

1 SB271
2 183581-1
3 By Senator Singleton
4 RFD: Transportation and Energy
5 First Read: 07-MAR-17

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8 SYNOPSIS: This bill would require transportation
9 network companies to obtain a permit from the
10 Public Service Commission, maintain an agent for
11 service of process, provide fare transparency, and
12 implement a nondiscrimination policy.

13 This bill would require drivers and vehicles
14 that provide rides through transportation network
15 companies to meet certain safety and consumer
16 protection requirements.

17 This bill would clarify that drivers are
18 independent contractors of transportation network
19 companies.

20 This bill would prohibit municipalities and
21 certain authorities from imposing taxes or business
22 licenses on transportation network companies or
23 transportation network company drivers or vehicles.

24 This bill would also authorize
25 municipalities to prohibit transportation network
26 companies and transportation network company

1 drivers and vehicles from operating within the
2 corporate limits of the municipality.

3
4 A BILL
5 TO BE ENTITLED
6 AN ACT

7
8 Relating to transportation network companies; to
9 require transportation network companies to obtain a permit
10 from the Public Service Commission, maintain an agent for
11 service of process, provide fare transparency, and implement a
12 nondiscrimination policy; to require drivers and vehicles that
13 provide rides through transportation network companies to meet
14 certain safety and consumer protection requirements; to
15 clarify that drivers are independent contractors of
16 transportation network companies; to prohibit municipalities
17 and certain authorities from imposing taxes or business
18 licenses on transportation network companies or transportation
19 network company drivers or vehicles; and to authorize
20 municipalities to prohibit transportation network companies
21 and transportation network company drivers and vehicles from
22 operating within the corporate limits of the municipality.

23 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

24 Section 1. As used in this act, the following words
25 shall have the following meanings:

26 (1) DIGITAL NETWORK. Digital network, as defined in
27 Section 32-7C-1, Code of Alabama 1975.

1 (2) TNC. A transportation network company, as
2 defined in Section 32-7C-1, Code of Alabama 1975.

3 (3) TNC DRIVER. A TNC driver as defined in Section
4 32-7C-1, Code of Alabama 1975.

5 (4) TNC RIDER. A TNC rider as defined in Section
6 32-7C-1, Code of Alabama 1975.

7 (5) TNC VEHICLE. A personal vehicle, as defined in
8 Section 32-7C-1, Code of Alabama 1975.

9 The term may include a vehicle that is let or rented
10 to another person for consideration.

11 (6) PREARRANGED RIDE. Prearranged ride, as defined
12 in Section 32-7C-1, Code of Alabama 1975.

13 Section 2. (a) A TNC or TNC driver is not a common
14 carrier, contract carrier, or motor carrier, as defined in
15 Section 37-3-2, Code of Alabama 1975, does not provide taxi or
16 for-hire vehicle services, and is not subject to the Alabama
17 Motor Carrier Act, Chapter 3, Title 37, Code of Alabama 1975.

18 (b) A TNC driver is not required to register the
19 vehicle that the TNC driver uses to provide prearranged rides
20 under this act as a commercial motor vehicle or for-hire
21 vehicle under the Alabama Motor Carrier Act, Chapter 3, Title
22 37, Code of Alabama 1975.

23 Section 3. (a) A person may not operate a TNC in the
24 state without first having obtained a permit from the Public
25 Service Commission, provided that any TNC operating in the
26 state before the effective dates of this act may continue

1 operating until the Public Service Commission creates a permit
2 process and sets a registration deadline.

3 (b) The Public Service Commission shall issue a
4 permit to each applicant that meets the requirements for a TNC
5 under this act and pays an annual permit fee of five thousand
6 dollars (\$5,000) to the Public Service Commission.

7 Section 4. A TNC must maintain an agent for service
8 of process in the state.

9 Section 5. If a fare is collected from a rider, the
10 TNC shall disclose to the rider the fare or fare calculation
11 on its website or within the online-enabled technology
12 application service before the beginning of the prearranged
13 ride. If the fare is not disclosed to the rider before the
14 beginning of the prearranged ride, the rider shall have the
15 option to receive an estimated fare before the beginning of
16 the prearranged ride.

17 Section 6. The TNC's digital network shall display a
18 picture of the TNC driver and the license plate number of the
19 motor vehicle use for providing the prearranged ride before
20 the rider enters the TNC driver's vehicle.

21 Section 7. Within a reasonable period of time
22 following the completion of a trip, a TNC shall transmit an
23 electronic receipt to the rider on behalf of the TNC driver
24 that lists all of the following:

- 25 (1) The origin and destination of the trip.
- 26 (2) The total time and distance of the trip.
- 27 (3) The total fare paid.

1 Section 8. TNC drivers are independent contractors
2 and not employees of the TNC if all of the following
3 conditions are met:

4 (1) The TNC does not unilaterally prescribe specific
5 hours during which a TNC driver must be logged into the TNC's
6 digital network.

7 (2) The TNC does not impose an express prohibition
8 on the TNC driver's ability to utilize digital networks from
9 other TNCs.

10 (3) The TNC does not restrict a TNC driver from
11 engaging in any other occupation or business.

12 (4) The TNC and TNC driver agree in writing that the
13 TNC driver is an independent contractor with respect to the
14 TNC.

