

Amendment No. 1

To

Ordinance No. BL2014-952

Madam President:

I move to amend Ordinance No. BL2014-952 by amending Section 1 as follows:

1. By amending Section 6.74.050 by deleting the last sentence of subsection B.2. and substituting with the following:

“In the case of a TNC, the TNC’s commercial automobile liability insurance coverage and uninsured/underinsured motorist insurance coverage shall be consistent with the provisions of subsections B.3. and C. below.”

2. By amending Section 6.74.050 by adding the following phrase at the end of subsection B.3:

“or with regard to uninsured/underinsured motorist insurance coverage, for incidents occurring while there is a passenger in the TNC Vehicle.”

3. By amending Section 6.74.050 by deleting the last sentence of subsection C.1. and substituting with the following:

“The TNC shall also provide uninsured/underinsured motorist insurance coverage, to be effective while there is a passenger in the TNC Vehicle, in an amount not less than \$25,000 (bodily injury per person) / \$50,000 (per accident) / \$15,000 (for property damage).”

Introduced By:



Bill Pridemore  
Member of Council

ADOPTED: December 2, 2014

ORDINANCE NO. BL2014-952

An ordinance amending Chapter 6.74 of the Metropolitan Code of Laws to regulate motorized, non-taxi passenger vehicles for hire, including, but not limited to, Transportation Network Companies.

WHEREAS, Tennessee Code 7-51-1001 through 1007 grant authority to metropolitan governments to license, control, regulate private passenger for hire vehicles providing transportation services with their jurisdictions; and,

WHEREAS, there is a continuing public safety and consumer protection need for regulation of private passenger-for-hire vehicles; and,

WHEREAS, technological advances have created new methodologies for other passenger-for-hire services to employ which creates new business practices and models within the industry, requiring new definitions and redefinition within this chapter; and,

WHEREAS, the Metropolitan Transportation Licensing Commission recommended the approval of this proposed ordinance during its October 30, 2014 meeting; and,

WHEREAS, the enactment of this amended version of Chapter 6.74 "Other Passenger Vehicles for Hire," and its inclusion in the Metropolitan Code of Laws is in the best interest of the Metropolitan Government of Nashville and Davidson County.

NOW, THEREFORE BE IT ENACTED BY THE COUNCIL OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

Section 1. Chapter 6.74 of the Metropolitan Code of Laws is hereby deleted in its entirety and replaced with the following:

Chapter 6.74 OTHER PASSENGER VEHICLES FOR HIRE

6.74.010 Definitions.

For purposes of this chapter:

"Active on the TNC dispatch system" means when the TNC Operator is logged onto the transportation network company (TNC) application dispatch system showing that the TNC Operator is available to pick up passengers, e.g., when driver mode is turned on; when a

passenger is in the vehicle; when TNC dispatch records show the vehicle is dispatched; or when the driver has accepted a dispatch and is en route to provide transportation services to a passenger.

"Approved mechanic" means a mechanic who has met all requirements provided for in the rules or regulations adopted by the MTLC.

"As directed" means a request for transportation by prearrangement that does not have specific itinerary, route or stops; but is to be directed and determined by the passenger as the trip progresses.

"Call or demand" means transportation arrangements made indiscriminately and instantaneously with a request for service which includes, but is not limited to, the hailing of a taxicab or any other oral request for transportation service made from a public street location or other vehicular holding or waiting area as the pickup location. No passenger vehicle for hire, other than a taxicab, may be operated on call or demand. Call or demand does not apply to requests made for transportation by services operating only on pre-approved routes.

"Certificate" means a certificate of public convenience and necessity issued by the Metropolitan Transportation Licensing Commission (MTLC) director, authorizing the holder thereof to conduct a passenger vehicle for hire business within Davidson County.

"Chauffeur" has the same meaning as driver, as defined in this section.

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"Classic or vintage limousine or sedan" means a limousine or sedan recognized by the Classic Car Club of America or other national car club recognized by the MTLC.

"Cruising" means the driving, parking or standing of a passenger vehicle for hire on the streets, alleys or public places of Davidson County for the purpose of attracting passengers for hire. No passenger vehicle for hire, other than a taxicab, may engage in cruising.

"Disability transport vehicle" means a special-purpose passenger vehicle for hire which is designed or constructed to transport passengers with disabilities.

"Disability transport service" means a special-purpose passenger vehicle for hire that provides transportation using disability transport vehicles. Disability transport services shall not include any transportation services to passengers with disabilities being offered by any government agency as a public service or by medical facilities exclusively to patients of the medical facility.

"Driver" means any individual who physically operates a passenger vehicle for hire.

"Driver's permit" means the permission granted by the MTLC director in accordance with Metropolitan Charter § 2.01(22) to an individual to drive a passenger vehicle for hire upon the streets and roadways of the area within the metropolitan government.

"For hire" means a transaction whereby any money, thing of value, charge tickets, surcharge, payment, pecuniary consideration or compensation, reward, donation, tip, or any other remuneration or profit is paid to, accepted by, or received by a driver, employee, agent, owner, or any other representative of a passenger vehicle for hire or a passenger vehicle for hire company in exchange for the temporary use by or for the transportation of a passenger, whether such is paid voluntarily or upon solicitation, demand, request, contract, agreement, or as a surcharge; or otherwise in conjunction with the purchase of parking wherein the transportation is part of the services provided.

"Holder" means a person to whom a certificate of public convenience and necessity has been issued by the MTLC director.

"Limousine" means a motor vehicle except a taxicab or sedan designed or constructed to accommodate and transport passengers for hire, with an extended wheel base and expanded seating capacity. The vehicle shall have additional rear seating capacity, area, and comforts; and shall be designed to transport not more than fifteen passengers, including the driver.

"Livery service" means a passenger vehicle for hire that provides transportation services using livery vehicles.

"Livery vehicle" means a motor vehicle designed or constructed to accommodate and transport passengers for hire, and shall include a limousine, a sedan, an SUV, or a passenger van, but shall

not include a TNC Vehicle.

"Manifest" means a daily record prepared by a passenger vehicle for hire driver or a TNC of all trips made, showing time and place of origin, destination or "as directed."

"MTLC Staff" means the inspectors, director and other staff employed by the MTLC.

