

Ordinance No. _____

AN ORDINANCE TO SET FORTH UNIFORM REQUIREMENTS
FOR TRANSPORTATION NETWORK SERVICES; TO DEFINE
TRANSPORTATION NETWORK SERVICES, APPLICATIONS, COMPANIES,
AND OPERATORS AND TO CREATE REGISTRATION PROVISIONS FOR
OPERATORS; AND TO PROVIDE FOR OTHER RELATED MATTERS.

WHEREAS, the Memphis City Council desires to regulate the area of Transportation Network Services in order to allow for the availability of transportation solutions for its citizens and visitors and to provide for public protections relative to those services.

NOW, THEREFORE, BE IT ORDAINED BY THE MEMPHIS CITY COUNCIL, that Chapter 39, Business License and Regulation, of the Memphis, Tennessee, Code of Ordinances is hereby amended to add the following Article:

Chapter 39 Article IV. Transportation Network Services

Division 1. - Definitions

- (a) *Active on the TNC system* means when the TNC Operator is logged onto the transportation network company (TNC) application system showing that the TNC Operator is available to pick up passengers, e.g., when driver mode is turned on; when a passenger is in the vehicle; or when the driver has accepted a request for a ride and is en route to provide transportation services to a passenger.
- (b) *Certificate Holder* means a TNC that has obtained a certificate of public convenience and necessity from the City of Memphis pursuant to the requirements of this Chapter.
- (c) *Pre-arrangement* means a request for transportation of a specific passenger by registration in advance of boarding from a specified location, including pre-arrangement through an internet based technology applications, such as a TNC digital platform). Such registration must have been made by requesting a ride through the TNC digital platform before the vehicle was en route to render the transportation service or any service ancillary to the transportation, such as loading luggage.
- (d) *Transportation Network Company* or *TNC* shall mean an entity licensed pursuant to this Chapter and operating in the City of Memphis that uses a digital network or software application to connect passengers to Transportation Network Company Services provided by Transportation Network Company Operators.
- (e) *Transportation Network Operator* shall mean an individual who has contracted with a transportation network company and uses a motor vehicle to provide TNC Services through a transportation network company's digital network.

- (f) *Transportation Network Company (TNC) Services* shall mean transportation of a passenger for hire between points chosen by the passenger and pre-arranged with a TNC Operator through a TNC digital network or software application.
- (g) *For hire* means that a driver, employee, agent, owner or any other representative of a passenger vehicle for hire company, or the passenger vehicle for hire conducts a transaction whereby any money, thing of value, charge tickets, surcharge, payment, pecuniary consideration or compensation, reward, donation, tip, or any other remuneration or profit is paid to, accepted by, or received in exchange for the temporary use by or for the transportation of a passenger.
- (h) *Memphis Transportation Commission* means the Transportation Commission as established by the City of Memphis under Chapter 39 of the Memphis City Code and who has the authority to issue permits, certificates of public convenience and necessity, and regulating all forms of vehicles for hire with the City of Memphis.
- (i) *Memphis Transportation Commission Staff* means the inspectors, director and other staff employed by the City of Memphis in support of the Memphis Transportation Commission in the performance of their rules and regulations.

Division 2 - Certificate of Public Convenience and Necessity

(a). Required

a. No TNC shall operate or allow any TNC Operators to provide Transportation Network Services, as defined in Chapter 39 Article IV Division 1, within the City of Memphis without the TNC having first obtained a certificate of public convenience and necessity from the City of Memphis through the Memphis Transportation Commission and its designated Staff.

b. The Memphis Transportation Commission may approve or deny an application for a certificate in accordance with its rules and regulations established under its authority to inform, enforce and execute the provisions of this Chapter

(b). Application

a. A TNC shall file an application for a certificate of public convenience and necessity with the City of Memphis Permits Office in a format prescribed by the Memphis Transportation Commission. Forms will be provided by the City of Memphis Permits Office and payment of a nonrefundable fee will be charged. The application form shall include the all information required pursuant to this Chapter. It shall include a certification under oath by the applicant that all required components of the application have been submitted and is complete, true and accurate, in a form established by the Memphis Transportation Commission.

b. The application must include at minimum:

