ARTICLE XVI. – SHAREABLE POWERED MICROMOBILITY VEHICLES AND SYSTEMS

DIVISION 1 -- GENERALLY

Sec. 16-701. - Purpose.

The city has determined that the regulation of shareable powered micromobility vehicles and systems is necessary in order to protect the health, safety, and welfare of the public, as well as to promote the public interest by regulating the areas and methods of operation. To meet these ends, the city has determined that all persons or entities that desire to operate shareable PMVs and systems within the city must be issued a permit pursuant to the requirements of this article.

Sec. 16-702. - Definitions.

<u>Unless specifically stated otherwise, the following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section. The word "shall" is always mandatory and not merely advisory.</u>

<u>Administrative regulations means the administrative regulations adopted by the city regarding shareable powered micromobility vehicles.</u>

<u>Permit manager</u> means the person designated by the city in the administrative regulations to manage all shareable PMV operating permits in the City of Knoxville and to perform all other duties assigned in the Administrative Regulations.

<u>Powered micromobility vehicle system operator ("operator") is the person or entity that operates a shareable powered micromobility vehicle system.</u>

Powered micromobility vehicle ("PMV") means a wheeled device that is fully or partially powered by an electric motor. PMVs do not include devices fully or partially powered by an internal combustion engine. Standing Scooters deployed under this permit shall meet the SAE J3194 classifications of WT1 and SP2; Electric bicycles and seated scooters deployed under this permit shall meet the SAE J3194 classifications of WT2, WD2, SP2:

Table 1 - Classification system for powered micromobility vehicles

Name	Code	Description
Curb weight		
Ultra lightweight	WT1	Curb weight ≤ 50 pounds (23 kg)
Lightweight	WT2	50 pounds (23 kg) < curb weight ≤ 100 pounds (45 kg)
Midweight	WT3	100 pounds (45 kg) < curb weight ≤ 200 pounds (91 kg)
Midweight plus	WT4	200 pounds (91 kg) < curb weight ≤ 500 pounds (227 kg)
Vehicle width		
Standard-width	WD1	Vehicle width ≤ 3 feet (0.9 m)
Wide	WD2	3 feet (0.9 m) < vehicle width ≤ 4 feet (1.2 m)
Extra-wide	WD3	4 feet (1.2 m) < vehicle width ≤ 5 feet (1.5 m)
Top speed		
Ultra low-speed	SP1	Top speed ≤ 8 mph (13 km/h)
Low-speed	SP2	8 mph (13 km/h) < top speed \leq 20 mph (32 km/h)
Medium-speed	SP3	20 mph (32 km/h) < top speed ≤ 30 mph (48 km/h)

Shareable powered micromobility vehicle means a PMV that is available for rent to the general public for short-term trips without the installation of any infrastructure in the public right-of-way and shall include, but not be limited to, a bicycle/e-bicycle, scooter/e-scooter, moped/e-moped and shall exclude any motor vehicle required to be registered with the state, in accordance with state law.

<u>Shareable PMV permit ("operating permit")</u> means a permit required to operate a shareable PMV system within the city.

<u>Shareable PMV system</u> is a fleet of shareable powered micromobility vehicles operated by a private entity that provides the general public with shareable PMVs.

Secs. 16-703 to 16-710 - Reserved.

<u>DIVISION 2 – PERMITS, APPLICATION, AND ISSUANCE</u>

Sec. 16-711. – Operating permit required.

It is unlawful to operate, deploy, stage, use, or advertise any shareable PMV or system without an operating permit issued under this article. Violations of this subsection shall be punishable in accordance with section 1-9 of the City of Knoxville Code of Ordinances.

Sec. 16-712 – Application.

Every operator desiring to operate a shareable PMV or system shall submit an application for an operating permit to the business license & tax office. Each application shall contain, at the least, all of the following information. In addition to the information required by the application, the business license & tax office may request other information reasonably required. The permit application shall not be considered complete until the business license & tax office has all information as required by the application or otherwise.

- (a) Completed operating permit application form included all requested plans, policies, and specifications:
- (b) Acknowledgement of rules. Written acknowledgement by the operator that they have read all regulations pertaining to the operation of a shareable PMV, including this article, the city's business license requirements, the city's tax requirements, the administrative regulations promulgated or imposed by the city to implement this article, and acknowledging responsibility for compliance with the provisions of this article and the administrative regulations.
- (c) Life safety compliance and affidavit. An application for an operating permit must be accompanied by an affidavit verifying compliance with the safety and equipment standards set forth in this article, state and local laws, and the administrative regulations.
- (d) City business license:

