

MARYLAND REGISTER

**Proposed Action on Regulations**

<b>Transmittal Sheet</b>  <b>PROPOSED OR REPROPOSED</b>  <b>Actions on Regulations</b>	<b>Date Filed with AELR Committee</b>	<b>TO BE COMPLETED BY DSD</b>
		Date Filed with Division of State Documents
		Document Number
		Date of Publication in MD Register

**1. Desired date of publication in Maryland Register: 12/28/2015**

**2. COMAR Codification**

**Title Subtitle Chapter Regulation**

20 95 01 03, .06, .09, .11, .12, .19, .20 - .25

**3. Name of Promulgating Authority**

Public Service Commission

**4. Name of Regulations Coordinator**

Sue Thomas

**Telephone Number**

410-767-8308

**Mailing Address**

6 St. Paul Street

**City State Zip Code**  
Baltimore MD 21202

**Email**

susan.thomas@maryland.gov

**5. Name of Person to Call About this Document**

David J. Collins, Executive Secretary

**Telephone No.**

410-767-8067

**Email Address**

david.collins@maryland.gov

**6. Check applicable items:**

- New Regulations

- Amendments to Existing Regulations

Date when existing text was downloaded from COMAR online: October 30, 2015.

- Repeal of Existing Regulations

Recodification

Incorporation by Reference of Documents Requiring DSD Approval

Reproposal of Substantively Different Text:

: Md. R

(vol.) (issue) (page nos) (date)

Under Maryland Register docket no.: --P.

**7. Is there emergency text which is identical to this proposal:**

Yes - No

**8. Incorporation by Reference**

Check if applicable: Incorporation by Reference (IBR) approval form(s) attached and 18 copies of documents proposed for incorporation submitted to DSD. (Submit 18 paper copies of IBR document to DSD and one copy to AELR.)

**9. Public Body - Open Meeting**

- OPTIONAL - If promulgating authority is a public body, check to include a sentence in the Notice of Proposed Action that proposed action was considered at an open meeting held pursuant to State Government Article, §10-506(c), Annotated Code of Maryland.

- OPTIONAL - If promulgating authority is a public body, check to include a paragraph that final action will be considered at an open meeting.

**10. Children's Environmental Health and Protection**

Check if the system should send a copy of the proposal to the Children's Environmental Health and Protection Advisory Council.

**11. Certificate of Authorized Officer**

I certify that the attached document is in compliance with the Administrative Procedure Act. I also certify that the attached text has been approved for legality by H. Robert Erwin, General Counsel, (telephone #410-767-8039) on November 20, 2015. A written copy of the approval is on file at this agency.

**Name of Authorized Officer**

David J. Collins

**Title**

Executive Secretary

**Telephone No.**

410-767-8067

**Date**

November 20, 2015

**Title 20**  
**PUBLIC SERVICE COMMISSION**  
**Subtitle 95 TRANSPORTATION**

**20.95.01 General**

Authority: State Government Article, §7-207(a); Public Utilities Article, §§2-113, 2-121, 4-503, 5-101, 5-106, 9-101—9-103, 9-201—9-205, 9-207, 13-101, 13-201, and 13-202; Annotated Code of Maryland

**Notice of Proposed Action**

[]

The Public Service Commission proposes to amend Regulation .03 under COMAR 20.95.01 Definitions; Regulation .06 Violations and Penalties; Regulation .08 Schedules - Times, Rates and Charges; Regulation .11 Required Equipment and Minimum Safety Standards; Regulation .12 Operation of a Motor Vehicle; and Regulation .19 Prohibited Conduct. The Public Service Commission proposes to adopt new Regulation .20 Transportation Network Company; Regulation .21 Transportation Network Operator's Licenses; Regulation .22 Transportation Network Operator; Regulation .23 Transportation Network Company Operator Vehicle Permits; Regulation .24 Transportation Network Company Operator Vehicle; and Regulation .25 Accessibility and Non-Discrimination. The Commission further proposes to repeal Regulation .09 Schedules.

This action was considered at a scheduled rule making meeting on October 26, 2015, notice of which was given under State Government Article §10-506, Annotated Code of Maryland.

**Statement of Purpose**

The purpose of this action is to align regulations to the statutes passed during the 2015 Maryland General Assembly, Senate Bill 868, defining Transportation Network Company, Transportation Network Operator and Transportation Network Services. The modifications are to streamline and modernize outdated regulations, and implement new statutory provisions regarding Transportation Network Companies, Transportation Network Operators and Transportation Network Services.

**Comparison to Federal Standards**

There is no corresponding federal standard to this proposed action.

**Estimate of Economic Impact**

**I. Summary of Economic Impact.**

In the past four (4) years, a new variation of an intrastate passenger-for-hire transportation service has begun service in Maryland, Transportation Network Services. The General Assembly passed a bill, signed by the Governor, defining and regulating this type of service.

