

Transportation Network Company Bills – Comparison Table
H.143 as Passed by House (2017); H.143 as Passed by Senate (2017); H.725 (2018)
Prepared by Legislative Council – March 12, 2018

H.143 As Passed by the House (2017)	H.143 As Passed by the Senate (2017) (Substantive revisions to House language in bold)	H.725 as Introduced (2018) (Substantive revisions to Senate language highlighted)
Sec. 1. 8 V.S.A. chapter 113, subchapter 5 is added to read: <u>Subchapter 5. Transportation Network Companies</u>	Sec. 1. 23 V.S.A. chapter 10 is added to read: <u>CHAPTER 10. TRANSPORTATION NETWORK COMPANIES</u>	Sec. 1. 23 V.S.A. chapter 10 is added to read: <u>CHAPTER 10. TRANSPORTATION NETWORK COMPANIES</u>
<p>§ 4256a. <u>TRANSPORTATION NETWORK COMPANIES</u></p> <p>(a) <u>Definitions. As used in this subchapter:</u></p> <p>(1) <u>“Digital network” or “network” means any online-enabled application, software, website, or system offered or used by a transportation network company that enables the prearrangement of rides with transportation network drivers.</u></p> <p>(2) <u>“Personal vehicle” means a vehicle that is:</u></p> <p>(A) <u>used by a driver to provide a prearranged ride;</u></p> <p>(B) <u>owned, leased, or otherwise authorized for use by the driver; and</u></p> <p>(C) <u>not a taxicab, limousine, or other for-hire vehicle.</u></p> <p>(3) <u>“Prearranged ride” or “ride” means the provision of transportation by a driver to a transportation network rider, beginning when a driver accepts the rider’s request for a ride through a digital network controlled by a company; continuing while the driver transports the rider; and ending when the last requesting rider departs from the vehicle. The term does not include:</u></p> <p>(A) <u>shared expense carpool or vanpool arrangements;</u></p> <p>(B) <u>use of a taxicab, limousine, or other for-hire vehicle; or</u></p> <p>(C) <u>a regional transportation company.</u></p>	<p>§ 750. <u>DEFINITIONS; INSURANCE REQUIREMENTS</u></p> <p>(a) <u>Definitions. As used in this chapter:</u></p> <p>(1) <u>“Digital network” or “network” means any online-enabled application, software, website, or system offered or used by a transportation network company that enables the prearrangement of rides with transportation network drivers.</u></p> <p>(2) “Personal vehicle” <u>means a vehicle that is:</u></p> <p>(A) <u>used by a driver to provide a prearranged ride;</u></p> <p>(B) <u>owned, leased, or otherwise authorized for use by the driver; and</u></p> <p>(C) <u>not a taxicab, limousine, or other for-hire vehicle.</u></p> <p>(3) <u>“Prearranged ride” or “ride” means the transportation provided by a driver to a transportation network rider, beginning when a driver accepts the rider’s request for a ride through a digital network controlled by a company; continuing while the driver transports the rider; and ending when the last requesting rider departs from the vehicle. The term does not include:</u></p> <p>(A) <u>shared-expense carpool or vanpool arrangements;</u></p> <p>(B) use of a taxicab, limousine, or other for-hire vehicle;</p>	<p>§ 750. <u>DEFINITIONS; INSURANCE REQUIREMENTS</u></p> <p>(a) <u>Definitions. As used in this chapter:</u></p> <p>(1) <u>“Digital network” or “network” means any online-enabled application, software, website, or system offered or used by a transportation network company that enables the prearrangement of rides with transportation network drivers.</u></p> <p>(2) “Prearranged ride” <u>or “ride” means the transportation provided by a driver to a transportation network rider, beginning when, through a digital network controlled by a company, a driver accepts the rider’s request for a ride; continuing while the driver transports the rider; and ending when the last requesting rider departs from the vehicle. The term does not include:</u></p> <p>(A) <u>shared-expense carpool or vanpool arrangements;</u></p> <p>or</p> <p>(B) <u>use of a public or private regional transportation company that operates along a fixed route.</u></p>

(4) “Transportation network company” or “company” means a person that uses a digital network to connect riders to drivers who provide prearranged rides. A company shall not be deemed to control, direct, or manage the personal vehicles or drivers that connect to its digital network, except where agreed to by written contract.

(5) “Transportation network company driver” or “driver” means an individual who:

(A) receives connections to potential riders and related services from a transportation network company in exchange for payment of a fee to the company; and

(B) uses a personal vehicle to offer or provide a prearranged ride to riders upon connection through a digital network controlled by a transportation network company in exchange for compensation or payment of a fee.

(6) “Transportation network company rider” or “rider” means an individual who uses a company’s digital network to connect with a driver who provides rides in his or her personal vehicle between points chosen by the rider.

(C) use of a public or private regional transportation company that operates along a fixed route; or

(D) a ride furnished through a broker using a publicly funded network to connect riders to drivers through the Elders and Persons with Disabilities Program, Medicaid Non-Emergency Medical Transportation Program, or other similar governmental transportation program.

