

ORDINANCE NO. 2370

AN ORDINANCE REGULATING VEHICLES FOR HIRE WITHIN THE CITY; REPEALING ORDINANCE NO. 2230

Whereas, it is in the public interest to provide for and promote the safety and welfare of the general public and to allow fair competition by regulating vehicles for hire within the City of Hermiston, as authorized by ORS 221.485 and 221.495. Nothing contained in this chapter is intended or shall be construed to create any liability on the part of the City or its employees for any injury or damage related to any provisions of this chapter, or by reason or in consequence of any act or omission in connection with the implementation or enforcement of this chapter on the part of the City or its employees; and

Whereas, under the authority of ORS 221.495, the City of Hermiston hereby regulates transportation services to best provide for the safety, welfare and accessibility of transportation services which are vital to the general public: and

Whereas, the regulation of transportation providers, with various hours and requirements for various providers, are intended to provide opportunity for providers while meeting the overall transportation needs of the public. Now therefore:

THE CITY OF HERMISTON ORDAINS AS FOLLOWS:

SECTION 1. Ordinance No. 2230, enacted as Hermiston Municipal Code Chapter 117, TAXICABS, is hereby repealed.

SECTION 2. Hermiston Municipal Code Chapter 117, RIDESHARE AND TAXICAB SERVICES, is hereby enacted as fully set out as follows:

Chapter 117: Rideshare and Taxicab Services

117.01 PURPOSE. The purpose of this chapter is to provide for and promote the safety and welfare of the general public by regulating rideshare and taxicab services within the City of Hermiston, as authorized by ORS 221.485 and ORS 221.495. Nothing contained in this chapter is intended or shall be construed to create any liability on the part of the City or its employees for any injury or damage related to any provisions of this chapter, or by reason or in consequence of any act or omission in connection with the implementation or enforcement of this chapter on the part of the City or its employees.

117.02 DEFINITIONS. As used in this ordinance, the following words, except where the context clearly indicates otherwise, mean:

- A. Digital dispatch system.** An internet-based software application, website, platform, or interface that allows for the solicitation, arrangement, or provision of vehicle for hire services and the display of rates, calculation of fares, or acceptance of payment for vehicle for hire services.

- B. Limousine.** Any luxury motor vehicle for hire whose chassis and wheelbase have been lengthened beyond the original manufacturer's specifications, whether at the time of production or after.
- C. Limousine Company.** Any person operating one or more limousines for hire, other than as a driver, regardless of the legal form of the entity and regardless of whether the limousines so operated are owned by the company, leased, or owned by individual members of an entity.
- D. Person.** Any natural person, firm, corporation, partnership, or association.
- E. Street.** As used herein, every road, highway, thoroughfare, alley, and place, including bridges, viaducts, and other structures within the boundaries of this City, used or intended for use of the general public for vehicles, except the terms do not include any road or thoroughfare or property in private ownership.
- F. Taxi.** A motor vehicle for hire, other than a limousine or transportation network vehicle.
- G. Taxi Company.** Any person operating one or more vehicles for hire, other than as a Driver, regardless of the legal form of the entity and regardless of whether the taxis so operated are owned by the company, leased, or owned by individual members of an entity. Taxi Companies do not include Transportation Network Companies.
- H. Transportation Network.** One or more Drivers working as independent contractors and utilizing a digital dispatch system and using personal motor vehicles in the provision of transportation services.
- I. Transportation Network Company ("TNC").** A person that operates or facilitates a transportation network.
- J. Transportation Network Vehicle.** A personal motor vehicle which is used as a vehicle for hire and is part of a transportation network.
- K. Vehicle for Hire.** A motor vehicle used for the ground transportation of passengers for compensation within the City, including taxis, limousines and transportation network vehicles. The following vehicles shall not be considered vehicles for hire for the purposes of this ordinance, and are forbidden from operating as a taxi, limousine, or transportation network vehicle:
- a. Ambulances equipped and staffed so as to be capable of providing emergency medical services in conjunction with passenger transportation;
 - b. Courtesy vehicles used by a hotel, motel, car rental company, residential home, parking facility, or other business to transport that business' clients when transportation is secondary to the business' primary purpose and the transportation is free or contained in the general overhead of the business;
 - c. Non-motorized vehicles such as horse-drawn vehicles;
 - d. Delivery vehicles used for delivering property exclusive of passenger transportation;
 - e. Shuttle vehicles and buses used for providing passenger transportation over a fixed route and time schedule or under a contract with City for bus services;

