

# City of Chicago

# Office of the City Clerk

# **Document Tracking Sheet**



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Meeting Date:	
Sponsor(s):	

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6/25/2021

Reilly (42)

Ordinance

Amendment of Municipal Code Titles 2, 3, 8 and 9 by modifying various sections and adding new sections to further regulate transportation network drivers and establishment of Public Chauffer Assistance Fund Committee on License and Consumer Protection

Committee(s) Assignment:

# ORDINANCE

# BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

**SECTION 1.** Section 2-14-030 of the Chicago Municipal Code is hereby amended by deleting the language struck through, and inserting the language underscored, as follows:

#### 2-14-030 Powers and duties of the director.

The powers and duties of the director of the department of administrative hearings shall include:

#### (Omitted text is unaffected by this ordinance)

(5) establishing a system for hearing of grievances brought by tenants of the Chicago Housing Authority against the authority and/or its property managers, all in accordance with an intergovernmental agreement between the City of Chicago and the Chicago Housing Authority; and

(6) establishing systems for adjudicating matters pursuant to intergovernmental agreements entered into between the City of Chicago and other units of government; and

(7) <u>establishing systems for adjudicating appeals of transportation network driver suspension,</u> <u>pursuant to Chapter 9-115; and</u>

(8) establishing any other necessary rules and regulations as may be required to carry out the provisions of this chapter.

**SECTION 2.** Section 3-46-079 of the Municipal Code of Chicago is hereby amended by deleting the language struck through, and by inserting the language underscored, as follows:

#### 3-46-079 Reserved.-Deposit of Funds.

All proceeds resulting from the imposition of the tax imposed by this chapter, including any interest or penalties related to the tax, shall be deposited as follows:

- (a) \$1.00 per month per taxicab from the tax imposed pursuant to Section 3-46-030(B)(1)(a) shall be deposited in the Public Chauffeur Assistance Fund;
- (b) \$0.01 per trip from the tax imposed pursuant to Section 3-46-030(B)(1)(b-1) shall be deposited in the Public Chauffeur Assistance Fund;
- (c) the remainder shall be deposited in the City's corporate fund.

**SECTION 3.** Chapter 8-4 of the Municipal Code of Chicago is hereby amended by inserting new Section 8-4-079, as follows:

#### 8-4-079 Assault of public chauffeur licensees

(a) *Definitions*. The following definitions are applicable strictly in the context of this section:

(1) "Battery" has the meaning ascribed to that term in the Illinois Criminal Code, codified at 720 ILCS 5/12-3.

(2) "Public chauffeur licensee" has the meaning ascribed to that term in Chapter 9-104.

(3) "Public passenger vehicle" has the meaning ascribed to that term in Chapter 9-114.

(4) "Taxicab" has the meaning ascribed to that term in Chapter 9-112.

(5) "Transportation network vehicle" has the meaning ascribed to that term in Chapter 9-115.

(b) Assault against a public chauffeur licensee. There is hereby created the offense of assault against a public chauffeur licensee. A person commits assault against a public chauffeur licensee when such person engages in conduct that places a public chauffeur licensee in reasonable apprehension of receiving a battery while such licensee is providing transportation services.

(c) *Penalties for violation.* The following penalties shall apply to a violation of this section:

(1) the penalty for a first offense shall be a fine of not less than \$1,000 nor more than \$5,000, and incarceration for a term of not less than 120 days nor more than six months;

(2) the penalty for a second offense shall be a fine of not less than \$5,000 nor more than \$15,000, and incarceration for a term of not less than 150 days nor more than six months; and

(3) the penalty for a third or subsequent offense shall be a fine of not less than \$10,000 nor more than \$20,000, and incarceration for a term of six months.

(d) Use of Funds. All penalties collected pursuant to this section shall be deposited into the Public Chauffeur Assistance Fund created pursuant to Section 9-104-150.

**SECTION 4.** Chapter 9-104 of the Municipal Code of Chicago is hereby amended by inserting new Section 9-104-150, as follows:

# 9-104-150 Public Chauffeur Assistance Fund.

There is hereby created a fund to be known as the "Public Chauffer Assistance Fund", for the sole purpose of promoting the safety of public chauffer licensees. Funds collected pursuant to Section 3-46-079 and Section 8-4-079 of this Code and other sources, as may be appropriated from time to time, shall be deposited in the Public Chauffeur Assistance Fund and are hereby authorized for use in connection with the programs authorized under this section.

