
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2445 Session of
2014

INTRODUCED BY KILLION, MUSTIO, HENNESSEY, HARHART, DAY, HACKETT,
MURT, TAYLOR, FARRY, MICCARELLI, PAYNE, DIGIROLAMO, WATSON
AND GINGRICH, AUGUST 28, 2014

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, AUGUST 28, 2014

AN ACT

1 Amending Title 66 (Public Utilities) of the Pennsylvania
2 Consolidated Statutes, in general provisions, further
3 providing for definitions; in Public Utility Commission,
4 further providing for commission to cooperate with other
5 departments; in powers and duties, further providing for
6 assessment for regulatory expenses upon public utilities and
7 for power of commission to require insurance; and providing
8 for transportation network services.

9 The General Assembly of the Commonwealth of Pennsylvania
10 hereby enacts as follows:

11 Section 1. The definition of "common carrier" and the
12 introductory paragraph of the definition of "common carrier by
13 motor vehicle" in section 102 of Title 66 of the Pennsylvania
14 Consolidated Statutes are amended and the section is amended by
15 adding definitions to read:

16 § 102. Definitions.

17 Subject to additional definitions contained in subsequent
18 provisions of this part which are applicable to specific
19 provisions of this part, the following words and phrases when
20 used in this part shall have, unless the context clearly

1 indicates otherwise, the meanings given to them in this section:

2 * * *

3 "Common carrier." Any and all persons or corporations
4 holding out, offering, or undertaking, directly or indirectly,
5 service for compensation to the public for the transportation of
6 passengers or property, or both, or any class of passengers or
7 property, between points within this Commonwealth by, through,
8 over, above, or under land, water, or air, and shall include
9 forwarders[, but shall not include]. The term shall also include
10 a transportation network company, transportation network service
11 or transportation network company driver. The term shall not
12 include contract carriers by motor vehicles, or brokers, or any
13 bona fide cooperative association transporting property
14 exclusively for the members of such association on a nonprofit
15 basis.

16 "Common carrier by motor vehicle." Any common carrier who or
17 which holds out or undertakes the transportation of passengers
18 or property, or both, or any class of passengers or property,
19 between points within this Commonwealth by motor vehicle for
20 compensation, whether or not the owner or operator of such motor
21 vehicle, or who or which provides or furnishes any motor
22 vehicle, with or without driver, for transportation or for use
23 in transportation of persons or property as aforesaid, and shall
24 include common carriers by rail, water, or air, and express or
25 forwarding public utilities insofar as such common carriers or
26 such public utilities are engaged in such motor vehicle
27 operations[, but does not include:]. The term includes a
28 transportation network company and a transportation network
29 company driver. The term does not include:

30 * * *

1 "Transportation network company." A company that uses a
2 digital network to connect passengers with transportation
3 network company drivers for the purpose of transportation. The
4 term does not include a company providing transportation through
5 a ridesharing arrangement under the act of December 14, 1982
6 (P.L.1211, No.279), entitled "An act providing for ridesharing
7 arrangements and providing that certain laws shall be
8 inapplicable to ridesharing arrangements."

9 "Transportation network company driver." An individual who
10 uses the individual's personal vehicle to provide a ride for a
11 passenger arranged electronically through a transportation
12 network company.

13 "Transportation network service." A service for matching
14 passengers and drivers electronically in advance and rendered on
15 an exclusive basis, where the service is characterized by an
16 individual offering a ride to a passenger in the individual's
17 personal vehicle through a digital network. The term does not
18 include a ridesharing arrangement under the act of December 14,
19 1982 (P.L.1211, No.279), entitled "An act providing for
20 ridesharing arrangements and providing that certain laws shall
21 be inapplicable to ridesharing arrangements."

22 * * *

23 Section 2. Sections 318(a), 510(a) introductory paragraph
24 and 512 of Title 66 are amended to read:

25 § 318. Commission to cooperate with other departments.

26 (a) Vehicle registration plates.--The Department of
27 Transportation and the commission are hereby authorized and
28 directed to cooperate in the issuance by the Department of
29 Transportation, under the provisions of Title 75 (relating to
30 vehicles), of registration plates for commercial motor vehicles,

1 which will classify and identify motor vehicles operated under
2 certificates or permits issued by the commission, including
3 vehicles used by transportation network companies and
4 transportation network company drivers, without the necessity of
5 the requirement of separate identification plates in addition to
6 registration plates required under Title 75.

7 * * *

8 § 510. Assessment for regulatory expenses upon public
9 utilities.