"Passenger van" means a motor vehicle designed or constructed to accommodate and transport passengers for hire that is designated by the manufacturer as a full-size van and designed to transport not more than fifteen passengers, including the driver. It cannot have an extended wheel base or an expanded seating.

"Passenger vehicle for hire" means any vehicle designed or modified to transport not more than fifteen passengers, including the driver, and which is operated for hire. Excluded from this definition are:

1. Vehicles exclusively regulated and licensed by the state or federal government with respect to special public safety standards. For the purpose of this chapter, such exclusive regulation must include all of the following:

Vehicle condition standards and inspections;

Liability insurance standards and verification; and

Criminal background, medical and driving record checks for drivers.

2. Vehicles, and the drivers thereof, used exclusively in connection with a funeral or funeral service.

"Passenger vehicle for hire service" is any individual, partnership, corporation, association or public or private organization that provides transportation to persons for hire.

"Person" means any individual, partnership, corporation, association or public or private organization of any character.

"Pre-approved route" means a fixed route, with predetermined fixed pick-up and drop-off points, approved in advance by and on file with the MTLT director.

"Pre-arrangement" means a request for transportation of a specific passenger by registration in advance of boarding from a specified location, including pre-arrangement directly with a passenger vehicle for hire service or pre-arrangement through a third party (e.g., guest service desk, concierge desk or internet based technology applications, e.g., through a TNC digital platform). Such registration must have been made by contacting the passenger vehicle for hire service before the vehicle for hire was dispatched to render the transportation service or any service ancillary to the transportation, such as loading luggage.

"Public accommodation" means a business that provides lodging, food, entertainment, or other services to the public.

"Safety certificate" means a document from an approved mechanic certifying that a particular vehicle meets all vehicle safety terms set forth in this chapter and in rules of the MTLT adopted pursuant to this chapter.

"Sedan" means a motor vehicle designed or constructed to accommodate and transport passengers for hire that does not have an extended wheel base or an expanded seating capacity designed for the transport of persons. The vehicle will have no additional rear seating capacity, area or comforts; shall be designed to transport not more than five passengers, exclusive of the driver. As an exception, new categories of vehicles developed by the automobile industry and approved by the MTLT may be recognized as sedans.

"Shuttle" means a motor vehicle designed or constructed to accommodate and transport passengers for hire designed for the transportation of persons. The vehicle must be designed to transport not more than fifteen passengers, including the driver.

"Shuttle service" means a passenger vehicle for hire service that provides only shuttle transportation to or from prescribed locations on a pre-approved route.

"Solicit" means the distribution of flyers or other material, or an appeal by bell, horn, whistle,

spoken words, or gestures by a driver or his or her agent directed at individuals or groups for the purpose of attracting passengers for immediate hire, not to include information provided through an internet based technology applications.

"Special-purpose passenger vehicle for hire" means any vehicle for hire that is not a limousine, passenger van, sedan, shuttle, SUV, taxicab, TNC vehicle, or horse-drawn carriage.

"Special temporary service" means an infrequent and unusual service requiring the temporary pooling of foreign livery vehicles to operate under the certificate of a duly licensed livery service. Special temporary services include, but are not limited to, pooling arrangements to service needs created by community-wide tourism or cultural events.

"SUV" means a motor vehicle designed or constructed to accommodate and transport passengers for hire that does not have an expanded seating capacity. The vehicle must be an automobile that is recognized by the manufacturer as a full-size sport utility vehicle, designed to transport not more than seven passengers, exclusive of the driver.

"Transportation Network Company or TNC" means a company or organization that uses a digital platform to connect passengers with prearranged transportation services for hire provided by drivers using their personal vehicles.

"TNC Operator" means a person who provides transportation services for hire, using a TNC Vehicle, to passengers connected to the TNC Operator by prearrangement through the TNC's digital platform, and who meets the eligible qualifications for a driver's permit under this Chapter and to whom such a driver's permit has been issued pursuant to the provisions of this Chapter.

"TNC Vehicle" means a passenger vehicle for hire that is a personal vehicle under the legal control of a TNC Operator, documented to the satisfaction of the MTL director, which is designed or constructed to accommodate and transport no more than seven (7) persons, inclusive of the driver, which has been inspected as prescribed in and otherwise meets all of the requirements of this chapter and is used by that TNC Operator to provide prearranged transportation services for hire, to passengers connected to the TNC Operator by prearrangement using the TNC's digital platform.

"Tour vehicle" means a special-purpose passenger vehicle for hire that is used exclusively to transport a passenger or specified group from a point of origin to various points of interest and return them to their same point of origin and is designed to transport not more than fifteen passengers, including the driver.

"Tour service" means a special-purpose passenger vehicle for hire service that uses charter or tour vehicles to transport passengers or specified groups of passengers, and that:

1. Is offered only upon a pre-arranged and pre-sold basis;
2. Transports from locations within Davidson County to locations either inside or outside Davidson County; and
3. Does not discharge passengers at points other than those from which they are picked up.

"Unique" means a passenger vehicle for hire that is custom-designed, unusual, and innovative, as further set forth in the rules adopted by the MTLC.

#### 6.74.015 Purpose and intent of chapter provisions.

It is declared that the purpose and intent of this chapter is that all motorized, non-taxi passenger vehicle for hire services, including but not limited to limousine, sedan, SUV, TNC Vehicle, and shuttle livery services doing business within Davidson County, be licensed and regulated for the protection and welfare of the public. No unlicensed passenger vehicle for hire service may operate in Davidson County.

#### Article I. Certificate of Public Convenience and Necessity

##### 6.74.020 Required.

No person shall operate or allow another to operate any passenger vehicle for hire, as defined in Section 6.74.010(19), owned or controlled by the person, to pick up passengers within the area of the Metropolitan Government without having first obtained a certificate of public convenience and necessity from the MTLC director.

**6.74.025 Classification of vehicles and services.**

**A. Classification.** Every passenger vehicle for hire permitted pursuant to this Chapter shall be classified according to one of the following categories:

1. Livery;
2. Shuttle;
3. Special-purpose passenger vehicle for hire; or
4. Transportation Network Company (TNC) vehicle.

**B. Method of classification.** An applicant for a certificate of public convenience and necessity shall request approval to provide service for one or more category(ies) of passenger vehicle for hire service. The classification shall be made by the MTLC director by descending from subparagraph A.1 to 4, above, until:

1. The vehicle definition contained in Section 6.74.010 applies to the proposed passenger vehicle for hire; and,
2. The proposed passenger vehicle for hire service satisfies the applicable requirements contained in this chapter.

