



Committee of the Whole Report For the Meeting of April 11, 2024

To: Committee of the Whole **Date:** February 28, 2024
From: Curt Kingsley, City Clerk
Subject: Municipal Licencing of Passenger Directed Vehicles

RECOMMENDATION

1. That Council direct staff to bring forward bylaw amendments regarding municipal licencing of Passenger Directed Vehicles to:
 - a. Remove requirements for a copy of each Passenger Directed Vehicle operator's Record Check Certificate at Business Licence application/renewal.
 - b. Modify business licence requirements for trip data.
 - c. Review the *Business Licence Bylaw, Vehicles for Hire Bylaw* and *Streets and Traffic Bylaw* to ensure they align with regulatory changes; and
2. That Council conduct a public notice process pursuant to section 59(2) of the *Community Charter* outlining a method for those who consider they are affected by the *Business Licence Bylaw* to make written submissions to Council.

EXECUTIVE SUMMARY

In 2019, the Province enacted the *Passenger Transportation Act* to legalize ride-hailing services and to update taxi and limousine licencing and operating rules. Individuals and companies operating commercial passenger vehicles require a passenger transportation licence issued by the Province's Passenger Transportation Board. The Passenger Transportation Board sets driver and vehicle requirements and municipalities set regulations through their general business licencing authority.

Since the establishment of the *Passenger Transportation Act*, the City has removed duplication in bylaws with provincial requirements and has implemented licencing efficiencies. In May 2023, Council directed staff to report back to Council if additional changes were needed to the *Vehicles for Hire Bylaw* and the *Business Licence Bylaw*.

Staff have identified duplication with Provincial requirements and the need to modify bylaw requirements and definitions.

PURPOSE

The purpose of this report is to provide information on municipal licencing requirements for Passenger Directed Vehicles, and to seek Council direction on bylaw amendments.

BACKGROUND

In September 2019, the Province enacted the *Passenger Transportation Act* (the Act) to legalize ride-hailing services and updates to provincial taxi and limousine licencing and operating rules. The Act establishes the Passenger Transportation Board (the Board), which reviews applications from ride-hailing companies.

The Board sets driver and vehicle requirements for Passenger Directed Vehicles (PDV), which includes ride-hailing, taxis, and limousines. The Board also licences ride-hailing companies to provide Transportation Network Services (TNS) in different regions throughout BC. The Capital Regional District is one of the designated regions for TNS. A licenced ride-hailing company may provide services in the entire region once it obtains a provincial special authorization licence.

PDV drivers apply with licenced companies to operate under their licences. Provincial rules require PDV drivers and vehicles to fulfil the following requirements:

- Have a commercial driver's licence (Class 4).
- Be at least 19 years old.
- Complete a driving record check (annually).
- Complete a criminal record check (annually).
- Annual/semi-annual vehicle inspections.
- Vehicle model must be less than 10 years old (for ride-hail only).

Municipalities may regulate business operations of PDV through their general business licencing authorities. Municipalities may issue business licences, set business licence conditions, and regulate by bylaw. Municipalities may not prohibit PDV from operating, refuse to issue a business licence because they hold a business licence issued by another municipality, or regulate the number of PDV once they have obtained provincial approval.

The *Business Licence Bylaw* (Appendix 1) sets licencing fees, requires a copy of each PDV operator's Record Check Certificate, and requires data sharing.

Previous Council Direction

In May 2023, Council gave direction to update the *Vehicles for Hire Bylaw* and the *Business Licence Bylaw* to remove duplication with provincial requirements, establish a more efficient business licence application process and to report back to Council if additional changes needed to be made.

ISSUES & ANALYSIS

Staff have identified duplication with provincial requirements and the need to modify bylaw requirements and definitions.

