Transportation Network Company Driver, and in no way applies to any digital or	
2	internet application company whose involvement with a particular ground	
3	transportation service is merely to facilitate the internet or software connection	
4	necessary to accomplish the for-hire transportation.	
5	(e) Additional insurance provisions for Transportation Network Companies or	
6	Transportation Network Company Drivers.	
7	If an accident occurs involving a motor vehicle while it is shown on	
8	a listed on the software application of a Transportation Network	
9	Company as available to provide Transportation Network Company	
LO	services as defined in this Code, the Transportation Network Company	
l1	Driver shall provide proof of insurance information to all parties	
<b>L</b> 2	involved in the accident regarding liability insurance for the driver's	
L3	vehicle and the company at the time of the accident. This information	
L4	shall include:	
<b>L</b> 5	(A) The amount of insurance provided by the company, and the	
L6	amount of insurance provided by the driver including, but not limited	
L7	to, the name of the insurance company, its location, and contact	
<b>L</b> 8	information necessary to make a claim against the insurance;	
L9	(B) The name and address of a responsible person for the company	
20	with whom a person involved in an accident, or that person's	
21	representative, can discuss the claim with the company.	
22	Section 5. Notwithstanding any other provision of this Chapter, Little Rock, Ark., Rev. Code, Chapter	
23	34 (1988) is hereby amended to add the following language:	
24	Rules and Regulations for Transportation Network Companies and for	
25	Transportation Network Company Drivers	
26	A Transportation Network Company is not subject to the Demand Response	
27	provisions of this Chapter. In addition, the following are required:	
28	(a) Requirement for Transportation Network Company Permit. A person shall	
29	not operate a Transportation Network Company that conducts business within the	
30	corporate limits of the city without first having obtained a permit from the City.	
31	(b) Requirement for Transportation Network Company Driver Permit. A	
32	person shall not provide any ground transportation service as a Transportation	
33	Network Company Driver within the corporate limits of the City without having first	
34	obtained a permit from the City, provided within fourteen (14) days after	

simultaneous notice to the city and the driver by a Transportation Network Company that the potential driver has fulfilled all company and City requirements, the driver shall physically obtain a driver's permit from the City which will be maintained on the driver's person, and will receive city signage instruction for the automobile that designates it as an TNC vehicle.

- (c) A Transportation Network Company Driver shall possess a valid Arkansas driver's license:
  - (d) Criminal Background Check.
  - (1) If a TNC does not have a local place of business in the City that is open twenty-four (24) hours a day, seven (7) days a week, then at least a criminal background check shall be conducted through the Arkansas State Police on any potential driver, and any driver who has a conviction, which has not received a pardon or order of expungement, for the offenses listed in Section 34-38(i)(4)(c) of this Code;
  - (2) A TNC may maintain such a record at its own corporate location, provided that the record shall be made available to the City within one (1)-day of a request by the City Manager, Administrator, or Chief of Police;
  - (3) Nothing in this Code protects a TNC from any requirement to release documents pursuant to the Arkansas Freedom of Information Act, and failure to comply with the public records Act, as determined by the City or by an Arkansas court of competent jurisdiction, shall lead to the immediate suspension of the TNC permit, and all TNC Driver permits for drivers who operate within the City.
  - (c) Annual Permit Fee. The City shall issue a permit to each applicant that meets the requirements for a Transportation Network Company or Transportation Network Company Driver as set forth in this Article, upon the fulfillment of all requirements within this Chapter of the Little Rock Code, and upon the payment of the relevant annual permit fee of Five Thousand Dollars (\$5,000.00)
- (d) Agent for Service of Process. The Transportation Network Company shall maintain an agent for service of process within the State of Arkansas.
- (e) Fare Charged for For-Hire Transportation Network Company Services. Notwithstanding any other provision of this Code, a Transportation Network Company may charge a fare for the services provided to passengers; provided that,

if a fare is charged, the TNC shall disclose to passengers the fare calculation method on its website or within the software application service. The TNC shall also provide passengers with the applicable rates being charged and the option to receive an estimated fare before the passenger enters the TNC Driver's vehicle. The TNC shall disclose to the passenger prior to making a reservation if it is operating during a period of dynamic pricing. The TNC Driver shall also provide the passenger an option to be notified when the time of dynamic pricing is no longer in effect. In addition to this notice, the TNC shall contact the passenger as soon as practicable of this same information.

