

2024 -- H 7678

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

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A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS -- TRANSPORTATION NETWORK
COMPANY SERVICES

Introduced By: Representatives Morales, Cortvriend, Kislak, Carson, Cotter, Tanzi,
Speakman, McGaw, Sanchez, and Giraldo

Date Introduced: February 15, 2024

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 39-14.2 of the General Laws entitled "Transportation Network
2 Company Services" is hereby amended by adding thereto the following section:

3 **39-14.2-23. Rideshare or transportation network company vehicle surcharge.**

4 (a) Each rideshare or transportation network company shall collect a surcharge which shall
5 be added to the fare charged to each customer. For the purposes of this chapter, "rideshare or
6 transportation network company" means a company that provides on-demand transportation
7 services through app-based platforms to connect drivers with clients or passengers to facilitate
8 and/or provide transportation for compensation or a fee.

9 (b) The surcharge shall be seventy-five cents (\$0.75) per fare.

10 (c) The total amount of surcharge collections shall be remitted to the State of Rhode Island,
11 and fifty percent (50%) of the surcharge collections shall be deposited in a restricted account to be
12 used for street infrastructure improvements in the municipality where the fare originated, and fifty
13 percent (50%) of the surcharge collections shall be deposited in a restricted account to be used as
14 funding for implementation of Transit Forward RI as adopted by the state planning council.

15 (d) The tax administrator shall promulgate rules and regulations necessary to implement
16 the provisions of this chapter.

17 (e) All disbursements and expenditures of funds from the restricted accounts subject to the
18 provisions of this section shall be by appropriation of the general assembly.

1 SECTION 2. Chapter 44-18 of the General Laws entitled "Sales and Use Taxes — Liability
2 and Computation" is hereby amended by adding thereto the following section:

3 **44-18-18.2. Transportation network companies tax.**

4 All sales tax revenue collected from transportation network companies, as defined in § 39-
5 14.2-1, shall be deposited in a restricted receipt account for the benefit of the Rhode Island public
6 transit authority (RIPTA).

7 SECTION 3. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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1 This act would impose a seventy-five cent (\$0.75) surcharge on fares charged by rideshare
2 or transportation network companies. This act would also require that fifty percent (50%) of the
3 surcharge be deposited in a restricted account to be used for street improvements in the municipality
4 where the fare originated, and fifty percent (50%) of the surcharge be deposited in a restricted
5 account to fund Transit Forward RI. The tax administrator would promulgate rules and regulations
6 to implement the provisions of this chapter. The act would also establish a restricted receipt account
7 for the benefit of RIPTA funded by sales tax collected from ride-share companies such as Uber and
8 Lyft.

9 This act would take effect upon passage.

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