



DENVER
THE MILE HIGH CITY

Denver Taxi (Herdic) License Update

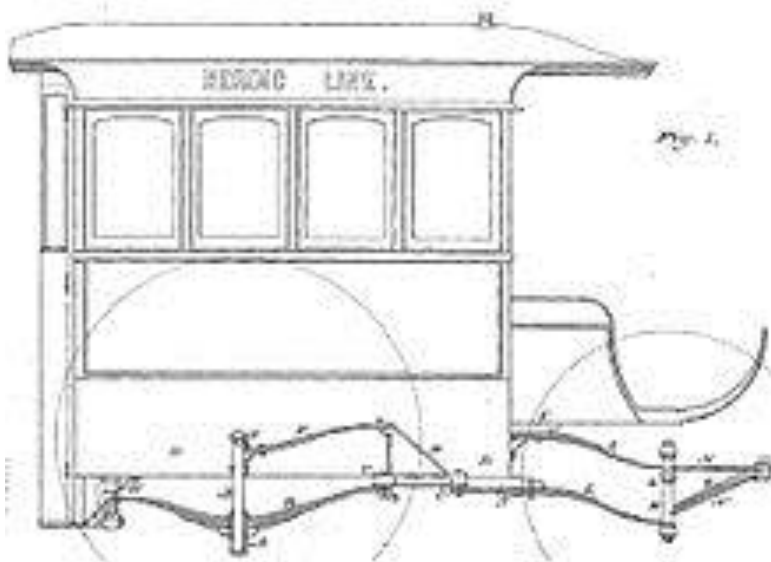
Denver Excise and Licenses

I. What is the “Herdic”?

II. Overview of General Vehicle For Hire Requirements

III. Review Of Herdic Focus Groups

IV. State Preemption Issues of Local Herdic License



- “Herdic” licensing was named for the herdic cab – a horse drawn carriage invented by Peter Herdic in 1881
- Herdic cabs were designed as passenger vehicles for public transportation and often painted bright yellow
- These carriages were predecessors to the modern taxicab

➤ Who needs one in Denver?

- Taxi Drivers
- Limo Drivers
- Shuttle Drivers

➤ By the Numbers:

- Active Taxi licenses - ~1,457
- Active Limo licenses - ~617
- Active Shuttle licenses - ~115



➤ EXL has been issuing Herdic licenses since 1950, but has been regulating drivers for much longer:

- Current ordinance language hasn't had significant update since inception
- Denver has been regulating industry long before CO Public Utilities Commission officially began regulating circa 1954.
- Antiquated license language makes both local enforcement and administration challenging

Current For-Hire Regulatory Structure in Denver & Colorado:

Denver EXL, Public Utilities Commission (PUC), and DIA regulatory system:

➤ PUC (regulates companies and drivers):

- Regulates passenger “Common Carriers”, which include requirements for taxi, limo, and shuttle companies.
- Issues certificates and permits to taxi, shuttle, and limo companies to operate in Colorado.
- Issue permits to companies for number of vehicles to operate.
- Establishes and regulates vehicle safety standards.
- Establishes set metered and zone rates for taxis, including rate to and from DIA.
- Regulate requirements for taxi, limo, and shuttle drivers (background checks, maximum hours driving, service, medical certification, etc).
- Regulate Transportation Network Companies (TNCs), such as Uber and Lyft.
- Requirements codified in PUC rule or State statute.

➤ EXL (licenses individual drivers):

- License individual taxi, limo, and shuttle drivers (not companies).
- Require driver examination, background check, and medical exam
- Ability to revoke licenses in certain situations
- Requirements codified in City ordinance

➤ DIA Transportation (regulates access at DIA):

- DEN rules and regulations delineate permitted commercial operator requirements (subsequently being amended to remove City herdic license language)
- Airport holding facilities provide staging for taxi, limo, bus, shared ride, and TNC drivers waiting to load at the terminal building.