10 (a) Determination of assessment.--Before November 1 of each
11 year, the commission shall estimate its total expenditures in
12 the administration of this part for the fiscal year beginning
13 July of the following year, which estimate shall not exceed
14 three-tenths of 1% of the total gross intrastate operating
15 revenues of the public utilities or transportation network
16 companies in accordance with section 2607 (relating to
17 commission costs) under its jurisdiction for the preceding
18 calendar year. Such estimate shall be submitted to the Governor
19 in accordance with section 610 of the act of April 9, 1929
20 (P.L.177, No.175), known as ["]The Administrative Code of 1929.
21 ["] At the same time the commission submits its estimate to the
22 Governor, the commission shall also submit that estimate to the
23 General Assembly. The commission or its designated
24 representatives shall be afforded an opportunity to appear
25 before the Governor and the Senate and House Appropriations
26 Committees regarding their estimates. The commission shall
27 subtract from the final estimate:

28 * * *

29 § 512. Power of commission to require insurance.

30 (a) Motor carriers.--The commission may, as to motor

1 carriers, prescribe, by regulation or order, such requirements
2 as it may deem necessary for the protection of persons or
3 property of their patrons and the public, including the filing
4 of surety bonds, the carrying of insurance, or the
5 qualifications and conditions under which such carriers may act
6 as self-insurers with respect to such matters. All motor
7 carriers of passengers, whose current liquid assets do not
8 exceed their current liabilities by at least \$100,000, shall
9 cover each and every vehicle, transporting such passengers, with
10 a public liability insurance policy or a surety bond issued by
11 an insurance carrier or a bonding company authorized to do
12 business in this Commonwealth, in such amounts as the commission
13 may prescribe, but not less than \$5,000 for one and \$10,000 for
14 more than one person injured in any one accident.

15 (b) Transportation network companies.--The commission may,
16 in respect to transportation network companies, prescribe, by
17 regulation or order, requirements as the commission deems
18 necessary for the protection of persons or property of their
19 patrons and the public, including the carrying of primary
20 insurance as required under section 2603 (relating to service
21 standards and requirements for transportation network companies)
22 and as prescribed under 75 Pa.C.S. Ch. 17 (relating to financial
23 responsibility).

24 Section 3. Title 66 is amended by adding a chapter to read:

25 CHAPTER 26

26 TRANSPORTATION NETWORK SERVICES

27 Sec.

28 2601. Definitions.

29 2602. Construction.

30 2603. Service standards and requirements for transportation

1 network companies.

2 2604. Service standards and requirements for transportation
3 network company drivers.

4 2605. Transportation network company vehicle requirements.

5 2606. Rates and forms of compensation.

6 2607. Commission costs.

7 2608. Regulations.

8 § 2601. Definitions.

9 The following words and phrases when used in this chapter
10 shall have the meanings given to them in this section unless the
11 context clearly indicates otherwise:

12 "License." Proof of the commission's approval authorizing a
13 transportation network company driver to operate under a
14 transportation network service in this Commonwealth in
15 accordance with this chapter.

16 § 2602. Construction.

17 (a) Call or demand service.--A transportation network
18 service is a "call or demand service" for purposes of 53 Pa.C.S.
19 § 5701 (relating to definitions).

20 (b) Motor carriers of passengers.--A transportation network
21 company, transportation network service and transportation
22 network company driver are motor carriers of passengers under
23 this title.

24 § 2603. Service standards and requirements for transportation
25 network companies.

26 (a) Requirement.--No transportation network company may
27 operate in this Commonwealth unless it holds and maintains a
28 certificate of public convenience issued by the commission.

29 (b) Application.--An application for a certificate of public
30 convenience shall be made to the commission in writing, be

1 verified by oath or affirmation and be in such form and contain
2 such information as the commission may, by rule or order,
3 require.

4 (c) Issuance of certificate of public convenience.--The
5 commission shall issue a certificate of public convenience to a
6 transportation network company applicant if the commission is
7 satisfied that the applicant will do all of the following:

8 (1) Maintain accurate records of all transportation
9 network company drivers providing services arranged through
10 the transportation network company's digital network. The
11 commission shall determine, by regulation or order, the
12 appropriate time period for which the transportation network
13 company shall retain the records of its transportation
14 network company drivers.

15 (2) Establish a driver training program designed to
16 ensure that each transportation network company driver safely
17 operates the driver's vehicle prior to the driver being
18 permitted to offer transportation network services through
19 the transportation network company. The following shall apply
20 to the driver training program:

21 (i) Each transportation network company shall file
22 its driver training program with the commission upon
23 application for a license to provide a transportation
24 network service.

25 (ii) The commission shall establish, through
26 regulations or orders, the minimum components each driver
27 training program must include.

28 (iii) Each transportation network company shall file
29 an annual report with the commission on the number of
30 drivers currently providing service for the

1 transportation network company that became eligible and
2 completed the driver training program.

