

Transportation Network Company NELA Follow-up Issues Requested by City Council and IGTC&T Committee

In August, 2015, the City Council and its IGTC&T Committee considered a proposed Non-Exclusive License Agreement (NELA) to permit State-licensed Transportation Network Companies (TNCs) to pick up passengers in the Central Terminal Area (CTA) at Los Angeles International Airport (LAX) [Council File 15-0899]. At the time of consideration, the Council adopted a Committee report and amending motions that requested LAWA to report on a number of issues that would be of interest as TNC operations commenced at LAX. The following items were included in the IGTC&T Committee report to Council and amending motions approved in Council. We have grouped some together where there are similarities.

Motion 13E (a): Develop a 24/7 complaint hotline for ground transportation passengers to make complaints against TNCs, shuttle services, limousines, taxicabs or any other ground transit providers

LAWA has implemented an online comment/complaint system, accessible via mobile device or LAWA's website, that allows passengers and other guests to file complaints related to any ground transportation provider, including TNCs. As the TNCs are all app-based, we believe the online system is best suited for these users. Both TNCs permitted at LAX include a link to the LAWA comment system in their app. Staff will report on TNC complaint statistics in Committee.

Motion 13E (c): Report in six months and one year on the implementation of the GeoFence and driver citations relating to TNCs, taxis, and limousine drivers

LAX has the most complex GeoFence layout of any airport that has permitted TNC operations. TNCs first went into service at LAX less than four months ago, and LAWA reviews GeoFence activity reports compiled from the TNCs' data on a regular basis. We initially observed a significant number of reporting errors by the two permitted TNCs. These include reported airport drop-offs, even though the GPS coordinates are outside the Central Terminal Area (CTA), as well as reported airport pickups, even though the GPS coordinates are outside the CTA. LAWA has been working with the TNCs to improve the accuracy of their reported drop-off and pickup data. Staff will report on the latest GeoFence accuracy observations in Committee.

Committee Report #7: Request LAWA to report on Clean Fleet requirements.

Motion 13I (c): Develop a policy and plan on how best to require TNC drivers serving LAX to transition to clean-air vehicles within a specified period of time to be determined.

LAWA continues to study the best way to implement a clean fleet policy for TNCs picking up at LAX. LAWA's existing Clean Fleet program for commercial vehicles does not apply to vehicles under 8,500 pounds, and would thus exclude TNCs. Any application of Clean Fleet requirements to TNCs must be considered in the context of the other CPUC-licensed commercial vehicles under 8,500 pounds (e.g., limousines and passenger vans).

Los Angeles City taxi operators were given a period of five years to phase in ULEV or better vehicles to comply with an 80% clean fleet requirement. In the near-term, LAWA will work with the TNCs to benchmark the current TNC vehicle pool and determine the extent to which their operators already meet Clean Fleet standards the City applies to taxis. During the term of the

current NELA, LAWA will develop a range of options for vehicles conducting pickups at LAX consistent with the policy objectives for the City's taxi phase-in, and will incorporate this in the successor NELA.

Committee Report #5: Request CPUC to provide ITA with zip code information on pickups and dropoffs for posting on the City's Open Data Portal or providing such info to LAWA.

Motion 13I (b): The performance of TNCs in being available to passengers in any neighborhood in Los Angeles, without exception.

After determining that ITA and DOT did not plan to take any action on this request, LAWA sent a letter to the CPUC in March asking for zip code data, focused on trips originating or terminating in the airport zip code 90045, to review usage patterns and determine trends in trip refusals. CPUC staff have since told LAWA staff that they are prohibited from releasing raw zip code data received from the TNCs, but have offered to work with us on delivering summarized data to indicate TNC usage and refusal patterns in the City.

Committee Report #6: Request LAWA to report with a third-party audit of revenue of TNC dropoffs/pickups at LAX:

Following the TNC application process, the TNCs have now been at LAX less than four months, so LAWA only recently had a reasonable data set to review. A financial audit is currently being conducted by InterVistas to ensure that LAWA revenues are in agreement with TNC usage. We expect the results of that audit in June or July 2016. We plan to review revenue reports in this fashion regularly.

