

Dear Alderpersons,
July 16, 2014

My name is John Doherty; I am a member of the City's Transportation Review Board. I have also attended all the TRB meetings as well as the Public Works Committee Meetings and Hearings related to the Chapter 100 Transportation amendments before the Common Counsel. The following comments are not a formal communication from the TRB. However, I believe that they are held by a majority of the Board.

There are two primary issues before the Common Counsel. First there is the issue of open entry, (lifting the cap), for taxi cab licenses for which I personally have some reservation and would have favored a more measured approach of granting the 100 new licenses and then making an assessment a year or two from now. I will not comment on this issue, since it appears to have wide support by your members.

The second issue is the operation of transportation services in Milwaukee by Uber, Lyft and perhaps other operations. The City Attorney's Office and the Licensing Division have clearly identified these operations as Taxi Cab operators. This position is being supported by other cities across the country as was evidenced by the City of New York demanding that Lyft not begin operations there until they complied with the City's Taxi regulations.

Uber and Lyft who are Multinational, Multibillion dollar companies, would want the general public to think of them as 'Network' or "Ride Sharing" companies. They are neither 'Network' or 'Ride Sharing' companies. They don't operate as a network. Their services are rendered by Independent Contractors, just as is the case for most taxi operations. Nor do they have any level of ride sharing. Their model is an exclusive rider and Independent Contractor relationship, just as with the vast majority of taxi cab operations.

At their very essence, all of these operations function in the same general way. The rider makes a phone call and an Independent Contractor/Vehicle picks them up and takes them to their destination for a fee. Yes, there are slight differences, but the fact remains that the vast majority of all of these operations use GPS closest cab technology. The Milwaukee City Attorney's Office is correct in its Opinion that these are all taxi cab operations.

Chapter 100 identifies Insurance, vehicle and driver license provisions that are in the Public Interest. Similarly, the City Health Department inspects all restaurants, even the ones that peel their potatoes a little differently. The City does not exempt Multinational and Multibillion dollar restaurant chains from City inspection. All restaurants must be subject to standardized City inspections. These Multinationals restaurants are not allowed to self regulate. Driver background checks, documented Insurance Levels and vehicle standards are legitimate and reasonable standards for the City to enforce. The City could well decide to subcontract some of the requirements in the future. Until such time that it does, compliance with Chapter 100 regulations should be enforced uniformly. Many of us regret that Uber and Lyft have chosen the strategy of ignoring regulations and then asking that those regulations be changed to meet their satisfaction. Imagine that approach for a myriad of other city businesses. All of these transportation companies need to operate in compliance with City Regulations and cease to ignore the Regulations that are instituted for the benefit of the Public.

There will be those that make the argument that Uber and Lyft are not taxi companies. They will tell you that even though they walk like a duck and talk like a duck, they are not ducking regulations because they are 'different animals'. In all cases, including Uber, Lyft, and other taxi operations, it takes a phone call and an Independent Contractor/Vehicle to effectuate the trip. This debate is not about the use of technology, since the use of GPS based closest cab model is the basis for all these operations.

I would urge you to support the proposed Chapter 100 Amendments. The City always has a right to make adjustment to these regulations at a later date consistent with the public interest.