(4) “Transportation network company” or “company” means a person that uses a digital network to connect riders to drivers who provide prearranged rides. ~~A company shall not be deemed to control, direct, or manage the personal vehicles or drivers that connect to its digital network, except where agreed to by written contract.~~

(5) “Transportation network company driver” or “driver” means an individual who:

(A) receives connections to potential riders and related services from a transportation network company in exchange for payment of a fee to the company; and

(B) uses a personal vehicle to offer or provide a prearranged ride to riders upon connection through a digital network controlled by a transportation network company in exchange for compensation or payment of a fee.

(6) “Transportation network company rider” or “rider” means an individual who uses a company’s digital network to connect with a driver who provides rides in his or her personal vehicle between points chosen by the rider.

(3) “Transportation network company” (TNC) or “company” means a corporation, partnership, sole proprietorship, or other entity that uses a digital network to connect riders to drivers who provide prearranged rides.

(4) “Transportation network company driver” or “driver” means an individual who:

(A) receives connections to potential riders and related services from a TNC in exchange for payment of a fee to the company; and

(B) uses a vehicle to offer or provide a prearranged ride to riders upon connection through a digital network controlled by a TNC in exchange for compensation or payment of a fee.

(5) “Transportation network company rider” or “rider” means an individual who uses a company’s digital network to connect with a driver who provides rides in his or her vehicle between points chosen by the rider.

(6) “Transportation network company vehicle” or “vehicle” means a vehicle that is:

(A) used by a driver to provide a prearranged ride;

(B) owned, leased, or otherwise authorized for use by the driver; and

(C) not operating as a taxicab, limousine, or other

(b) Company’s financial responsibility.

(1) Beginning on or before July 1, 2017, a driver, or company on the driver’s behalf, shall maintain primary automobile insurance that recognizes that the driver is a company driver or otherwise uses a vehicle to transport passengers for compensation and covers the driver while the driver is logged on to the company’s digital network or while the driver is engaged in a prearranged ride.

(2)(A) The following automobile insurance requirements shall apply while a participating driver is logged on to the transportation network company’s digital network and is available to receive transportation requests but is not engaged in a prearranged ride:

(i) primary automobile liability insurance in the amount of at least \$50,000.00 for death and bodily injury per person, \$100,000.00 for death and bodily injury per incident, and \$25,000.00 for property damage; and

(ii) any other State-mandated coverage under 23 V.S.A. § 941.

(B) The coverage requirements of this subdivision (2) may be satisfied by any of the following:

(i) automobile insurance maintained by the driver;

(ii) automobile insurance maintained by the company; or

(iii) any combination of subdivisions (i) and (ii) of this subdivision (2)(B).

(3)(A) The following automobile insurance requirements shall apply while a driver is engaged in a prearranged ride:

(i) primary automobile liability insurance that

(b) Company’s financial responsibility.

(1) Beginning on July 1, 2017, a driver, or company on the driver’s behalf, shall maintain primary automobile insurance that recognizes that the driver is a company driver or otherwise uses a vehicle to transport passengers for compensation and covers the driver while the driver is logged on to the company’s digital network or while the driver is engaged in a prearranged ride.

(2)(A) The following automobile insurance requirements shall apply while a participating driver is logged on to the transportation network company’s digital network and is available to receive transportation requests but is not engaged in a prearranged ride:

(i) primary automobile liability insurance in the amount of at least \$50,000.00 for death and bodily injury per person, \$100,000.00 for death and bodily injury per incident, and \$25,000.00 for property damage; and

(ii) any other State-mandated coverage under section 941 of this title.

(B) The coverage requirements of this subdivision (2) may be satisfied by any of the following:

(i) automobile insurance maintained by the driver;

(ii) automobile insurance maintained by the company; or

(iii) any combination of subdivisions (i) and (ii) of this subdivision (2)(B).

(3)(A) The following automobile insurance requirements shall apply while a driver is engaged in a prearranged ride:

(i) primary automobile liability insurance that

for-hire vehicle.

(b) Company’s financial responsibility.

(1) A driver, or company on the driver’s behalf, shall maintain primary automobile insurance that recognizes that the driver is a company driver or otherwise uses a vehicle to transport passengers for compensation and covers the driver while the driver is logged on to the company’s digital network or while the driver is engaged in a prearranged ride.

(2)(A) The following automobile insurance requirements shall apply while a participating driver is logged on to the transportation network company’s digital network and is available to receive transportation requests but is not engaged in a prearranged ride:

(i) primary automobile liability insurance in the amount of at least \$50,000.00 for death and bodily injury per person, \$100,000.00 for death and bodily injury per incident, and \$25,000.00 for property damage; and

(ii) any other State-mandated coverage under section 941 of this title.

(B) The coverage requirements of this subdivision (2) may be satisfied by any of the following:

(i) automobile insurance maintained by the driver;

(ii) automobile insurance maintained by the company; or

(iii) any combination of subdivisions (i) and (ii) of this subdivision (2)(B).

(3)(A) The following automobile insurance requirements shall apply while a driver is engaged in a prearranged ride:

(i) primary automobile liability insurance that

provides at least \$1,000,000.00 for death, bodily injury, and property damage; and

(ii) any other State-mandated coverage under 23 V.S.A. § 941.

(B) The coverage requirements of this subdivision may be satisfied by any of the following:

(i) automobile insurance maintained by the driver;
(ii) automobile insurance maintained by the company; or

(iii) any combination of subdivisions (i) and (ii) of this subdivision (3)(B).