Using the funds deposited in the Public Chauffeur Assistance Fund, the Commissioner shall establish a program for providing assistance to restricted chauffeur licensees and taxi chauffeur licensees who are not required to be affiliated with a taxicab affiliation under the exception in 9-112-100(a)(3). Such program may include the following: (i) assistance with maintenance payments, including contracting for one or more locations throughout the City where transportation network vehicles and taxicabs may receive City-subsidized routine maintenance and minor repairs; and (ii) grants of safety equipment, such as protective barriers and "dashcams" for transportation network vehicles and taxicabs, whether through cash grants to eligible restricted

chauffeur licensees and taxi chauffeur licensees, or direct grants of safety equipment procured by the Department.

**SECTION 5.** Section 9-114-265 of the Municipal Code of Chicago is hereby amended by deleting the language struck through, and by inserting the language underscored, as follows:

# 9-114-265 Fare rates higher than regular rates.

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(a) A licensee licensed under this chapter or Chapter 9-115 of this Code, or a taxi dispatcher, only as provided in Section 9-112-600(i) of this Code, may charge passengers at a higher fare rate than the <u>applicable</u> regular fare rate <u>provided to the Commissioner pursuant to Section 9-115-200</u> and displayed in the licensee's Internet-enabled application or digital platform, or, if the dispatched vehicle is a taxicab, at a rate higher rate than the rate provided in Section 9-112-600, only if such licensee or such licensee's dispatch complies with all of the following requirements:

(i) the licensee or the licensee's dispatch, through the licensee's or the dispatch's Internetenabled application or digital platform and e-mail accounts of the licensee's subscribers, provide public notice of the time period when the higher fare rate would apply; and

(ii) the licensee's or the licensee's dispatch Internet-enabled application or digital platform clearly provides to a customer requesting a trip the option to obtain the total reasonable fare estimate of the trip in a range expressed in dollars and cents, in addition to any applicable rate multiplier. The on-screen prompt for the choice to decline the fare estimate shall be smaller in size than the on-screen prompt to accept that estimate. For purposes of this section, the commissioner is authorized to regulate, by rule, the permissible range of fare estimate that shall be provided pursuant to this section; and

# (Omitted text is unaffected by this ordinance)

(b) The commissioner is authorized to regulate, by rule, the amount of increase in fare rate from the regular fare <u>rates rate</u>-displayed in the licensee's Internet-enabled application or digital platform and the manner of fare amount calculation for providing a prearranged transportation service, <u>provided that no fare rates are authorized in excess of 150% of the licensee's applicable regular fare rate pursuant to Section 9-115-200(a). In addition, the commissioner is authorized to require licensees licensed under this chapter or Chapter 9-115 of this Code to comply with nationally recognized technical and technological standards applicable to fare amount calculation for providing a prearranged transportation service, as determined by the commissioner.</u>

# (Omitted text is unaffected by this ordinance)

**SECTION 6.** Section 9-115-010 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, as follows:

# 9-115-010 Definitions.

For purposes of this chapter the following definitions shall apply:

# (Omitted text is unaffected by this ordinance)

"Department" means the city's department of business affairs and consumer protection.

<u>"Gratuity" means a verifiable sum presented by a passenger as a gift in recognition of some</u> service provided to the passenger by the driver.

<u>"Incentive" means a sum of money paid to a transportation network driver upon completion of a task, such as completing a certain number of trips, a certain number of consecutive trips, a trip subject to a price multiplier or variable pricing policy, or some other provision of transportation network service.</u>

(Omitted text is unaffected by this ordinance)

"Transportation network vehicle" means any vehicle used to provide a transportation network service.

<u>"Utilization rate" means the aggregate percentage of time for all licensees that all transportation</u> network drivers who have made themselves available to accept dispatches from a licensee spend transporting passengers on trips dispatched by such licensee.