- f. Volunteer-driven vehicles and vehicles operated by a driver who is reimbursed for basic mileage expenses and who does not receive wages, salary, or other compensation;
 - g. Vehicles operated by or for public entities;
 - h. Busses operated by volunteers or leisure travel commercial companies;
 - i. State and local government subsidized transit provider vehicles.
- L. Vehicle for Hire Agency.** A business or individual natural person engaged in furnishing or providing one or more vehicles for hire, including taxis, limousines, and transportation network companies, through a digital dispatch system or by any other means, regardless of whether such business has employees or delivers its services through independent contractors.
- M. Vehicle for Hire Driver.** Any individual person who operates a vehicle for hire within the City.

117.03 LICENSE, APPLICATION AND FEES. A Transportation Vehicle for Hire license is required for the provision of vehicle for hire taxi companies and transportation network companies within the City of Hermiston.

- A. The City may issue an annual license to a Taxi Company and TNC if the company certifies on a form acceptable to the City that it is in compliance with all requirements of this chapter, including but not limited to driver and insurance requirements, operating standards, certification of acceptable background checks of all drivers and any other requirements of the code or the City, and meets all applicable standards and requirements.
- B. The license issued under this chapter is valid for a period beginning February 1 and ending the following January 31. Any renewal must be approved by the City prior to the expiration date in order for the Vehicle for Hire Agency to continue providing vehicle for hire services within the City.
- C. The application fee shall be based on the number of drivers for the Taxi Company and TNC at the time of the application, and shall be intended to account for the City's costs in administering the requirements of this chapter. The fee amounts shall be set by City Council resolution as part of the City's fee schedule. The application will include certification that all vehicle for hire drivers are qualified under the standards set forth in Section 4.
- D. The application fee shall be paid to the City at the time of submitting both initial and renewal license applications.
- E. All Vehicle for Hire Agencies must comply with the City's business license requirements of HMC 119.

117.04 VEHICLE FOR HIRE DRIVER REQUIREMENTS.

- A. All vehicle for hire drivers shall be at least 21 years of age and shall possess a valid driver's license, proof of motor vehicle registration, and proof of current automobile liability insurance that meets the requirements of this chapter and state law.

- B.** Every Vehicle for Hire Agency shall maintain accurate, current records for all drivers employed by, contracting with, or otherwise affiliated with the company, including all drivers accessing the company's digital network to operate in the City. The records shall include the driver's name, date of birth, address, social security number, criminal background check results, driver's license information, motor vehicle registration, and automobile insurance. Those agencies shall provide a person in compliance with this Section written notice of compliance, who shall then submit the notice to the City as part of the business license application required by HMC 119.
- C.** Prior to permitting a person to operate as a driver, and annually thereafter, the Vehicle for Hire Agency shall conduct, or have a qualified third-party conduct, a criminal background check for each employee or operator. The criminal background check shall include a search of no less than seven years of criminal database history, unless prohibited by law, in which case the duration of the search shall be the maximum number of years permitted by law. The criminal background check shall include local, state, and national criminal history databases and all accessible sex offender registries. Any person who is on a sex offender registry or has a record of a felony conviction within the previous seven years may not act as a driver. A record of a conviction of any of the following within the previous seven years will also disqualify a person from acting as a driver: crimes involving driving under the influence of alcohol or controlled substances, sexual offenses, or crimes involving physical harm or attempted physical harm to a person. The agency shall maintain records of criminal background checks for a period of at least two years. For purposes of this section, the term "conviction" includes convictions, bail forfeitures, and other final adverse findings.
- D.** Every Vehicle for Hire Agency shall certify in its application or renewal of license to the City that an annual background check has been conducted and the status of each operator. The agency must revoke a driver's authority to operate as a driver for their company and inform the City if it finds at any time that the standards set forth in this section are no longer being met by the driver. The company shall only reinstate a driver upon a finding by the company that all standards are again being met by the driver.
- E.** Notwithstanding the standards of this section, upon application by a Vehicle for Hire Agency, the Hermiston Chief of Police has authority to allow a person to act as an operator or driver if the Chief determines public safety would not be compromised.
- F.** All Transportation Network Drivers must have a current City Business license as required by HMC 119.

117.05 INSURANCE REQUIREMENTS.

- A.** For all required insurance, every Vehicle for Hire Agency shall provide certificates of insurance naming the City, its officers, agents, and employees as additional insured parties and give at least 30 calendar days' notice to the City before a policy is canceled, expires, or has any reduction in coverage.