(4) If insurance maintained by a driver under subdivision (2) or (3) of this subsection has lapsed or does not provide the required coverage, insurance maintained by a company shall provide such coverage beginning with the first dollar of a claim and shall have the duty to defend such claim.

(5) Coverage under an automobile insurance policy maintained by the company shall not be dependent on a personal automobile insurer first denying a claim nor shall a personal automobile insurance policy be required to first deny a claim.

(6) Insurance required by this subsection may be placed with an insurer licensed under chapter 101 (insurance companies generally) or 138 (surplus lines insurance) of this title.

(7) Insurance satisfying the requirements of this subsection shall be deemed to satisfy the financial responsibility requirement for a motor vehicle under 23 V.S.A. § 800.

provides at least \$1,000,000.00 for death, bodily injury, and property damage;

(ii) **uninsured and underinsured motorist coverage that provides at least \$1,000,000.00 for death, bodily injury, and property damage; and**
(iii) **\$10,000.00 in medical payments coverage (Med Pay).**

(B) The coverage requirements of this subdivision (3) may be satisfied by any of the following:

(i) automobile insurance maintained by the driver;
(ii) automobile insurance maintained by the company; or

(iii) any combination of subdivisions (i) and (ii) of this subdivision (3)(B).

(4) If insurance maintained by a driver under subdivision (2) or (3) of this subsection has lapsed or does not provide the required coverage, insurance maintained by a company shall provide such coverage beginning with the first dollar of a claim and shall have the duty to defend such claim.

(5) Coverage under an automobile insurance policy maintained by the company shall not be dependent on a personal automobile insurer first denying a claim nor shall a personal automobile insurance policy be required to first deny a claim.

(6) Insurance required by this subsection may be placed with an insurer licensed under chapter 101 (insurance companies generally) or 138 (surplus lines insurance) of this title.

(7) Insurance satisfying the requirements of this subsection shall be deemed to satisfy the financial responsibility requirement for a motor vehicle under section 800 of this title.

provides at least \$1,000,000.00 for death, bodily injury, and property damage; and

(ii) any other State-mandated coverage under section 941 of this title; and

(iii) \$10,000.00 in medical payments coverage (Med Pay).

(B) The coverage requirements of this subdivision (3) may be satisfied by any of the following:

(i) automobile insurance maintained by the driver;
(ii) automobile insurance maintained by the company; or

(iii) any combination of subdivisions (i) and (ii) of this subdivision (3)(B).

(4) If insurance maintained by a driver under subdivision (2) or (3) of this subsection has lapsed or does not provide the required coverage, insurance maintained by a company shall provide such coverage beginning with the first dollar of a claim and shall have the duty to defend such claim.

(5) Coverage under an automobile insurance policy maintained by the company shall not be dependent on a personal automobile insurer first denying a claim nor shall a personal automobile insurance policy be required to first deny a claim.

(6) Insurance required by this subsection may be placed with an insurer licensed under 8 V.S.A. chapter 101 (insurance companies generally) or 138 (surplus lines insurance).

(7) Insurance satisfying the requirements of this subsection shall be deemed to satisfy the financial responsibility requirement for a motor vehicle under section 800 of this title.

(8) A driver shall carry proof of coverage satisfying this section at all times during use of a vehicle in connection with a company’s digital network. In the event of an accident, a driver shall provide this insurance coverage information to the directly interested parties, automobile insurers, and law enforcement, upon request. Upon such request, a driver shall also disclose whether he or she was logged on to the network or was on a prearranged ride at the time of an accident.

(c) Disclosures. A transportation network company shall disclose in writing to its drivers the following before they are allowed to accept a request for a prearranged ride on the company’s digital network:

(1) the insurance coverage, including the types of coverage and the limits for each coverage, that the company provides while the driver uses a personal vehicle in connection with the company’s network; and

(2) that the driver’s own automobile insurance policy, depending on its terms, might not provide any coverage while the driver is logged on to the company’s network and available to receive transportation requests or engaged in a prearranged ride.

(8) A driver shall carry proof of coverage satisfying this section at all times during use of a vehicle in connection with a company’s digital network. In the event of an accident, a driver shall provide this insurance coverage information to the directly interested parties, automobile insurers, and law enforcement, upon request. Upon such request, a driver shall also disclose whether he or she was logged on to the network or was on a prearranged ride at the time of an accident.

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(1) the insurance coverage, including the types of coverage and the limits for each coverage, that the company provides while the driver uses a personal vehicle in connection with the company’s network; and

(2) that the driver’s own automobile insurance policy, depending on its terms, might not provide any coverage while the driver is logged on to the company’s network and available to receive transportation requests or engaged in a prearranged ride.

(8) A driver shall carry proof of coverage satisfying this section at all times during use of a vehicle in connection with a company’s digital network. In the event of an accident, a driver shall provide this insurance coverage information to the directly interested parties, automobile insurers, and law enforcement, upon request. Upon such request, a driver shall also disclose whether he or she was logged on to the network or was on a prearranged ride at the time of an accident.