(Omitted text is unaffected by this ordinance)

**SECTION 7.** Section 9-115-160 of the Chicago Municipal Code is hereby amended by inserting the language underscored, as follows:

# 9-115-160 Transportation network driver – Intoxicating substance policy.

(a) In addition to the prohibitions set forth in section 9-115-180(c), any licensee shall include on its website, mobile application and riders' receipts, a notice or information on the licensee's zero-tolerance policy for intoxicating substances and the methods to report a transportation network driver whom the rider reasonably suspects was under the influence of drugs or alcohol during the ride. The website and mobile application shall include a phone number or mobile application call function and e-mail address to report the zero-tolerance complaint. The website and mobile application shall also include the phone number and e-mail address of the department's public passenger vehicle division. Promptly after a zero-tolerance complaint is filed, the licensee shall suspend the transportation network driver for further investigation. In investigating a zero-tolerance complaint against a driver with a speech disability, the licensee shall factor the driver's speech disability in the investigation to inquire whether or not the complaint is based on an erroneous perception of the driver's speech disability. <u>An investigation under this</u> <u>section must be completed, and a decision rendered, within 15 days.</u>

(b) Any person who knowingly makes a false zero-tolerance complaint shall be in violation of Chapter 1-21 of this Code. <u>Licensees shall report to the Department any person who knowingly makes a false zero-tolerance complaint.</u>

(c) A licensee that does not immediately suspend a driver after a zero-tolerance complaint, or does not investigate and render a decision regarding a zero-tolerance complaint within 15 days, shall be in violation of this section.

**SECTION 8.** Chapter 9-115 of the Municipal Code of Chicago is hereby amended by inserting new Section 9-115-175, as follows:

#### 9-115-175 Contract required.

Each agreement between a licensee and a transportation network driver must be written in clear and unambiguous language, and shall include, at a minimum, the following terms:

(i) any terms or conditions a transportation network driver must accept or agree to in order to receive a dispatch from a licensee;

(ii) any terms or conditions a transportation network driver must accept or agree to in order to receive payment from a licensee or the entity designated by the licensee to process and disburse payments to such transportation network driver;

(iii) any costs or fees a transportation network driver must pay a licensee;

(iv) for each cost and fee that may be charged by the licensee: (A) an explanation of each such cost or fee in clear and unambiguous language; and (B) an explanation of the conditions that will result in the imposition of each such cost or fee in clear and unambiguous language;

(v) an explanation of how the transportation network driver's compensation will be calculated, including but not limited to a percentage of fares paid by passengers that will be forwarded to the transportation network driver or the formula used by the licensee; and

(vi) a statement of the transportation network driver's rights under this chapter, including under Sections 9-115-182, 9-115-200, 9-115-201, 9-115-205, 9-115-206, 9-115-208, and 9-115-209.

**SECTION 9.** Chapter 9-115 of the Municipal Code of Chicago is hereby amended by inserting new Section 9-115-181, as follows:

#### 9-115-181 Passenger verification.

A licensee, in compliance with applicable law, shall require each passenger to verify their identity on the licensee's internet-enabled application or digital platform prior to accepting a passenger's request for service, using an identity verification process approved by the Commissioner, after consultation with the Superintendent of Police. Examples of an identity verification process may include, but are not limited to, requiring profile photos for all passengers; multi-factor authentication of a passenger using the licensee's internet-enabled application or digital platform; requiring passengers to register with a government-issued form of identification; confirming whether the applicable method of payment is in the name of the requesting passenger; confirming the identity of any passenger whose request for service came from a third-party; a means to notify a passenger that their account may have been compromised; and a means to notify a transportation network driver if prearranged transportation service is requested from an account that may have been compromised. Subject to applicable law, in the event that a transportation network driver is the victim of a crime while providing transportation network services for a licensee, it is the affirmative duty of such licensee to provide the applicable passenger verification to the police and to otherwise fully and truthfully cooperate in the investigation into such crime. **SECTION 10.** Chapter 9-115 of the Municipal Code of Chicago is hereby amended by inserting new Section 9-115-182, as follows:

#### 9-115-182 Data required to be sent to transportation network drivers.

(a) Within 24 hours of each trip completion, licensees shall transmit an electronic receipt to the transportation network driver that contains the following information for each unique trip, or portion of a unique trip:

(1) the origin and destination of the trip;

(2) the date, total time, and total distance of the trip;

(3) an itemization of the total fare paid by the passenger;

(4) the rate or rates of pay, including but not limited to, the rate per minute, rate per mile, percentage of passenger fare, and any applicable price multiplier or variable pricing policy in effect for the trip;

(5) tip compensation;

(6) gross payment;

(7) net payment after deductions, fees, tolls, surcharges, or other charges;

(8) itemized deductions or fees, including any toll, surcharge, commission, and other charges; and

(9) any other information that is material and necessary to effectuate the terms of this chapter, as determined by the Commissioner.