<b>II. Types of Economic Impact.</b>	Revenue (R+/R-) Expenditure (E+/E-)	Magnitude
A. On issuing agency:		
() At least \$1 million	(R+)	Annual Basis
() At least \$455,000	(E+)	Annual Basis
B. On other State agencies:		
() Unquantifiable	(E+)	Annual Basis
() Approximately \$75,000	(R+)	Annual Basis
C. On local governments:		
() Approximately \$1,425,000	(R+)	Annual Basis
() Unquantifiable	(E+)	Annual Basis

	Benefit (+) Cost (-)	Magnitude
D. On regulated industries or trade groups:		
() At least \$3.5 million	(-)	Unquantifiable
() Unquantifiable	(+)	Unquantifiable
E. On other industries or trade groups:		
() Unquantifiable	(+)	Unquantifiable
() Unquantifiable	(-)	Unquantifiable
F. Direct and indirect effects on public:		
() Unquantifiable	(-)	Unquantifiable
() Unquantifiable	(+)	Unquantifiable

**III. Assumptions.** (Identified by Impact Letter and Number from Section II.)

A(). On issuing agency, Revenue: The assumption is that there will be at least two (2) operating Transportation Network Companies authorized by the Commission. There will be an estimated 20,000 Transportation Network Operators and vehicles authorized in Maryland. The two Transportation Network Companies will be expected to pay an annual assessment to the Commission as required by the Public Utilities Article. Additionally, the For-Hire Driving Services Enforcement Fund is an annual \$40 assessment to be paid annually per each vehicle permitted. Therefore, the revenue to the For-Hire Driving Services Enforcement Fund is expected to be increased by \$800,000 (\$40 x 20,000).

A(). On issuing agency, Expenditures: The assumption that with the addition of two Transportation Network Companies and estimated 20,000 Transportation Network Operators and vehicles, additional staffing would be required. Based on these estimated

numbers, the following additional staff would be required: three (3) Administrative Specialist positions (salary and expenses \$45,000 x 3 positions = \$135,000), one (1) Field Investigator positions (salary and expenses \$50,000), and one Staff attorney (salary and expenses \$90,000). Additionally, day-to-day activities including office supplies, postage, phone lines, travel, and other expenses will cost an estimated \$180,000. Although the Fiscal and Policy Note for SB868 estimated additional increased expense to the Commission would be \$109,300 annually, the operations of the Transportation Network Companies and Operators have experienced significant growth since this estimate was generated. Additionally, the fiscal note estimated expense was based on the original language of the proposed bill that limited the scope of the Commission's enforcement activities.

B(). On other State agencies, Expenditures: Additional resources and expenses will be necessary in the Office of the Comptroller and the Maryland Insurance Administration. Commission Staff does not have access to information that would allow us to estimate the magnitude of those resources and expenditures. However, based on the Fiscal and Policy Note for SB868, there would be an increase of \$59,600 in FY2016 and by \$8,900 in FY2017 for the Maryland Insurance Information, but no expenses noted for the Office of the Comptroller. Again, these estimates were based on a proposed bill that limited the scope of the Maryland Insurance Administration and Office of the Comptroller activities

B(). On other State agencies, Revenue: The assumption is that there will be at least 6 million trips completed in Maryland. The Office of the Comptroller, by statute, can collect 5% of the amount collected to be distributed to the Administrative Cost Account. Therefore, the Office of the Comptroller could possibly collect \$75,000 (6 million x 25¢ x 5%).

C(). On local governments, Revenue: Each local government, by statute, may establish a tax of 25¢ per each trip. The assumption is that there will be at least 6 million trips completed in Maryland, with all jurisdictions imposing a tax and notifying the Office of the Comptroller. Therefore, the local governments can possibly collect \$1,425,000 (6 million x 25¢ - \$75,000 [Office of the Comptroller]).

C(). Expenditures for local governments to implement receipt of revenues is unquantifiable.

D(). On regulated industries or trade groups, Costs: The assumption is that there will be additional costs borne by the Transportation Network Companies and Transportation Network Operators for assessments levied by the Commission (at least \$1 million), the 25¢ per trip tax imposed by the local jurisdictions (at least \$1,500,000), an annual inspection of each vehicle conducted by a facility authorized to conduct a State motor vehicle inspection (the assumption of 20,000 x \$50-\$70 = \$1,000,000-\$1,400,000) as well as any cost of repair to bring the vehicle to State standards (unquantifiable). Again, the assumptions are based on 20,000 Transportation Network Operators that conduct at least 6 million trips.

D(). On regulated industries or trade groups, Benefits: The benefits are an unquantifiable amount because of the assumption of increased safety with Commission oversight and the codification of insurance requirements pertaining to Transportation Network Companies and Transportation Network Operators. Additionally, certain vehicles that are not Transportation Network Operators will be inspected only once per year; previous

regulations required that these vehicles be inspected twice per year. The owners of those vehicles will see an intangible and unquantifiable benefit of time freed to perform transportation services and not incapacitated the vehicle inspection process.

E(). On other industries or trade groups, Benefits and Costs: At this junction, it is hard to place any estimated benefits or costs to other industries or trade groups. However, public safety is the overarching reason for the statute and respective regulations.

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F(). Direct and indirect effects on public, Benefits and Costs: Again, it is hard to place any estimated benefits or costs. However, public safety and regulatory oversight is the overarching reason for the statute and respective regulations.