(9) A driver who fails to maintain primary automobile insurance as required in subdivisions (2) and (3) of this subsection shall be assessed a civil penalty of not more than \$500.00, and such violation shall be a traffic violation within the meaning of chapter 24 of this title. A driver who fails to carry proof of insurance as required under subdivision (8) of this subsection shall be subject to a penalty of not more than \$100.00. Notwithstanding any provision of law to the contrary, a person who operates a vehicle without financial responsibility as required by this subsection is subject to administrative action as set forth in chapter 11 of this title.

(c) Disclosures. A TNC shall disclose in writing to its drivers the following before they are allowed to accept a request for a prearranged ride on the company’s digital network:

(1) the insurance coverage, including the types of coverage and the limits for each coverage, that the company provides while the driver uses a TNC vehicle in connection with the company’s network; and

(2) that the driver’s own automobile insurance policy, depending on its terms, might not provide any coverage while the driver is logged on to the company’s network and available to receive transportation requests or engaged in a prearranged ride.

(d)(1) Automobile insurers. Notwithstanding any other provision of law to the contrary, insurers that write automobile insurance in Vermont may exclude any and all coverage afforded under a policy issued to an owner or operator of a personal vehicle for any loss or injury that occurs while a driver is logged on to a transportation network company’s digital network or while a driver provides a prearranged ride. This right to exclude all coverage may apply to any coverage in an automobile insurance policy including:

- (A) liability coverage for bodily injury and property damage;
- (B) personal injury protection coverage;
- (C) uninsured and underinsured motorist coverage;
- (D) medical payments coverage;
- (E) comprehensive physical damage coverage; and
- (F) collision physical damage coverage.

(2) Nothing in this subsection implies or requires that a personal automobile insurance policy provide coverage while the driver is logged on to a company’s digital network, while the driver is engaged in a prearranged ride, or while the driver otherwise uses a vehicle to transport passengers for compensation.

(3) Nothing in this section shall be construed to require an insurer to use any particular policy language or reference to this section in order to exclude any and all coverage for any loss or injury that occurs while a driver is logged on to a company’s digital network or while a driver provides a prearranged ride.

(4) Nothing in this subsection is deemed to preclude an insurer from providing primary or excess coverage for the driver’s vehicle, if it chooses to do so by contract or endorsement.

(5) Insurers that exclude the coverage described under

(d)(1) Automobile insurers. Notwithstanding any other provision of law to the contrary, insurers that write automobile insurance in Vermont may exclude any and all coverage afforded under a policy issued to an owner or operator of a personal vehicle for any loss or injury that occurs while a driver is logged on to a transportation network company’s digital network or while a driver provides a prearranged ride. This right to exclude all coverage may apply to any coverage in an automobile insurance policy, including:

- (A) liability coverage for bodily injury and property damage;
- (B) personal injury protection coverage;
- (C) uninsured and underinsured motorist coverage;
- (D) medical payments coverage;
- (E) comprehensive physical damage coverage; and
- (F) collision physical damage coverage.

(2) Nothing in this subsection implies or requires that a personal automobile insurance policy provide coverage while the driver is logged on to a company’s digital network, while the driver is engaged in a prearranged ride, or while the driver otherwise uses a vehicle to transport passengers for compensation.

(3) Nothing in this section shall be construed to require an insurer to use any particular policy language or reference to this section in order to exclude any and all coverage for any loss or injury that occurs while a driver is logged on to a company’s digital network or while a driver provides a prearranged ride.

(4) Nothing in this subsection is deemed to preclude an insurer from providing primary or excess coverage for the driver’s vehicle, if it chooses to do so by contract or endorsement.

(5) Insurers that exclude the coverage described under

(d)(1) Automobile insurers. Notwithstanding any other provision of law to the contrary, insurers that write automobile insurance in Vermont may exclude any and all coverage afforded under a policy issued to an owner or operator of a TNC vehicle for any loss or injury that occurs while a driver is logged on to a TNC’s digital network or while a driver provides a prearranged ride. This right to exclude all coverage may apply to any coverage in an automobile insurance policy, including:

- (A) liability coverage for bodily injury and property damage;
- (B) personal injury protection coverage;
- (C) uninsured and underinsured motorist coverage;
- (D) medical payments coverage;
- (E) comprehensive physical damage coverage; and
- (F) collision physical damage coverage.

(2) Nothing in this subsection implies or requires that a personal automobile insurance policy provide coverage while the driver is logged on to a company’s digital network, while the driver is engaged in a prearranged ride, or while the driver otherwise uses a vehicle to transport passengers for compensation.

(3) Nothing in this section shall be construed to require an insurer to use any particular policy language or reference to this section in order to exclude any and all coverage for any loss or injury that occurs while a driver is logged on to a company’s digital network or while a driver provides a prearranged ride.

(4) Nothing in this subsection is deemed to preclude an insurer from providing primary or excess coverage for the driver’s vehicle, if it chooses to do so by contract or endorsement.

(5) Insurers that exclude the coverage described under

subsection (b) of this section shall have no duty to defend or indemnify any claim expressly excluded thereunder.

(6) Nothing in this section is deemed to invalidate or limit an exclusion contained in a policy, including any policy in use or approved for use in Vermont prior to the enactment of this section, that excludes coverage for vehicles used to carry persons or property for a charge or available for hire by the public.