(b) On a weekly basis, the licensee shall provide written notice to each transportation network driver that contains the following information for all trips, or a portion of a trip, that occurred in the prior week:

(1) the transportation network driver's total trip time and distance driven, including the time and distance travelled from dispatch locations to passenger pickup locations;

(2) the total amount of passenger fares;

(3) the transportation network driver's total tip compensation;

(4) the transportation network driver's gross pay, itemized by rate per minute, rate per mile, and any other method used to calculate pay including, but not limited to, base pay, percentage of passenger fare, or any applicable price multiplier or variable pricing policy in effect for the trip;

(5) the transportation network driver's net payment after deductions, fees, tolls, surcharges, or other charges;

(7) the itemized deductions or fees, including all tolls, surcharges, commissions, and other charges, from the transportation network driver's payment;

(8) the total time the transportation network driver was logged into the driver platform

(9) any other information that is material and necessary to effectuate the terms of this chapter, as determined by the Commissioner.

**SECTION 11.** Section 9-115-200 of the Municipal Code of Chicago is hereby amended by deleting the language struck through, and by inserting the language underscored, as follows:

#### 9-115-200 Service charges and fare rates.

(a) Licensees may charge compensation for service based on distance travelled or time elapsed during service, or based on distance travelled and time elapsed during service, or a flat prearranged fare, or a suggested donation. The Commissioner shall establish by rule requirements to: (i) mandate that each licensee notify the Commissioner of the regular fare rates currently in use by the licensee for each vehicle class and type of service offered by the licensee, and file with the Commissioner any change in a regular fare rates prior to utilizing any such rate; (ii) prohibit a licensee from knowingly making any false, misleading or fraudulent statement of material fact in their notice the Commissioner of the regular fare rate currently in use, with licensees in violation subject to Chapter 1-21; (iii) prohibit a licensee from increasing their regular fare rates on file with the Commissioner more than once a month; and (iv) prohibit a licensee from charging compensation for service in excess of 150% of their applicable regular fare rate on file with the Commissioner. Licensees may still implement a dynamic pricing model whereby such regular fare rate is increased or decreased based on the demand for licensee's services and the availability of transportation network drivers, subject to the provisions of this section. Nothing provided in this section or the rules adopted by the Commissioner shall prohibit a licensee from: (i) charging a customer a cleaning fee or other charge for additional services; or (ii) implementing any other passenger promotion, approved by the Commissioner, whereby such regular fare rate is reduced for a limited time. Gratuity offered by a passenger to a driver shall not be included in the regular fare rate.

(b) Any licensee shall display the licensee's fare <u>rates</u> <u>rate</u>, including any charge or fee associated with the <u>fare fares</u>, on such licensee's website and Internet-enabled application or digital platform used by the licensee to connect drivers and passengers. In addition, any licensee shall display a button for displaying a fare quote for any requested trip on the licensee's Internet-enabled application or digital platform in the same size and graphics as the licensee's trip request button.

(c) Except as otherwise provided in Section 9-114-265, it is unlawful for a licensee or transportation network driver to charge passengers a fare greater than the fare rate shown on the licensee's Internet-enabled application or digital platform.

(d) Within <u>24 hours a reasonable time</u> following the completion of a trip, a licensee shall transmit an electronic receipt to the passenger that lists:

- (1) the origin and destination of the trip;
- (2) the date, total time, and total distance of the trip; and
- (3) an itemization of the total fare paid:

(4) the transportation network driver's first name;

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(5) a separate itemization of the compensation paid to the transportation network driver with passenger-paid tips; and

(6) any other information that is material and necessary to effectuate the terms of this chapter, as determined by the Commissioner.

