Transportation Network Companies (TNCs) at Minneapolis - St. Paul International Airport

November 2, 2017

Atif Saeed, Vice President – Finance and Revenue Development
Metropolitan Airports Commission
$15.9 Billion
Total Economic Output

$7.1 Billion
Direct Economic Impact

$973 Million
Taxes generated for local, state and federal programs

$2.5 Billion
Visitor Spending

86,900
Jobs

$3.7 Billion
Employee Earnings
TNC Background

- Transportation Network Companies
  - Digital Network
  - Personal, non-commercial vehicles
  - Examples: Lyft & UberX
- In Minnesota Small Vehicle Passenger Services are regulated by local authorities
- First TNC ride in the Twin Cities – October, 2012
  - City of Minneapolis TNC Ordinance – July, 2014
  - City of Saint Paul TNC Ordinance – January, 2015
- Increasing pressure to provide legal framework at MSP
TNC Regulatory Concerns

- Insurance coverage
- Vehicle requirements and safety inspections
- Driver qualifications and background checks
- Driver training
- Trade dress

- Fees & charges
- Fee tracking, collection and auditing
- Staging, pick-up and drop-off locations
- Operational protocol
- Enforcement
Regulatory Concerns

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MAC TNC Ordinance

November 2, 2015  Presentation to M&O Committee
November 19, 2015  Public informational meeting
January 4, 2016  TNC Public Hearing
September 21, 2016  Hearing Officers meeting
October 17, 2016  Commission adopted the TNC Ordinance
January 1, 2017  TNC Ordinance effective
January 1, 2018  Driver and vehicle permitting effective
Revenue Collection and Enforcement

- $500 annual TNC license fee
- $3.00 pick up and $3.00 drop off
- $25 driver permit fee
- A deposit based on projected monthly fees
- TNC sets up a geo-fence to track activity at MSP
- MAC receives real-time data from TNC
- Drivers are unable to receive rides while within the geo-fence
- MAC performs random and monthly audits
- MAC staff enforces the terms of the ordinance
- Penalty schedules in place for both the drivers and TNCs
Future Considerations

• Growth in TNC activity
• Ground transportation services mix
  • Infrastructure, operations and technology
• Public parking
  • Infrastructure, operations and technology
• Financial impacts
• Long-term planning
• Other transportation business models
• Autonomous vehicles?
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