15 Section 9. A TNC driver or a TNC on the behalf of
16 the TNC driver shall maintain automobile insurance pursuant to
17 Chapter 7C of Title 32.

18 Section 10. (a) Before allowing an individual to
19 accept trip requests through a TNC's digital network as a TNC
20 driver, all of the following must occur:

21 (1) The individual shall submit an application to
22 the TNC, that includes information regarding his or her
23 address, age, driver's license, motor vehicle registration,
24 and other information required by the TNC.

25 (2) The TNC shall conduct, or have a third party
26 conduct, a local and national criminal background check for
27 each applicant that shall include a review of the following:

1 a. A multistate or multi-jurisdiction criminal
2 records locator or other similar commercial nationwide
3 database with validation.

4 b. A United State Department of Justice National Sex
5 Offender Public Website.

6 (3) The TNC shall obtain and review, or have a third
7 party obtain and review, a driving history report of each
8 applicant.

9 (b) The TNC may not permit an individual to act as a
10 TNC driver on its digital network who:

11 (1) Has had more than three moving violations in the
12 prior three-year period, or one of the following major
13 violations in the prior three-year period:

14 a. Fleeing or attempting to elude a law enforcement
15 officer.

16 b. Reckless driving.

17 c. Driving with a suspended or revoked license.

18 (2) Has been convicted, within the past seven years,
19 of any of the following:

20 a. A felony.

21 b. Misdemeanor driving under the influence, reckless
22 driving, hit and run, or any other misdemeanor violent offense
23 or sexual battery.

24 (3) Is a match in the U.S. Department of Justice
25 National Sex Offender Public Website.

26 (4) Does not possess a valid driver's license.

1 (5) Does not possess proof of registration for the
2 motor vehicle or vehicles the applicant intends to use to
3 provide prearranged rides.

4 (6) Is under the age of 19 years.

5 Section 11. A TNC driver may not accept a trip other
6 than a trip arranged through a TNC's digital network.

7 Section 12. (a) The TNC shall adopt a policy of
8 nondiscrimination on the basis of destination, race, color,
9 national origin, religious belief or affiliation, sex,
10 disability, age, sexual orientation, or gender identity with
11 respect to riders and potential riders. The TNC shall notify
12 TNC drivers of the policy.

13 (b) TNC drivers shall comply with all applicable
14 laws regarding nondiscrimination against riders or potential
15 riders on the basis of destination, race, color, national
16 origin, religious belief or affiliation, sex, disability, age,
17 sexual orientation, or gender identity.

18 (c) TNC drivers shall comply with all applicable
19 laws relating to the transportation of service animals.

20 (d) A TNC may not impose additional charges for
21 providing services to individuals with physical disabilities
22 because of those disabilities.

23 Section 13. A TNC shall maintain the following
24 records:

25 (1) Individual trip records for at least one year
26 from the date each trip was provided.

1 (2) Individual records of TNC drivers at least one
2 year from the date on which a TNC driver's relationship with
3 the TNC ended.

4 Section 14. A TNC may not control, direct, or manage
5 the personal vehicle or the TNC driver who connects to its
6 digital network, except where agreed to by written contract.

7 Section 15. The Public Service Commission may adopt
8 rules in accordance with the Alabama Administrative Procedure
9 Act to implement this act.

10 Section 16. (a) It is the intent of the Legislature
11 to provide for uniformity of laws governing TNCs, TNC drivers,
12 and TNC vehicles throughout the state, and to provide that
13 TNCs, TNC drivers, and TNC vehicles be governed exclusively by
14 state law, including Chapter 7C of Title 32, Code of Alabama
15 1975 governing insurance requirements for TNCs and TNC
16 drivers, and any rules adopted by the Public Service
17 Commission consistent with this act.

18 (b) A county, municipality, special district,
19 airport authority, port authority, or other local governmental
20 entity or subdivision may not do any of the following:

21 (1) Impose a tax on, or require a business license
22 for, a TNC or a TNC driver or TNC vehicle if the tax or
23 business license relates to providing prearranged rides, or
24 subjects a TNC, TNC driver, or TNC vehicle to any rate, entry,
25 operation, or other requirement of the county, municipality,
26 special district, airport authority, port authority, or other
27 local governmental entity or subdivision.

1 (2) Require a TNC or a TNC driver to obtain a
2 business license or any other type of similar authorization to
3 operate within the jurisdiction.

4 (3) Subject a TNC or a TNC driver to a rate, entry,
5 operation, or other requirement of the county, municipality,
6 special district, airport authority, port authority, or other
7 local governmental entity.

8 (c) This section does not prohibit an airport from
9 charging reasonable pickup fees consistent with pickup fees
10 charged to taxicab companies at that airport, for use of the
11 airport's facilities or designating locations for staging,
12 pickup, and other similar operations at the airport.

13 (d) This section does not prohibit a municipality
14 from prohibiting, by ordinance, TNCs, TNC drivers, and TNC
15 vehicles to operate or to accept any prearranged ride that
16 originates within the corporate limits of the municipality.

17 Section 17. This act shall become effective on the
18 first day of the third month following its passage and
19 approval by the Governor, or its otherwise becoming law.