(7) An insurer that defends or indemnifies a claim against a driver that is excluded under the terms of its policy, shall have a right of contribution against other insurers that provide automobile insurance to the same driver in satisfaction of the coverage requirements of subsection (b) of this section at the time of loss.

(8) In a claims coverage investigation, transportation network companies shall immediately provide upon request by directly involved parties or any insurer of the transportation network company driver, if applicable, the precise times that a transportation network company driver logged on and off the transportation network company's digital network in the 12-hour period immediately preceding and in the 12-hour period immediately following the accident. Insurers providing coverage under subsection (b) of this section shall disclose, upon request by any other insurer involved in the particular claim, the applicable charges, exclusions, and limits provided under any automobile insurance maintained in order to satisfy the requirements of subsection (b) of this section.

subsection (b) of this section shall have no duty to defend or indemnify any claim expressly excluded thereunder.

(6) Nothing in this section is deemed to invalidate or limit an exclusion contained in a policy, including any policy in use or approved for use in Vermont prior to the enactment of this section, that excludes coverage for vehicles used to carry persons or property for a charge or available for hire by the public.

(7) An insurer that defends or indemnifies a claim against a driver that is excluded under the terms of its policy shall have a right of contribution against other insurers that provide automobile insurance to the same driver in satisfaction of the coverage requirements of subsection (b) of this section at the time of loss.

(8) In a claims coverage investigation, transportation network companies shall immediately provide, upon request by directly involved parties or any insurer of the transportation network company driver, if applicable, the precise times that a transportation network company driver logged on and off the transportation network company's digital network in the 12-hour period immediately preceding and in the 12-hour period immediately following the accident. Insurers providing coverage under subsection (b) of this section shall disclose, upon request by any other insurer involved in the particular claim, the applicable charges, exclusions, and limits provided under any automobile insurance maintained in order to satisfy the requirements of subsection (b) of this section.

(9) A person who fails to maintain primary automobile insurance as required in subdivisions (2) and (3) of this subsection (b) shall be assessed a civil penalty of not more than \$500.00, and such violation shall be a traffic violation within the meaning of chapter 24 of this title. A person who fails to carry proof of insurance as required

subsection (b) of this section shall have no duty to defend or indemnify any claim expressly excluded thereunder.

(6) Nothing in this section is deemed to invalidate or limit an exclusion contained in a policy, including any policy in use or approved for use in Vermont prior to the enactment of this section, that excludes coverage for vehicles used to carry persons or property for a charge or available for hire by the public.

(7) An insurer that defends or indemnifies a claim against a driver that is excluded under the terms of its policy shall have a right of contribution against other insurers that provide automobile insurance to the same driver in satisfaction of the coverage requirements of subsection (b) of this section at the time of loss.

(8) In a claims coverage investigation, TNCs shall immediately provide, upon request by directly involved parties or any insurer of the TNC driver, if applicable, the precise times that a TNC driver logged on and off the TNC's digital network in the 12-hour period immediately preceding and in the 12-hour period immediately following the accident. Insurers providing coverage under subsection (b) of this section shall disclose, upon request by any other insurer involved in the particular claim, the applicable charges, exclusions, and limits provided under any automobile insurance maintained in order to satisfy the requirements of subsection (b) of this section.

	<p><u>under subdivision (8) of this subsection (b) shall be subject to a fine of not more than \$100.00. Notwithstanding any provision of law to the contrary, a person who operates a vehicle without financial responsibility as required by this subsection (b) is subject to administrative action as set forth in chapter 11 of this title.</u></p>	
	<p>New Proposals not in the House-passed Bill Follow</p>	
<p>N/A</p>	<p><u>§ 752. DRIVER REQUIREMENTS; BACKGROUND CHECKS</u> <u>(a) A company shall not allow an individual to act as a driver on the company’s network without requiring the individual to submit to the company an application that includes:</u> <u>(1) the individual’s name, address, and date of birth;</u> <u>(2) a copy of the individual’s driver’s license;</u> <u>(3) a copy of the registration for the personal vehicle that the individual will use to provide prearranged rides; and</u> <u>(4) proof of financial responsibility for the personal vehicle described in subdivision (3) of this subsection of a type and in the amounts required by the company.</u> <u>(b)(1) A company shall not allow an individual to act as a driver on the company’s network unless, with respect to the driver, the company:</u> <u>(A) obtains a Vermont criminal record from the Vermont Crime Information Center; and</u> <u>(B) contracts with an entity accredited by the National Association of Professional Background Screeners to conduct a national criminal record check, a motor vehicle</u></p>	<p><u>§ 752. DRIVER REQUIREMENTS; BACKGROUND CHECKS</u> <u>(a) A company shall not allow an individual to act as a driver on the company’s network without requiring the individual to submit to the company an application that includes:</u> <u>(1) the individual’s name, address, and date of birth;</u> <u>(2) a copy of the individual’s driver’s license;</u> <u>(3) a copy of the registration for the TNC vehicle that the individual will use to provide prearranged rides; and</u> <u>(4) proof of financial responsibility for the TNC vehicle described in subdivision (3) of this subsection of a type and in the amounts required by the company.</u> <u>(b)(1) A company shall not allow an individual to act as a driver on the company’s network unless, with respect to the driver, the company:</u> <u>(A) confirms that the individual is at least 19 years of age, maintains a valid driver’s license, and possesses proof of registration and automobile liability insurance for the vehicle to be used to provide prearranged rides;</u> <u>(B) conducts, or causes to be conducted, a local,</u></p>

check, and a search of the Vermont Sex Offender Registry and the National Sex Offender Public Registry.