The classification shall be consistent with the provisions of this chapter.

**C. Purpose of classification.** The purpose of the classification is to:

1. Ensure that different forms of passenger vehicle for hire services are recognized;
2. Avoid misleading or creating confusion among the traveling public; and,

3. Provide notice to the holder of the appropriate classification and the applicable limitations and regulations pertaining to the category.

D. Category use restrictions. A certificate holder shall only provide the service specified below:

1. Livery.

a. Limited to a livery vehicle;

b. Pre-arranged directly with the livery service or pre-arranged through a third party (e.g., guest service desk, concierge desk or internet based technology applications); and

c. Fare can be determined on a flat fee, time-usage, distance or mileage basis or on a combination thereof. As a base rate, however, the initial charge for using the livery shall be not less than an amount set by the MTLC by rule, and approved by the Council by resolution.

d. A certificate holder of any classification of passenger vehicle for hire, including but not limited to livery, may charge an additional cleanup fee to a passenger who damages the holder's vehicle or engages in behavior that necessitates a cleanup cost, so long as the fee does not exceed said cost.

2. Shuttle.

a. Limited to a shuttle vehicle lettered as a shuttle;

b. Uses pre-approved routes; and

c. Fixed fare not based solely on meter or mileage.

3. Special-purpose passenger vehicle for hire.

- a. Limited to a passenger vehicle for hire other than a livery vehicle, shuttle, taxicab, TNC vehicle, or horse-drawn carriage;
- b. Fare determined by either a pre-determined rate schedule based on proposed destination or by a time-usage basis, not meter or mileage;
- c. Pre-arranged by written contract or a third party (e.g., guest service desk or concierge desk); and
- d. Within limits specified in the application or those approved by the MTLC director in issuing a certificate of public convenience and necessity.

#### 4. Transportation Network Company (TNC)

- a. Limited to a TNC Vehicle excluding livery vehicles, shuttles, taxicab, or horse-drawn carriage;
- b. Fare determined by either a flat fee, vehicle mileage or time of use basis, or on a combination thereof.  
With a base rate of no less than an amount set by the MTLC by rule, and approved by the Council by resolution.

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c. Transportation service provided by a TNC Operator using a TNC Vehicle is pre-arranged with the passenger through the TNC's digital platform and communicated to the passenger and the TNC Operator using the passenger's and TNC Operator's internet enabled mobile device.

#### 6.74.030 Application—Information and fees required.

A. An application for a certificate of public convenience and necessity shall be filed with the MTLC director for each classification of service to be provided in a format prescribed by the MTLC. Forms will be provided by the MTLC director and payment of a nonrefundable fee will be charged. The amount of the application fee shall be established by the MTLC and approved by the metropolitan council by resolution. It shall include a certification under oath by the applicant

that all required components of the application have been submitted and are complete, true and accurate, in a form established by the MTLC. If a certificate is issued to the applicant, and this certification is found to have contained a misrepresentation, that shall be deemed sufficient cause for revocation of the certificate.

**B. An applicant will be ineligible for consideration if:**

1. Any of the partners, officers, directors, or members are under twenty-one years of age and/or the passenger vehicle for hire business has no separate legal existence beyond a shareholder, owner, or partner who is under the age of eighteen years of age;

2. Any of the owners, partners, officers, directors, or members (collectively, "principals") has been convicted of, forfeited bond, pleaded guilty or nolo contendere to, or been released from incarceration for a felony or any crime involving a controlled substance, prostitution, assignation, obscenity, or any crime of a sexual nature in any jurisdiction within seven years immediately preceding the date of application; or has been convicted of, forfeited bond, or pleaded guilty or nolo contendere to multiple felonies. To verify this information, all principals of an applicant for a certificate shall be required to undergo a criminal background check as part of the determination of eligibility. Such background checks shall be conducted as provided for in the rules or regulations adopted by the MTLC. All costs of the criminal background check shall be borne by the applicant.

3. Any of the owners, partners, officers, directors, or members has violated any portion of this chapter or of Chapter 6.72 of the Metropolitan Code within five years immediately preceding the date of application.

4. Any portion of the application is incomplete or contains incorrect or untruthful information.

6.75.035 [Reserved]

6.74.040 Findings—Issuance of certificate—Fees required.

- A. If the MTLC determines that further passenger vehicle for hire services are required and the applicant is qualified, the MTLC director may issue a certificate.
- B. The certificate shall state the name, business address and telephone number of the applicant, the classification of service for which the certificate is issued, and the date of expiration. If the classification is for a special-purpose passenger vehicle for hire or TNC, the certificate may also specify any limitations or restrictions that apply.
- C. The amount of the fee for the issuance of approved vehicle permits associated with the certificate shall be established by the MTLC by rule and approved by the metropolitan council by resolution.

6.74.045 Annual renewal.

- A. All certificates issued under the provisions of this chapter shall expire one year before the date following the date on which the certificate was issued. All certificates may be renewed by the MTLC director for each successive year at least thirty days prior to their expiration. A renewal fee for each approved certificate shall be charged at the annual renewal of the certificate. The amount of the renewal fee shall be established by the MTLC by rule and approved by the metropolitan council by resolution. In addition, a fee will be collected to complete a background check every five years on any holder renewing a certificate.
- B. Not less than annually, a random sampling of certificate holders will be subject to inspections to assure compliance with the terms of this chapter and the rules of the MTLC and consistency with the certifications made in their application. Inspections will cover certificate holder operations, driver and equipment compliance, manifest records, driver/equipment violations, and insurance standards.
- C. At least three months prior to the certificate holder's expiration, the certificate holder shall submit an annual report to the MTLC director that complies with terms established by this chapter and rules of the MTLC.
- D. All applicants for renewal must be current with all assessments and taxes due to the Metropolitan Government.

6.74.050 Liability insurance required.

A. Before any certificate of public convenience and necessity shall be issued under this chapter by the MTLC director, or before the renewal of such certificate shall be granted, the applicant shall certify under oath to the MTLC director that all insurance coverage as required in this section is in place.

