

## Chapter 28

**(House Bill 3)**

AN ACT concerning

**Public Utilities – Transportation Network Services and For–Hire  
Transportation – Clarifications**

FOR the purpose of clarifying certain provisions relating to transportation network services and for–hire transportation; expanding the types of insurers writing motor vehicle liability insurance that may exclude certain coverage under certain circumstances; altering the entities that may conduct a certain criminal history records check for sedan companies, limousine companies, taxicab companies, and transportation network companies; delaying the date by which the Public Service Commission may not require a certain applicant for a for–hire driver’s license or transportation network operator’s license to comply with a certain criminal history records check; authorizing certain taxicabs to be equipped with a certain device approved by the Commission; allowing the ~~Public Service~~ Commission to disclose certain records or information required by certain orders; allowing the Commission to disclose to the Comptroller certain records or information that relate to certain assessments or obligations; requiring the Commission to provide certain information to the Comptroller on request; clarifying that a certain license hearing officer may hold certain hearings involving certain violations by a transportation network operator, transportation network partner, or transportation network driver licensed or otherwise authorized to provide transportation network services; allowing a certain license hearing officer to hold certain hearings involving certain violations by a sedan company, limousine company, taxicab company, or transportation network company; clarifying that the For–Hire Driving Services Enforcement Fund may be used solely for certain activities related to for–hire driving services; prohibiting a transportation network company from operating in the State unless the transportation network company has been issued a certain permit; requiring the Commission to promptly notify a transportation network company of a certain order under certain circumstances; prohibiting an exempt jurisdiction from imposing more than one assessment or similar charge on a transportation network service; specifying that the sum of certain assessments may not exceed a certain amount; specifying whether a certain county or municipal corporation may impose an assessment; requiring a certain county to notify certain municipal corporations under certain circumstances; requiring a certain municipal corporation to notify a certain county under certain circumstances; specifying when a municipal corporation has certain priority over a county to impose an assessment; specifying when a county has certain priority over a certain municipal corporation; requiring a county and a municipal corporation that enter into a certain agreement to provide a copy of the agreement to the Comptroller; providing the time period and notification requirement before a certain assessment or change in assessment is to take effect; requiring, at the Comptroller’s discretion, the Comptroller to distribute assessments in a certain manner; prohibiting the Comptroller from disclosing certain records or information except under certain

circumstances; authorizing the Comptroller to review or inspect certain information in a certain manner; requiring that certain provisions of law govern the administration, collection, enforcement, and appeals of certain revenues; requiring the Comptroller to enforce certain provisions of law; clarifying that a person is prohibited from operating a vehicle that provides passenger-for-hire services in the State unless the person is licensed or otherwise authorized by the Commission as a transportation network operator, transportation network partner, or transportation network driver; prohibiting a person from operating a transportation network company unless the person has been issued a certain permit by the Commission; altering a certain definition; altering a certain intent of the General Assembly; making stylistic changes; making technical corrections; making this Act an emergency measure; and generally relating to transportation network services and for-hire transportation.

BY repealing and reenacting, with amendments,

Article – Insurance

Section 19–517(c)(1), (2), and (5) and (d)(2) and (3) and 19–517.1

Annotated Code of Maryland

(2011 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, without amendments,

Article – Public Utilities

Section 10–101(a), (d), (g), and (m), 10–104.1(a), 10–210(a), and 10–404(a)

Annotated Code of Maryland

(2010 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – Public Utilities

Section 10–101(l), 10–104.1(b), (d), (e), and (h), 10–110(b), 10–112(e), 10–210(b), 10–404(b), (d), (e), and (h), 10–406, and 10–502

Annotated Code of Maryland

(2010 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, ~~without~~ with amendments,

Article – Public Utilities

Section 10–101(n)

Annotated Code of Maryland

(2010 Replacement Volume and 2015 Supplement)

(As enacted by Chapter 204 of the Acts of the General Assembly of 2015)

BY adding to

Article – Public Utilities

Section 10–403.1

Annotated Code of Maryland

(2010 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,  
 Chapter 204 of the Acts of the General Assembly of 2015  
 Section 2

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
 That the Laws of Maryland read as follows:

**Article – Insurance**

19–517.