- i. Proof that the company is registered to do business in the State of Tennessee;
- ii. Proof that the company maintains a registered agent in Memphis;
- iii. Proof that the company maintains a website that includes the information required by this Chapter to be posted on such website;
- iv. A statement of the company Zero Tolerance Policy
- v. Proof that the company has established a uniform logo, insignia, decal, or trade dress;
- vi. A certification under penalty of perjury that the company has complied with the requirements of this ordinance, including, but not limited to the registration requirements for Transportation Network Operators; and
- vii. Registration Fee – Required
 1. A registration fee of \$15,000.00 payable to the City of Memphis. If a certificate is approved with less than 12 full months in the calendar year, said fee shall be prorated for the balance of the year.
 2. A TNC that is affiliated with a transportation company that is regulated under Chapter 39 of the Memphis City Code may request credit toward registration fee on a dollar for dollar basis against the amount of commercial property and personal property taxes paid to the City of Memphis.

c. An applicant will be ineligible for consideration if:

- i. Any of the partners, officers, directors, or members are under twenty-one years of age and/or the TNC has no separate legal existence beyond a shareholder, owner, or partner who is under the age of eighteen years of age;
- ii. Any portion of the application is incomplete or contains materially incorrect or untruthful information.
- iii. If a certificate is issued to the applicant, and this application is found to have contained a material misrepresentation that shall be deemed sufficient cause for revocation of the certificate.

(c) Findings-Issuance of certificate

- a. If the Memphis Transportation Commission determines that the application meets the requirements set forth in this Chapter, the City of Memphis Permits Office shall issue a certificate.

- b. The certificate shall state the name, business address and telephone number of the applicant, the classification of service for which the certificate is issued, and the date of expiration.

(d). Annual Renewal. All certificates issued under the provisions of this Chapter shall expire on December 31 of each year following the date it was issued. All certificates may be renewed by the MTC director for each successive year at least thirty days prior to their expiration with proof of continuing insurance coverage. A renewal fee for each approved certificate shall be:

A. \$15,000.00

B. A TNC that is affiliated with a transportation company that is regulated under Chapter 39 of the Memphis City Code may request credit toward registration fee on a dollar for dollar basis against the amount of commercial property and personal property taxes paid to the City of Memphis

(e). All applicants for renewal must be current with all assessments and taxes due to Memphis and Shelby County governments.

Division 3 – Fares

(a). A TNC may assess fares for the transportation services determined by a flat fee, vehicle mileage time of use basis or a combination thereof, including multipliers or increases of the base fare rate used by the TNC for periods or locations of high demand, or any other charge that applies to the requested ride and increases the fare. In determining such fares, multipliers or increases, TNCs shall consider the input from the MTC. Fares and the calculations methods for any fare, including multipliers or increases of the base fare rate, shall be made available to the general public and are hereby approved by the Memphis City Council by resolution.

(b). Upon completion of a trip, a transportation network company shall transmit an electronic receipt to the passenger's electronic mail address or mobile application that lists:

- 1) The origin and destination of the trip;
- 2) The total time and distance of the trip; and
- 3) A breakdown of the total fare paid, if any.

Division 4 Insurance

(a) Before any certificate of public convenience and necessity shall be issued under this Chapter by the MTC director, or before the renewal of such certificate shall be granted, the applicant shall provide to the city an Accord Certificate of any insurance policy required under this Chapter.

(b) An Accord Certificate shall include

- 1) the City of Memphis as an additional insured

- 2) The company issuing the insurance policy
- 3) Name and Address of the insured TNC.
- 4) Policy limits for the various coverages provided.
- 5) A provision requiring 30 days' advance notice to the City of Memphis prior to cancellation or lapse, or any reduction in the coverage of the policy.

TNCs shall be required to disclose to the City of Memphis any exclusion that is specific to the City of Memphis in the insurance policies required by this Chapter.