B. Minimum insurance requirements.

1. Holders of certificates of public convenience and necessity shall maintain commercial general (public) liability insurance, inclusive of contractual liability, in an amount of not less than one million dollars written on an occurrence basis.

2. Such holders shall also maintain commercial automobile liability insurance in an amount of not less than an amount to be set by the MTLC by rule, in consideration of the type of vehicle and the number of passengers it is designed to carry, and uninsured/underinsured motorist insurance coverage in an amount not less than \$25,000 (bodily injury per person)/\$50,000 (per accident)/\$15,000(for property damage). All vehicles permitted under a single certificate shall be covered under one master policy held by that certificate holder with coverage of not less than one million dollars combined single limit. The holder of the certificate of public convenience and necessity shall certify under oath to the MTLC that it has met and will continue to meet all requirements as necessary to ensure that coverage remains in force for each passenger vehicle for hire currently or in future affiliated with the holder of the certificate of public convenience and necessity. Documentation of compliance with these requirements shall be available to the MTLC staff upon request. In the case of a TNC, the TNC's commercial automobile liability insurance coverage shall be consistent with the provisions of subsections B.3. and C., below.

3. Automobile liability insurance with regard to TNC Vehicles may either be consistent with subsection C., below, or be a policy of the TNC Operator in which case the TNC Operator's minimum policy limits shall consist of amounts to be set by the MTLC by rule, including for bodily injury per person, per accident, property damage and uninsured/underinsured motorist insurance coverage for bodily injury, per accident and property damage, for incidents occurring while the TNC Operator is active on the TNC digital platform.

4. The insurance company must be licensed to do business in the State of Tennessee or an eligible surplus line with the Tennessee Department of Commerce and Insurance and have a

rating from AM Best or another other equivalently reliable rating system that meets the requirements of the rules or regulations adopted by the MTLC. Surplus line insurance may be required to have a higher rating than insurance from a company licensed to do business in the State of Tennessee.

**C. Insurance Alternatives for TNC's**

1. To cover TNC Operators that do not maintain a personal automobile liability policy as provided in subsection B.3, above, the holder of a TNC's certificate of public necessity and convenience shall, in the alternative, maintain one master commercial automobile liability policy held by that holder of the certificate of public convenience and necessity with coverage of not less than one million dollars combined single limit, under which all vehicles permitted under that holder's single certificate of public convenience and necessity and not already covered by a policy of the TNC Operator meeting the requirements of subsection B.3., above, shall be covered, and which policy shall provide primary coverage for any incident that arises out of the operation of a TNC Vehicle affiliated with that TNC any time after the TNC Operator operating that TNC Vehicle has accepted a ride on the TNC digital network or dispatch system until the passenger exits the vehicle. The TNC shall also provide uninsured/underinsured motorist insurance coverage in an amount not less than \$25,000 (bodily injury per person)/\$50,000 (per accident)/\$15,000(for property damage).

2. The TNC's policy shall be supplemental to the TNC operator's personal policy at times when the TNC operator is logged onto the TNC digital network or dispatch system but has not accepted a ride or is not carrying a passenger, but, in the event that with regard to a claim that arises out of TNC operations during this time period, the TNC Operator's personal insurance policy is not in place, denies coverage, or does not cover the full amount of the damages, the TNC's insurance shall become primary coverage for the TNC vehicle of that particular TNC Operator up to limits for this period to be set by the MTLC by rule.

3. The holder of the TNC's certificate of public convenience and necessity shall certify under oath to the MTLC that it has met and will continue to meet all requirements as necessary to ensure that coverage remains in force for each TNC Vehicle currently or in future affiliated with the TNC and not already covered by a policy of the TNC Operator meeting the requirements of subsection B.2., above. Documentation of compliance with these requirements shall be available to the MTLC staff upon request.

**D. Effect of no insurance.** The failure of a holder to maintain continuous coverage of insurance as required by this section or to ensure that coverage is maintained shall be deemed sufficient cause for revocation of the certificate of public convenience and necessity. The holder of the certificate of public convenience and necessity shall quarterly certify to the MTLC director that they maintain current endorsements including all of the applicable above-described coverages as to each permitted driver and vehicle pertaining to said certificate holder's certificate or that they ensure that such endorsements are maintained, and shall promptly make

all such documentation available to the MTLC director upon request.

**6.74.055 Request for special temporary service.**

The MTLC shall be authorized to establish rules and procedures for the application and issuance of special temporary service permits allowing certificate holders of livery services to associate with foreign livery companies to meet the temporary demand for a special event. A special temporary service permit shall not exceed seven days in duration. For purposes of this chapter, all foreign livery companies, vehicles and drivers operating under this section shall be deemed a member of the certificate holder's fleet. There shall be a nonrefundable fee, in an amount to be established by the MTLC based upon the cost of processing the application, including background checks, charged for each request for a special temporary service permit, payable at the time of application. An additional fee in an amount to be established by the MTLC and approved by the metropolitan council by resolution shall be charged for the issuance of each approved vehicle permit associated with the special temporary service permit. Nothing contained in this chapter shall relieve the holder of a special temporary service permit from obtaining any and all necessary approvals as may be required to operate at the airport or from paying any fees required by the airport or any government agency.

**6.74.060 Request for additional permits.**

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An application for additional vehicle permits must be filed with the MTLC director. An additional licensing fee in an amount to be established by the MTLC by rule and approved by the metropolitan council by resolution shall be charged for the issuance of each approved permit.

**6.74.070 MTLC notification—Quarterly reports required.**

A. Persons granted certificates under this chapter shall not change the address, company name, officers, ownership, or any other item in a company's original application without prior notification to MTLC staff. Any material changes must be brought before the MTLC for approval.

B. Persons granted certificates under this article shall be required to submit quarterly reports from their insurance carriers to keep the MTLC director advised of the vehicles being insured and operated.

6.74.080 Transfers—Fee.

A. No certificate may be sold, assigned, mortgaged or otherwise transferred, nor may there be any modification of ownership as to stock transfer, new or additional partners, etc., by a holder of a certificate without the consent of the MTLC, which shall not be unreasonably withheld. An application for a transfer shall be filed with the MTLC director upon the payment of a nonrefundable fee in an amount to be established by the MTLC based upon the cost of processing the application and of the administration and enforcement of this part.

B. Upon the filing of an application to transfer a certificate, the MTLC shall fix a time and place for a hearing on the application.