(c) (1) An ~~authorized~~ insurer that writes motor vehicle liability insurance in the State **AND THE MARYLAND AUTOMOBILE INSURANCE FUND** may exclude any and all coverage and the duty to defend afforded under an owner’s or operator’s personal motor vehicle insurance policy for any loss or injury that occurs while the vehicle operator is providing transportation network services.

(2) [A motor vehicle] **IF AN** insurer that **WRITES MOTOR VEHICLE LIABILITY INSURANCE IN THE STATE** defends or indemnifies a claim against a driver for which coverage is excluded under the terms of its policy, **THE INSURER** shall have a right of contribution against other insurers that provide insurance to the same driver in satisfaction of the requirements of § 10–405 of the Public Utilities Article at the time of the loss.

(5) If [a motor vehicle] **AN** insurer **THAT WRITES MOTOR VEHICLE LIABILITY INSURANCE IN THE STATE** excludes coverage for providing transportation network services, the [motor vehicle] insurer shall provide written notice to the named insured stating that the policy excludes coverage for providing transportation network services:

(i) for a policy initially purchased on or after January 1, 2016, at the time of issuance; and

(ii) for a policy in force before January 1, 2016, at the time the policy first renews after January 1, 2016.

(d) (2) Coverage under a motor vehicle insurance policy maintained by a transportation network company may not be dependent on a personal [motor vehicle] insurer **THAT WRITES MOTOR VEHICLE LIABILITY INSURANCE IN THE STATE** first denying a claim, nor may a personal motor vehicle insurance policy be required to first deny a claim.

(3) Nothing in this section or § 10–405 of the Public Utilities Article precludes [a motor vehicle] **AN** insurer **THAT WRITES MOTOR VEHICLE LIABILITY INSURANCE IN THE STATE** from providing coverage for an operator’s motor vehicle while

the operator is providing transportation network services if the [motor vehicle] insurer elects to do so by contract or endorsement.

19-517.1.

(a) Beginning July 1, 2017, and annually thereafter through July 1, 2021, the Commissioner shall make a determination whether, with regard to the required coverages under § 10-405(a) of the Public Utilities Article, there is a viable, affordable, and adequate market of [admitted carriers] **AUTHORIZED INSURERS** in the State, **INCLUDING THE MARYLAND AUTOMOBILE INSURANCE FUND**, available to provide the required coverages to the transportation network services industry.

(b) To the extent that the Commissioner makes an affirmative finding of availability, and in accordance with the provisions of Title 3, Subtitle 3 of this article, it is the intent of the General Assembly that required coverages be obtained from [admitted] **AUTHORIZED** insurers **AND THE MARYLAND AUTOMOBILE INSURANCE FUND**.

#### **Article – Public Utilities**

10-101.

(a) In this title the following words have the meanings indicated.

(d) “For-hire driver’s license” includes:

- (1) a passenger-for-hire license; and
- (2) a taxicab driver’s license.

(g) “Provide passenger-for-hire services” includes:

- (1) providing limousine services;
- (2) providing sedan services; and
- (3) providing transportation network services.

(l) “Transportation network company” means a company that [has been issued a permit by the Commission and] operates in the State using a digital network to connect passengers to transportation network operators or transportation network partners for transportation network services.

(m) “Transportation network operator”, “transportation network partner”, or “transportation network driver” means an individual who:

(1) has been issued a transportation network operator's license, or is otherwise authorized, by the Commission to provide transportation network services;

(2) 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

(3) 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.

(n) (1) "Transportation network services" means the activities of an operator during:

(i) transportation network coverage period one, during which the operator is logged onto and ready to accept a prearranged ride request made through a transportation network company's digital network application;

(ii) transportation network coverage period two, during which the operator accepts a ride request from a passenger that is prearranged through a transportation network company'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 operator transports the passenger and continuing until the passenger departs the motor vehicle.