- (c) Holders of certificates of public convenience and necessity shall maintain commercial general public liability insurance, inclusive of contractual liability, and off-premises coverage in an amount of not less than one million dollars (\$1,000,000.00) written on an occurrence basis.
- (d) For accidents involving a Transportation Network Operator from the time that a Transportation Network Operator accepts a request for TNC services until the time that the passenger exits the Transportation Network Operator's vehicle, a transportation network company or Transportation Network Operator shall maintain a liability insurance policy that:
 - a. Provides primary commercial liability coverage of at least \$1,000,000 per incident.
 - b. Provides uninsured/underinsured motorist coverage of at least \$1,000,000 per incident.
- (e) For accidents involving a Transportation Network Operator during the time that a Transportation Network Operator is logged onto a transportation network company's digital network and is available to accept a request for TNC services but has not yet accepted a request for TNC services, a transportation network company or Transportation Network Operator shall maintain a liability insurance policy that provides coverage of at least the required coverage as provided in the Tennessee Financial Responsibility Act of 1977, as amended, T.C.A. 55-12-101 et. seq., generally and in particular 55-12-102 and 55-12-111, and shall be automatically increased as said statute is amended. If this requirement is to be satisfied by the transportation network company, such coverage may be contingent upon the Transportation Network Operator's personal policy denying coverage for an accident.
- (f) Insurance required by this section may be obtained from an eligible surplus lines insurer with the Tennessee Department of Commerce and Insurance and shall have a rating of at least "B" by AM Best or other equivalent rating systems.
- (g) The coverage limits required by this section may be satisfied by the following:
 - 1) A commercial liability policy maintained by the transportation network company;

- 2) A personal automobile liability policy maintained by the Transportation Network Operator that recognizes and covers the Transportation Network Operator's provision of TNC services; or
- 3) A combination of a policy maintained by the Transportation Network Company and a policy by the Transportation Network Operator as set forth in set forth in subsections (g)(1) and (g)(2).

Division 5 Transportation Network Company Operations

(a) A transportation network application company shall:

- 1) Create an application process for a person to apply for registration as a Transportation Network Operator.
- 2) Provide for and require the annual inspection of each vehicle operated by a Transportation Network Operator by a licensed mechanic within the City of Memphis.
- 3) Maintain a current registry of the transportation network company's Transportation Network Operators.
- 4) Provide the following information on its website:
 - i. The transportation network company's customer service telephone number and electronic mail address;
 - ii. The transportation network company's zero tolerance policy established under paragraph (6) of this section;
 - iii. The procedure for reporting a complaint about an individual who a passenger suspects violated the zero tolerance policy under paragraph (6) of this section;
 - iv. An electronic mail address for the Permits Office for the City of Memphis for the purpose of reporting complaints.
- 5) Establish a uniform logo, insignia, decal or trade dress for use on a motor vehicle at any time a motor vehicle is providing or arranging to provide Transportation Network Services that is clearly visible from any direction.
- 6) Establish a zero tolerance policy on the use of drugs or alcohol while Transportation Network Operator is arranging to provide or is providing Transportation Network Services;
- 7) Immediately suspend a Transportation Network Operator upon receiving a passenger complaint alleging that the operator violated the zero tolerance policy. Such suspension shall last the duration of the investigation.

- 8) Conduct an investigation when a passenger alleges that an operator violated the zero tolerance policy required by paragraph (6);
 - 9) Establish and maintain a driver safety training program for all new Transportation Network Operators;
 - 10) Mandate safety inspection of all TNC vehicles when placed in service and annual inspections according to the requirements of this Chapter, and;
 - 11) Maintain records relevant to the requirements of this section for the purposes of enforcement for three years.
 - 12) Disclose to any TNC Operators the following:
 - (1) the insurance coverage and limits of liability that the TNC's insurance policies provide while the TNC Operator is providing TNC Services, and while the TNC Operator is active on the TNC system;
 - (2) that the TNC Operator's personal automobile insurance policy may not provide coverage for incidents occurring while the TNC Operator is active on the TNC system, depending on the terms of the policy.
- (b) A TNC shall not disclose a passenger's personally identifiable information to a third party unless the passenger consents, disclosure is required by a statute, subpoena, or court order, or disclosure is required to protect or defend the terms of use of the service or to investigate violations of those terms. In addition to the foregoing, a Transportation Network Company shall be permitted to share a passenger's name and/or telephone number with the TNC driver providing TNC services to such passenger in order to facilitate identification of the passenger by the TNC Operator, or to facilitate communication between the passenger and TNC Operator.
- (c) A TNC shall retain and preserve all "on-demand" contracts for at least twelve months, and such records shall be made available for inspection by the MTC director or any designated representative at any time with forty-eight hours' notice in connection with an investigation pursuant to Chapter 39 Article IV Division 5(d).
- (d) In the event of a formal complaint to the City of Memphis Police Department or City of Memphis Permits Office or court order, the certificate holder must provide upon the request of the police chief, or their designees, factual information regarding the licensee's drivers and vehicles so as to determine whether or not a particular TNC driver was active on the TNC system application, in route to a passenger location, or engaged with a passenger at a specific time and date. After receiving a formal request by the City to audit records related to the formal complaint, the TNC shall provide the requested information within 48 hours.
- (e) A TNC shall provide an annual report to the City of Memphis providing information on the effectiveness of the platform to address gaps in Memphis' transportation framework. The reports required under this section shall evaluate information such as rider pick-up and drop-