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### **Economic Impact on Small Businesses**

The proposed action has a meaningful economic impact on small business. An analysis of this economic impact follows.

As a result of the passage of the statute, many individuals will be employed lawfully as “independent contractors” (if they are not deemed to be “employees”) driving for Transportation Network Companies. Existing market participants will experience greater lawful competition.

### **Impact on Individuals with Disabilities**

The proposed action has an impact on individuals with disabilities as follows:  
The regulations clarify the rights of individuals with disabilities when using passenger-for-hire transportation services.

### **Opportunity for Public Comment**

Comments may be sent to David J. Collins, Executive Secretary, Executive Secretary, William Donald Schaefer Tower, 6 St. Paul Street, Baltimore, Maryland 21202-6806, or call 410-767-8067, or email to , or fax to 410-333-6495. Comments will be accepted through January 27, 2016. A public hearing has not been scheduled.

### **Economic Impact Statement Part C**

A. Fiscal Year in which regulations will become effective: FY 2016

B. Does the budget for the fiscal year in which regulations become effective contain funds to implement the regulations?

No

C. If 'yes', state whether general, special (exact name), or federal funds will be used:

D. If 'no', identify the source(s) of funds necessary for implementation of these regulations:

Special Fund – The Public Utility Regulation Fund and the For-Hire Driving Services Enforcement Fund

E. If these regulations have no economic impact under Part A, indicate reason briefly:

F. If these regulations have minimal or no economic impact on small businesses under Part B, indicate the reason and attach small business worksheet.

G. Small Business Worksheet:

1a. Intended Beneficiaries

Transportation Network Operators, Transportation Network Companies, Passenger-for-Hire Carriers

b. Intended Beneficiaries:

Households

c. Intended Beneficiaries:

Businesses and members of the public that would like to operate as an independent contractor utilizing their personal vehicles

2a. Other Direct or Indirect Impacts:

Adverse competitive impacts on existing carriers and taxicabs

b. Other Direct or Indirect Impacts: Positive

Increased employment in passenger-for-hire transportation, increased availability of for-hire transportation options

3. Long Term Impacts

Unknown

4. Estimate of Economic Impact

Unquantifiable

Attached Document:

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# Title 20 PUBLIC SERVICE COMMISSION

## Subtitle 95 TRANSPORTATION

### Chapter 01 General

Authority: State Government Article, §7-207(a); Public Utilities Article, §§2-113, 2-121, 4-503, 5-101, 5-106, 9-101—9-103, 9-201—9-205, 9-207, 13-101, 13-201, and 13-202; Annotated Code of Maryland

#### .03 Definitions.

A. (text unchanged)

B. Terms Defined.

(1) (text unchanged)

(2) "Company" includes every corporation, association, partnership, group of individuals, or individual owning, controlling, operating, or managing one or more motor vehicles engaged in the transportation of persons for hire over any road between fixed termini, over a more or less regular route, on a more or less fixed schedule, *or transportation from point to point that is pre-arranged between the company and a rider.*

(3) Motor Vehicle.

(a) "Motor vehicle" includes all vehicles or machines propelled by any power other than muscular used upon the public roads, not on rails, for public transportation of persons for compensation.

(b) "Motor vehicle" does not include a taxicab.

(4) "Operator" means any person engaged in driving a motor vehicle for which a permit has been issued, *other than a Transportation Network Operator.*

(5) "Owner" means the individual, partnership, carrier, or company to whom a permit has been issued, *other than a Transportation Network Company or Transportation Network Operator.*

(6) "Permit" means the *motor carrier or driver's* permit issued by the Commission.

(7) "Roads" means State or State-aid roads, improved county roads, or streets and roads of incorporated towns and cities in the State.

(8) "State" means the State of Maryland.

(9) "Surge pricing" means the practice of a company applying a multiplier to customer fares for a limited duration.

(10) "Transportation Network Company" or "TNC" means a company that has been issued a permit by the Commission and operates in the State of Maryland using a digital network to connect passengers to Transportation Network Operators for Transportation Network Services.

(11) "Transportation Network Operator" means an individual who:

(a) has been issued a Transportation Network Operator's License, or is otherwise authorized, by the Commission to provide Transportation Network Services;

(b) receives, through a Transportation Network Company's digital network application, a connection to a potential passenger to transport the passenger between points chosen by the passenger in exchange for the payment of a fee to the Transportation Network Company; and

(c) uses a motor vehicle that is owned, leased, or otherwise authorized for use by the individual and is approved for use in providing Transportation Network Services by the Commission.

(12) "Transportation Network Services" means:

(a) the activities of a Transportation Network Operator during:

(i) Transportation Network Coverage Period One, during which the Transportation Network Operator is logged onto and ready to accept a prearranged ride request made through a TNC's digital network application;

(ii) Transportation Network Coverage Period Two, during which the Transportation Network Operator accepts a ride request from a passenger that is prearranged through a TNC's digital network application, and is traveling to a predetermined location to pick up the passenger; and

(iii) Transportation Network Coverage Period Three, during which the Transportation Network Operator transports the passenger and continuing until the passenger departs the motor vehicle.

