Ride Fair
A Policy Framework for Managing Transportation Network Companies

Dana Yanocha
Senior Research Associate, ITDP
March 22, 2019
• Context
• Our approach
• 4 key regulatory elements
• Structural barriers + recommendations
Transportation Network Companies (TNCs)

Digital applications that match potential riders (or deliveries) with drivers in real time
The challenge:

TNCs will never substitute for a robust, high-capacity transit network and compact, pedestrian-friendly development

- Connect to/from transit
- Flexibility for complex trips, limited mobility

TNC operations and use have grown rapidly since 2011

- New technologies, business models, public interests
- Bikeshare, scootershare, delivery services

An effective, holistic policy to regulate TNCs has eluded most cities
Impacts of TNCs on transit

Study: Uber and Lyft Caused U.S. Transit Decline

5 Ways City Transit Agencies Have Exploited Uber And Lyft

Studies are increasingly clear: Uber and Lyft congest cities
The need: OUTCOME-ORIENTED REGULATION

Demand for TNCs is growing
What transportation gaps might be contributing?

MAXIMIZE BENEFITS
+ Reduce SOV trips
+ Ability to live car-free
+ Connect people to economic opportunities

MINIMIZE COSTS
- Congestion
- Pulling riders from public transit
- Zero passenger miles
OUR APPROACH

- Case studies
- Lit review
- Interviews with experts
DECISIONMAKING FRAMEWORK

1. POSITION TNCs WITHIN CITY GOALS

2. ESTABLISH POLICIES FOR CRITICAL REGULATORY ELEMENTS

3. REAL-TIME EVALUATION FRAMEWORK
   - ACCESS AND VERIFY OPERATOR DATA
   - MONITOR OPERATIONS
   - ENFORCE POLICIES

4. AMEND POLICIES (IF NECESSARY)
   - DEVISE A PRICING STRATEGY
   - IDENTIFY PERFORMANCE METRICS
   - REQUIRE OPERATORS SHARE DATA
   - PROMOTE REGIONAL COORDINATION

5. CONSIDER NEW TECHNOLOGIES, BUSINESS MODELS, ETC.
1. Price
2. Establish metrics
3. Require data
4. Coordinate regionally
### Key Regulatory Elements

<table>
<thead>
<tr>
<th>Pricing Strategy</th>
<th>Objective</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surcharge</td>
<td>Generate revenue to offset costs of program administration, transit improvements, etc.</td>
<td>Mexico City (1.5% tax/trip)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>San Francisco (proposed: 1.5–3.5% tax/trip depending on number of passengers)</td>
</tr>
<tr>
<td>Congestion pricing</td>
<td>Reduce congestion during peak times</td>
<td>Stockholm (taxis and for-hire vehicles including TNCs must pay the fee)</td>
</tr>
<tr>
<td>Price per kilometer traveled</td>
<td>Reduce zero-passenger (“deadhead”) miles traveled by TNCs</td>
<td>Sao Paulo (variable fee based on occupancy and time of day, discounts for preferred vehicles)</td>
</tr>
<tr>
<td>Pricing the curb</td>
<td>Incentivize more efficient use of curb space, especially during peak times</td>
<td>N/A</td>
</tr>
</tbody>
</table>
## Key Regulatory Elements

<table>
<thead>
<tr>
<th>Goal</th>
<th>Metric</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spatial equity</td>
<td>• Average wait time in designated underserved areas</td>
</tr>
<tr>
<td>Congestion reduction</td>
<td>• Average km traveled/TNC vehicle</td>
</tr>
<tr>
<td></td>
<td>• Percentage of time with no passenger(s)/TNC vehicle</td>
</tr>
<tr>
<td></td>
<td>• Average passengers/vehicle (during trips &amp; total)</td>
</tr>
<tr>
<td>Safety</td>
<td>• Traffic injuries involving TNCs/1,000,000 vehicle km</td>
</tr>
<tr>
<td></td>
<td>• Fatalities involving TNCs/1,000,000 vehicle km</td>
</tr>
<tr>
<td></td>
<td>• Number of passenger complaints regarding safety/1,000 passenger trips</td>
</tr>
<tr>
<td></td>
<td>• TNC traffic citations/passenger km</td>
</tr>
<tr>
<td>Emission reduction</td>
<td>• Greenhouse gas emissions/total km driven</td>
</tr>
</tbody>
</table>
DATA

Use operator data for policy enforcement and evaluation

KEY REGULATORY ELEMENTS

Real-time data (via API)

Periodic reports

Public feed

Trained city staff

Field-verify data

Amend regulations

Analyze trends

Monitor operations

Enforce regulations
KEY REGULATORY ELEMENTS

- Reduce duplicated staff time, administrative costs
- More streamlined communication with operators and the public

REGIONAL COORDINATION
Facilitate connectivity through multi-jurisdictional regulation

GREATER LONDON

WASHINGTON STATE
STRUCTURAL BARRIERS

Lack of political will
- **Level playing field**
  Extend consistent regulations to all for-hire vehicles
- **Understand concerns**
  Convene public and private stakeholders
- **De-politicize**
  Focus on TNCs as smart city/innovative technologies

Legal authority restrictions
- **Collaborate**
  Contribute to regulations drafted by higher level of gov't
- **Join forces**
  Work with other cities to request devolution of power
- **Build capacity**

Governing capacity
- **Redefine mobility**
  Reframe approach to service provision
- **Update outdated plans**
  Revise transport plans to reflect new modes
- **Support champions**
  Identify political champions willing to consider new modes
- **Stress enforcement**
  Set clear enforcement protocols
Thank you!

::: itdp.org ::: @ITDP-HQ :::
dana.yanocha@itdp.org