



CITY OF BOSTON • MASSACHUSETTS

OFFICE OF THE MAYOR
MARTIN J. WALSH

January 14, 2019

TO THE CITY COUNCIL

Dear Councilors:

I transmit herewith for your approval an Ordinance amending City of Boston Code, Ordinances, Chapter XVII, regarding Licensing and Regulating Shared Mobility Businesses. This amendment would create a flexible licensing structure that allows the City to regulate businesses offering vehicles and small vehicles for rent on City streets and sidewalks.

As the City faces an increased demand for transportation services, shared mobility options have the potential to expand access to transportation options, reduce emissions and congestion, and connect residents to public transit services. This amendment addresses the present safety and accessibility challenges that such options present to other persons using the City's streets and sidewalks and seeks an approach that encourages innovation with a well-managed program that is safe, equitable, and value-additive to our public transportation network.

I urge your Honorable Body to act favorably on the proposed amendments without delay.

Sincerely,

Martin J. Walsh
Mayor of Boston

CITY OF BOSTON
IN CITY COUNCIL

AN ORDINANCE ESTABLISHING THE AUTHORITY OF THE BOSTON TRANSPORTATION DEPARTMENT TO REGULATE SHARED MOBILITY BUSINESSES.

Be it ordained by the City Council of Boston as follows:

Section 1.

City of Boston Code, Ordinances, Chapter XVII is hereby amended by inserting the following Section after Section 17-20:-

17-21 LICENSING AND REGULATING SHARED MOBILITY BUSINESSES

17-21.1 Definitions

When used in this section, unless the context otherwise requires, the following terms shall have the following meanings:

Advisory Committee shall mean the Small Vehicle Sharing Business Advisory Committee.

Commissioner shall mean the Commissioner of the Boston Transportation Department or his or her designee.

Small Vehicle shall mean any wheeled device used for transporting persons or goods, whether or not powered in any part by a motor; any electric vehicle; any vehicle powered by autonomous technology; or such other similar vehicles as may be defined by regulation. A Small Vehicle does not include a vehicle that must by law be registered with the Commonwealth of Massachusetts. Nor does it include Electrical Personal Assistive Mobility Devices as defined by Sec. 16-12.38A *et seq.*

Small Vehicle Sharing Business shall mean a business that provides access to a fleet of 10 or more Small Vehicles available for rent or delivery service on a self-service basis at geographically distributed locations, including the public right-of-way. Small Vehicle

Sharing Businesses do not include publicly-maintained or publicly-owned Small Vehicle sharing systems.

Vehicle Sharing Business shall mean the business of making available to all pre-approved members access to a network of vehicles that are required to be registered with the Commonwealth of Massachusetts:

1. in exchange for an hourly, daily, or weekly rate (or fractions thereof) and/or at rates that vary by time or by time and distance; and
2. in geographically distributed locations and available for pick-up by members on a self-service basis without assistance, key exchanges, or hand-offs with the vehicle owner, operator, lot, stations or garage or any other paid or contracted personnel.

Vehicle Sharing Businesses shall not include "Transportation Network Companies" as defined by Chapter 159A½ of the General Laws.

17-21.2 Operation of a Small Vehicle Sharing Business

- a. No person or entity shall operate a Small Vehicle Sharing Business except pursuant to a license issued by the Commissioner. A license to operate such a business may be issued upon:
 1. Completion of such application as required by the Commissioner setting forth the required information to determine qualification under any standards and requirements as may be established; and
 2. Determination by the Commissioner that the applicant's proposal meets such standards and requirements, which may take into account the applicant's past conduct in the City of Boston prior to the passage of this ordinance, and that the issuance of such license complies with applicable law and contractual arrangements.
- b. Small Vehicle Sharing Businesses shall ensure that their Small Vehicles comply with all applicable federal and state law and regulations.