Motion 13E (b): Coordinate with LAPD and Airport Police to report monthly complaints and incidents related to ground transportation providers, and identify patterns of complaints against specific transit providers and/or drivers for potential regulatory actions against them

Motion 13G: Encourage the Board to adopt uniform standards, as appropriate, for all LAWA-regulated ground transportation operators and/or companies and establish a protocol for the termination of any NELA with ground transportation providers based upon patterns of repeated complaints against their drivers

The Board of Airport Commissioners approved NELAs with ground transportation providers that include provisions for termination of the NELA in the event of unacceptable rule violations. Due to the highly variable size of the ground transportation operators at LAX, both in terms of fleet size and number of operations per vehicle, and the varying severity of violations and complaints, an equitable one-size-fits-all policy would be very difficult to define correctly. Nevertheless, LAWA management is committed to looking at complaints and policy violations seriously, and patterns of violations or complaints by particular operators will be addressed diligently. The TNC NELA also includes provisions for prohibiting individual drivers for unacceptable violations.

LAWA's Permit Unit is working closely with Airport Police and LAPD to track procedural violations and complaints. In the event that specific transit providers and/or drivers have a pattern of violations or complaints, there are remedies available in the NELA. LAWA will report to the Committee any significant incidents or patterns observed.

Motion 13H: Request that LAWA include in any NELA a requirement to encourage TNCs to conduct marketing outreach and recruitment in under-served communities to promote job growth for those communities in the TNC industry.

Motion 13I(b): The performance of TNCs in being available to passengers in any neighborhood in Los Angeles, without exception.

LAWA sent letters in March to both TNCs, encouraging them to conduct outreach and extend the potential benefits to under-served communities as an option for both transportation and employment. Our stated goal was that increasing the number of driver-partners in these communities would correlate to increased service availability and economic opportunities. We asked both TNCs to describe their recruiting plans. Uber responded with a letter describing noteworthy efforts to recruit new driver-partners from under-represented communities. Lyft has yet to provide its response.

Motion 13I(a): The ability of the TNCs to ensure that drivers with vehicles qualified and prepared to meet all ADA requirements are available to serve passengers at all times and the performance of licensees in doing so

As part of the application process, both TNCs provided a copy of their Driver Disability Training Plan, which is included in the Driver Training information and a quiz required before a driver receives the authorized permit to operate at LAX. The Driver Training includes requirements of the driver to comply with all local, state and federal ADA laws, policies and procedures. It also includes training on what they are to do and tell the customer if they are unable to accommodate a passenger with ADA-related needs. To date, Lyft reports zero ADA complaints received, and Uber reported five ADA complaints received, four of which were related to service animal denials and one of which was for failure to pick up a disabled passenger on the lower level.

The following additional issues were discussed in the Committee Report or amending Council motions but were not assigned to LAWA:

Background Checks / Fingerprinting – not assigned to LAWA in Committee report or Council motions.

LAWA continues to monitor efforts in the State legislature and CPUC to enhance background checks and require fingerprints of TNC drivers. Councilmember Krekorian, Mayor Garcetti and Council President Wesson recently requested that the CPUC authorize the City to conduct a pilot program with local fingerprinting. Unfortunately, the CPUC denied that request, but indicated that they would be looking at this issue in their ongoing regulatory proceedings. LAWA looks forward to encouraging State legislators and regulators to include the best background check practices in their TNC regulations.

Instruct the LADOT to draft a plan to streamline taxi regulations.

Support AB 1422 (Cooper) to allow TNCs to participate in the DMV Pull Notice Program.

Instruct CAO to identify funding to update LADOT's taxi permitting technology.

Instruct LADOT to report to the Transportation Committee on the actions necessary to require taxis to comply with the same background check processes as TNCs.

Add to the City's State legislative program an official position to request that CPUC develop a revised, comprehensive background check process for TNCs, limos, buses, and all other pre-arranged ride services, which includes a fingerprint-based background check at the CADOJ, and the recommended best practices of the Nat'l Association of Professional Background Screeners (Mayor & CLA are responsible for developing and implementing the City's State legislative program)

Request the City Attorney to report in 30 days on the feasibility of an ordinance that would require any transit provider which seeks to accept rides in Los Angeles to use a fingerprint-based background check.