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LC002915/SUB A
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2015

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A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS - TRANSPORTATION NETWORK
COMPANY SERVICES

Introduced By: Senator Maryellen Goodwin

Date Introduced: June 18, 2015

Referred To: Senate Commerce

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 39 of the General Laws entitled "PUBLIC UTILITIES AND
2 CARRIERS" is hereby amended by adding thereto the following chapter:

3 CHAPTER 14.2

4 TRANSPORTATION NETWORK COMPANIES

5 **39-14.2-1. Purpose.** -- The purpose of this chapter is to establish state regulation to
6 ensure the public safety, consumer protection and lawful conduct in the provision of
7 transportation network services, while revising the regulatory conditions for taxi-cabs.

8 **39-14.2-2. Definitions.** – As used in this chapter: (1) "Division" means the RI division of
9 public utilities and carriers.

10 (2) "Person" means and includes any individual, partnership, corporation, or other
11 association of individuals.

12 (3) "Transportation network company" or "TNC" means a person who uses a digital
13 network or software application service to connect passengers to transportation provided by TNC
14 drivers. A TNC is not deemed to own, control, operate or manage the vehicles used by the TNC
15 drivers. A TNC is not a jitney as defined in § 39-13-1, a taxi-cab or limited public motor coach as
16 defined in § 39-14-1, or a public motor vehicle as defined in § 39-14.1-1, or a common carrier as
17 defined in title 39. TNCs may be further defined by the division through regulation.

18 (4) "Transportation network driver" or "TNC driver" means a person who operates a

1 motor vehicle that is owned, leased or otherwise authorized for use by the person to provide TNC
2 services through an agreement with a TNC to receive connections to potential passengers in
3 exchange for the payment of a fee to the TNC.

4 **39-14.2-3. Powers of the division.** – (a)(1) Every person owning or operating a
5 transportation network company shall not engage in business in this state unless the company
6 obtains a certificate from the division pursuant to this chapter. The certificate shall be issued, on a
7 per year basis, only after a written or electronic application for certificate, accompanied by a fee
8 of ten thousand dollars (\$10,000) has been made.

9 (2) No person shall operate a vehicle for the purpose of providing a TNC service in any
10 city or town in the state until the person shall have obtained a certificate from the division
11 certifying that the applicant is fit, willing, and able to provide the services as a TNC driver in the
12 transportation of passengers.

13 (b) On or before November 30, 2015, the division shall promulgate regulations to protect
14 the public safety relating to both TNC drivers and vehicles used by TNC drivers to provide TNC
15 services. The division shall also establish minimum automobile liability insurance requirements
16 that meet or exceed the minimum liability coverage requirements set by the department of
17 business regulations. The division shall also provide reasonable fare protections; reinforce the
18 application of the state sales tax, and promulgate any other rules and regulations as are deemed
19 necessary to carry out the purpose of this chapter. Said regulations shall be developed in
20 accordance with the administrative procedures act, in chapter 35 of title 42, including the
21 inclusion of public comment.

22 (c) On or before November 30, 2015, the division shall revise and modernize the current
23 regulations for taxi-cab or limited public motor coaches as defined in § 39-14-1. Said regulations
24 shall be developed in accordance with the administrative procedures act, in chapter 35 of title 42,
25 including the inclusion of public comment.

26 (d) On or before December 31, 2015, the division shall provide recommendations to the
27 governor and the general assembly regarding any statutory changes deemed necessary to further
28 implement the purposes of this chapter.

29 **39-14.2-4. Penalty for violations.** – (a) Any person, firm or corporation, subject to the
30 provisions of this chapter and/or any rules and regulations promulgated under it, who shall
31 knowingly or willfully cause to be done any act prohibited by this chapter, or who shall be guilty
32 of any violation of this chapter or the rules and regulations shall be deemed guilty of a
33 misdemeanor and shall, upon conviction, be subject to a fine not to exceed one thousand dollars
34 (\$1,000) or imprisonment for a term not exceeding one year, or both for each offense.

1 (b) The division may, in lieu of seeking criminal sanctions, and/or in lieu of revoking or
2 suspending the carrier's operating authority as conferred under this chapter, impose upon its
3 regulated common carriers an administrative civil penalty (fine). This fine shall not exceed one
4 thousand dollars (\$1,000) per each violation of the sections contained in this chapter or the
5 division's rules and regulations promulgated under it.

6 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS - TRANSPORTATION NETWORK
COMPANY SERVICES

1 This act would establish state regulation over transportation network companies,
2 transportation network services, and transportation network drivers as well as the revision of taxi-
3 cab or limited public motor coach regulations.

4 This act would take effect upon passage.

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