

**Attachment 1 to Council Budget Action TNC DRC 101-A-1 (C.B. 119686)**

*Sponsor: CM Mosqueda*

**Amend C.B. 119686 to clarify when Panel arbitration proceedings are voluntary**

On page 7, after line 17

**14.32.050 Protection from unwarranted deactivation**

A. TNC driver deactivation rights

1. No TNC shall subject a TNC driver to unwarranted deactivation, as defined by Director's rule.
2. Subject to driver eligibility standards created by Director's rule, a TNC driver shall have a right to challenge all permanent deactivations and temporary deactivations, as defined by Director's rule.
3. The TNC driver has the right to elect between representing themselves during any deactivation challenge or being represented by a representative, including an advocate from the Driver Resolution Center. The Driver Resolution Center shall have discretion to determine whether to represent a TNC driver.
4. Upon deactivation, every TNC shall furnish to the TNC driver a written statement of the reasons for and effective date of deactivation and provide notice, in a form and manner designated by the Agency, of the TNC driver's right to challenge such deactivation under this Section 14.32.050. The Agency shall create and distribute the notice in English and other languages as provided by rules issued by the Director.

B. The TNC driver and TNC may, by mutual agreement, proceed to arbitration through the Deactivation Appeals Panel arbitration ("Panel arbitration") proceeding created by

this Chapter 14.32 instead of proceeding under any applicable arbitration agreement between the TNC driver and the TNC (“private arbitration agreement”). In the absence of a private arbitration agreement between a TNC driver and a TNC, the TNC driver shall have an absolute right to challenge the deactivation pursuant to subsections 14.32.050.C and 14.32.050.D, regardless of agreement by the TNC.

C. Deactivation Appeals Panel process

1. If the TNC driver and TNC agree to proceed to arbitration through the Deactivation Appeals Panel arbitration proceeding created by this Chapter 14.32, the TNC driver and/or a representative must provide notice to the TNC of intent to challenge the deactivation no later than 60 days after the deactivation.

2. The TNC and the TNC driver and/or a representative shall attempt to resolve the challenge informally no later than 15 days after the notice of intent to challenge has been provided to the TNC, or within a time frame mutually agreed by the parties.

3. If the parties resolve the challenge informally pursuant to subsection 14.32.050.C.2, they must memorialize that resolution in a written agreement.

4. The TNC driver and/or representative must provide notice of intent to arbitrate to the TNC no later than 15 days after the notice of intent to challenge has been provided to the TNC under subsection 14.32.050.C.1.

5. If a TNC driver demonstrates that a TNC failed to engage in the informal appeals process under this subsection 14.32.050.C, there shall be a presumption, rebuttable by clear and convincing evidence, before the Deactivation Appeals Panel that the deactivation is unwarranted.

D. Deactivation Appeals Panel

1. The City shall establish a “Deactivation Appeals Panel” (“Panel”) for purposes of hearing TNC driver challenges to deactivations. The Agency shall contract with one or more persons or entities (“neutral arbitrator”) to conduct arbitration proceedings to hear deactivation challenges. The neutral arbitrator shall be one member of the Panel. The remaining Panel members shall consist of an equal number of partisan panel members, representing the interests of the TNC driver and the TNC, respectively. The partisan panel members shall not be compensated by the City.

2. The utilization of the Panel arbitration proceeding created by this Chapter 14.32 is voluntary upon agreement by both parties except as provided for under subsection 14.32.050.B and shall be of no cost to the TNC driver. If utilized, the Panel shall be the sole arbitration proceeding for challenging the deactivation.

**Effect:** This amendment would clarify that the Panel arbitration proceeding is voluntary unless there is no private arbitration agreement between a TNC driver and a TNC, in which event the TNC driver could mandate the Panel arbitration proceeding as a means for challenging a deactivation.