**SECTION 12.** Chapter 9-115 of the Municipal Code of Chicago is hereby amended by inserting new Section 9-115-201, as follows:

# 9-115-201 Transportation Network Provider Commission Cap.

It shall be unlawful for any licensee to:

(1) remit to the transportation network driver any less than 75% of compensation for service charged to the customer; or

(2) retain any, or any portion of any, incentive or gratuity earned by any driver.

**SECTION 13.** Chapter 9-115 of the Municipal Code of Chicago is hereby amended by inserting new Section 9-115-205, as follows:

# 9-115-205 Minimum driver compensation.

(a) *Minimum Driver Compensation.* Subject to subsection (f) of this section, for each trip dispatched by the licensee, a licensee must pay transportation network drivers, at a minimum, the greater of: (1) the minimum per minute amount under subsection (b) of this section plus the minimum per mile amount under subsection (c) of this section; or (2) the minimum per trip amount under subsection.

Per Trip Driver Pay	(Per Minute Rate x Tri	Minutes) (Per Mile F	(Per Mile Rate x Trip Miles)	
	=,	·····. + -····		
	Utilization Ra	e Utiliz	zation Rate	

(b) *Per Minute Amount.* For each minute a transportation network driver is transporting a passenger on each trip, a licensee shall compensate the transportation network driver at least the equivalent of the per minute rate divided by the utilization rate; provided, however, for all trips that begin within the corporate boundaries of the City but end outside of the City, the per minute rate shall be 1.5 times the regular per minute rate for each minute a transportation network driver is transporting a passenger outside of the corporate boundaries of the City. The initial per minute rate shall be \$0.25. Beginning on July 1, 2022, and on every July 1 thereafter, the per minute rate contained in this section will be increased in proportion to the increase, if any, in the Consumer Price Index (CPI), provided, however, that if the CPI increases by more than 2.5 percent in any year, the per minute rate increase shall be capped at 2.5 percent. The Commissioner shall post the CPI-adjusted per mile and per minute rates on the Department's website on or before June 1 of each year. Any ordinance changing the per minute rate shall be codified as an amendment to this section.

(c) *Per Mile Amount.* For each mile driven by a transportation network driver while transporting a passenger on a trip, a licensee shall compensate the transportation network driver at least the equivalent of the per mile rate divided by the utilization rate; provided, however, for all trips that begin within the corporate boundaries of the City but end outside of the City, the per mile rate shall be 1.5 times the regular per mile rate for each mile driven by a transportation network driver while transporting a passenger outside of the corporate boundaries of the City. The initial per mile rate shall be \$0.575. Beginning on July 1, 2022, and on every July 1 thereafter, the per mile rate contained in this section will be increased in proportion to the increase, if any, in the CPI. The Commissioner shall post the CPI-adjusted per mile and per minute rates on the Department's website on or before June 1 of each year. Any ordinance changing the per mile rate shall be codified as an amendment to this section.

(d) *Minimum Per Trip Amount.* For each dispatched trip, a licensee shall compensate the transportation network driver a minimum per trip amount of \$5.

(e) Changes to Utilization Rate. The initial utilization rate applied to all licensees for the calculation of the minimum driver compensation shall be 0.58. On or before July 1 of each year, the Commissioner shall appear at a hearing of the Committee on License and Consumer Protection, or its successor committee, to recommend any changes to the utilization rate, including whether separate utilization rates should be established for each licensee, based upon their respective, non-aggregated utilization rates. Any ordinance changing the utilization rate shall be codified as an amendment to this section. In recommending any change to the utilization rate, the Commissioner may consider the following: the impact of the then-current per mile rate, per minute rate, and utilization rate on transportation network drivers' compensation and work hours; the respective, non-aggregated utilization rate of each licensee; the average and mean utilization rate for all licensees; surveys of transportation network drivers; data provided by licensees, transportation network drivers, or passengers, data available through academic, policy, or community based organizations; the number of adjudicated suspension appeals under Section 9-115-208 the average and mean time transportation network drivers are logged into a licensee's internet-enabled application or digital platform; the average and mean time transportation network drivers are transporting passengers; the average and mean trips completed by transportation network drivers on a daily, weekly, monthly, or annual basis; and any other information the Commissioner determines necessary to further the purposes and intent of this section.