- (e) Indemnification. Written acknowledgement and agreement by the owner and operator that, in the event a permit is approved and issued, agree to assume all risk and indemnify, defend and hold the city harmless concerning the city's approval of the permit, the operation and maintenance of the shareable PMV and system, and any other matter relating to the shareable PMV system.
- (f) Inventory information. Images and description of the applicant's shareable PMVs, including technical specifications, any signage or instructions permanently affixed to the device, and the number of shareable PMVs;
- (g) Owner and Operator information. The full legal name, street and mailing addresses, the email address, and the telephone number of the owner of the shareable PMV system and in cases where a business entity or trust is the owner of the shareable PMV system, the individual who has responsibility to oversee the ownership of the shareable PMV system on behalf of the business entity or trust, including the mailing address, the email address, and the telephone number of the individual having such responsibility. If the owner of a shareable PMV system is a business entity, information and documentation is required demonstrating the owner's valid status with the Tennessee secretary of state. The same information is required for the operator of the shareable PMV system.
- (h) Equity plan. Permitted operators shall provide an equity plan to the business license & tax office as part of the permit application. The equity plan would include operational abilities of operators to increase physical access to devices and decrease economic barriers to using devices in an equitable way. The equity plan shall include discounted price options and may include such elements as cash-based payment systems, nonsmartphone reservation systems, and equitable deployment and rebalancing practices.

Sec. 16-713 – Fees and Deployment.

The business license & tax office shall collect all fees associated with the application for and issuance of an operating permit. There shall be no proration of fees. Fees are non-refundable once paid.

- (a) An application for an operating permit under this article shall be accompanied by an application fee in the amount of \$100.
- (b) The two-year operating permit fee shall be set initially at \$12,000 but may be modified in the Administrative Regulations. Two operating permits can be distributed at a time.
- (c) Each permitted operator may deploy up to 300 PMVs with the following limitations:
 - (1) If the permitted operator wishes to deploy seated scooters, the ratio between standing scooters PMVs and seated scooters PMVs is one to three (1:3). Seated scooters PMVs are capped at 30 per permitted operator.
 - (2) Each permitted operator must deploy a minimum of 50 shared bikes or e-bikes, up to 100. Shared bikes are not included in the count for seated or standing PMVs. The minimum bike or e-bike deployment number can be waived for a specific operator at the discretion of the permit manager if a selected operating permit holder cannot provide bike or e-bike share.
 - (3) The permit manager must issue written approval before an operator may increase its fleet size.

Sec. 16-714 – Issuance of permit.

- (a) The business license & tax office will accept operating permit applications at the discretion of the permit manager. Two operating permits will be issued every two years. The application time period and selection process will be set forth in the administrative regulations.
- (b) The operating permit shall be valid for 24 months as of the date of the original issuance of the permit and shall thereafter expire automatically, unless the operating permit has been revoked, suspended, or terminated earlier. Upon expiration, no operator is guaranteed a permit renewal.
- (c) Upon administrative declaration by the permit manager, a permit holder may apply for a sub-permit to expand their fleet. The sub-permit application will be included with the administrative regulations and will be issued to companies at the discretion of the permit manager and based on operator performance and compliance. Sub-permits may be temporary in nature and conditional upon performance and revoked by the permit manager. Any associated fees with the sub-permit will be prorated as established in the administrative regulations.
- (d) In order to receive an annual permit, the operator must relinquish any existing operating permits from or contracts with the City of Knoxville.
- (e) A partial year permit may be established on an as-needed basis to replace any permitted operators that withdraw from the city or whose permits are suspended, revoked, or terminated before permit expiration or at the discretion of the permit manager. Any associated fee for a partial year permit will be prorated as established in the administrative regulations.
- (f) All permitted operators shall launch fleets by the deadline established within the permit application in accordance with administrative regulations.
- (g) The permit manager shall deny an operating permit to an operator when that operator is delinquent in the payment of any fees, fines, or taxes owed to the city, Knox County, or State of Tennessee.

Sec. 16-715 – No renewals of permits.

Operating permits for shareable PMVs and systems are not renewable. Any interested operator shall be allowed the opportunity to apply for a new two-year operating permit from the business license & tax office after the operating permit expires.

Sec. 16-716 – Prohibitions against transfer.

- (a) <u>Generally</u>. No person or entity holding an operating permit shall sell, lend, lease, or in any manner transfer the operating permit for value without the express written consent of the permit manager.
- (b) <u>Transfers invalid.</u> Any unauthorized transfer or attempt to transfer an operating permit shall automatically void such permit. Persons or entities violating this provision, including both the transferor and transferee, may be subject to a citation and fine. Each

unauthorized transfer or attempt to transfer of each operating permit shall constitute a separate violation.

Sec. 16-717 – No vested rights.