(2) "Transportation network services" does not include:

**(I)** providing taxicab services, sedan services, or limousine services;

**OR**

**(II) ANY SHARED EXPENSE CARPOOL ARRANGEMENT OR SERVICE OR OTHER TYPE OF ARRANGEMENT OR SERVICE IN WHICH A DRIVER RECEIVES A FEE THAT DOES NOT EXCEED THE DRIVER'S COSTS ASSOCIATED WITH PROVIDING A RIDE.**

10-104.1.

(a) An applicant for a for-hire driver's license may not provide sedan services, limousine services, or taxicab services unless the Commission has authorized the applicant to operate on a provisional basis or has issued a valid temporary or permanent driver's license to provide sedan services, limousine services, or taxicab services.

(b) The Commission may approve an applicant and issue a temporary driver's license to the applicant if:

(1) the applicant provides all information that the Commission requires for the application, including the information specified in item (2) of this subsection; and

(2) the Commission is satisfied with the successful submission of the applicant's:

(i) national criminal history records check:

1. conducted by [the National Association of Professional Background Screeners] **A CONSUMER REPORTING AGENCY AS DEFINED UNDER § 14-1201 OF THE OF THE COMMERCIAL LAW ARTICLE** or a comparable entity approved by the Commission; and

2. that includes:

A. a Multi-State Multi-Jurisdiction Criminal Records Database Search or a search of a similar nationwide database with validation;

B. a search of the Sex Offender [and Crimes Against Minors] Registry; and

C. a search of the U.S. Department of Justice's National Sex Offender Public Web site; and

(ii) driving record check that includes a driving history research report.

(d) Before [April 1, 2016] **DECEMBER 15, 2016**, the Commission may not require an applicant for a for-hire driver's license to comply with subsection (c) of this section if a sedan company or limousine company for which the applicant will provide services, at the time it applies for a permit, provides to the Commission details of the process the sedan company or limousine company uses to collect, review, and submit the information specified in subsection (b)(2) of this section.

(e) (1) A sedan company or limousine company may request that the Commission waive the requirement to comply with subsection (c) of this section and instead comply with subsection (b)(2) of this section for applicants and drivers of the sedan company or limousine company.

(2) On receipt of a request under paragraph (1) of this subsection, the Commission shall:

(i) determine whether the sedan company's or limousine company's process for complying with subsection (b)(2) of this section can be shown to be as comprehensive and accurate as complying with the supplemental criminal background check as set forth under § 10-104(b) of this subtitle; and

(ii) within 3 months [of] **AFTER** receiving the request, determine whether to:

1. grant the waiver;
2. deny the waiver; or
3. approve an alternative process.

(h) (1) ~~[Records]~~ ~~**EXCEPT AS PROVIDED IN PARAGRAPHS (2) AND (3) OF THIS SUBSECTION, RECORDS OR INFORMATION**~~ provided to the Commission by a sedan company, limousine company, or taxicab company under this section are not subject to release under the Maryland Public Information Act [or any other law].

(2) The Commission may not disclose records or information provided to the Commission under this section to any person unless the disclosure is required by ~~subpoena [or], court order,~~ **OR ORDER OF THE MARYLAND TAX COURT.**

(3) ~~If a subpoena [or], A court order, OR AN ORDER OF THE MARYLAND TAX COURT requires the Commission to disclose information provided to the Commission under this section~~ **ON NOTICE THAT A PERSON IS SEEKING RECORDS OR INFORMATION UNDER PARAGRAPH (2) OF THIS SUBSECTION,** the Commission shall promptly notify the sedan company, limousine company, or taxicab company before disclosing the **RECORDS OR** information.

10-110.

(b) The license hearing officer may hold a hearing involving a violation of this division or the Commission's regulations:

(1) by a for-hire driver licensed by the Commission, **INCLUDING A TRANSPORTATION NETWORK OPERATOR, TRANSPORTATION NETWORK PARTNER, OR TRANSPORTATION NETWORK DRIVER LICENSED OR OTHERWISE AUTHORIZED BY THE COMMISSION TO PROVIDE TRANSPORTATION NETWORK SERVICES; [and]**

(2) except for a violation relating to rates, by a holder of a taxicab permit issued by the Commission; **AND**

(3) **BY A SEDAN COMPANY, LIMOUSINE COMPANY, TAXICAB COMPANY, OR TRANSPORTATION NETWORK COMPANY.**

10-112.