C. If the applicant meets the requirements for a certificate, the application may be approved. 6.74.090 Suspension and revocation.

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A. A certificate issued under the provisions of this article may be revoked, suspended, placed on probation, otherwise restricted, or not renewed by the MTLC director if the holder thereof has:

1. Violated any of the provisions of this chapter or failed to comply with any rule or regulation established by the MTLC or the MTLC director;

2. Violated any provision of this Code or other ordinances of the Metropolitan Government or laws of the United States or the State of Tennessee, the violation of which reflects unfavorably on the fitness of the holder to offer transportation services;

3. Failed to pay assessments or taxes due to the metropolitan government; or

4. Made a misrepresentation or false statement when obtaining a certificate or additional permits, or transferring a certificate.

B. Prior to any action to revoke, suspend, place on probation, otherwise restrict, or not renew a certificate, the holder shall be given notice to the address listed on their certificate of the proposed action to be taken and by filing a written request within 30 days of the notice shall have an opportunity to be heard by the MTLC.

C. If the holder commits an act in violation of the criminal code and the MTLC director determines that holder poses a threat to the public safety, the MTLC director may enact an emergency suspension of the holder's certificate to remain in effect until the holder has the opportunity to be heard by the MTLC at the next available MTLC meeting, but in no circumstance later than sixty days from the date of the emergency suspension.

## Article II. Drivers' Permits

### 6.74.100 Required.

No person shall operate a passenger vehicle for hire upon the streets and roadways of Davidson County, and no person who owns or controls a passenger vehicle for hire, as defined in Section 6.74.025, shall permit it to be so driven, and no passenger vehicle for hire licensed by the Metropolitan Government shall be so driven at any time for hire, unless the driver of such vehicle shall first obtain approval from the certificate holder and shall have established proven compliance with driver permit requirements as established herein. The certificate holder shall certify under oath to the MTLC director compliance with these requirements, and shall make documentation of same available upon request by the MTLC staff.

### 6.74.110 Application—Information and fees required.

- A. An application for a passenger vehicle for hire driver's permit shall be filed with the certificate holder and shall comply with regulations set forth by the MTLC director.
- B. Such application shall be certified under oath and shall at a minimum contain the following information:

1. The name, residential address, telephone number and date of birth of the applicant. No applicant under twenty-one years of age will be accepted.
  2. The type(s) of vehicle(s) which the applicant will drive under the permit.
  3. Any other request for information the Commission Director considers necessary or relevant.
- C. The applicant shall provide copies of the following documents in order to submit his application:
1. A valid Tennessee driver's license that complies with all applicable requirements of state law as further specified in rules to be adopted by the MTLC.
  2. A Social Security card or birth certificate.
  3. If a resident alien, a current work permit or other valid United States Immigration and Customs Enforcement document.
  4. On forms provided by the MTLC Director, the applicant will provide a statement under penalty of perjury of their physical and mental fitness to act as for-hire driver. Such other information as may be reasonably required by regulation promulgated by the MTLC pursuant to this chapter.
  5. Certification that the driver has completed the certificate holder's mandatory driver training program approved by the MTLC director.
- D. Each application shall be accompanied by an official driver record issued by the Tennessee Department of Safety, no more than thirty days previous to the date of application. All applicants are required to meet the following standards:
1. No convictions in the last five years for any of the following offenses involving bodily injury or death and no convictions in the last three years for any of the following offenses not involving injury or death:
    - a. Hit and run;
    - b. Driving under the influence of an alcoholic beverage or drug;
    - c. Reckless driving.
  2. For an initial permit, no more than three moving violations within the last three years and no more than two moving violations in the last year.
  3. For a renewal permit, no more than four moving violations within the last three years and no more than two moving violations in the last year.

#### 6.74.120 Criminal background investigation.

A. Upon receiving an application for a driver's permit from an applicant, certificate holders must require the applicant to undergo an identification and background check as required by state law as more specifically provided by rules or regulations adopted by the MTLC. Upon receipt of the background check report, the Director of the MTLC shall advise the certificate holder whether the applicant's background check disqualifies him or her from eligibility for a driver's permit.

E. Additionally, certificate holder shall check the National Sex Offender Database to verify whether the applicant is listed on the Database, and shall certify under oath to the MTLIC that it has conducted this check and verified that the applicant does not appear on the Database. Any applicant listed on the Database shall be disqualified for eligibility for a driver's permit.

F. Any applicant shall, in addition to any disqualifications listed elsewhere in this chapter, be disqualified if the applicant:

1. Has been convicted, pleaded guilty, nolo contendere, placed on judicial diversion pursuant to Tenn. Code Ann. Section 40-35-313, or been released from incarceration, probation or parole within a period of seven years prior to the date of application for violation of any of the following criminal offenses under the laws of Tennessee, any other state or of the United States of America:

- Homicide,
  
  - Rape,
  
  - Aggravated assault,
- 
- Kidnapping,
  
  - Robbery,
  
  - Burglary,
  
  - Domestic Assault or Domestic Violence,

- Child sexual abuse,
  
- Any sex-related offense,
  
- Leaving the scene of an accident,
  
- Criminal solicitation, or criminal attempt to commit any of above,
  
- Perjury or false swearing in making any statement under oath in connection with the application for a driver's permit, or
  
- The felony possession, sale or distribution of narcotic drugs or controlled substances.

2. If, at the time of application, the applicant is charged with any offenses in 1. above, consideration of the application shall be deferred until entry of a plea, conviction, acquittal, dismissal, or other final disposition of the charges.

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3. Has been convicted for a period of two years prior to the date of application of the violation of two or more sections of this code or other ordinances governing the operation of vehicles for hire.

4. Has failed to disclose any criminal conviction, except traffic citations, on the application for a permit.

6.74.130 Application Approval or Disapproval.

Upon disapproval of a driver application by the MTLC director, applicants may file an appeal with the MTLC within thirty days of denial and request an appearance before the MTLC. The appeal shall be heard by the MTLC at the next available commission meeting with the appellant appearing in-person for consideration of the application.

6.74.140 Issuance - contents.

Upon approval of an application for a passenger vehicle for hire driver's permit, the certificate holder shall certify under oath to the MTLC director that the application is complete and accurate prior to issuing a permit to the applicant, in a form approved by the MTLC director.