3 (iv) Each transportation network company driver must
4 register with and be licensed by the commission through
5 procedures that the commission shall establish. The
6 transportation network company shall inform each
7 individual that the individual must register with and be
8 licensed by the commission.

9 (3) Implement a zero tolerance policy on the use of
10 drugs or alcohol while a transportation network company
11 driver provides transportation network services, provide
12 notice of the zero tolerance policy on its Internet website,
13 as well as the procedures to report a complaint about a
14 transportation network company driver with whom a passenger
15 was matched and whom the passenger reasonably suspects was
16 under the influence of drugs or alcohol during the course of
17 the ride, and immediately suspend the transportation network
18 company driver upon receipt of a passenger complaint alleging
19 a violation of the zero tolerance policy. The suspension
20 shall continue for the duration of the investigation.

21 (4) Prior to permitting an individual to act as a
22 transportation network company driver on its network, verify
23 the individual's commission license as required under
24 paragraph (2)(iv) and obtain and review a report of criminal
25 history record information for the individual, which shall be
26 provided to the commission. The following shall apply:

27 (i) The report of criminal history record
28 information shall be comprised of a national criminal
29 background check, including the National Sex Offender
30 Registry.

1 (ii) An individual is not permitted to act as a
2 transportation network company driver if the individual:

3 (A) Has been convicted within the past seven
4 years of any of the following:

5 (I) driving under the influence of drugs or
6 alcohol; or

7 (II) a crime involving property damage or
8 theft.

9 (B) Has been convicted at any time of any of the
10 following:

11 (I) Fraud.

12 (II) A sexual offense.

13 (III) Use of a motor vehicle to commit a
14 felony.

15 (IV) An act of violence.

16 (V) An act of terrorism.

17 (5) Prior to permitting an individual to act as a
18 transportation network company driver on its network, obtain
19 and review a driver history report for the individual. An
20 individual is not permitted to act as a transportation
21 network company driver if the individual:

22 (i) has committed more than three moving violations
23 in the three-year period prior to the review; or

24 (ii) has committed a serious traffic violation in
25 the three-year period prior to the review, including, but
26 not limited to, fleeing or attempting to elude a police
27 officer, reckless driving or driving with a suspended or
28 revoked license.

29 (6) Display to passengers on the digital application
30 used by a transportation network company to connect

1 transportation network company drivers and passengers the
2 following:

3 (i) A photograph of the transportation network
4 company driver taken within the preceding 12 months as
5 depicted on the driver's commission license.

6 (ii) A photograph of the vehicle used by the driver
7 in providing transportation network services.

8 (iii) The license plate number of the vehicle in
9 providing transportation network services.

10 (7) Maintain primary insurance that complies with 75
11 Pa.C.S. Ch. 17 (relating to financial responsibility) and the
12 following for incidents involving a transportation network
13 company driver while providing transportation network
14 services:

15 (i) The coverage must include the following types
16 and minimum amounts:

17 (A) Commercial liability coverage in an amount
18 no less than \$1,000,000 per incident.

19 (B) Medical payments coverage in an amount no
20 less than \$5,000 per incident.

21 (C) Comprehensive and collision coverage in an
22 amount no less than \$50,000 per incident.

23 (D) Uninsured/underinsured motorist coverage in
24 an amount no less than \$1,000,000 per incident.

25 (ii) The coverage must apply from the time at which
26 the transportation network company driver opens the
27 digital application used by a transportation network
28 company to connect transportation network company drivers
29 and passengers until the time at which the transportation
30 network company driver closes the application or the

1 passenger safely exits the vehicle, whichever is later.

2 (iii) Notwithstanding any coverage held or
3 maintained by the transportation network company driver,
4 the transportation network company's insurance coverage
5 required under this paragraph shall be the primary
6 insurance for any and all claims arising from incidents
7 involving a transportation network company driver while
8 providing transportation network services.

9 (8) File with the commission Form E, evidence of motor
10 carrier bodily injury and property damage liability
11 certificate of insurance, evidencing its primary commercial
12 insurance coverage and other coverage as required under
13 paragraph (7) and compliance with 75 Pa.C.S. Ch. 17.

14 (9) Maintain an Internet website that provides a
15 customer service telephone number or e-mail address and the
16 telephone number of the commission's utility customer
17 hotline.

18 (d) Prohibitions.--A transportation network company,
19 transportation network service and transportation network
20 company driver may not:

21 (1) Operate or do business in a city of the first class.

22 (2) Pick up a passenger from any airport in this
23 Commonwealth.