Business Licence Bylaw

The *Business Licence Bylaw* requires a copy of each vehicle operator's Record Check Certificate at licence application and renewal. Record Check Certificate requirements are administered by the Registrar of Passenger Transportation. To ensure each driver possesses a Record Check Certificate, the Province requires motor vehicles operating under a licence as a PDV, to have the driver display in the vehicle, at the times and in the form and manner required under the licence, the driver's Record Check Certificate. If a driver is unable to produce their Record Check Certificate to law enforcement, this may lead to a violation ticket, administrative penalty, or cancellation of a licence under the passenger transportation laws. As the requirement to produce a Record Check Certificate is already covered by provincial regulation, staff recommend removing this requirement at Business Licence application and renewal.

The *Business Licence Bylaw* also requires monthly data sharing on the total number of pick-ups and drop-offs occurring and the vehicle type. While the Province requires data, there are ongoing issues with data submission consistency and quality. Until consistency is achieved, the data submission frequency under the *Business Licence Bylaw* is not viable. There are also significant financial implications if a local service provider was required to develop a system specific to Victoria. Therefore, staff recommend modifying the Bylaw to obtain trip data from licence holders, but upon request. This would give the Province time for data consistency and staff the authority to obtain data when needed.

Vehicles for Hire Bylaw and Streets and Traffic Bylaw

Staff have identified administrative amendments to the *Business Licence Bylaw, Vehicles for Hire Bylaw and Streets and Traffic Bylaw*. Examples include:

- Ensure “passenger directed vehicle” and “passenger directed vehicle services” align with the definitions used in the Province’s *Passenger Transportation Act*.
- Ensure “sightseeing vehicle” clearly excludes not only taxis but also ride-hailing and limousines.

Legislative Requirements

Under section 59(2) of the *Community Charter*, the City must give notice of its intention to make changes to the Business Licence Bylaw and provide an opportunity for persons who consider they are affected to make representations to Council. Staff recommend conducting a standard public notice process outlining a method for those who consider they are affected by the bylaw to make written submissions to Council.

Accessibility Impact Statement

There are no accessibility impacts outlined in this report.

2023 – 2026 Strategic Plan

As per *Economic Health and Community Vitality* in the Strategic Plan, Council expressed direction to support small businesses and the visitor economy.

Impacts to Financial Plan

The recommendation has no Financial Plan impact as there are no changes to the collection of business licence fees.

OPTIONS & IMPACTS

Option 1 –That Council direct staff to bring forward bylaw amendments regarding municipal licencing of Passenger Directed Vehicles (Recommended).

This would direct staff to:

1. Remove requirements for a copy of each Passenger Directed Vehicle operator’s Record Check Certificate at Business Licence application and renewal.
2. Modify business licence requirements for trip data.
3. Review the *Business Licence Bylaw, Vehicles for Hire Bylaw and Streets and Traffic Bylaw* to ensure they align with regulatory changes.

4. Conduct a public notice process pursuant to section 59(2) of the *Community Charter* outlining a method for those who consider they are affected by the *Business Licence Bylaw* to make written submissions to Council.

Implications:

- Removes duplication in the *Business Licence Bylaw* with Provincial enforcement of PDV.
- Provides the City access to trip data of PDV but only when necessary.
- Ensures City Bylaws are clear and up to date with Provincial legislation.

Option 2 – Maintain status quo.

Implications:

- The City operating outside of its scope with obtaining Record Check Certificates.
- Most PDV service providers will be in contravention of the *Business Licence Bylaw* until Provincial data sharing requirements are more consistent and accurate.
- When Bylaw definitions are not updated, it can create uncertainty for staff and businesses.

CONCLUSIONS

This report seeks Council direction to remove duplication in City Bylaws for Passenger Directed Vehicles. City Bylaws will continue to ensure there is a level playing field for Passenger Directed Vehicle service providers and information needs are met.

Respectfully submitted,

Barrie Nicholls
Legislation and Policy Analyst

Curt Kingsley
City Clerk

Susanne Thompson
Deputy City Manager and Chief
Financial Officer

Report accepted and recommended by the City Manager

List of Attachments

Appendix 1_Business Licence Bylaw