

BUDGET AND FINANCE COMMITTEE REPORT relative to a proposed updated trip fee schedule for the On-Demand Mobility Program.

Recommendations for Council action:

1. NOTE and FILE the City Administrative Officer (CAO) report, dated May 29, 2026, relative to an analysis of the amended On-Demand Mobility Program fee schedule detailed in Amendment No. 1 dated January 28, 2026, attached to the Council file.
2. CONCUR with the Public Works and Transportation Committees' action of January 28, 2026, as amended to incorporate the following recommendations:
 - a. Replace Recommendation No. 3 in Amendment No. 1 dated January 28, 2026 as follows:
 3. REQUEST the City Attorney to prepare and present a draft Ordinance to update the trip fees and any related items in this report.
 - b. INSTRUCT the CAO to report on the program's revenue projections through the Financial Status Reports (FSR).
 - c. INSTRUCT the Department of Transportation (DOT) to report back with recommendations for contracting out the next evaluation of the Dockless On-Demand Program fee update, including the estimated costs of utilizing an existing contract or the procurement mechanisms.

Fiscal Impact Statement: The DOT reports that the current dockless program fees have not been full-cost recovery and for the last few years the program has had to rely on the General Fund to offset the shortfall. With the updated fee ordinance, the program will operate at full-cost recovery without needing any General Fund assistance. Additionally, as dockless mobility ridership increases, the revenue collected will continue to support the self-funded On-Demand Mobility Program and the digital tools needed to manage the program. The revised trip fee schedule will help DOT staff maintain cost recovery requirements of the program and reduce the potential impact of budgetary expenses on the General Fund.

Community Impact Statement: Yes

For: Downtown Los Angeles Neighborhood Council

SUMMARY

At a Special meeting held on June 4, 2026, your Budget and Finance Committee considered the City Attorney report and draft Ordinance dated January 18, 2024 relative to amending the Los Angeles Municipal Code to update the Shared Mobility Device Trip Fees paid to the DOT; DOT reports dated June 10, 2025 and September 15, 2025, CAO report dated December 3, 2025, and Amendment Nos. 1 and 2 approved by the Public Works and Transportation Committees on January 28, 2026, relative to the On-Demand Mobility Program Trip Fee update and methodology; and, the CAO report dated May 29, 2026 relative to an analysis of the amended On-Demand Mobility Program fee schedule detailed in said Amendment No. 1. Councilmember Hutt introduced an amending Motion, which was seconded by Councilmember Yaroslavsky, to note and file the CAO report dated May 29, 2026; replace Recommendation No. 3 in said Amendment No. 1 to request the City Attorney to prepare and present a draft Ordinance to update the trip fees and any related items; and, to instruct the CAO to report on the program's revenue projections through the FSRs. Councilmember Hernandez introduced an amending Motion, which was seconded by Councilmember Hutt, instructing the DOT to report back contracting out the next evaluation of the Dockless On-Demand Program fee update, including the estimated costs of utilizing an existing contract or the procurement mechanisms.

After discussion and having provided an opportunity for public comment, the Committee moved to note and file the CAO report dated May 29, 2026, and to concur with the Public Works and Transportation Committees' action of January 28, 2026, as amended by the Motions introduced by Councilmembers Hutt and Hernandez. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
YAROSLAVSKY:	YES
BLUMENFIELD:	YES
HUTT:	YES
McOSKER:	YES
HERNANDEZ:	YES

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-NOT OFFICIAL UNTIL COUNCIL ACTS-