6.74.150 New application after denial.

Upon denial of an application for a driver's permit, no new application shall be considered for a period of three months.

6.74.160 Expiration—Issuance and replacement fee.

A. Each passenger vehicle for hire driver's permit shall be issued for a period of one year.

B. A permit may be issued to qualified applicants for driver permits upon the payment of an amount to be established by the MTLC and approved by the metropolitan council by resolution by the certificate holder to the MTLC, to cover the costs of investigation of a random sampling of the permit applications by the MTLC director. A fee in an amount to be established by the MTLC by rule and approved by the metropolitan council by resolution shall be charged for all replacement driver permits. The permit may consist of an electronic decal in a form subject to the approval of the MTLC director, so long as it is displayed in a format that is readily available, permits verification of its accuracy and identification with the driver displaying it, and is not capable of being altered or manipulated.

**6.74.170 Display of permit.**

Every driver to whom a permit is issued under this article shall have available his driver's permit in accordance with MTLC rules while such driver is operating a passenger vehicle for hire, which may be an electronic decal consistent with the provisions in Section 6.74.160, above. If the driver or TNC Operator ceases his or her affiliation with the certificate holder, the certificate holder must notify the MTLC Director within ten (10) days.

**6.74.180 Suspension and revocation.**

A. The MTLC director is authorized to suspend, revoke, otherwise restrict, or not renew any driver's permit issued under this article for failing or refusing to comply with the provisions of this chapter or the MTLC rules and regulations. Upon suspension, revocation, or other restriction of any driver's permit, appeals can be made to the MTLC by filing a written request within 30 days of the action being appealed.

B. If the driver commits an act in violation of the criminal code and the MTLC director determines that driver poses a threat to public safety, the MTLC director may enact an emergency suspension of the driver's permit to remain in effect until the driver has the opportunity to be heard by the MTLC at the next available commission meeting, but in no circumstance later than sixty days from the date of the emergency suspension.

C. A driver whose permit is revoked by the MTLC or MTLC director may not reapply for ninety days from the date of revocation and will be treated as a new applicant.

**6.74.185 Revocation of Tennessee Driver's License.**

The driver's permit of any driver whose Tennessee driver's license is suspended or revoked shall be invalid during any such period of suspension or revocation.

6.74.190 Compliance with provisions.

Every driver granted a permit under this article shall comply with all metropolitan government, state and federal laws. Failure to do so may result in the suspension or revocation of the passenger vehicle for hire driver permit.

Article III. Equipment

6.74.200 Vehicle permit required.

Each passenger vehicle for hire must have a permit. The permit will identify each vehicle by a unique number in accordance with rules and procedures established by the MTLC director, and will be associated with the specific classification and by certificate holder. Vehicle permits are not transferable to other vehicles or certificates.

6.74.205 Ownership of vehicles.

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All vehicles permitted under this chapter must be titled, registered or leased to a certificate holder, except as authorized for special temporary service or as part of a TNC service. For any other purpose, the use of rental vehicles as passenger vehicles for hire is prohibited.

6.74.210 Vehicle to display identification.

All Passenger Vehicles for Hire shall be equipped with identification as prescribed by the MTLC in rules and regulations. Except in the case of a permitted passenger vehicle for hire, no person shall equip, mark, paint, display marking lights or windshield lights, or in any way cause a motor vehicle to resemble a licensed/permitted passenger vehicle for hire or create a public impression that a motor vehicle is a permitted passenger vehicle for hire approved by the

MTLC. In the case of a TNC, this identification may consist of a consistent trade dress (i.e. distinctive signage or display on the vehicle) that is sufficiently large and color contrasted when providing service, and in compliance with all other federal, state and local laws and regulations. The trade dress shall be sufficient to allow a passenger, government official, or member of the public to associate a vehicle with a particular licensed transportation provider. A TNC using such a trade dress to meet this identification requirement shall file a photograph of their trade dress with the MTLC director.

6.74.220 Inspection and maintenance of vehicles—Compliance required.

A. Prior to the use and operation of any vehicle under the provisions of this chapter, the vehicle shall be thoroughly examined and inspected by the certificate holder or a third party in accordance with rules and regulations prescribed by the MTLC. These rules and regulations shall be promulgated to provide safe transportation and specify such safety equipment and regulatory devices as the MTLC shall deem necessary. When a certificate holder finds that a vehicle has met all the terms established by the MTLC, the holder shall certify this under oath to the MTLC director, who shall authorize a permit to be issued.

B. Every vehicle operating under this chapter is subject to random inspections to ensure the continued maintenance of safe operating conditions. A certificate holder shall make a passenger vehicle for hire available for inspection upon or prior to the expiration of the notice period provided for in the rules and regulations adopted by the MTLC, when ordered to do so by MTLC Staff. If, upon inspection it is determined that a passenger vehicle for hire is not in compliance with this chapter or MTLC rules, the MTLC Staff shall order the vehicle to be brought into compliance within a reasonable period of time and require it to be re-inspected.

C. Every vehicle operating under this chapter shall be kept in a clean and satisfactory condition, according to rules and regulations promulgated by the MTLC.

D. Annually, every vehicle operating under this chapter shall undergo a detailed mechanical inspection conducted by an approved mechanic pursuant to the requirements of rules and regulations adopted by the MTLC.

The records of these inspections must be maintained and made available to MTLC staff as

provided by the rules and regulations adopted by the MTLC. The certificate holder shall certify under oath to the MTLC director compliance with this subsection.

#### 6.74.225 Limits on stretch limousines.

The MTLC director may establish limits by its rules on the extent to which a limousine wheelbase may be extended and any of the safety-related requirements for stretch limousines.

#### 6.74.230 Vehicle age and mileage limit.

A. Except for a classic, vintage or unique passenger vehicle for hire, no vehicle to be operated as a passenger vehicle for hire shall be more than ten years old or have more than three hundred fifty thousand (350,000) miles on the odometer.

B. The MTLC director is authorized to make a determination based on vehicle mileage and condition as to the acceptability of any vehicle to be rated as a classic, vintage or unique, and to make a determination as to the required replacement of those vehicles.