(b) "Transportation Network Services" does not include providing taxicab services, sedan services, or limousine services.

(13) "Transportation Network Operator Vehicle" means a vehicle that is used by a Transportation Network Operator to provide pre-arranged passenger transportation services requested through a TNC Platform, using Commission approved motor vehicles and operators.

(14) "TNC Platform" means a digital network application used by a TNC to connect riders to Transportation Network Operators who provide for-hire transportation services for compensation.

## 20.95.01.06

### **.06 Violations and Penalties.**

A. (text unchanged)

B. Civil Penalty Violations. The following violations are subject to a civil penalty under Public Utilities Article, §13-202, Annotated Code of Maryland:

(1) – (2) (text unchanged)

(3) Failure to file with the Commission an inspection certificate from a facility licensed by the State to perform motor vehicle inspections, *or a facility licensed to perform inspections in an adjacent jurisdiction, if the Commission has previously determined that the vehicle inspection standards of that jurisdiction are materially the same as those adopted by the Maryland State Police;*

(4) Failure to carry appropriate insurance or provide evidence of coverage to the Commission under Regulation .18 and .20 of this chapter;

(5) (text unchanged)

(6) Operating a motor vehicle without a valid state driver's license or valid passenger-for-hire driver's license, *or a valid Transportation Network Operator's License;*

(7) – (13) (Text unchanged)

(14) Operating a motor vehicle which has been placed out of service for the same violation more than two times in a 1-year period or over 50 percent of the time inspected in a 1-year period, whichever is less; [or]

(15) Failure of the owner or an operator of a motor vehicle, *including a Transportation Network Operator,* to permit inspection of a vehicle or of records relating to a permit[.];

(16) *Operating a motor vehicle without all required permits; or*

(17) *Violation of Accessibility and Non-Discrimination under Regulation .25 of this Chapter.*

C. Civil penalties for the violations set forth in Section .B of this regulation may be assessed upon owners or operators as appropriate, including Transportation Network Companies and Transportation Network Operators.

[C.]D. Notice.

(1) Notice of a violation and imposition of a civil penalty under §B of this regulation shall be in writing and mailed by first class mail, postage prepaid, to the last known address of the owner, or in the case of a corporation, the authorized representative.

(2) The notice given under §C(1) of this regulation shall:

(a) Include a statement that a party desiring a hearing must request the hearing on or before the date set by the Commission in the citation or complaint; and

(b) Indicate that failure to respond to the notice may result in the suspension or revocation of authority to operate as a common carrier.

(3) The mailing by first class mail of a notice is considered to be as effective and binding as an actual notice.

## 20.95.01.08

### **.08 Schedules—[Times,] Rates, and Charges.**

A. (text unchanged)

B. Notice.

(1) A schedule of [times,] rates[,] and charges may not be instituted or changed by an owner *or Transportation Network Company* without [prior approval of the Commission.] *providing the Commission and the Maryland Office of People's Counsel with 14 days notice.*

(2) *Interested persons and the Maryland Office of People's Counsel may file with the Commission an objection to the schedule of rates and charges within 14 days of the submission of the application and proposed schedule.*

(3) *Unless the Commission suspends a schedule filed under subsection (1) of this section within 14 days, the schedule shall take effect on the date specified in the schedule.*

(4) *A schedule of rates may include a range of maximum and minimum rates, including a range of base rates, and any applicable surge pricing capped at a maximum multiplier.*

C. An owner *or Transportation Network Company* shall file with the Commission a schedule of its rates and charges [give the Commission and the public 30 days written notice before any changes in its times, rates, and charges], as required in Regulation [.09C and D].08B of this chapter.

D. An application for authority to institute or change [times,] rates[,] and charges shall be typewritten or printed and shall include an original and *two copies of the proposed tariff change, including the following information:*

[(1) Two copies of the proposed tariff change; and

(2) 14 copies of a cover letter explaining the application, including the following information:]

[(a)](1) A reference to the specific [time,] rate[,] or charge section being instituted or changed[.];

[(b)](2) A list of the [time,] rate[,] or charge pages being revised[.];

[(c)](3) A brief description of the nature of the [time,] rate[,] or charge addition or change[.];

[(d)](4) If applicable, the percentage of increase or decrease in a rate or charge and the related dollar amount for each class[.];

[(e)] A copy of the notice provided to passengers,

(f) The impact of the schedule changes on total annual Maryland intrastate regulated revenue expressed as a percentage increase or decrease and the related dollar amount.]

[(g)](5) The proposed effective date[.];

[(h)](6) The name and telephone number of a representative of the owner *or Transportation Network Company* capable of answering any question the Commission may have concerning the [time,] rate[.], or charge[.]; and

[(i)](7) The signature of the owner, or in the case of a *Transportation Network Company*, corporation, partnership, or LLC, the signature of an authorized representative.

E. An owner shall provide access to a copy of the effective and proposed schedule of [times,] rates[.], and charges to the public on a website, or if the owner does not have a website, at their principal place of business.