(e) The Fund is to be used solely for statewide enforcement activities of the Commission relating to [taxicab services, limousine services, and sedan] **FOR-HIRE DRIVING** services.

10-210.

(a) (1) A taxicab permit holder shall post in each of its taxicabs a schedule of its fares on a rate card.

(2) The rate card shall be printed and arranged in a way that allows a passenger to determine readily the exact fare payable by the passenger.

(3) A person may not collect a fare other than a fare appearing on or determinable from the rate card posted in the taxicab.

(b) (1) This subsection does not apply to a taxicab operating in the City of Hagerstown.

(2) [(i)] Except as provided in subsection (c) of this section, while in service, each taxicab for which a permit is required shall be equipped with:

(I) an accurate taximeter that is properly installed and connected[.];

**OR**

(ii) [The taximeter shall be the exclusive means of] **ANOTHER DEVICE THE COMMISSION APPROVES FOR** measuring the charges for service [and is subject to inspection and testing by the Commission.]

**10-403.1.**

**A TRANSPORTATION NETWORK COMPANY MAY NOT OPERATE IN THE STATE UNLESS THE COMMISSION HAS ISSUED A PERMIT TO THE TRANSPORTATION NETWORK COMPANY.**

10-404.

(a) An operator may not provide transportation network services unless the Commission has authorized the operator to operate on a provisional basis or has issued a valid temporary or permanent transportation network operator's license to provide transportation network services.



(b) The Commission may approve an applicant to be an operator and issue a temporary transportation network operator's license to the applicant if:

(1) the applicant provides all information that the Commission requires for the application, including the information specified in item (2) of this subsection; and

(2) the Commission is satisfied with the successful submission of the applicant's:

(i) national criminal history records check:

1. conducted by [the National Association of Professional Background Screeners] **A CONSUMER REPORTING AGENCY AS DEFINED UNDER § 14-1201 OF THE COMMERCIAL LAW ARTICLE** or a comparable entity approved by the Commission; and

2. that includes:

A. a Multi-State Multi-Jurisdiction Criminal Records Database Search or a search of a similar nationwide database with validation;

B. a search of the Sex Offender [and Crimes Against Minors] Registry; and

C. a search of the U.S. Department of Justice's National Sex Offender Public Web site; and

(ii) driving record check that includes a driving history research report.

(d) Before [April 1, 2016] **DECEMBER 15, 2016**, the Commission may not require an applicant for a permanent transportation network operator's license to comply with subsection (c) of this section if a transportation network company for which the applicant will provide services, at the time it applies for a permit, provides to the Commission details of the process the transportation network company uses to collect, review, and submit the information specified in subsection (b)(2) of this section.

(e) (1) A transportation network company may request that the Commission waive the requirement to comply with subsection (c) of this section and instead require compliance with subsection (b)(2) of this section for applicants and operators of the transportation network company.

(2) On receipt of a request under paragraph (1) of this subsection, the Commission shall:

(i) determine whether the transportation network company's process for complying with subsection (b)(2) of this section can be shown to be as comprehensive and accurate as complying with the supplemental criminal background check as set forth under § 10–104(b) of this title; and

(ii) within 3 months [of] **AFTER** receiving the request, determine whether to:

1. grant the waiver;
2. deny the waiver; or
3. approve an alternative process.

(h) (1) ~~[Records]~~ ~~**EXCEPT AS PROVIDED IN PARAGRAPHS (2) AND (3) OF THIS SUBSECTION, RECORDS OR INFORMATION**~~ provided to the Commission by a transportation network company under this section are not subject to release under the Maryland Public Information Act [or any other law].