Except in instances where constitutional principles or binding state or federal laws otherwise provide, the provisions of this article and any ordinances or other measures concerning shareable PMVs are not a grant of vested rights to continue operations indefinitely. Any use of shareable PMVs and any permits for the same are subject to provisions of other ordinances, resolutions, or other city measures that may be enacted or adopted at a later date, even though such ordinances, resolutions, or other city measures may change the terms, conditions, allowance, or duration for shareable PMV systems, including but not limited to those that may terminate some or all shareable PMVs or systems, with or without some period of amortization. While this recitation concerning vested rights is implicit in any uses permitted by the city, this explicit recitation is set forth to avoid any uncertainty or confusion.

Secs. 16-718 to 16-720 - Reserved.

<u>DIVISION 3 – COMPLIANCE WITH LAWS, COMPLAINTS, REMEDIES, AND PERMIT</u> REVOCATION

Sec. 16-721. – Compliance with city and state laws.

It shall be unlawful to use or operate a shareable PMV or system that does not comply with all applicable state and local laws, the Knoxville City Code, and the administrative regulations.

Sec. 16-722 – Operation without permit.

Any shareable PMV or system operating or advertising for operation without a valid permit shall be deemed a public safety hazard. The city may issue and the operator, the owner, or the local contact person may receive a civil citation for operating or advertising for operation without a permit and the penalty for such is fifty dollars (\$50.00) per day per vehicle in violation of this article.

Sec. 16-723. - Public nuisance.

It is unlawful and a violation of this article, and is hereby declared a public nuisance for any person to commit, cause, or maintain a violation of any provision or to fail to comply with any of the requirements of this article including, without limitation, the administrative regulations. The operation or maintenance of a shareable PMV or system in violation of this article or any other city ordinance may be abated or summarily abated by the city in any manner by this code or otherwise provided by law for the abatement of public nuisances. The city may issue and the operator, the owner, or the local contact person may receive a civil citation for any violation of this article or any other city ordinance by the operator, the owner, or the local contact person for the

shareable PMV or system, or the users of the shareable PMVs, and the penalty for such is fifty dollars (\$50.00) per day per vehicle in violation of this article.

Sec 16-724. – Enforcement official.

The primary authority and responsibility for the enforcement of the provisions of this chapter in the City's right of way shall be vested in the permit manager and authorized municipal enforcement officers. The permit manager may inform an authorized officer of a need to issue a citation, seek an injunction, abatement, or other appropriate actions to enjoin, abate, or stop any violation of this Code. At times, the aid of the City Law Department, Police Department, the Public Building Authority, or any other City department or agency may be sought to enforce this Code. The person or entity charged with the violation may be held responsible for any legal expenses incurred by the City.

Sec. 16-725. - Complaints and Remedies.

- (a) Each permitted shareable PMV must have permanently affixed contact information for complaints including relocation requests. Each permitted operator must monitor and document such complaints as well as their responses twenty-four hours per day, seven days per week. At all times, each permitted operator must have sufficient local operations and maintenance staff to address any and all complaints and correct any violations.
- (b) After providing written notice and a reasonable opportunity to cure, the City may suspend, modify, or revoke an operating permit if the city determines by a preponderance of the evidence that:
 - (1) An applicant obtained the permit by knowingly providing false information on the application;
 - (2) The continuation of the shareable PMV or system presents a threat to public health or safety;
 - (3) The operator, shareable PMV, or system violates state or federal law, the regulations of this article, the administrative regulations, or any other city ordinance;
 - (4) The operator withdraws form the city or does not deploy in accordance with the timeline set forth in the administrative regulations; or
 - (5) Other good cause exists.
- (c) Upon permit revocation or suspension, the city will not refund any permit fees previously paid to the city. Additionally, the city may issue a citation per Article 1-9 and charge an administrative fine as established by the permit manager and as set forth in the administrative regulations.
- (d) The city reserves the right to cite, impound, store, and dispose of improperly used or parked permitted PMVs at the operator's expense. The city may cite the permitted operator for any violations, including without limitation those caused by an individual user of a shareable PMV.
- (e) The remedies provided in this section are not exclusive, and nothing in this section shall preclude the use or application of any other remedies, penalties or procedures established by law.

Sec. 16-726. - Appeal of revocation.

- (a) If a permit is revoked, the permit manager shall state the specific reasons for the revocation. Any operator or owner whose operating permit has been revoked may appeal such denial by submitting a written request for a hearing submitted to the permit manager within ten (10) days of revocation. A hearing shall be conducted within thirty (30) days of the permit manager's receipt of said appeal by a panel comprised of representatives from the Policy Office, Knoxville Police Department, and other representatives from the office of the Mayor, the Department of Engineering, and the Law Department. The panel shall consider whether the revocation was justified and whether good cause exists to reinstate the permit. The panel shall issue its decision on the appeal in a written opinion within ten (10) business days; the written opinion will be sent via first class mail to the operator at the address listed on the application. The decision resulting therefrom shall be final and subject only to judicial review pursuant to state law. An operator with a revoked permit shall not operate in the City of Knoxville's right of way.
- (b) Following the revocation of a permit, there is a mandatory six (6) month waiting period before a new permit may be applied for, unless stated otherwise in this article. The 6 month waiting period begins after all of the operator's shareable PMVs are removed from the city right-of-way. Upon reapplication, the operator must pay the full permit fee. The operator must settle all outstanding debt to the City of Knoxville and continue to provide access to real time data regarding device locations until all of operator's shareable PMVs are removed.