- B.** Insurance requirements of this section shall be satisfied by insurance issued by a licensed insurer or an eligible surplus lines insurer in the State of Oregon.
- C.** The insurance limits for both TNCs and Taxi Companies are subject to statutory changes as to maximum limits of liability imposed on municipalities of the State of Oregon during the permit's term, other statutory changes, or other changes deemed necessary by the City.
- D.** The adequacy of insurance coverage is subject to the review and approval of the City.
- E.** Every Vehicle for Hire Agency shall maintain continuous, uninterrupted coverage for the duration of the license and any operations in the City. Any lapse in insurance coverage, even if it is later backdated by the insurance company, is a violation of this chapter.
- F.** Every Vehicle for Hire Agency shall secure and maintain commercial general liability insurance with limits of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate for claims arising out of, but not limited to, bodily injury and property damage incurred in the course of operating in the City.
- G.** Limousine Companies operating any motor vehicles shall secure and maintain commercial automobile liability insurance covering those vehicles, with a combined single limit of not less than \$1,000,000 per occurrence for claims arising out of, but not limited to, bodily injury and property damage incurred in the course of operating in the City.
- H.** TNC Service Periods Defined.
 - a. Period 1: The TNC driver has logged into the app or is otherwise connected to the TNC's digital network, but has not yet accepted a request for a ride from a passenger. For example, the app is open and the driver is waiting for a match.
 - b. Period 2: A passenger match has been accepted, but the passenger is not yet picked up (for example, the driver is on the way to pick up the passenger).
 - c. Period 3: The passenger is in the vehicle.
- I.** Upon City request or as part of an application, TNCs shall provide proof of current, valid insurance for City approval covering all affiliated TNC drivers and vehicles for hire operating for such company and satisfying the minimum requirements of Periods 1, 2, and 3.
- J.** All TNCs shall maintain and provide the City with proof of the following automobile liability coverages:
 - a. Primary insurance coverage during Period 1 with minimum liability limits of \$50,000 per person for death and injury, \$100,000 per incident for death and injury, and \$25,000 for property damage, plus any other state compulsory coverage.
 - b. Primary insurance coverage during Periods 2 and 3 with minimum liability limits of \$1,000,000 in combined single limit coverage for death, personal injury and property damage per incident; and \$1,000,000 in combined single limit

under/uninsured motorist coverage for death, personal injury and property damage per incident.

- c. The required automobile liability insurance shall specifically recognize the driver's provision of TNC and vehicle for hire services and shall comply with the laws of the State of Oregon and/or other applicable governing bodies.

K. TNC drivers shall be responsible for maintaining all personal automobile liability insurance required by State law.

117.06 OPERATIONAL REQUIREMENTS.

- A.** TNCs shall maintain records of all trips made by all drivers for at least one year from the date of the trip. The data may be aggregated and/or anonymized, and shall include the locations by ZIP code of trip origination and destination, vehicle miles traveled, trip origination and completion times, trip duration, and passenger wait times from a driver's acceptance of a request to passenger pick-up. The City may require the TNC to enter a data sharing agreement in order to receive a license.
- B.** All vehicles operating for or affiliated with a TNC or Taxi Company shall be clearly marked with the company name or logo. Vehicles operated for TNC services shall be marked with a customary "trade dress" type of identification, such as a sticker or placard. The TNC's software application or website shall display for the passenger the make, model, and license plate number of the TNC vehicle.
- C.** Drivers operating a transportation network vehicle may not accept street hails and may only accept rides arranged through a TNC's digital network.
- D.** Vehicle for Hire Agencies shall implement and maintain at all times a zero-tolerance policy on the use of drugs or alcohol applicable to all drivers employed by or affiliated with the company while providing vehicle for hire services. Companies shall provide notice of the zero-tolerance policy on their website and/or have it clearly displayed in each vehicle. The notice must include contact information to report a complaint about a driver for possible violation of policy. A company shall immediately suspend a driver upon receipt of a passenger complaint alleging a violation of the zero-tolerance policy, for at least the duration of the investigation of the complaint. An agency shall notify the City within 48 hours of receiving any complaint which is criminal in nature against an affiliated driver.
- E.** Drivers shall not operate a vehicle for hire for more than 12 continuous hours in any given 24 period.
- F.** Vehicles for Hire may charge fares based upon minimum fee per call, mileage, additional passengers, waiting time, additional stops, and delivery charges.