(2) The Commission may not disclose records or information provided to the Commission under this section to any person unless:

**(I) the disclosure is required by subpoena [or], court order, OR ORDER OF THE MARYLAND TAX COURT; OR**

**(II) THE DISCLOSURE IS TO THE COMPTROLLER UNDER § 10–406(G)(5) OF THIS SUBTITLE.**

(3) ~~If a subpoena [or], court order, OR ORDER OF THE MARYLAND TAX COURT requires the Commission to disclose information provided to the Commission under this section~~ **ON NOTICE THAT A PERSON IS SEEKING RECORDS OR INFORMATION UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION,** the Commission shall promptly notify the transportation network company before disclosing the **RECORDS OR** information.

10–406.

(a) (1) In this section the following words have the meaning indicated.

(2) “Assessment” means a charge imposed by a local jurisdiction on each transportation network service that includes a passenger trip during transportation network coverage period three as described in § 10–101(n)(1)(iii) of this title.

(3) “Exempt jurisdiction” means a county or [municipality] **MUNICIPAL CORPORATION** that imposed a tax, fee, or charge on for–hire transportation services

provided on a per ride or per passenger basis in that county or [municipality] MUNICIPAL CORPORATION on or before January 1, 2015.

(b) (1) [This] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THIS section does not limit the authority of an exempt jurisdiction to impose an assessment, a tax, a fee, or a charge on for-hire transportation services, including transportation network services.

(2) AN EXEMPT JURISDICTION MAY NOT IMPOSE MORE THAN ONE ASSESSMENT OR SIMILAR CHARGE ON A TRANSPORTATION NETWORK SERVICE.

(c) (1) In accordance with subsections (d) and (e) of this section, a county or ~~municipality~~ MUNICIPAL CORPORATION may impose an assessment under this section.

(2) Except in an exempt jurisdiction, an assessment BY A COUNTY OR MUNICIPAL CORPORATION authorized by this section may not exceed 25 cents per trip.

(3) (I) Except as provided in subsection [(e)(2)](E)(5) of this section [and subject to the limitation in paragraph (2) of this subsection], an assessment may not be imposed on a transportation network service by both a county and a [municipality] MUNICIPAL CORPORATION.

(II) IF BOTH A COUNTY AND A MUNICIPAL CORPORATION IMPOSE AN ASSESSMENT ON A TRANSPORTATION NETWORK SERVICE IN ACCORDANCE WITH SUBSECTION (E)(5) OF THIS SECTION, THE SUM OF THE ASSESSMENTS IMPOSED BY BOTH JURISDICTIONS MAY NOT EXCEED 25 CENTS PER TRIP.

(4) The revenue generated from an assessment authorized under this section shall be used for transportation purposes.

(d) (1) [A] THIS SUBSECTION APPLIES TO A county or [municipality] MUNICIPAL CORPORATION that licensed or regulated taxicab services on or before January 1, 2015, either directly or through the Commission as provided in § 10-202 of this title[.].

(2) (I) A COUNTY, IN ACCORDANCE WITH SUBPARAGRAPH (II) OF THIS PARAGRAPH, OR A MUNICIPAL CORPORATION may impose an assessment on trips that originate [within] IN the county or [municipality] MUNICIPAL CORPORATION.

(II) A COUNTY AUTHORIZED TO IMPOSE AN ASSESSMENT UNDER THIS SUBSECTION:

**1. MAY IMPOSE AN ASSESSMENT ON TRIPS THAT ORIGINATE IN ANY AREA OF THE COUNTY; BUT**

**2. MAY NOT IMPOSE AN ASSESSMENT IN A MUNICIPAL CORPORATION THAT IS AUTHORIZED TO IMPOSE AN ASSESSMENT UNDER THIS SUBSECTION.**

**(3) IF A COUNTY OR MUNICIPAL CORPORATION AUTHORIZED TO IMPOSE AN ASSESSMENT UNDER THIS SUBSECTION HAS NOT ~~IMPOSED~~ AUTHORIZED AN ASSESSMENT ON TRIPS THAT ORIGINATE IN THE COUNTY OR MUNICIPAL CORPORATION BY JULY 1, 2016, THE COUNTY OR MUNICIPAL CORPORATION IS SUBJECT TO SUBSECTION (E) OF THIS SECTION.**