(f) Application of this Section. A transportation network driver is covered by this section if the transportation network driver provides transportation network services within the corporate boundaries of the City for a licensee. For a trip with a passenger pick-up location within the corporate boundaries of the City, all minimum compensation requirements under this section apply, regardless of the passenger drop-off location. For a trip with a passenger pick-up location outside the corporate boundaries of the City, minimum compensation under this section is due only for the portion of the trip that occurs within the City.

(g) *Hourly Payment*. If a licensee pays a transportation network provider on an hourly basis, the payment the transportation network driver receives for each hour the transportation network driver accepts dispatches from the licensee must be at least the sum of the per mile amount for all miles the transportation network driver transported passengers during such hour, plus the per minute amount for all minutes the transportation network provider spent transporting passengers during such hour.

(h) Remittance and Withholdings. A licensee must remit all compensation to the transportation network driver. A licensee may only deduct costs and fees from driver compensation if such costs

and fees are specified in the agreement between the licensee and the applicable transportation network driver as required under Section 9-115-175, and such agreement further provides that such costs and fees may be withheld from compensation. Transportation network drivers must be paid compensation for every completed trip within one week of the trip's completion.

(i) *Gratuities and Incentives*. A licensee shall pay to its transportation network drivers all gratuities in full. Gratuities and incentives paid to a transportation network driver are in addition to, and may not be counted towards, the transportation network driver's minimum compensation required under this section.

(j) Collective Bargaining Exception. The provisions of this section shall not apply to licensees or transportation network drivers whose business relationship is governed by the terms of a collective bargaining agreement.

(k) Encouragement of More Generous Policies. Nothing in this chapter shall be construed to prohibit or discourage a licensee from the adoption or retention of additional protections or policies that are more generous than the protections and policies required by this chapter. Nothing in this chapter shall be construed as diminishing the obligation of a licensee to comply with any contract or other agreement providing more generous protections to transportation network drivers than the protections required by this chapter.

**SECTION 14.** Chapter 9-115 of the Municipal Code of Chicago is hereby amended by inserting new Section 9-115-206, as follows:

#### 9-115-206 Private cause of action.

If any transportation network driver is paid by a licensee any amount less than the minimum compensation to which they are entitled under Section 9-115-205, the transportation network driver may recover in a civil action three times the amount of any such underpayment, together with costs and such reasonable attorney's fees as the court allows. An agreement by the transportation network driver to receive less than the minimum compensation required under this chapter, except for such an agreement that is part of a collective bargaining agreement, is no defense to such action.

If any licensee retains a commission in excess of the amount under Section 9-115-201, the affected transportation network driver may recover in a civil action three times the amount of any such wrongly retained commission, together with costs and such reasonable attorney's fees as the court allows. An agreement by the transportation network driver agreeing to a higher commission for a licensee is no defense to such action.

**SECTION 15.** Chapter 9-115 of the Municipal Code of Chicago is hereby amended by inserting new Section 9-115-207, as follows:

**9-115-207** Non-exclusive remedy. The remedies, fines, and procedures provided under this chapter are cumulative and are not intended to be exclusive of any other available remedies, penalties, and procedures established by law that may be pursued to address violations of this chapter.

**SECTION 16.** Chapter 9-115 of the Municipal Code of Chicago is hereby amended by inserting new Section 9-115-208, as follows:

#### 9-115-208 Transportation network drivers – suspension appeals.

(a) Unwarranted suspension. No transportation network provider shall subject a transportation network driver within such transportation provider's network to unwarranted temporary or permanent suspension from their ability to provide services through the licensee's Internet-enabled application or digital platform.

(b) Suspensions. For all suspensions resulting from a violation of this Chapter or 625 ILCS 57, the Transportation Network Providers Act, the transportation network provider shall provide the transportation network driver with seven days' written notice of the impending suspension, except for suspensions as a result of a potential violation of the zero-tolerance policy, as required under Section 9-115-160, which require notice of suspension as soon as reasonably practicable. The notice shall include: (i) a written statement of the reasons for the suspension, with citations to the applicable Code or statute section that is alleged to be violated for each violation listed; (ii) the effective date of the suspension; and (iii) notice, in a form and manner provided by the Commissioner, of the transportation network driver's right to appeal the suspension under this section.

Upon suspension, a transportation network provider shall provide such transportation network driver with a written statement of the reasons for, and the effective date of, such suspension. Such written statement shall also include notice, in a form and manner prescribed by the Commissioner, of the transportation network driver's right to challenge the suspension under this section.