(2) The background checks required by this subsection shall be conducted annually by the company.

(c) A company shall not allow an individual to act as a driver on the company's network if the company knows or should know that the individual:

(1) has been convicted within the last seven years of:

(A) a listed crime as defined in 13 V.S.A. § 5301(7);

(B) an offense involving sexual exploitation of children in violation of 13 V.S.A. chapter 64;

(C) a violation of 18 V.S.A. § 4231(b)(2), (b)(3), or (c)(selling, dispensing, or trafficking cocaine); 4232(b)(2) or (b)(3)(selling or dispensing LSD); 4233(b)(2), (b)(3), or (c)(selling, dispensing, or trafficking heroin); 4234(b)(2) or (b)(3)(selling or dispensing depressants, stimulants, and narcotics); 4234a(b)(2), (b)(3), or (c)(selling, dispensing, or trafficking methamphetamine); 4235(c)(2) or (c)(3)(selling or dispensing hallucinogenic drugs); or 4235a(b)(2) or (b)(3)(selling or dispensing Ecstasy);

(D) a violation of section 1201 (operating a vehicle while under the influence of alcohol or drugs) of this title;

(E) a felony violation of 13 V.S.A. chapter 47 (frauds) or chapter 57 (larceny and embezzlement); or

(F) a comparable offense in another jurisdiction;

(2) has been convicted within the last three years of:

(A) more than three moving violations as defined in

State, and national background check of the individual, including the multistate-multijurisdiction criminal records locator or other similar commercial national database, and the U.S. Department of Justice national sex offender public website; and

(C) obtains and reviews a driving history report for the individual.

(2) The background checks required by this subsection shall be conducted annually.

(c) A company shall not allow an individual to act as a driver on the company's network if the company knows or should know that the individual:

(1) has been convicted within the last seven years of:

(A) a listed crime as defined in 13 V.S.A. § 5301(7);

(B) an offense involving sexual exploitation of children in violation of 13 V.S.A. chapter 64;

(C) a violation of 18 V.S.A. § 4231(b)(2), (b)(3), or (c)(selling, dispensing, or trafficking cocaine); 4232(b)(2) or (b)(3)(selling or dispensing LSD); 4233(b)(2), (b)(3), or (c)(selling, dispensing, or trafficking heroin); 4234(b)(2) or (b)(3)(selling or dispensing depressants, stimulants, and narcotics); 4234a(b)(2), (b)(3), or (c)(selling, dispensing, or trafficking methamphetamine); 4235(c)(2) or (c)(3)(selling or dispensing hallucinogenic drugs); or 4235a(b)(2) or (b)(3)(selling or dispensing Ecstasy);

(D) a violation of section 1201 (operating a vehicle while under the influence of alcohol or drugs) of this title;

(E) a felony violation of 13 V.S.A. chapter 47 (frauds) or 57 (larceny and embezzlement); or

(F) a comparable offense in another jurisdiction;

(2) has been convicted within the last three years of:

(A) more than three moving violations as defined in

	<p>subdivision 4(44) of this title;</p> <p><u>(B) grossly negligent operation of a motor vehicle in violation of section 1071 of this title or operating with a suspended or revoked license in violation of section 674 of this title; or</u></p> <p><u>(C) a comparable offense in another jurisdiction; or</u></p> <p><u>(3) is or has been required to register as a sex offender in any jurisdiction.</u></p> <p><u>(c) A company shall establish and enforce a zero tolerance policy for drug and alcohol use by drivers during any period when a driver is engaged in, or is logged into the company's network but is not engaged in, a prearranged ride. The policy shall include provisions for investigations of alleged policy violations and the suspension of drivers under investigation.</u></p> <p><u>(d) A company shall require that a personal vehicle used to provide prearranged rides complies with all applicable laws and regulations concerning vehicle equipment.</u></p>	<p>subdivision 4(44) of this title;</p> <p><u>(B) grossly negligent operation of a motor vehicle in violation of section 1071 of this title or operating with a suspended or revoked license in violation of section 674 of this title; or</u></p> <p><u>(C) a comparable offense in another jurisdiction; or</u></p> <p><u>(3) is or has been required to register as a sex offender in any jurisdiction.</u></p>
N/A	<p><u>§ 753. RECORDS; INSPECTION</u></p> <p><u>The Commissioner of Motor Vehicles or designee, at all reasonable times, has the right to inspect driver and company records demonstrating compliance with the requirements of this chapter, including the results of background checks, proof that vehicles meet the standards of this chapter, and proof of adequate insurance.</u></p>	<p><u>§ 753. RECORDS; INSPECTION</u></p> <p><u>(a) The Commissioner of Motor Vehicles or designee, not more frequently than once per year, may visually inspect a random sample of 25 drivers' records demonstrating compliance with the requirements of this chapter.</u></p> <p><u>(b) Any records, data, or information disclosed to the Commissioner of Motor Vehicles by a TNC, including the names, addresses, and any other personally identifiable information of TNC drivers, shall not be subject to disclosure under 1 V.S.A. §§ 315-320.</u></p>
N/A	<p><u>§ 754. ENFORCEMENT; ADMINISTRATIVE PENALTIES</u></p> <p><u>(a) The Commissioner of Motor Vehicles may impose an administrative penalty if a company violates a provision of this</u></p>	<p><u>§ 754. ENFORCEMENT; ADMINISTRATIVE PENALTIES</u></p> <p><u>(a) A violation may be subject to an administrative penalty of not more than \$500.00. Each violation is a separate and</u></p>

chapter.