117.07 REASONABLE ACCOMMODATIONS.

- A.** Vehicle for Hire Agencies must provide reasonable accommodations to passengers with disabilities, including passengers accompanied by a service animal, passengers with

hearing and visual impairments, and passengers with mobility devices, and must comply with all applicable requirements of the Americans with Disabilities Act.

- B.** Vehicle for Hire Agencies and the drivers shall provide services in a manner that ensures the equal protection, treatment and representation of all persons and shall not discriminate against any person for any reason, including but not limited to, age, citizenship status, color, familiar status, gender identity or expression, marital status, mental disability, nation origin, physical disability, race, religion, sex, sexual orientation, and source or level of income.

117.08 AUDIT OF RECORDS. The City may audit the records of any Vehicle for Hire Agency no more than once per calendar year to review compliance with this chapter. An audit shall occur at a time and location designated by the City. In addition to an audit, the City may require a company to produce records related to an investigation of a specific allegation of a violation of this Code or other applicable law, or to evaluate a complaint. Production of records for an investigation or to evaluate a complaint does not count toward the once-per-year auditing limit.

117.09 REVOCATION AND SUSPENSION. In addition to any other enforcement options provided by the code, the City may suspend, revoke, or refuse to issue a license if the Vehicle for Hire Agency or its agent has violated or not met any of the provisions of this Code. A violation includes any failure to meet or maintain any of the requirements or qualifications set forth in this Code, including the procedures and requirements for obtaining and maintaining a license, as well as the making of any materially false statement or representation. The decision to suspend, revoke or refuse to issue a license may be appealed to the City Council, which will conduct a hearing where the company and the City may present evidence and argument. The company shall have the burden of proving it has complied with all requirements of this Code necessary to obtain or maintain the license. The decision of the City Council on the appeal shall be the final decision of the City.

117.10 ENFORCEMENT. The City has the administrative authority to implement and enforce this chapter, including adoption of rules, regulations, policies and impose operating conditions in licenses issued. This provision shall not be construed to abrogate or limit the jurisdiction or authority of the Hermiston Police Department or any law and code enforcement agency.

117.11 EFFECTIVE DATE. Anyone with a Taxicab Company certificate or taxicab driver permit under previous Chapter 117, Taxicabs, valid as of the effective date of the ordinance repealing the previous chapter and creating this chapter, may continue operating under the standards and conditions in place prior to the effective date of this ordinance and is exempt from Chapter 117, Rideshare and Taxicab Services, until February 1, 2026, unless the certificate or permit holder wishes to apply under the new chapter at an earlier date. All existing taxicab company certificates and taxicab driver permits issue prior to the effective date of the ordinance creating this section will expire automatically on January 31, 2026.

117.11 VIOLATION.

- A.** A violation of any provision of this Ordinance shall be punishable by fine not to exceed Five Hundred (\$500.00) Dollars.
- B.** Separate Violations. A separate offense is committed each day that a violation of this Ordinance is permitted or permitted to continue.
- C.** Individual and Corporate Enforcement. An individual person or other legal entity may act in violation of this ordinance. In the event that the party acting in violation of this ordinance is an entity, the entity shall be subject to fine or revocation of license. In such case where an entity is the offending party, a citation may be served upon the entity by serving an officer of the entity, or a person acting on behalf of or for the benefit of the entity at the time the citation is issued. A representative of the entity shall appear in court at the time indicated on the citation. The entity shall be named as the defendant on the citation. In the event that a representative fails to appear as required by the citation the city attorney may seek appropriate remedies for the failure to appear against the officers of the entity as allowed by law. For the application of this section, the term "entity" shall also include partnerships, limited liability companies or partnerships, associations, sole proprietorships and other similar forms of business entities.

SECTION 3. Ordinance No. 2230, enacted as Hermiston Municipal Code Chapter 117, TAXICABS, which is repealed by this ordinance, shall remain in force and full effect until the effective date of this ordinance. All other provisions of the Hermiston Municipal Code remain unchanged and in full effect.

SECTION 4. The City Recorder is hereby authorized to correct any scrivener's errors and to conform the revisions to the Hermiston Municipal Code with appropriate numbering.

SECTION 5. This ordinance shall take effect on the 30th day after its adoption.

ADOPTED by the Common Council this 28th day of April 2025.

SIGNED by the Mayor this 28th day of April 2025.

Doug Primmer, Mayor

ATTEST:

Lilly Alarcon-Strong, CMC City Recorder