

Presentation to Land Use and Economic Development Committee

Impact of Transportation Network Companies in San Francisco

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San Francisco Board of Supervisors

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Comparative Characteristics & Regulations: Taxi Industry vs. Transportation Network Companies

	Taxi Industry (regulated by SFMTA)	Transportation Network Companies (regulated by CPUC)
# of Vehicles	1,976 (1,856 FT & 120 PT)	5,000 to 10,000
# of Drivers	9,000	5,000 to 10,000
# of Companies	27	5
Extent of required background checks	Entire adult criminal history	Most recent 7 years of criminal history
Extent of DMV record checks	10 years	Up to 7 years
Training Requirements	<ul style="list-style-type: none"> • 4 days tax school, with exam • 1 day SFMTA training, with exam 	TNCs required to provide training, but no specific content or exam required in State regs.

Comparative Characteristics & Regulations: Taxi Industry vs. Transportation Network Companies (cont'd)

	Taxi Industry (regulated by SFMTA)	Transportation Network Companies (regulated by CPUC)
Liability Insurance Requirements	Taxi companies to carry \$1 million in primary commercial liability insurance per occurrence (bodily injury to drivers & passengers & vehicle damage)	TNCs to carry \$1 million in commercial liability per incident while drivers are “providing TNC services.” Disagreements between State and TNCs about extent of driver coverage and definition of “providing TNC services”
Workers’ Compensation Insurance	Provided for all drivers while on duty	Not required to provide for drivers.
Pricing	Regulated by City’s SFMTA. Rates can’t be changed without SFMTA approval.	Not regulated by State. Rates can be changed by companies at any time.
Current Rates	<ul style="list-style-type: none"> • \$3.50 for 1st 1/5 of a mile • \$0.55 for each additional 1/5 of a mile (~\$2.75/mile) • \$0.55/minute of waiting or traffic delay • No minimum fare 	<p>Average rates in SF (not including surge rates):</p> <ul style="list-style-type: none"> • \$3.94 base fare/pick-up fee • \$1.96 per mile • \$0.36 per minute • \$0.50 in other fees • \$8.00 minimum fare

City Costs

- Actual and potential City costs incurred as a result of TNCs operating in SF under current regulatory structure include:
 - ~\$1.5 million lost revenue to Airport
 - Up to \$500,000 in business license revenue
 - Hospital and health care costs and income replacement costs of an unknown amount
 - The Department of Public Health (DPH) could end up incurring the costs of uninsured injuries

Areas of Heightened Risk

- Areas where risk to TNC drivers, passengers, the public and the City is higher due to less stringent State regulation:
 - Increased # of vehicles in the streets
 - Less stringent driver background checks
 - Less liability and no workers' compensation coverage
 - Less stringent vehicle inspection
 - No formal process for driver or company citations or revocations of operating permits
 - No requirement for cameras to be installed in vehicles
 - No requirement to maintain a business presence and staff in SF for found property
 - No environmental requirements for vehicles
 - No requirements or incentives in place for TNCs to participate in the City's para-transit program