off patterns, cost of trip, and length of trip in order to assist the City of Memphis evaluate the role of TNCs in addressing transportation issues, such as drunk driving and underserved community needs. Any such reports provided to the City of Memphis pursuant to this section are exempt from the definition of a Public Record under the Tennessee Public Records Act (Tennessee Code Annotated 10-7-101 et seq.) and shall not be disclosed to third parties.

Division 6 - Certificate Transfer

- (a) No certificate may be sold, assigned, mortgaged or otherwise transferred, nor may there be any modification of ownership as to stock transfer, new or additional partners, etc., by a holder of a certificate without the consent of the MTC, which shall not be unreasonably withheld. An application for a transfer shall be filed with the MTC director upon the payment of a nonrefundable fee in an amount to be established by the MTC based upon the cost of processing the application and of the administration and enforcement of this part.
- (b) Upon the filing of an application to transfer a certificate, the MTC shall fix a time and place for a hearing on the application.

Division 7 - Suspension and revocation.

- (a) A certificate issued under the provisions of this article may be revoked, suspended, placed on probation, otherwise restricted, or not renewed by the MTC director if the holder thereof has:
 - 1) Violated any of the provisions of this Chapter;
 - 2) Violated any provision of this Code or other ordinances of Memphis and Shelby County or laws of the United States or the State of Tennessee, the violation of which reflects unfavorably on the fitness of the holder to offer transportation services;
 - 3) Failed to pay assessments or taxes due to Memphis and Shelby County governments; or
 - 4) Made a material misrepresentation or false statement when obtaining a certificate or additional permits, or transferring a certificate.
- (b) Prior to any action pursuant to a violation of this Chapter, to fine, revoke, suspend, place on probation, otherwise restrict, or not renew a certificate, the holder shall be given notice to the address listed on their certificate of the proposed action to be taken and by filing a written request within 30 days of the notice shall have an opportunity to be heard by the MTC.

Division 8 – On-Demand documented- Required procedures.

- (a) TNCs must maintain the ability to obtain unalterable written or electronic contracts (trip tickets/waybills). These contracts must include all of the following:
 - a. Date and time the arrangement was made
 - b. Name of passenger;
 - c. Date and time passenger was picked up.
 - d. Point of origin;
 - e. Destination; and
 - f. Name of certificate holder to provide the service.

- (b) Upon the lawful request of City of Memphis law enforcement personnel or City of Memphis Transportation Commission staff, a Transportation Network Operator must be able to provide documented proof that a current ride was pre-arranged through the TNC's digital platform. Such proof may be documented and displayed digitally, and the driver shall not be required to surrender the phone upon which such information is displayed.

Division 9 - Passengers Maximum

No Transportation Network Operator shall permit more persons to be carried in any passenger vehicle for hire that the manufactures rated seating capacity, or the number of approved seat belts, whichever is less.

Division 10 – Transportation Network Operators

- (a). To be a Transportation Network Operator upon the streets and roadways of the City of Memphis, an applicant to be a Transportation Network Operator shall first obtain approval from the certificate holder and shall have established proven compliance with driver requirements as established herein. The certificate holder shall certify under oath to the MTC Staff director compliance with these requirements, and shall make documentation of same available as set forth in this Chapter.

- (b). An application to be approved as a Transportation Network Operator shall be filed with the certificate holder and shall comply with regulations set forth by the MTC Staff. Approved Transportation Network Operators shall maintain on the operator's smartphone proof of the operator's current status as an approved Transportation Network Operator. Such proof shall include the operator's name, picture, the make and model of the approved vehicle, and the license plate of the approved vehicle.