17-21.3 Rental and Storage of Small Vehicles

Based upon the interest of safety, no person or entity shall store or make available for rent Small Vehicles associated with their Small Vehicle Sharing Business on the public property in the City of Boston, except as specifically authorized by this chapter. Public property includes but is not limited to all public ways, sidewalks, parks, plazas, bicycle paths and shared use paths owned by and/or under the care, custody and control of the City of Boston.

17-21.4 Small Vehicle Sharing Business Advisory Committee

- a. There shall be within the City of Boston a Small Vehicle Sharing Business Advisory Committee comprising, at minimum, a representative from the Mayor's Office of New Urban Mechanics, a representative from the Disabilities Commission, and a representative from the Environment Department.
- b. The Advisory Committee shall advise the Commissioner on issues related to Small Vehicles and Small Vehicle Sharing Businesses including, but not limited to, (i) sustainability of the Small Vehicles and Small Vehicle Sharing Businesses; (ii) safety; (iii) accessibility of the public right-of-way; and (iv) regulatory changes to licensing requirements.
- c. The Commissioner shall have the discretion to add or remove representatives from the Advisory Committee.

17-21.5 Authority over Small Vehicle Sharing Businesses

- a. *Limits on Small Vehicles.* The Commissioner may by regulation limit the total number of types of Small Vehicles available for rent by Small Vehicle Sharing Businesses based upon issues such as safety, accessibility of the public way, geographic availability, and usage rates. The Boston Transportation Department shall evaluate this limit from time to time to determine whether the limit should be adjusted.
- b. *Limits on Licenses.* The Commissioner may from time to time set a limit on the number of total licenses that may be issued or renewed per year. The Commissioner's authority to limit the total number of licenses shall also include the ability to issue licenses for a defined period of time as "Pilot Licenses," in order to assess the impact of Small Vehicle Sharing Businesses and inform the promulgation of regulations.
- c. *Licensing.* In the City of Boston, Small Vehicle Sharing Businesses shall be subject to licensure by Commissioner and the minimum requirements provided in this chapter. The minimum requirements shall be as follows:
 1. Small Vehicles for rent by Small Vehicle Sharing Businesses shall not obstruct crosswalks, curb ramps, fire hydrants, building ingress or egress, public utilities, or as otherwise directed within the City of Boston Traffic Rules and Regulations.
 2. Small Vehicle Sharing Business applicants shall submit a safety plan, which outlines their plan to inspect, maintain, and replace, when appropriate, their Small Vehicles and how they plan to meet applicable federal and state laws. The safety plan shall also include a proposal to educate the public on proper and safe usage

of their Small Vehicles. The safety plan shall also include a proposal and commitment to ensure safe parking of such Small Vehicles. The safety plan must be presented to the Advisory Committee and approved by the Boston Transportation Department.

3. Small Vehicle Sharing Business applicants shall submit their proposed area(s) of service. Such proposed area(s) shall be subject to approval and revision by the Boston Transportation Department.
 4. Small Vehicle Sharing Businesses shall have the ability to remove their Small Vehicles in advance of a Snow Emergency or other extreme weather, in advance of major events, or as otherwise directed by the Boston Transportation Department.
 5. Small Vehicle Sharing Businesses shall have the ability to remotely lock-down individual Small Vehicles when they are deemed or reported to be unsafe, in advance of a Snow Emergency or other extreme weather, in advance of major events, when located outside approved service areas, or as otherwise directed by the Boston Transportation Department.
 6. The maximum speed of Small Vehicles made available by a Small Vehicle Sharing Business shall not exceed 15 MPH.
 7. Small Vehicles for rent by Small Vehicle Sharing Businesses shall clearly display a unique, permanent identification number that is provided to the City.
 8. Small Vehicle Sharing Businesses shall maintain a website that explains the terms of service, including user instructions, privacy policies, and all fees, costs, penalties, and charges, including those specific to the City of Boston. Such information shall be available in the languages required by the Communications Access Coordinator, as established in Section 6-10 *et seq.* The website shall include the phone number for a 24-hour, 7-day-a-week customer service hotline.
 9. Small Vehicle Sharing Businesses shall indemnify and hold harmless the City of Boston from and against any and all loss arising out of or resulting from their Small Vehicles. Small Vehicle Sharing Businesses shall also hold insurance, as may be required by the Commissioner.
 10. Small Vehicle Sharing Businesses shall be required to meet with community and business groups, as directed by the Commissioner in consultation with the Advisory Committee, ahead of launching service.
- d. *Application Fee.* The application fee for a license or a renewal of a license for the operation of a Small Vehicle Sharing Business shall be \$500.00 dollars.
- e. *Annual Fee.* An annual fee as set by the Commissioner shall be required for the issuance or renewal of a Small Vehicle Sharing Business license.