General PUC and EXL Comparison: Driver Requirements

General EXL Driver Requirements

- CBI background check previous 5 years:
 - No felonies in CO
 - Other violations inimical to public health, safety or morals.
- Good physical condition (medical exam)
- Pass examination demonstrating competency of landmarks, navigation, and other motor vehicle requirements.
- Driver's license and review of previous driving record
- Submit two character reference letters
- Maintain all records of requests for service and trip sheets
- Shall not refuse service for short trips
- Shall be literate in English
- Clean in "dress and person"
- Other various "conduct" requirements (*diverting patronage, posses or sell alcohol, verbally soliciting business, etc.*)
- Shall not charge more than the metered and zone rates set by the PUC

General PUC Driver Requirements

- Fingerprint-based FBI and CBI check:
 - Disqualified for range of felonies and/or convictions in CO or any other state in the United States, reviewed for certain violations within specific number of years preceding application
 - Disqualified for felony or misdemeanor sexual offenses & DUIs two years before application date **(see full PUC rules/statutes for complete list and details of qualification requirements).*
- Medical examination by licensed health care professional.
- Driver's license and review of driving history within last 3 years.
- Companies maintain trip sheets and trip data, including service calls.
- Shall not refuse service for short trips
- Diver hour maximums; shall not exceed set amount of hours driving during rolling time periods, (see full PUC rules for more details).
- Taxi drivers must provide "courteous service", or no instances involving profanity, obscenity, assault, or derogatory sexual or racial remarks.
- Shall not charge more than the metered and zone rates set by the PUC

- In an effort to gain a better understanding of the local for hire industry, Excise and Licenses conducted industry-specific focus groups in early 2016.
- Focus groups consisted of the following industry members, all led by an independent facilitator:
 - ☐ Taxi company representatives
 - ☐ Limo & shuttle company representatives
 - ☐ Taxi, Limo & Shuttle drivers (in-person at DIA holding lot)
 - ☐ Transportation Network Company (TNC) representatives (Uber & Lyft)
 - ☐ TNC Drivers
 - ☐ Hospitality and tourism industry representatives
- Focus group questions were generally sorted into three main categories specific to each industry; a) public safety, b) consumer protection, and c) leveraging technology

Focus Group feedback varied across all industries. Some general themes included:

- Multiple layers of regulation and redundancy between local for hire transportation requirements and State requirements.
- Excise and Licenses' antiquated licensing framework doesn't adapt to changing technology trends. Requirements don't reflect current industry changes and dynamics, and are cumbersome for drivers.
- Many industry members want one, consistent regulatory framework across all industry types.
- Local regulation doesn't make sense for industries that cross jurisdictional boundaries.
- Customer service and protection continues to be very important to hospitality members and industry members.

Independent facilitator summarized feedback into report and presented to industry members at Taxi & Limo Council meeting in May of 2016.



- 2014: Two limo drivers cited for not having Herdic license at DIA. Drivers decide to challenge the Herdic ordinance
- Drivers were convicted in municipal court but appealed to District Court, again challenging the Herdic ordinance
- 2016: District Court ruled that Denver's Herdic licensing ordinance was preempted by state law governing common/motor carriers (PUC)
- City appealed the District Court's ruling, and it is currently pending before the Colorado Supreme Court
- Limo Association has filed an amicus brief in support of the District Court's ruling that Denver's ordinance is preempted
- Repeal of the vehicle for hire ordinance is proposed upon the advice of the City Attorney's Office

Bill for ordinance to remove Herdic license to be introduced to Council:

- Council Committee date: 11/30
- Mayor / Council date: 12/4
- 1st reading: 12/12
- 2nd reading: 12/19
- Tentative effective date (licenses no longer issued) 1/1/17
- Explore MOU/IGA with PUC on potential enforcement assistance
- Explore taxi/limo/shuttle customer service tool with partners



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Questions?