**(4) (I) IF A COUNTY AUTHORIZED TO IMPOSE AN ASSESSMENT UNDER THIS SUBSECTION PLANS TO IMPOSE AN ASSESSMENT UNDER THIS SECTION, THE COUNTY SHALL NOTIFY THE MUNICIPAL CORPORATIONS IN THE COUNTY OF THE COUNTY'S INTENT TO IMPOSE AN ASSESSMENT.**

**(II) IF A MUNICIPAL CORPORATION AUTHORIZED TO IMPOSE AN ASSESSMENT UNDER THIS SUBSECTION PLANS TO IMPOSE AN ASSESSMENT UNDER THIS SECTION, THE MUNICIPAL CORPORATION SHALL NOTIFY THE COUNTY OF THE MUNICIPAL CORPORATION'S INTENT TO IMPOSE AN ASSESSMENT.**

**(e) (1) This subsection applies to a county OR MUNICIPAL CORPORATION that:**

**(i) is not authorized to impose an assessment under subsection (d) of this section; [and] OR**

**(ii) 1. IS AUTHORIZED TO IMPOSE AN ASSESSMENT UNDER SUBSECTION (D) OF THIS SECTION; BUT**

**2. has not ~~imposed~~ AUTHORIZED an assessment by July 1, 2016.**

**(2) IN ACCORDANCE WITH PARAGRAPH (3) OF THIS SUBSECTION AND SUBSECTIONS (F) AND (G) OF THIS SECTION, A COUNTY OR MUNICIPAL CORPORATION MAY IMPOSE AN ASSESSMENT ON TRIPS THAT ORIGINATE IN THE COUNTY OR MUNICIPAL CORPORATION.**

**(3) (I) EXCEPT AS PROVIDED UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH:**

**1. A MUNICIPAL CORPORATION HAS PRIORITY OVER THE COUNTY WHERE THE MUNICIPAL CORPORATION IS LOCATED TO IMPOSE AN ASSESSMENT ON TRIPS THAT ORIGINATE IN THE MUNICIPAL CORPORATION; AND**

**2. THE COUNTY MAY NOT IMPOSE AN ASSESSMENT ON TRIPS THAT ORIGINATE IN THE MUNICIPAL CORPORATION.**

**(II) A COUNTY HAS PRIORITY OVER A MUNICIPAL CORPORATION TO IMPOSE AN ASSESSMENT ON TRIPS THAT ORIGINATE IN THE MUNICIPAL CORPORATION, AND THE MUNICIPAL CORPORATION MAY NOT IMPOSE AN ASSESSMENT ON TRIPS THAT ORIGINATE IN THE MUNICIPAL CORPORATION, IF:**

**1. THE COUNTY HAS ~~IMPOSED~~ AUTHORIZED AN ASSESSMENT ON TRIPS THAT ORIGINATE IN THE COUNTY UNDER SUBSECTION (D) OF THIS SECTION BY JULY 1, 2016; AND**

**2. THE MUNICIPAL CORPORATION IS NOT AUTHORIZED TO IMPOSE AN ASSESSMENT ON TRIPS THAT ORIGINATE IN THE MUNICIPAL CORPORATION UNDER SUBSECTION (D) OF THIS SECTION.**

**(III) A MUNICIPAL CORPORATION THAT IS NOT AUTHORIZED TO IMPOSE AN ASSESSMENT ON TRIPS THAT ORIGINATE IN THE MUNICIPAL CORPORATION UNDER SUBSECTION (D) OF THIS SECTION AND THAT IS LOCATED IN A COUNTY THAT IS AUTHORIZED TO IMPOSE AN ASSESSMENT ON TRIPS THAT ORIGINATE IN THE COUNTY UNDER SUBSECTION (D) OF THIS SECTION MAY IMPOSE AN ASSESSMENT ON TRIPS THAT ORIGINATE IN THE MUNICIPAL CORPORATION UNDER THIS SUBSECTION AFTER JULY 1, 2016, IF THE COUNTY HAS NOT ~~IMPOSED~~ AUTHORIZED AN ASSESSMENT ON TRIPS THAT ORIGINATE IN THE COUNTY BY JULY 1, 2016.**