F. A *Transportation Network Company* shall disclose the following information to a passenger through the TNC Platform before the passenger agrees to a trip with a *Transportation Network Company*:

(1) The applicable rate being charged;

(2) Notice that surge pricing is in effect and the multiplier to be applied, if applicable;

(3) Notice of the type and amount of any additional fee or fees being charged; and

(4) The option to obtain an estimated fare for the transportation service that will be provided, based on passenger-input pick-up and drop-off points.

G. A *Transportation Network Company* shall include in its digital platform a feature that requires a passenger to acknowledge that surge pricing is in effect, when applicable.

H. A *Transportation Network Company* shall permit all passengers to view on their personal computer or mobile device a photograph of the authorized *Transportation Network Operator*, and the vehicle's license plate number, prior to entering the Commission approved vehicle.

I. A *Transportation Network Company*, on completion of transportation services, shall transmit an electronic receipt to the passenger's electronic mail address or mobile application documenting:

(1) The origin and destination of the trip;

(2) The total time of the trip;

(3) The total fare paid, including the base fare and any additional charges incurred for distance traveled or duration of the prearranged ride;

(4) The driver's first name;

(5) The PSC license number or a unique receipt identification number;

(6) The Company name; and

(7) A customer support telephone number and an e-mail address or hyperlink, or both for the submittal of inquiries and feedback.

J. A *Transportation Network Company* shall make available on its digital network and website a customer support telephone number and an e-mail address or hyperlink, or both for passenger inquiries, as well as instructions to passengers for filing a complaint with the Commission.

## **[20.95.01.09**

### **.09 Schedules.**

A. Except in an emergency, a motor vehicle may not be operated on any schedule other than that approved by the Commission.

B. An owner shall give the Commission and the public 30 days notice before the proposed effective date of a revision or abandonment of a schedule of times, rates, and charges.

C. An owner operating on a regular schedule shall notify the public of a proposed schedule revision or abandonment by conspicuously posting notices in all terminals and on all motor vehicles providing service to passengers affected by the schedule change.

D. Notice to the public shall be in a form acceptable to the Commission and shall contain, at a minimum, the effect of the proposed schedule revision or abandonment and the proposed effective date, and shall indicate that a protest may be made in writing to the Maryland Public Service Commission.]

## **20.95.01.11**

### **.11 Required Equipment, and Minimum Safety Standards.**

A. A motor vehicle, including a leased or reserved motor vehicle, used by a carrier *or Transportation Network Operator* shall:

(1) – (2) (text unchanged)

(3) Be equipped with:

(a) An operative speedometer,  
(b) Three roadside reflectors,  
(c) A fire extinguisher with a minimum rating of 5 BC.]  
[(d)](a) *Except for a vehicle with a manufacturer's rated seating capacity of eight or fewer passengers, a [A] light or lights within the motor vehicle arranged to illuminate the entire interior except for the area occupied by the driver, and*

[(e)](b) *A heating system, and an air conditioning system if the air conditioning system was originally installed by the vehicle manufacturer;*

[(4)] Have a sign posted conspicuously, prohibiting smoking or the carrying of lighted tobacco products;]

[(5)](4) *Be identified by a distinctive number, and have the name, trade name, or company logo conspicuously displayed, unless waived by the Transportation Division of the Commission or, if the vehicle is a Transportation Network Operator Vehicle, be identified by a removable insignia as specified in regulation .24 of this Chapter, and in the Transportation Network Company's digital platform by providing the Transportation Network Operator Vehicle license plate number and a picture of the Transportation Network Operator; and*

[(6)](5) *Be kept clean and sanitary.*

(6) *After July 1, 2016, not exceed more than 10 model years of age, unless the vehicle already has a Commission permit, and proof of semi-annual safety inspections, conforming to the requirements of part B(2) of this regulation is submitted to the Commission, or the vehicle is an historic motor vehicle as defined in § 13-936 of the Transportation Article of the Maryland Code, or the vehicle exceeds 10,000 pounds Gross Vehicle Weight Rating.*

#### B. Inspection.

(1) [At the direction of the Commission] *Except for vehicles over 10,000 pounds Gross Vehicle Weight Rating (GVWR), an owner of a motor vehicle or a Transportation Network Operator shall [present] have the motor vehicle [for inspection] inspected and certified annually by a [Commission representative] facility licensed by the State to perform motor vehicle safety inspections, no later than the annual anniversary of the date the vehicle permit was issued, or as otherwise directed by the Commission.*

(2) *The Commission may accept an inspection certificate issued by a facility licensed by an adjacent state or the District of Columbia to perform motor vehicle safety inspections, if the Commission determines or has previously determined that the vehicle inspection standards of that jurisdiction are materially the same as those adopted by the Maryland State Police.*

[(2)](3) *Upon presenting proper identification, the Commission or its representative may enter a motor vehicle for the purpose of inspecting the vehicle, vehicle equipment, or records of the carrier.*

[(3)](4) *A representative of the Commission, after inspection and a determination that a motor vehicle does not comply with the requirements of this chapter, may require:*