(b) A violation may be subject to an administrative penalty of not more than \$500.00. Each violation is a separate and distinct offense and, in the case of a continuing violation, each day's continuance may be deemed a separate and distinct offense.

(c) The company shall be given notice and opportunity for a hearing for alleged violations under this section. Service of the notice shall be sufficient if sent by first class mail to the applicable address on file with the Secretary of State. The notice shall include the following:

- (1) a factual description of the alleged violation;
 - (2) a reference to the particular statute allegedly violated;
 - (3) the amount of the proposed administrative penalty;
- and
- (4) a warning that the company will be deemed to have waived its right to a hearing and that the penalty will be imposed if no hearing is requested within 15 days from the date of the notice.

(d) A company that receives notice under subsection (c) of this section shall be deemed to have waived the right to a hearing unless, within 15 days from the date of the notice, the company requests a hearing in writing. If the company waives the right to a hearing, the Commissioner shall issue a final order finding the company in default and imposing the penalty.

(e) The provisions of sections 105, 106, and 107 of this title shall apply to hearings conducted under this section.

(f) The Commissioner may collect an unpaid administrative penalty by filing a civil action in Superior Court or through any other means available to State agencies.

(g) The remedies authorized by this section shall be in addition to any other civil or criminal remedies provided by

distinct offense and, in the case of a continuing violation, each day's continuance may be deemed a separate and distinct offense.

(b) The company shall be given notice and opportunity for a hearing for alleged violations under this section. Service of the notice shall be sufficient if sent by first class mail to the applicable address on file with the Secretary of State. The notice shall include the following:

- (1) a factual description of the alleged violation;
 - (2) a reference to the particular statute allegedly violated;
 - (3) the amount of the proposed administrative penalty;
- and
- (4) a warning that the company shall be deemed to have waived its right to a hearing and that the penalty shall be imposed if no hearing is requested within 15 business days after the date of the notice.

(c) A company that receives notice under subsection (b) of this section shall be deemed to have waived the right to a hearing unless, within 15 business days after the date of the notice, the company requests a hearing. If the company waives the right to a hearing, the Commissioner shall issue a final order finding the company in default and imposing the penalty.

(d) The provisions of sections 105, 106, and 107 of this title shall apply to hearings conducted under this section.

(e) The Commissioner may collect an unpaid administrative penalty by filing a civil action in Superior Court or through any other means available to State agencies.

(f) The remedies authorized by this section shall be in addition to any other civil or criminal remedies provided by

	law for violation of this chapter.	law for violation of this chapter.
N/A	<p><u>§ 755. PREEMPTION; SAVINGS CLAUSE</u></p> <p>(a) A municipality shall not adopt an ordinance, resolution, or bylaw regulating transportation network companies that is <u>inconsistent with</u> the requirements of this chapter.</p> <p>(b) Subsection (a) of this section shall not apply to a municipal ordinance, resolution, or bylaw regulating transportation network companies adopted by a municipality with a population of more than 35,000 residents based on the 2010 census and in effect on July 1, 2017. This subsection shall be repealed on July 1, 2022.</p>	<p><u>§ 755. PREEMPTION; SAVINGS CLAUSE</u></p> <p>(a) <u>It is the intent of the General Assembly to provide for uniformity of laws governing companies, drivers, and vehicles throughout the State. Companies, drivers, and vehicles are governed exclusively by State law, including in any locality or other jurisdiction that enacted a law or created rules governing companies, except as provided in subsection (b) of this section, drivers, or vehicles before the date of enactment of this chapter.</u></p> <p>(b) <u>Except as otherwise provided in this chapter, TNCs are governed exclusively by this chapter.</u></p> <p>(c) <u>A county, municipality, special district, airport authority, port authority, or other local governmental entity or subdivision shall not:</u></p> <p>(1) <u>impose a tax on, or require a license for, a company, a driver, or a vehicle if such tax or license relates to providing prearranged rides;</u></p> <p>(2) <u>subject a company, a driver, or a vehicle to any rate, entry, operation, or other requirement of the county, municipality, special district, airport authority, or other local governmental entity or subdivision; or</u></p> <p>(3) <u>require a company or a driver to obtain a business license or any other type of similar authorization to operate within the local governmental entity's jurisdiction.</u></p> <p>(d) <u>This section does not prohibit an airport from charging reasonable pickup fees consistent with any pickup fees charged to taxicab companies at that airport for their use of the airport's facilities or prohibit the airport from designating locations for staging, pickup, and other similar operations at the airport.</u></p> <p>(e) Subsection (a) of this section shall not apply to a</p>