C. The MTLC shall establish by its rules a procedure by which an affected holder may seek a waiver under this section.

#### 6.74.240 Inspection compliance decal required—Maintenance equipment.

A. It shall be unlawful to drive or to cause to be driven any passenger vehicle for hire that does not have a current inspection compliance decal approved by the MTLC director and issued by the certificate holder. Certificate holders shall cause the decals of any permitted vehicles which may be removed from service to be removed and returned to the MTLC staff. Circumstances under which e-decals may be used or under which the decals may be removable rather than permanently affixed, if any, may be determined by the MTLC by rule.

B. All vehicles shall be maintained in a safe and sanitary condition at all times and shall

always be maintained in first class mechanical condition.

- C. All safety, noise, and antipollution requirements specified by the United States Government and the state shall be complied with at all times.
- D. The brakes shall always be kept in safe and proper working order.
- E. All vehicles shall be air-conditioned and equipped with interior and exterior rearview mirrors, windshield washers, and two-speed windshield wipers, proper headlights and tail lights that shall be in operation from one-half hour after sunset to one-half hour before sunrise when the vehicle is in operation. For classic or vintage limousines and classic or vintage sedans, MTLC Staff may allow waivers for items which were not factory-equipped.
- F. The certificate holder shall be responsible for ensuring that the mechanical inspection includes, but is not limited to, the following items:
  - 1. Vehicle identification number;
  - 2. Headlights;
  - 3. Tail lights;
  - 4. Brake lights;
  - 5. Turn signal lights;
  - 6. License plate lights;
  - 7. Horn;
  - 8. Two-speed windshield wipers;
  - 9. Interior and exterior rear vision mirrors;
  - 10. Air conditioner;
  - 11. Tires;
  - 12. Muffler and tail pipe;
  - 13. Condition of the body, fenders, paint, and interior;
  - 14. Compliance with current state and local vehicle registration requirements, as applicable, as more specifically set forth in the rules and regulations adopted by the MTLC;
  - 15. Mileage;
  - 16. Steering;
  - 17. Brakes, including foot and emergency;
  - 18. Seat belts;
  - 19. Windshield;
  - 20. Rear Window and other glass;
  - 21. Doors; and
  - 22. Speedometer.

#### 6.74.250 Tests and inspections of vehicles.

In addition to the review of submitted annual reports, all vehicles permitted under this chapter are subject to random inspection and testing by MTLC Staff pursuant to rules and regulations adopted by the MTLC to assure that they are in compliance with the terms of this chapter and the rules and regulations of the MTLC.

If, as a result of the inspection or test, any vehicle is found not in compliance, the holder shall be notified of the defects observed, and he shall correct same to the satisfaction of thematic Staff, in compliance with rules and regulations adopted by the MTLC. Any vehicle that is the subject of the notification shall not be operated on any street of the city until it has been re-inspected and determined to be in compliance with the requirements of inspection. The MTLC director and any employee to whom he may designate the duty of inspection of vehicles shall be given ready access to the vehicles at all reasonable times.

#### Article IV. Operations

#### 6.74.300 [Reserved]

#### 6.74.310 Daily manifests.

A. Either the passenger vehicle for hire driver or the certificate holder shall maintain a daily manifest upon which is recorded all trips made by the driver each day, showing the time and place of origin of each trip and the name of the passenger requesting the ride. The forms for each manifest shall be furnished to the driver by the certificate holder (unless the certificate holder maintains the manifests) and shall be of a character approved by the MTLC director. All such completed manifests shall be returned to the certificate holder by the driver at the conclusion of his tour of duty unless the certificate holder maintains them itself in hardcopy or electronic format, i.e., in a .pdf or other format that cannot be electronically manipulated or altered.

B. Every certificate holder shall retain and preserve all drivers' manifests in a safe place or in a .pdf format or other format that cannot be electronically manipulated or altered for a period of twelve months, and such manifests shall be available to the MTLC, the MTLC director,

or any designated representative at any time.

6.74.320 Pre-arrangement documented—Required procedures.

- A. Livery services, TNCs, and any other passenger vehicle for hire services restricted to pre-arranged services must present contracts (trip tickets/waybills) for transportation services. Passenger vehicle for hire services operating by pre-arrangement shall maintain the ability to obtain unalterable written or electronic contracts (trip tickets/waybills) for services in advance of the scheduled pickup time. These contracts must include all of the following:
  - 1. Date and time the arrangement was made;
  - 2. Name of passenger;
  - 3. Date and time passenger is to be picked up.
  - 4. Point of origin; and
  - 5. Name of certificate holder to provide the service.
- B. The driver shall arrive at the point of origin no earlier than thirty minutes prior to the requested pick-up time. The driver of a passenger vehicle for hire limited to pre-arrangement must be able to provide documented proof of such pre-arrangement prior to picking up any passenger. Such proof may be documented and displayed digitally, and the driver shall not be required to surrender the phone upon which such information is displayed, but must be able to transmit a copy to the MTLC staff upon request.
- C. Every certificate holder shall retain and preserve all pre-arrangement contracts in a safe place for at least twelve months, and such records shall be made available for inspection by the MTLC director or any designated representative at any time with forty-eight hours' notice.
- D. No driver of a livery vehicle, TNC vehicle, or other passenger vehicle for hire service restricted to prearranged services shall:
  - 1. Operate, park or stand a vehicle upon the property of any airport except in compliance with all applicable rules and requirements established by the Metropolitan Nashville Airport Authority and the MTLC.
  - 2. Conduct any operations on the property of or into any airport in Davidson County unless such operations are authorized by the airport authority involved, and unless they are in compliance with all applicable rules and requirements established by Metropolitan Nashville Airport Authority.
- E. The MTLC may, by rule, establish additional requirements for proof of pre-arrangement.

6.74.330 Operating records and reports.

Every holder of a certificate shall keep accurate daily records of the drivers and vehicles on duty.

The forms utilized shall be approved by the MTLC director. The MTLC director has the right to review such records upon reasonable notice to the holder.

6.74.340 Accidents.

A. All accidents arising from or in connection with the operation of a passenger vehicle for hire shall be reported within the period of time provided for in the rules and regulations adopted by the MTLC from the time of occurrence to the MTLC director if the accident results in:

1. Death or bodily injury to any person, or
2. Damage to any vehicle, or to any property in an amount exceeding the sum of one thousand dollars.