(a) – (b) (text unchanged)

(c) *That a Transportation Network Operator or an owner of a motor vehicle, which has been removed from service for repair, provide evidence of the repair.*

[(4)](5) *The Commission may require an owner of a motor vehicle, a Transportation Network Operator, or a Transportation Network Company on behalf of a Transportation Network Operator, to provide a[n] valid inspection certificate [from a facility licensed by the State to perform Motor vehicle inspections] to verify the inspection required under this section.*

(6) *Upon receipt of a customer complaint, the Commission may order a motor carrier, or vehicle operator, including a Transportation Network Operator, to present the subject vehicle for inspection by a Commission representative. In the alternative, if the complaint alleges a safety issue that is addressed by the annual safety inspection, the Commission may require the motor carrier, operator, or Transportation Network Operator to have the vehicle inspected in a licensed facility conforming to the requirements of parts B.(1) or B.(2) of this regulation, and provide an inspection certificate to the Commission.*

(7) *At the direction of the Commission, an owner of a motor vehicle over 10,000 pounds Gross Vehicle Weight Rating (GVWR) shall present the motor vehicle for inspection by a Commission representative.*

## 20.95.01.12

### .12 Operation of Motor Vehicle.

A. Driver. An owner or a Transportation Network Company shall ensure that:

(1) – (3) (text unchanged)

(4) *A driver of a motor vehicle is provided information and training about the requirements of laws governing non-discrimination and accessibility, including the Americans with Disabilities Act, to the extent applicable.*

[B. Reserve Equipment.

(1) *An owner shall maintain sufficient reserve or substitute equipment to ensure that the authorized schedule on file with the Commission is maintained.*

(2) *Reserve and substitute equipment shall comply with the requirements for motor vehicle equipment and safety under Regulation .11 of this chapter.]*

[C.]B. Carrying Capacity.

(1) The number of passengers transported by a motor vehicle may not exceed the number authorized by the vehicle list associated with a permit and on file with the Commission, *and may not exceed the manufacturer's rated seating capacity.*

(2) (text unchanged)

[D.]C. [Accident] *Fatality Report.* An owner, *Transportation Network Operator, or Transportation Network Company* shall report in writing, to the Commission, an accident involving a motor vehicle *that results in a fatality.*

[E.]D. Maintenance Record. A continuous maintenance record shall be kept for each motor vehicle *in accordance with state and federal laws and regulations.*

## 20.95.01.19

### **.19 Prohibited Conduct.**

A. A *Transportation Network Company, Transportation Network Operator, or [A]an owner of a motor vehicle* used in the transportation of a person for hire, which is not licensed as a taxicab by a county or by the Commission, may not:

(1) (text unchanged)

(2) Equip the motor vehicle with a dome light or *taxi* meter;

(3) (text unchanged)

(4) Dispatch a motor vehicle to pick up a customer calling for a taxicab; *or*

(5) Accept or dispatch a motor vehicle from a telephone number identified or advertised as providing taxicab service. [; or]

[(6) Advertise the transportation of a person for hire, unless the advertisement includes the permit number issued by the Commission.]

B. An owner of a motor vehicle may not permit or direct an operator of a motor vehicle in the transportation of a person for hire to:

(1) (text unchanged)

(2) Discharge an individual at random *except at the request of the individual*; [or]

(3) Solicit an individual at a public or private taxicab stand or at Baltimore/Washington International *Thurgood Marshall* Airport; *or*

(4) *Solicit an individual on the street.*

C. A *Transportation Network Company* may not permit or direct a *Transportation Network Operator* to:

(1) *Pick up an individual hailing the motor vehicle from the street or through any means other than the digital platform used by the Transportation Network Company;*

(2) *Discharge an individual at random except at the request of the individual;*

(3) *Solicit an individual at a public or private taxicab stand or at Baltimore/Washington International Thurgood Marshall Airport; or*

(4) *Solicit an individual on the street.*

D. A permit issued by the Public Service Commission does not convey authority to operate on the property of Baltimore /Washington International *Thurgood Marshall* Airport.

## **ALL NEW TEXT**

## 20.95.01.20

### **.20 Transportation Network Company**

A. A *Transportation Network Company* shall:

(1) *Have a permit from the Commission authorizing its operation;*

(2) *Register with the Maryland State Department of Assessments;*

(3) *Maintain a registered agent in Maryland;*

(4) *Comply with all insurance requirements applicable to Transportation Network Companies, and ensure that Transportation Network Operators operating under its permit comply with all Commission Transportation Network Operator licensing requirements, vehicle inspections, and insurance requirements;*

(5) *Maintain a current registry of all Transportation Network Operators, vehicles and TNC platform activity associated with the TNC and, upon request, make the registry available for Commission review to assure compliance with this Chapter;*

(6) *Provide Transportation Network Operators with a Transportation Network Company identification as defined under 20.95.01.24A(6) and 20.95.01.24A(7);*

(7) *Provide the following information on its website:*

(a) *The Transportation Network Company's customer service telephone number or electronic mail address;*

(b) *The procedure for reporting a complaint; and*

(c) A telephone number and electronic mail address for the Maryland Public Service Commission.

