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Houston City Council Delays Decision on Ride-Sharing Rules.

One of City Hall's most heated lobbying fights of the year will persist for at least another week after the Houston City Council delayed a vote Wednesday on new vehicle-for-hire regulations that would allow companies to connect riders with drivers via smartphone and tablet applications.

The suggested changes to Houston's taxi and limousine laws follow more than a year of discussions among city staff, taxi and limo operators and the new companies, Uber and Lyft.

The proposed changes would place specific requirements on the independent drivers and the technology companies, which connect drivers willing to ferry people around with people looking for a ride. The companies must acquire permits to operate in the city and must carry \$1 million in commercial liability insurance on its drivers. The drivers and the vehicles they use would face their own safety and inspection standards. Local cab and limo companies have fought the proposed reforms and remain opposed.

If the council approves the changes, Uber officials have said the firm could operate its existing Uber X service, as well as Uber Black, a private car service that teams the company with existing local limo firms.

Lyft's future in Houston is less certain. A spokeswoman said the company is unwilling to use the driver background check system proposed by the city, which includes fingerprinting, believing its own procedure is better.

'COVERED PROPERLY'

Lyft representatives circulated amendments to the proposal related to background checks this week, but no council member presented them on Wednesday. The amendments still could be put forth next week.

In discussing the measure before delaying the vote, council members focused largely on what have been key talking points for the cab industry throughout the debate: the new firms' insurance coverage and their ability to accommodate those with disabilities, particularly those in wheelchairs.

"I'm not satisfied with what has been presented so far, and we need to make sure we have this covered properly with regard to people with disabilities," said Councilman Robert Gallegos, who noted his brother is in a wheelchair.

Gallegos and Councilman Dave Martin both mentioned that the council last week passed an equal rights ordinance prohibiting discrimination against more than a dozen protected groups, including those with disabilities, and should be consistent.

Taxis must provide trips for disabled passengers, but the same demand is not placed on the so-called transportation networking companies, Yellow Cab lobbyist Cindy Clifford said.

Tina Paez, director of the city's regulatory affairs department, told council members in a memo that the city plans its own tweaks to the ordinance, including one aimed at getting companies like Uber and Lyft to deploy wheelchair-accessible vehicles among 5 percent of their drivers.

Councilman Michael Kubosh was concerned that setting a goal to achieve accessibility would not produce access for the disabled.

"I have a goal to lose 100 pounds," he said. "You can have a goal. No one is going to punish you if I don't meet your goal."

The council discussion also included mention of Uber and Lyft's decisions to launch preemptively in February, despite city officials urging them to be patient.

160 CITATIONS

Councilman Mike Laster said Wednesday that 160 citations have been issued to the companies for operating illegally, 142 to Uber and 18 to Lyft; none has gone to court, he said.

"That just goes to show you these operators are operating illegally," Laster said. "Either we have ordinances that we enforce or we don't, and I think that's part of the discussion."

Councilman Ed Gonzalez, filling in as mayor pro-tem for Mayor Annise Parker, who was in Washington, D.C., on Wednesday, said.

"That's the purpose of why the administration has been working on this, to be able to have the tools and to make sure they spell out clear rules for everyone."

BY MIKE MORRIS AND DUG BEGLEY, MCCLATCHY NEWS SERVICE / JUNE 5, 2014

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