**[(2)] (4) (I) Before [the] A county may impose an assessment ON TRIPS THAT ORIGINATE in a [municipality] MUNICIPAL CORPORATION UNDER THIS SUBSECTION, the county shall:**

**[(i)] 1. notify the [municipality] MUNICIPAL CORPORATION of the county’s intent to impose an assessment on transportation network services that originate in the [municipality] MUNICIPAL CORPORATION; and**

**[(ii)] 2. provide the [municipality] MUNICIPAL CORPORATION reasonable time to pass an ordinance authorizing the imposition of an assessment.**

**[(3)] (II) Before a [municipality] MUNICIPAL CORPORATION may impose an assessment ON TRIPS THAT ORIGINATE IN THE MUNICIPAL CORPORATION UNDER THIS SUBSECTION, the [municipality] MUNICIPAL CORPORATION shall:**

**[(i)] 1.** notify the county of the **[municipality's] MUNICIPAL CORPORATION'S** intent to impose an assessment; and

**[(ii)] 2.** if the county imposes an assessment, provide the county reasonable time to notify the Comptroller before the **[municipality's] MUNICIPAL CORPORATION'S** assessment becomes effective.

**[(4)] (5) (I)** Notwithstanding **[paragraphs (2) and (3)] PARAGRAPH (4)** of this subsection~~[,] AND SUBJECT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH,~~ **BOTH** a county and **[municipality] A MUNICIPAL CORPORATION AUTHORIZED TO IMPOSE AN ASSESSMENT UNDER THIS SUBSECTION** may **IMPOSE AN ASSESSMENT ON A TRANSPORTATION NETWORK SERVICE IF THE COUNTY AND THE MUNICIPAL CORPORATION** enter into an agreement:

**1.** to share revenues; and

**2. THAT SPECIFIES THE ALLOCATION OF THE REVENUES** **[allocate them in any manner].**

**(II) A COUNTY AND A MUNICIPAL CORPORATION THAT ENTER INTO AN AGREEMENT UNDER THIS PARAGRAPH TO IMPOSE AN ASSESSMENT ON A TRANSPORTATION NETWORK SERVICE BY BOTH JURISDICTIONS SHALL PROVIDE A COPY OF THE AGREEMENT TO THE COMPTROLLER.**

**(III) IF BOTH A COUNTY AND A MUNICIPAL CORPORATION IMPOSE AN ASSESSMENT ON A TRANSPORTATION NETWORK SERVICE UNDER THIS PARAGRAPH, THE SUM OF THE ASSESSMENTS IMPOSED BY BOTH JURISDICTIONS MAY NOT EXCEED THE AMOUNT UNDER SUBSECTION (C)(3)(II) OF THIS SECTION.**

**(f) (1) AT LEAST 120 DAYS BEFORE AN ASSESSMENT IS TO TAKE EFFECT, A COUNTY OR MUNICIPAL CORPORATION THAT INTENDS TO IMPOSE AN ASSESSMENT SHALL NOTIFY THE COMPTROLLER:**

**(I) OF THE AMOUNT OF THE ASSESSMENT;**

**(II) OF THE EFFECTIVE DATE OF THE ASSESSMENT; AND**

**(III) THAT THE NOTICE REQUIRED UNDER SUBSECTION (E)(4) OF THIS SECTION WAS PROVIDED TO THE COUNTY OR MUNICIPAL CORPORATION.**

**(2)** A county or [municipality] **MUNICIPAL CORPORATION** that imposes an assessment shall notify the Comptroller **AT LEAST 120 DAYS BEFORE ANY CHANGE IN AN ASSESSMENT IS TO TAKE EFFECT** [of]:

**[(1)] (I)** **OF** the amount of the **NEW** assessment; [and]

**[(2)] (II)** [any change in] **OF THE EFFECTIVE DATE OF** the **NEW** assessment [amount at least 120 days before the new amount takes effect]; **AND**

**(III) THAT THE NOTICE REQUIRED UNDER SUBSECTION (E)(4) OF THIS SECTION WAS PROVIDED TO THE COUNTY OR MUNICIPAL CORPORATION.**

(g) (1) This subsection governs the collection, remittance, accounting, and use of revenues from assessments imposed by a county or [municipality] **MUNICIPAL CORPORATION** under this section.