B. A driver operating a passenger vehicle for hire at the time of an accident involving bodily injury is required to report for a drug screen, within twenty-four hours from the time of occurrence, at a testing site approved by the MTLC director. Failure to report for a screen shall result in revocation of the driver's permit. If there is cause to suspect that the medical condition of the driver may have contributed to the accident, the MTLC director may suspend the passenger vehicle for hire driver's permit until the driver provides a such information as the MTLC Director deems adequate to establish the driver does not have a medical condition that makes driving unsafe consistent with the relevant rules and regulations relating to same established by the MTLC.

C. A passenger vehicle for hire damaged in an accident, but still operable without placing the driver or passengers at risk, must be repaired within an amount of time as shall be reasonable under the circumstances as determined by the MTLC director taking into consideration such factors as the parts and labor hours needed to make the repair.

6.74.350 Passengers—Maximum number.

No driver shall permit more persons to be carried in any passenger vehicle for hire than the manufacture's rated seating capacity, or the number of approved seat belts, whichever is less. No driver shall permit more than five persons to be carried in a sedan.

6.74.360 Passengers—Receiving and discharging by drivers.

Drivers of passenger vehicles for-hire regulated by this chapter shall not receive or discharge passengers in the roadway. Nothing in this section shall be construed to permit the parking of a vehicle at any place where parking is otherwise restricted or prohibited.

6.74.370 [reserved]

6.74.380 Prohibition against compensation for right to pick-up passengers.

It shall be unlawful for any passenger service company or TNC, driver's permit holder, chauffeur, or operator of any passenger vehicle for hire or any other person directly or indirectly to provide compensation in any form to any individual or entity or engage in any activity in connection with the payment of compensation for the right to pick up passengers or provide for-hire passenger service from any hotel, motel, apartment, restaurant, nightclub, bar, school, hospital, convalescent home, medical clinic or any other business establishment, or public facility. The license, permit, or certificate of any passenger service company, driver's permit holder, chauffeur, or operator of any passenger vehicle for hire violating this provision shall be subject to suspension up to twelve months for the first violation and shall be subject to revocation for repeat violations in accordance with the provisions of the Code.

6.74.390 Disposition of disorderly passengers.

Drivers shall act in a reasonable and professional manner in dealing with disorderly passengers.

6.74.400 Required items.

All passenger vehicles for hire operated under the authority of this chapter shall be equipped with a wireless form of communication (i.e. cellular or digital telephone, or two-way radio), and other items prescribed by the MTLC in rules and regulations.

6.74.410 Prohibited items.

No passenger vehicle for hire operated under the authority of this chapter shall be equipped with a toplight, taximeter, or taxicab signs; or be otherwise lettered, painted or marked in such a way to be misleading or such that may deceive the public as to its classification.

6.74.420 Driver appearance.

Every driver, while on duty, shall wear proper attire, and shall be dressed in compliance with the rules adopted by the MTLC.

6.74.425 Vehicle safety devices.

The MTLC may promulgate regulations with regard to the installation of safety devices.

6.74.430 Prohibited acts by driver.

A. No driver shall engage in illegally selling intoxicating liquors or controlled substances, or

soliciting business from or for any house of ill repute or use his or her vehicle for any purpose other than the transporting of passengers.

- B. No driver while on duty shall engage in abusive language or conduct, including but not limited to cursing or verbal insults.
- C. While on duty, no driver shall be under the influence or engaged in the consumption of intoxicants, including but not limited to alcoholic beverages.
- D. All driver's permit holders must comply with all state, local and federal laws.
- E. No driver shall accept or attempt to solicit street hails.

6.74.440 MTLC Staff—Reporting or citing violations.

MTLC Staff are authorized and are instructed to observe the conduct of holders of certificates and permits operating under this chapter. Upon discovering a violation of the provisions of this chapter, MTLC Staff may either report the violation to the MTLC, which will order or take appropriate action, or issue a citation as authorized under Section 6.74.500.

6.74.450 Reserved.

#### Article V. Violations—Civil Penalty Schedules

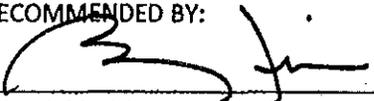
6.74.500 Violation—Penalties.

- A. All provisions of this chapter shall be governed by the penalties and procedures for general ordinance violations set forth in Section 1.01.030

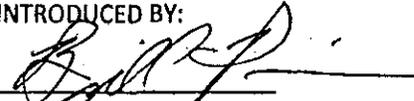
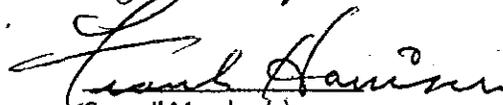
B. Notwithstanding any provision contained herein, the MTLC shall have the authority to enforce the provisions of this chapter.

Section 2. This ordinance shall take effect from and after its final passage, the welfare of The Metropolitan Government of Nashville and Davidson County requiring it.

RECOMMENDED BY:

  
\_\_\_\_\_  
Billy Fields, Director  
Transportation Licensing Commission

INTRODUCED BY:

  
\_\_\_\_\_  
  
\_\_\_\_\_  
Council Member(s)  


APPROVED AS TO THE AVAILABILITY  
OF FUNDS:

  
\_\_\_\_\_  
Richard M. Riebeling, Director  
Department of Finance

APPROVED AS TO INSURANCE:

  
\_\_\_\_\_  
Balogan Cobb, Director of Insurance

APPROVED AS TO FORM AND  
LEGALITY:

  
\_\_\_\_\_  
Assistant Metropolitan Attorney

ORIGINAL

*METROPOLITAN COUNTY COUNCIL*

Bill No. BL2014-952

2014 NOV 10 PM 12: 28

FILED  
METROPOLITAN  
CLERK

An ordinance amending Chapter 6.74 of the Metropolitan Code of Laws to regulate motorized, non-taxi passenger vehicles for hire, including, but not limited to, Transportation Network Companies.

*Introduced* NOV 18 2014

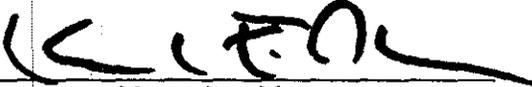
*Passed First Reading* NOV 18 2014

*Amended* DEC - 2 2014

*Passed Second Reading* DEC - 2 2014

*Passed Third Reading* DEC 16 2014

*Approved* DEC 17 2014

By   
Metropolitan Mayor

*Advertised* \_\_\_\_\_

*Effective Date* \_\_\_\_\_