24 (e) Commission inspection of records.--Subject to reasonable
25 confidentiality obligations and applicable confidentiality laws,
26 the commission may inspect records to investigate compliance
27 with the requirements of this chapter and any regulations issued
28 pursuant to section 2606 (relating to rates and forms of
29 compensation). However, any records disclosed to the commission
30 under this subsection shall not be subject to disclosure to a

1 third party by the commission, including through a request
2 submitted pursuant to the act of February 14, 2008 (P.L.6,
3 No.3), known as the Right-to-Know Law.

4 (f) Discrimination in service.--No transportation network
5 company shall, as to service, make or grant any unreasonable
6 preference or advantage to any person, corporation or municipal
7 corporation, or subject any person, corporation or municipal
8 corporation to any unreasonable prejudice or disadvantage. No
9 transportation network company shall establish or maintain any
10 unreasonable difference as to service, either as between
11 localities or as between classes of service, but this subsection
12 does not prohibit the establishment of reasonable
13 classifications of service.

14 § 2604. Service standards and requirements for transportation
15 network company drivers.

16 (a) Separate licenses required.--A separate license is
17 required for a transportation network company driver that is
18 approved to provide transportation network services by an
19 approved transportation network company.

20 (b) Requirements for transportation network drivers.--A
21 transportation network company driver:

22 (1) Must pass the criminal history and driving history
23 investigations as specified in section 2603(c)(4) and (5)
24 (relating to service standards and requirements for
25 transportation network companies).

26 (2) Is subject to sections 501 (relating to general
27 powers) and 3301 (relating to civil penalties for
28 violations).

29 (3) Must possess a valid driver's license and proof of
30 motor vehicle insurance and be at least 21 years of age.

1 (4) In the case of an accident:

2 (i) Shall provide proof of the transportation
3 network company's primary insurance coverage required
4 under section 2603(c)(7). Proof of the primary commercial
5 liability insurance shall be kept in the transportation
6 network company driver's vehicle at all times.

7 (ii) Is prohibited from presenting the driver's
8 personal insurance to any party as proof of insurance
9 from the time a transportation network company driver
10 opens the digital application used by a transportation
11 network company to connect transportation network company
12 drivers and passengers until the time at which the
13 transportation network company driver closes the
14 application or the passenger safely exits the vehicle,
15 whichever is later. A driver who violates this
16 subparagraph is subject to penalties as prescribed by the
17 commission.

18 (5) May accept only rides arranged through the
19 transportation network company's digital network and may not
20 solicit or accept street hails or telephone calls.

21 § 2605. Transportation network company vehicle requirements.

22 (a) Authorized vehicles.--Vehicles used by transportation
23 network company drivers to provide transportation network
24 services must be equipped and licensed for use on a public
25 highway, coupes, sedans or light-duty vehicles, including vans,
26 minivans, sport utility vehicles, hatchbacks, convertibles and
27 pickup trucks.

28 (b) Age of vehicle.--Unless otherwise permitted by the
29 commission, a vehicle may not be operated for purposes of
30 providing transportation network services if it is more than

1 eight model years old.

2 (c) Inspections required.--

3 (1) An annual certificate of inspection must be obtained
4 from an inspection station approved by the Department of
5 Transportation under 67 Pa. Code Ch. 175 (relating to vehicle
6 equipment and inspection) for each transportation network
7 company vehicle.

8 (2) A safety inspection must be conducted by the
9 transportation network company and the commission for each
10 transportation network company vehicle before the vehicle is
11 used to provide transportation network services, and annually
12 thereafter.

13 (3) The commission shall determine vehicle safety
14 standards.

15 (d) Vehicle identification.--Each transportation network
16 company vehicle shall be identified by a conspicuously placed
17 marking, which shall identify the vehicle as a transportation
18 network company vehicle through a unique identification number
19 to be determined by the commission.

20 § 2606. Rates and forms of compensation.

21 (a) Passenger receipt.--Upon completion of a trip, each
22 transportation network company shall transmit an electronic
23 receipt to the passenger's e-mail address or mobile application
24 documenting the origination and destination of the trip and the
25 total amount paid, if any.

26 (b) Fares.--A transportation network company must charge a
27 fare. A transportation network company shall disclose the fare
28 calculation method, the applicable rates being charged and the
29 option to obtain an estimated fare to the passenger before
30 booking the ride. The amount of a fare provided or received for

1 transportation network services is subject to review or approval
2 by the commission under Chapter 13 (relating to rates and
3 distribution systems).

4 § 2607. Commission costs.

5 Program costs for commission implementation and enforcement
6 of this chapter shall be included in the commission's proposed
7 budget and shall be assessed upon transportation network
8 companies in accordance with section 510(a) (relating to
9 assessment for regulatory expenses upon public utilities).

10 § 2608. Regulations.

11 The commission may promulgate regulations and issue orders as
12 necessary to administer and enforce this chapter.

13 Section 4. This act shall take effect in 60 days.