- f. *Transfers.* No person holding a Small Vehicle Sharing Business license shall sell, lend, lease or in any manner transfer such license for value. However, a license holder may transfer the license as part of the sale of a majority of the stock in a corporation holding such license, as part of the sale of a majority of the membership interests of a limited liability company holding such license, or as part of the sale of a business or substantially all of its assets; provided that prior to any such transfer, the transferor shall notify the Boston Transportation Department in writing and the transferee shall submit an application for approval pursuant to subsection 17-21.2(a).
- g. *Regulatory Authorities.* The Commissioner may, by regulation, establish any standards and requirements for safe and responsible operation of Small Vehicle Sharing Businesses deemed necessary for reasonable management of the public right-of-way. Such regulations may include, but are not limited to:
1. Standards for safety of equipment, responsible operation and aesthetics;
 2. Requirements to remove or promptly repair any vehicle determined by the City to present an impermissible risk to health or safety;
 3. Standards designed to promote compliance with parking and storage requirements, including the establishment of penalties and fines in connection with Small Vehicles and Small Vehicle Sharing Businesses;
 4. Requirements to notify customers of legal or other requirements applicable to use of vehicles under the program;
 5. Standards regarding the area of service;
 6. Requirements to label vehicles with identifying information;
 7. Requirements regarding insurance, security and indemnification of the City;
 8. Requirements regarding the regular provision of data to the City regarding vehicles used by the business, such as usage rates and vehicle condition;
 9. Requirements regarding the total number of Shared Vehicles in the City, or in any area of the City;
 10. Standards for the suspension and revocation of a license;
 11. Rules and procedures concerning renewal of a license; and
 12. Such other standards or requirements as may be necessary for safe and reasonable management of the public right-of-way, and compliance with the licensing provisions of this ordinance.
- h. *Revocation, Suspension, Modification.* Once a license has been issued it may be revoked, suspended, modified, or not renewed by the Boston Transportation Department for failure to comply with the provisions of this section or any rules and regulations promulgated.

- i. *Enforcement.* The provisions of this section or any rules and regulations promulgated thereof may be enforced by the Boston Transportation Department.

17-21.6 Vehicle Sharing Businesses

The Commissioner shall have the authority to permit and issue regulations for Vehicle Sharing Businesses.

17-21.7 Enforcement

The Commissioner shall have the authority to impound and/or contract with a third-party towing service to impound Small Vehicles of unlicensed Small Vehicle Sharing Businesses and impose fees related to the City's efforts to collect, store, and track such Small Vehicles.

The Commissioner shall also have the authority to impound Small Vehicles of licensed Small Vehicle Sharing Businesses that are stored or parked on the public right-of-way in a manner that is inconsistent with this chapter or the City of Boston Traffic Rules and Regulations and impose fees accordingly.

17-21.8 Severability

If any provision of this section is held to be invalid by a court of competent jurisdiction, then such provision shall be considered separately and apart from the remaining provisions, which shall remain in full force and effect.

Section 2.

The provisions of this ordinance shall take effect 90 days after passage.

I HEREBY CERTIFY THAT
THE FOREGOING, IF PASSED IN
THE ABOVE FORM, WILL BE IN
ACCORDANCE WITH LAW.
BY Eugene L. O'Flaherty
EUGENE L. O'FLAHERTY *EOA*
CORPORATION COUNSEL