**B. Insurance.**

(1) A Transportation Network Company shall maintain, or require its Transportation Network Operators to maintain primary insurance coverage in the amounts and types specified in § 10-405 of the Public Utilities Article of the Maryland Code;

(2) A Transportation Network Company shall provide proof of insurance as required by §10-405(d) of the Public Utilities Article of the Maryland Code; and

(3) A Transportation Network Company shall ensure that Transportation Network Company or Transportation Network Operator insurance coverage is in effect during Transportation Network Coverage Period One, Transportation Network Coverage Period Two, and Transportation Network Coverage Period Three;

(4) A Transportation Network Operator, a Transportation Network Company, or a combination of both shall maintain primary motor vehicle insurance that:

(a) Recognizes that the Transportation Network Operator is a Transportation Network Operator or otherwise uses a motor vehicle to transport passengers for hire; and

(b) Covers the Transportation Network Operator while the Transportation Network Operator is providing Transportation Network Services.

(c) Complies with the requirements of §10-405 of the Public Utilities Article of the Maryland Code.

(5) If the primary insurance required by §10-405 of the Public Utilities Article of the Maryland Code is maintained by a Transportation Network Operator and lapses or fails to provide the amount of coverage required, then the insurance maintained by a Transportation Network Company shall provide such coverage from the first dollar of a claim and provide for the duty to defend such claim pursuant to §10-405(c) of the Public Utilities Article of the Maryland Code.

C. A company that received a motor carrier permit prior to the effective date of these regulations may operate as a Transportation Network Company without obtaining another permit, provided the company otherwise complies with all statutory and regulatory requirements applicable to Transportation Network Companies.

## 20.95.01.21

### **.21 Transportation Network Operator's Licenses.**

A. An individual who wishes to operate as a Transportation Network Operator shall apply for a Transportation Network Operator's License, which may be done through a TNC.

B. A TNC may file with the Commission an application for a temporary operator's license on behalf of a Transportation Network Operator.

C. Once a TNC submits a completed application for a temporary operator's license, the Commission shall render a decision on the application and issue or deny a temporary license within a reasonable period following the receipt of a completed application. An application for a temporary operator's license shall not be considered complete unless it includes a background check as described in §10-404(b) of the Public Utilities Article of the Maryland Code that was performed within the twelve months preceding the date of the application.

D. During the review process described in subsection (C) of this section, a Transportation Network Operator whose application is pending before the Commission is authorized to operate as a Transportation Network Operator on a provisional basis until the Commission renders a decision on the application for temporary license.

E. After April 1, 2016, upon expiration of a temporary operator's license issued by the Commission, a Transportation Network Operator who wishes to continue operating as a Transportation Network Operator shall provide a fingerprint supported State and FBI background investigators' record check to the Commission, unless the Commission has granted the Transportation Network Operator's Transportation Network Company a waiver under §10-404(e) of the Public Utilities Article of the Maryland Code.

F. The Commission shall issue a Transportation Network Operator's License of up to three years to a Transportation Network Operator upon receipt of a fingerprint supported State and FBI background investigators record check, unless the results of the record checks show that the applicant has been convicted of a crime or driving offense that bears a direct relationship to the applicant's fitness to serve the public as a for-hire driver.

G. If the Commission has granted a Transportation Network Company a waiver under §10-404(e) of the Public Utilities Article of the Maryland Code, the Commission shall issue the Transportation Network Operator a Transportation Network Operator's License of up to three years upon completing its review of a qualifying application, unless the results of the background checks show that the applicant has been convicted of a crime or driving offense that bears a direct relationship to the applicant's fitness to serve the public as a for-hire driver.

H. In order to obtain a waiver under §10-404(e) of the Public Utilities Article of the Maryland Code, a Transportation Network Company must demonstrate that the background check it uses meets the requirements of §10-404(b) of the Public Utilities Article of the Maryland Code and is as comprehensive and accurate as complying with the supplemental criminal background check as set forth under §10-104(b) of Public Utilities Article of the Maryland Code.

*I. A person who holds a valid passenger-for-hire driver's license issued by the Commission may obtain a Transportation Network Operator's License with the same expiration date as the passenger-for-hire driver's license, without providing a new background check, provided that the person otherwise complies with all statutory and regulatory provisions applicable to Transportation Network Operators.*

#### **.20.95.01.22**

##### **.22 Transportation Network Operator**

*A. A Transportation Network Operator shall:*

- (1) Comply with all applicable Commission, vehicle inspection, and insurance requirements;*
- (2) Accept only transportation arranged through a TNC's digital network and shall not solicit or accept street-hails;*
- (3) Display a TNC identification defined under Section 20.95.01.24A(6) and 20.95.01.24A(7) of this Chapter at any time that the operator is logged onto a TNC's digital network;*
- (4) Possess a valid driver's license;*
- (5) Be at least 18 years of age, and have at least six months of licensed driving experience; and*
- (6) Upon request, provide the Commission with a valid motor vehicle safety inspection certificate issued by a licensed facility conforming to the requirements of COMAR 20.95.01.11B(1) and B(2).*