		<p><u>municipal ordinance, resolution, or bylaw regulating TNCs adopted by a municipality with a population of more than 35,000 residents based on the 2010 census and in effect on July 1, 2017. This subsection shall be repealed on April 1, 2019.</u></p>
N/A	<p>Sec. 2. AUTOMOBILE FINANCIAL RESPONSIBILITY; STUDY</p> <p><u>The Commissioner of Financial Regulation shall review the minimum automobile insurance requirements in each of the states located in the northeastern region of the United States and shall report his or her findings and recommendations with respect to Vermont’s minimum automobile insurance requirements to the General Assembly on or before November 1, 2017.</u></p>	<p>Sec. 2. AUTOMOBILE FINANCIAL RESPONSIBILITY; STUDY</p> <p><u>The Commissioner of Financial Regulation shall review the minimum automobile insurance requirements in each of the states located in the northeastern region of the United States and shall report his or her findings and recommendations with respect to Vermont’s minimum automobile insurance requirements to the General Assembly on or before November 1, 2018.</u></p>
N/A	<p>Sec. 3. STUDY; STATEWIDE REGULATION OF VEHICLES FOR HIRE</p> <p><u>(a) The Commissioner of Motor Vehicles, in consultation with the Director of the Office of Professional Regulation, shall conduct a study of whether and to what extent vehicles for hire, vehicle for hire drivers, and vehicle for hire companies should be regulated by the State. Among other things, the Commissioner shall consider:</u></p> <p><u>(1) issues related to public safety, necessity, and convenience;</u></p> <p><u>(2) regulatory models adopted in other states, as well as in Vermont municipalities, applicable to transportation network companies and other vehicle for hire companies;</u></p> <p><u>(3) matters related to passenger safety, including driver background checks, periodic vehicle safety inspections, and signage;</u></p>	<p>§ 751. TRANSPORTATION NETWORK COMPANY REQUIREMENTS</p> <p><u>(a) A company shall not operate without a license issued by the Commissioner of Motor Vehicles. Applications for a license shall be filed with the Commissioner and shall contain such information and shall be on such forms as the Commissioner may prescribe.</u></p> <p><u>(b) Each application shall be accompanied by an application fee of \$250.00, which shall not be refunded. If an application is approved by the Commissioner, upon payment of an additional fee of \$250.00, the applicant shall be granted a license, which shall be valid for one year after the date of issuance. The renewal fee is \$500.00.</u></p> <p><u>(c) A company or a driver is not a:</u></p> <p><u>(1) common carrier;</u></p> <p><u>(2) contract carrier; or</u></p>

	<p><u>(4) matters related to insurance coverage, including minimum liability coverage, disclosure requirements, and claims procedures;</u></p> <p><u>(5) matters related to fares, including the provision of fare estimates to riders, restrictions on “surge pricing,” and payment methods;</u></p> <p><u>(6) matters such as the licensing or permitting of companies and drivers; nondiscrimination street hails; the protection of driver and rider information; taxes or fees; the employment status of drivers; increased access for people with disabilities;</u></p> <p><u>(7) the extent to which all vehicles for hire, vehicle for hire drivers, and vehicle for hire companies should be treated similarly with respect to statewide regulation; and</u></p> <p><u>(8) any other matter deemed relevant by the Commissioner and the Director.</u></p> <p><u>(b) For purposes of this section, a “vehicle for hire” is a passenger vehicle transporting passengers for compensation of any kind. Vehicles for hire include taxicabs, transportation network company vehicles, limousines, jitneys, car services, contract vehicles, shuttle vans, and other such vehicles transporting passengers for compensation of any kind except:</u></p> <p><u>(1) Those which an employer uses to transport employees.</u></p> <p><u>(2) Those which are used primarily to transport elderly, special needs and handicapped persons for whom special transportation programs are designed and funded by State, federal, or local authority otherwise exempted pursuant to 23 V.S.A. § 4(15).</u></p> <p><u>(3) Buses, trolleys, trains, or similar mass transit vehicles.</u></p> <p><u>(4) Courtesy vehicles for which the passenger pays no direct charge, such as hotel or car dealer shuttle vans.</u></p>	<p>(3) motor carrier.</p> <p><u>(d) A company shall establish and enforce a zero-tolerance policy for drug and alcohol use by drivers during any period when a driver is engaged in, or is logged into the company’s network but is not engaged in, a prearranged ride. The policy shall include provisions for investigations of alleged policy violations and the suspension of drivers under investigation.</u></p>
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	<u>(c) On or before December 15, 2017, the Commissioner shall report his or her findings and recommendations to the Senate Committees on Transportation, on Judiciary, and on Finance and the House Committees on Transportation, on Judiciary, and on Commerce and Economic Development.</u>	
Sec. 2. EFFECTIVE DATE <u>This act shall take effect on passage.</u>	Sec. 4. EFFECTIVE DATE <u>This act shall take effect on July 1, 2017.</u>	Sec. 3. EFFECTIVE DATE <u>This act shall take effect on July 1, 2018.</u>
An act relating to automobile insurance requirements and transportation network companies	An act relating to transportation network companies	An act relating to the regulation of transportation network companies