Sec. 16-727 – City shall not enforce private agreements.

The city shall not have any obligation or be responsible for making a determination regarding whether the issuance of an operating permit or the use of a shareable PMV or system is permitted under any private agreements or any covenants, conditions, and restrictions or any of the regulations or rules of a private organization having jurisdiction in connection with the shareable PMV or system, and the city shall have no enforcement obligations in connection with such private agreements or covenants, conditions and restrictions or such regulations or rules.

Sec. 16-728 – 730 – Reserved.

DIVISION 4 – OPERATIONAL REQUIREMENTS

Sec. 16-731. - Safety.

- (a) The motor of each permitted shareable PMV must not alone be capable of propelling the device in excess of 20 miles per hour.
- (b) All permitted shareable PMVs must adhere to minimum safety standards as established by state and local laws, the Knoxville City Code, and the administrative regulations.
- (c) All permitted operators shall maintain liability insurance with the City of Knoxville as the certificate holder in the amounts determined by the office of risk management.

- (d) All permitted operators will educate users regarding the rules and laws applicable to riding and operating in the City of Knoxville.
- (e) Permitted operators will encourage users to wear a helmet while operating shareable PMVs.
- (f) All permitted shareable PMVs shall be equipped with a white headlight or headlamp, a rear red light, and rear reflector. All lights shall be illuminated during the entire duration of the rental regardless of whether the device is in motion. Lighting equipment shall meet the requirements set forth in the administrative regulations.
- (g) Permitted operators shall use the most advanced technology as determined by the permit manager to ensure safe operations for all and at minimum shall comply with any safety requirements set forth in the administrative regulations and Tennessee law.
- (h) All permitted shareable PMVs must include visible signage to inform users and non-users that riding on the sidewalk is illegal.
- (i) All permitted shareable PMVs must include visible signage to inform users and nonusers how to submit complaints regarding violations.
- (k) All permitted operators must have a phone number staffed twenty-four hours per day, seven days per week for resolution of complaints and safety issues.
- (I) If the city determines that a public safety concern exists, the city may notify the permitted operator of the same and require that no shareable PMVs may be staged, deployed, or otherwise offered for use until the public safety concern is abated or remedied.
- (m) Permitted operators must comply with all administrative zones including any no-ride zones, specific parking zones, special event zones, low speed zones, or other zones authorized by the permit manager or the administrative regulations.
- (n) All users of shareable PMVs must comply with Ch. 17, "Motor Vehicles and Traffic" requirements while operating a shareable PMV, and permitted operators may be held liable for the violations and any damages caused by users of shareable PMVs.
- (o) All users and permitted operators must comply with National Association of City Transportation Officials (NACTO) parking guidelines for regulation shared micromobility unless in a more specific parking zone.
- (p) A PMV must never be parked in a way that blocks a sidewalks or hinders ADA access points.

Sec. 16-732. - Bond required.

- (a) Permitted operators must provide a bond in an amount and form specified by the permit manager and set forth in the administrative regulations.
- (b) The funds available from the bond required by this section shall be applied to pay for any of the following costs.
 - (1) Damage to public property caused by a permitted operator's shareable PMV.
 - (2) The removal and storage of a permitted operator's shareable PMV that are parked illegally.

- (3) Any fines and fees incurred by the permitted operator that are outstanding for more than 60 days after the City has sent a formal request for the fines and fees.
- (4) Any other costs the City incurs in the process of enforcing this Ordinance, the City Code, the Administrative Rules, state or federal law, or any other applicable requirements or authority, including but not limited to attorney fees.

Sec. 16-733. - Data sharing.

- (a) Permitted operators shall provide a documented application programming interface ("API") that furnishes anonymized data for the entire fleet. The format and field requirements of the API will be defined through administrative regulations, communicated directly to operators, and published on the city website. Operator may not change the API URL without notifying the city with at least 30 days' notice. Operators are required to make the API endpoint available for city consumption along with an API key or token in order to securely connect to this endpoint. Failure to provide the API key or token within this 30 day time period may result in suspension or revocation of the permit. At the discretion of the commissioner of the department of transportation, the city may provide use a third-party data manager to access and analyze the anonymized and aggregated data on the City of Knoxville's behalf.
- (b) Permitted operators must provide a monthly data report. Reporting requirements will be defined through the administrative regulations, communicated directly to operators, and published on the City of Knoxville's website.

Sec. 16-734 – 740. Reserved.