- (f) *Identification of Transportation Network Company Vehicles and Drivers*. The TNC's software application or website shall display a picture of the TNC Driver, and the license plate number of the motor vehicle utilized for providing the TNC Service before the passenger enters the TNC Driver's vehicle.
- (g) *No Cash Trip; Electronic receipt*. Because no cash trip is allowed to a TNC or a TNC Driver, then within a reasonable period of time following the completion of a trip, a TNC shall transmit an electronic receipt to the passenger that lists:
  - (1) The origin and destination of the trip; and,
  - (2) The total time and distance of the trip; and,
  - (3) An itemization of the total fare paid, if any.
- (h) A Transportation Network Company shall adopt a policy of non-discrimination on the basis of destination, race, color, national origin, religious belief or affiliation, sex, disability, age, sexual orientation or sexual identity with respect to passengers and potential passengers and notify TNC Drivers of such policy.
- (i) TNC Drivers shall comply with all applicable laws regarding nondiscrimination against passengers or potential passengers on the basis of destination, race, color, national origin, religious belief or affiliation, sex, disability, age, sexual orientation, or gender identity.
- (j) TNC Drivers shall comply with all applicable laws relating to accommodation of service animals;
- (k) Neither a TNC, nor a TNC driver, shall impose additional charges for providing services to persons with physical disabilities because of those disabilities. A TNC shall provide passengers an opportunity to indicate whether they require a wheelchair-accessible vehicle. If a TNC cannot arrange wheelchair-accessible TNC

1	Service in any instance, it shall direct the passenger to an alternate provider of		
2	wheelchair-accessible service, if available.		
3	(l) Records. A Transportation Network Company shall maintain:		
4	(1) individual trip records for at least one (1)-year from the date each		
5	trip was provided; and		
6	(2) TNC Driver records at least until the one year anniversary of the		
7	date on which a TNC Driver's activation on the TNC digital network		
8	has ended.		
9	(1) Transportation Network Company Driver. A TNC Driver shall:		
10	(1) have submitted an application to the TNC which includes, but is not		
11	limited to, information as to age, address, Arkansas Driver's License		
12	Number, motor vehicle registration, and all automobile liability		
13	insurance required by this Chapter; and		
14	(2) be at least twenty-one (21) years old; and,		
15	(3) not knowingly allow any ground transportation service vehicle, or		
16	other vehicle permitted under this chapter, to be used in the perpetration		
17	of a crime or misdemeanor; and,		
18	(4) not drink any intoxicating liquor or be under the influence of any		
19	controlled substance, or alcohol, while operating pursuant to a TNC		
20	Driver's permit; and,		
21	(5) Shall not shout, solicit, or call to prospective passengers, or disturb		
22	the peace in any way; and,		
23	(6) exclusively accept rides booked through a TNC's digital network		
24	or software application service and shall not solicit or accept street		
25	hails; and,		
26	(7) not smoke, or allow any person to smoke, in a TNC Driver's		
27	vehicle while it is used to provide ground transportation services; and,		
28	(8) comply with the City dress code for for-hire drivers as set forth in		
29	§ 34-26 of this Code; and,		
30	(9) otherwise meet all the requirements and be subject to the provisions		
31	for a driver's permit set forth in §§ 34-38, provided that as to		
32	inspections, the TNC Driver's vehicle is not subject to weekly operator		
33	inspections, but may be required to undergo an inspection in		

1	accordance with the provisions of this Code at any time the
2	Administrator believes it is appropriate to do so; and,
3	(10) not operate an automobile more than seven (7) years old pursuant
4	to the provisions of this subsection; and,
5	(11) Shall have the right to an appeal as set forth in § 34-39 of this
6	Code.

**Section 6.** Little Rock, Ark., Rev. Code, Chapter 34 (1988), is amended to add the following provision:

Access to Information for Law Enforcement Purposes. Any ground transportation service allowed to provide for-hire transportation service within the corporate limits of the City, shall cooperate to the fullest extent possible with law enforcement to provide information about specific transportation incidents. If local, State, or Federal Law Enforcement asserts that access to such information must be immediate to prevent a reasonable threat of death, or serious physical injury, to a person, then the company, or any driver, shall provide that information immediately. Any ground transportation company that is permitted by the City shall provide an emergency contact number to the Little Rock Police Department for such instances. In all other law enforcement situations, such information shall be provided promptly in response to the issuance of a Prosecuting Attorney's subpoena to review such records. Any failure to comply with this subsection shall result in the immediate suspension of both operator and driver permits for any ground transportation service.

**Section 7.** No Certificate of Convenience and Necessity Required Presently. For purposes of this ordinance, a separate hearing on the convenience and necessity of permitting a Transportation Network Company, or a Transportation Network Company Driver, to provide Transportation Network Company Services, shall not be required as otherwise provided in this Chapter.

**Section 8.** *Severability*. In the event any section, subsection, subdivision, paragraph, subparagraph, item, sentence, clause, phrase or word of this ordinance is declared or adjudged to be invalid or unconstitutional, such declaration or adjudication shall not affect the remaining provisions of this ordinance which shall remain in full force and effect as if the portion so declared or adjudged invalid or unconstitutional was not originally a part of this ordinance.

**Section 9.** *Repealer*. All ordinances and resolutions inconsistent with this ordinance are hereby repealed to the extent of such inconsistency.

Section 10. Emergency Clause. In order to permit a new transportation service and technology to operate within the City, but to be subject to appropriate regulation to preserve the public health, safety,

1	and welfare, an emergency is declared to exist and this ordinance shall be in full force and effect from ana		
2	after the date of its passage.		
3	PASSED: November 18, 2014		
4	ATTEST:	APPROVED:	
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7	Susan Langley, City Clerk	Mark Stodola, Mayor	
8	APPROVED AS TO LEGAL FORM:		
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10 11 12	Thomas M. Carpenter, City Attorney		
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