- A. Such application shall at a minimum contain the name, residential address,

Social Security Number, telephone number and date of birth of the applicant. No applicant under twenty-one years of age will be accepted. If the applicant is a resident alien, a current work permit or other documentation from the United States Immigration and Customs Service.

B. The type(s) of vehicle(s) which the applicant will drive.

(c). The applicant shall provide copies of the following documents in order to submit his application:

A. A valid Tennessee driver's license.

B. Proof of registration for the vehicle to be driven by the Transportation Network Operator.

C. Proof of insurance for the vehicle to be driven by the Transportation Network Operator.

(d). Each application shall be accompanied by an official driver record issued by the Tennessee Department of Safety, no more than thirty days previous to the date of application. All applicants are required to meet the following standards:

A. No convictions in the last five years for any of the following offenses involving bodily injury or death and no convictions in the last three years for any of the following offenses not involving injury or death:

1. Hit and run;
2. Driving under the influence of an alcoholic beverage or drug;
3. Reckless driving.

B. No more than three moving violations within the last three years and no more than two moving violations in the last year.

(e). Upon receiving an application to become a Transportation Network Operator, certificate holders must conduct or require the applicant to undergo an identification and criminal background check as required by state law as more specifically provided by this Chapter.

(f). Additionally, the certificate holder shall check the National Sex Offender Database to verify whether the applicant is listed on the Database, and shall certify under oath to the MTC that it has conducted this check and verified that the applicant does not appear on the Database. Any applicant listed on the Database shall be disqualified for eligibility for a driver's permit.

(g). Any applicant shall, in addition to any disqualifications listed elsewhere in this Chapter,

be disqualified if the applicant:

A. Has been convicted, pleaded guilty, nolo contendere, placed on judicial diversion pursuant to Tenn. Code Ann. Section 40-35-313, or been released from incarceration, probation or parole within a period of seven years prior to the date of application for violation of any of the following criminal offenses under the laws of Tennessee, any other state or of the United States of America:

- Homicide,
- Rape,
- Aggravated assault,
- Kidnapping,
- Robbery,
- Burglary,
- Domestic Assault or Domestic Violence,
- Child sexual abuse,
- Any sex-related offense,
- Leaving the scene of an accident,
- Criminal solicitation, or criminal attempt to commit any of above,
- Perjury or false swearing in making any statement under oath in connection with the application for a driver's permit, or
- The felony possession, sale or distribution of narcotic drugs or controlled substances.

B. If, at the time of application, the applicant is charged with any offenses in A. above, consideration of the application shall be deferred until entry of a plea, conviction, acquittal, dismissal, or other final disposition of the charges.

C. Has been convicted for a period of two years prior to the date of application of the violation of two or more sections of this code or other ordinances governing the operation of vehicles for hire.

D. Has failed to disclose any criminal conviction, except traffic citations, on the application for a permit.

(h) The City of Memphis shall conduct an annual audit of TNC's criminal and driving record background check processes. Such audit shall consist of a sampling of active TNC drivers. The TNC shall provide evidence that each of the sampled active drivers was subject to and passed the criminal background check and driving record check required pursuant to this Chapter.

Division 11 - Prohibition against compensation for right to pick-up passengers.

It shall be unlawful for any TNC Company or TNC Operator directly or indirectly to provide compensation in any form to any individual or entity or engage in any activity in connection with the payment of compensation for the right to pick up passengers or provide for-hire passenger service from any hotel, motel, apartment, restaurant, nightclub, bar, school, hospital, convalescent home, medical clinic or any other business establishment, or public facility. The license, permit, or certificate of any TNC or TNC Operator who operates any passenger vehicle for hire violating this provision shall be subject to suspension up to twelve months for the first violation and shall be subject to revocation for repeat violations in accordance with the provisions of the Code.

Division 12 - Vehicles

(a). An electronic decal will be required to identify each vehicle by a unique number. Such decal can be maintained and displayed digitally on the Transportation Network Operator's phone. The electronic decal shall include the make and model of the vehicle, and current license tag number of the vehicle under the terms and conditions of this Chapter.

(b). All TNC vehicles must be titled, registered or leased to a Transportation Network Operator, or must otherwise be authorized for use by the Transportation Network Operator. The use of rental vehicles to provide Transportation Network Services is prohibited.

