Good Evening Mr. Mayor and Members of Council,

My name is Michael Benson and I’m a resident of the 2nd ward. I’m also privileged to serve as the Chair of the Taxicab Board.

The city’s transportation industry is in flux. This is due to a number of factors including rising insurance costs, variable gas rates, the state’s lax limousine transportation act, and significant advances in technology to name a few.

I’m first going to speak to the resolution to draft an operating agreement with Uber and Lyft. While I agree that it is desirable to have TNCs operating in Ann Arbor, I do not agree that the state hasn’t regulated TNCs. In fact, they fall under the state’s limo law which strives to regulate limos. Under the act, a limousine is “self-propelled motor vehicle used in the caring of passengers and the baggage of passengers for hire upon a public highway.” Regardless of the method used to request transit, in Michigan, a vehicle for hire is either a limo or a taxi.

Ann Arborites are innovative and highly entrepreneurial. While we currently have Lyft and Uber in the city, the taxicab board’s proposal was geared for the future. Tomorrow we could see another 3 or 4 TNCs enter the market as startup ventures. Going down the path of an operating agreement is a band-aid over no wound. The ordinance proposal put forward by the taxicab board in comparison would have addressed a current deficiency and would be broad enough to work regardless of the players in the market it would be similar to a hammock, able to gracefully support the emergence of new players while still protecting the current players and the public.

The conditions outlined in the Cease and Desist orders have not changed. If the city’s legal experts believe that Lyft and Uber and operating in violation of the law than it seems to me that the Council shouldn’t attempt
to grant an exception. Uber and Lyft are in violation of the state law. Beyond this, Ann Arborites are driving for both companies with their personal insurance and are at risk. It’s been said that you don’t need a union until you need a union. Or you don’t need health insurance until you get sick. Well, the same is true in this case, you don’t need commercial insurance until you need commercial insurance. Entering into an agreement that allows these companies to continue to operate without requiring that their drivers cary commercial insurance would be setting a dangerous precedent and will continue to leave these drivers and the public at large at risk. I urge you to vote down the operating agreement and to please reconsider the Driver Registration ordinance and if nothing else, allow it to go to a public hearing.