#### **20.95.01.23**

##### **.23 Transportation Network Company Operator Vehicle Permits.**

*A. An individual who wishes to operate as a Transportation Network Operator may apply for a vehicle permit through a TNC.*

*B. A TNC is authorized to file with the Commission an application for a vehicle permit.*

*C. The Commission shall issue a vehicle permit for a Transportation Network Operator Vehicle upon receipt and review of a complete application. An application will be deemed complete if it contains:*

- (1) A copy of the valid vehicle registration for the Transportation Network Operator Vehicle;*
- (2) A copy of a valid safety inspection certificate for the Transportation Network Operator Vehicle issued by a licensed facility conforming to the requirements of COMAR 20.95.01.11B(1) and B(2); and*
- (3) Proof that the vehicle complies with all insurance requirements set forth in §10-405 of the Public Utilities Article of the Maryland Code.*

*D. Once a TNC submits a completed application for a permit, the Commission shall render a decision on the application and issue or deny a permit within a reasonable period following the receipt of a completed application.*

*E. A Transportation Network Operator whose application is pending before the Commission is authorized to operate their Transportation Network Operator Vehicle on a provisional basis until the Commission renders a decision on the application.*

#### **20.95.01.24**

##### **.24 Transportation Network Company Operator Vehicle**

*A. A Transportation Network Operator Vehicle shall:*

- (1) Have, or have applied for and not been denied, a permit from the Commission authorizing its operation;*
- (2) Have a manufacturers rated seating capacity of no more than 8 passengers including the driver;*
- (3) Not exceed more than 10 model years age, except as provided in COMAR 20.95.01.11A(6).;*
- (4) Comply with all required equipment and minimum safety standards as defined in COMAR 20.95.01.11;*
- (5) Comply with all insurance requirements as defined in §10-405 of the Public Utilities Article of the Maryland Code; and*
- (6) At all times while engaged on the TNC platform display on the vehicle a consistent and distinctive TNC identification, approved by the Commission, consisting of a logo, insignia, or emblem. The TNC identification shall be:
  - (a) Sufficiently large and color contrasted so as to be readable during daylight hours at a distance of at least 50 feet;*
  - (b) Reflective or otherwise patently visible in darkness, and*
  - (c) Displayed in a manner that complies with Maryland Motor Vehicle Laws.**
- (7) The TNC identification may take the form of a removable device.*

#### **20.95.01.25**

##### **.25 Accessibility and Non-Discrimination**

*A. For purposes of this regulation, “Accessible” means fully and equally accessible to and independently usable by individuals with disabilities so that the individuals are able to acquire the same information, engage in the same interactions, and enjoy the same services as users without disabilities, with substantially equivalent ease of use.*

*B. By July 1, 2016, a carrier or TNC that operates five or more vehicles under its permit shall:*

*(1) Ensure that the company’s websites and mobile applications are accessible to the blind and visually impaired and the deaf and hard of hearing; and*

*(2) Provide a report to the Commission Staff, on how the company intends to increase access to wheelchair accessible public or private vehicle-for-hire service to individuals with disabilities.*

*C. A company that provides for – hire transportation, including a Transportation Network Company shall not:*

*(1) Impose additional or special charges on an individual with a disability for providing services to accommodate the individual; or*

*(2) Require an individual with a disability to be accompanied by an attendant.*

*D. If an owner, operator, or Transportation Network Operator accepts a ride request from a passenger with a disability who uses a mobility device, upon picking up the passenger, the operator or Transportation Network Operator shall stow the passenger’s mobility equipment in the vehicle if the vehicle is capable of stowing the equipment.*

*E. If a passenger or driver determines that the vehicle is not capable of stowing the equipment, the owner or Transportation Network Company may not charge a trip cancellation fee or, if such fee is charged, shall provide the passenger with a refund in a timely manner.*

*F. All companies that provide for-hire transportation, and all Transportation Network Operators, shall comply with all applicable laws related to accommodation of service animals.*

*G. All companies that provide for-hire transportation, including Transportation Network Companies, shall provide their drivers detailed information and appropriate training regarding the requirements of laws governing non-discrimination and accessibility, including the Americans with Disabilities Act, prior to allowing them to provide service to passengers to the extent applicable.*

*H. By July 1 of each year, a carrier or TNC that operates five or more vehicles under its permit , shall report to the Commission Staff:*

*(1) the steps it has taken during the preceding twelve months to ensure and upgrade the accessibility of the company’s services; and*

*(2) the number of complaints or other notifications received regarding an inability or failure to accommodate a person with a disability.*

*I. Transportation Network Companies, Transportation Network Operators, owners, and operators that provide platforms allowing drivers to rate passengers shall ensure that such ratings are not based on unlawful discrimination, and that drivers do not discriminate against passengers or potential passengers on the basis of geographic endpoints of the ride, race, color, national origin, religion, sex, disability, age, or sexual orientation/identity.*

*J. The Maryland Office of People’s Counsel shall have access to the reports filed under §B and H of this regulation, upon request.*

**END ALL NEW TEXT**