(c). A TNC vehicle identification may consist of a consistent trade dress (i.e. distinctive signage or display on the vehicle) that is sufficiently large and color contrasted when providing service, and in compliance with all other federal, state and local laws and regulations. The trade dress shall be sufficient to allow a passenger, government official, or member of the public to associate a vehicle with a particular licensed transportation provider. A TNC using such a trade dress to meet this identification requirement shall file a photograph of their trade dress with the MTC Staff.

(d). Inspection and maintenance of vehicles- Compliance required.

A. Prior to the use and operation of any vehicle under the provisions of this Chapter, the vehicle shall be thoroughly examined and inspected by the certificate holder or a third party in accordance with this Chapter. When a certificate holder finds that a vehicle has met all the terms established by this Chapter, the holder shall certify this under oath to the MTC director.

B. Every vehicle operating under this Chapter is subject to random inspections to ensure the continued maintenance of safe operating conditions. A certificate holder shall make a passenger vehicle for hire Transportation Network Operator's vehicle available for inspection upon or prior to the expiration of the notice period provided for in the rules and regulations adopted by the MTC, unless good cause is shown by the Transportation Network Operator as to why the Transportation Network Operator cannot comply within 14 days or unless the TNC provides proof that the Transportation Network Operator is not an active Transportation Network Operator when ordered to do so by MTC Staff. If, upon inspection it is determined that a passenger vehicle for hire is not in compliance with this Chapter or MTC rules, the MTC Staff shall order vehicle out of service and the vehicle shall be required to be brought into compliance and require it to be re-inspected.

C. Every vehicle operating under this Chapter shall be kept in a clean and satisfactory condition.

D. Annually, every vehicle operating under this Chapter shall undergo a detailed mechanical inspection conducted by an approved mechanic pursuant to the requirements of rules and regulations adopted by the MTC.

E. The records of these inspections must be maintained and made available to MTC staff as provided by this Chapter. The certificate holder shall certify under oath to the MTC director compliance with this subsection.

(e). Inspection compliance.

A. All vehicles shall be maintained in a safe and sanitary condition at all times and shall always be maintained in first class mechanical condition.

B. All safety, noise, and antipollution requirements specified by the United States Government and the state shall be complied with at all times.

C. The brakes shall always be kept in safe and proper working order.

D. All vehicles shall be air-conditioned and equipped with interior and exterior rearview mirrors, windshield washers, and two-speed windshield wipers, proper headlights and tail lights that shall be in operation from one-half hour after sunset to one-half hour before sunrise when the vehicle is in operation.

F. The certificate holder shall be responsible for ensuring that the mechanical inspection includes, but is not limited to, the following items:

1. Vehicle identification number;

2. Headlights;
3. Tail lights;
4. Brake lights;
5. Turn signal lights;
6. License plate lights;
7. Horn;
8. Two-speed windshield wipers;
9. Interior and exterior rear vision mirrors;
10. Air conditioner;
11. Tires;
12. Muffler and tail pipe;
13. Condition of the body, fenders, paint, and interior;
14. Compliance with current state and local vehicle registration requirements, as applicable;
15. Mileage;
16. Steering;
17. Brakes, including foot and emergency;
18. Seat belts;
19. Windshield;
20. Rear Window and other glass;
21. Doors; and
22. Speedometer.

Division 13 - Enforcement

- (a) The Memphis Transportation Commission shall have the power to inform and execute the provision of this Chapter and provide for the enforcement thereof as provided in Chapter 39 of the Memphis Code of Ordinances.
- (b) Failure to adhere to the requirements of this section by a transportation network company or operator may result in sanction or revocation of its certificate by the City of Memphis Permits Office including fines and other penalties, pursuant to its authority.
- (c) Before any sanctions or revocation of a certificate are imposed upon a TNC or its Operators, a hearing with proper notice to the TNC and/or the operator shall be held before the MTC.

Section 2. BE IT FURTHER ORDAINED, that the provisions of this Ordinance are hereby severable. If any of these sections, provisions, sentences, clauses, phrases, or parts is held unconstitutional or void, the remainder of this Ordinance shall continue in full force and effect.

Section 3. BE IT FURTHER ORDAINED BY THE COUNCIL OF THE CITY MEMPHIS, that this ordinance shall take effect on the later of after it is passed by the Council, signed by the Chairman of the Council, certified and delivered to the Office of the Mayor in writing by the comptroller and become effective as otherwise provided by law.