(c) *Transportation network driver right to appeal.* A transportation network driver shall have the right to appeal all suspensions.

(d) Appeals process.

(i) The Commissioner shall promulgate rules and regulations regarding warranted and unwarranted suspensions based on the eligibility of transportation network drivers under applicable law. In consultation with the department of administrative hearings, the Commissioner shall promulgate rules and regulations regarding the transportation network driver appeals process, including, at a minimum rules establishing procedures for filing appeals and establishing fees.

(ii) Within 14 days of receiving notice of a suspension from a transportation network provider, a transportation network driver may file an appeal for an adjudication proceeding with the department of administrative hearings by: (A) filing a copy of the notice of suspension with the Department of Administrative Hearings; and (B) properly serving the appeal on the transportation network provider. If a driver fails to request an appeal within the prescribed time, or requests an appeal but fails to appear at such hearing, the appeal shall be deemed denied.

(iii) A transportation network driver has the right to represent themselves during any proceeding regarding a suspension appeal, or may be represented by a representative.

(iv) Upon a decision concluding that a suspension was unwarranted, the department of administrative hearings may order the transportation network provider to provide appropriate relief, including:

- (A) the payment of unpaid compensation, lost wages, and liquidated damages;
- (B) interest on the unpaid compensation, lost wages, and liquidated damages from the date the payment was due until the date of payment; and
- (C) reactivating the transportation network driver's ability to provide services through the licensee's Internet-enabled application or digital platform.

(v) Nothing in this section shall be construed as restricting a transportation network driver's right to pursue any other remedy at law or equity.

**SECTION 17.** Chapter 9-115 of the Municipal Code of Chicago is hereby amended by inserting new Section 9-115-209, as follows:

9-115-209 Retaliation prohibited. It shall be unlawful for any licensee to: (i) interfere with, restrain, deny, or attempt to deny the exercise by a transportation network driver of any right protected under this chapter; or (ii) discriminate in any manner or take any adverse action against any transportation network driver in retaliation for exercising any right under this chapter, including, but not limited to, disclosing, reporting, testifying, or making a good faith, but mistaken allegation about any violation of this chapter or regulations promulgated hereunder. For purposes of this section, prohibited adverse actions include, but are not limited to, reducing the rates of compensation to the transportation network driver; garnishing tips or gratuities; temporarily or permanently denying or limiting access to work, incentives, or bonuses; offering less desirable work; demoting; terminating; deactivating; changing a transportation network driver's status to provide transportation network services from eligible to ineligible; putting a transportation network driver on hold status; failing to rehire a transportation network driver after a seasonal interruption of work; denying authorization to provide transportation network services; threatening; penalizing; engaging in unfair immigration-related practices; filing a false report with a government agency; otherwise discriminating against any person for any reason prohibited by this section; or any other action that would dissuade a reasonable transportation network driver from exercising their rights under this chapter. Such adverse actions may involve any aspect of transportation network services, including compensation, work hours, volume and frequency of trips assigned. responsibilities, or other material change in the ability of a transportation network driver to perform transportation network services. It shall be a rebuttable presumption of retaliation if the licensee or any other person takes an adverse action against a transportation network driver within 90 calendar days after such transportation network driver's exercise of a right under this chapter. A licensee may rebut such presumption with clear and convincing evidence that the adverse action was taken for a permissible purpose.

**SECTION 18.** Section 9-115-230 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, as follows:

#### 9-115-230 Violation – Penalty.

(a) Any licensee who violates this chapter or any rule promulgated hereunder shall be subject to a fine of not less than \$500.00 and not more than \$10,000.00 for each such violation. Each day that any violation shall continue shall be deemed a separate and distinct offense. <u>Any licensee who violates the commission cap established pursuant to Section 9-115-200(a) shall be subject</u>

to: (i) a fine of \$100 for each fare charged in violation of Section 9-115-200; and (ii) suspension, rescission, non-renewal, or revocation of their license if the licensee violates Section 9-115-200(a) on three separate days within any 12-month period.

(Omitted text is unaffected by this ordinance)

**SECTION 19.** This ordinance shall take effect 60 days after passage and approval.

BRENDAN REILLY Alderman, 42nd Ward