(2) A transportation network company shall:

(i) collect assessments on behalf of an operator who accepts a request for a ride made through the transportation network company's digital network;

(ii) collect any assessment, fee, charge, or tax imposed by an exempt jurisdiction on a transportation network service; and

(iii) submit to the Comptroller no later than 30 days after the end of a calendar quarter, or as otherwise specified by the Comptroller in regulations:

1. the assessments and other revenues collected by the transportation network company on behalf of the transportation network operators;

2. the allocation of the assessments and other revenues attributable to each county or [municipality] **MUNICIPAL CORPORATION** that has imposed an assessment based on where the trip originated; and

3. under oath, a certification that it has submitted the correct amount of assessments and revenues.

(3) (i) Subject to subparagraph (ii) of this paragraph, from the assessments and revenues imposed by counties and [municipalities] **MUNICIPAL CORPORATIONS**, the Comptroller shall distribute each quarter the amount necessary to administer the assessments to an administrative cost account.

(ii) The amount distributed to the administrative cost account may not exceed 5% of the revenue from the assessments and other revenue.

(4) After making the distribution required by paragraph ~~(2)~~ **(3)** of this subsection, within 45 days of the end of each calendar quarter, the Comptroller shall distribute the remaining revenue to:

**(I) the county or [municipality] MUNICIPAL CORPORATION that is the source of the revenue; OR**

**(II) AT THE DISCRETION OF THE COMPTROLLER, THE COUNTY THAT IS THE SOURCE OF THE REVENUE FOR THE COUNTY TO DISTRIBUTE TO THE SOURCE OF REVENUE IN THE COUNTY OR MUNICIPAL CORPORATION.**

**[(5) (i) The Comptroller may inspect, at a transportation network company's place of business or a mutually agreed location, no more than annually, records necessary to ensure that the transportation network company has remitted to the comptroller the correct revenues and allocations.]**

**(5) THE COMMISSION SHALL DISCLOSE:**

**(I) ON THE REQUEST OF THE COMPTROLLER, RECORDS OR INFORMATION THAT RELATE TO THE COLLECTION, REMITTANCE, ACCOUNTING OF REVENUES FROM ASSESSMENTS, OR THE ENFORCEMENT OF THE OBLIGATIONS UNDER THIS SECTION THAT ARE:**

**1. PROVIDED TO THE COMMISSION UNDER THIS SUBTITLE; OR**

**2. CREATED, ISSUED, OR MAINTAINED BY THE COMMISSION IN THE COURSE OF ADMINISTERING THIS SUBTITLE; AND**

**(II) RECORDS OR INFORMATION REQUIRED BY ~~A SUBPOENA, A COURT ORDER,~~ OR ~~AN~~ ORDER OF THE MARYLAND TAX COURT.**

**(6) (i) 1. THE COMPTROLLER MAY REVIEW OR INSPECT EACH YEAR, AT A TRANSPORTATION NETWORK COMPANY'S PLACE OF BUSINESS OR A MUTUALLY AGREED LOCATION, RECORDS NECESSARY TO ENSURE THAT THE TRANSPORTATION NETWORK COMPANY HAS REMITTED TO THE COMPTROLLER THE CORRECT REVENUES AND ALLOCATIONS.**

**2. NOTHING IN THIS SUBPARAGRAPH IS INTENDED TO LIMIT THE PERIOD COVERED BY THE COMPTROLLER'S REVIEW OR INSPECTION, WHICH MAY INCLUDE MORE THAN 1 YEAR.**

**(ii) ~~[Records] EXCEPT AS PROVIDED IN SUBPARAGRAPHS (III) AND (IV) OF THIS PARAGRAPH, RECORDS OR INFORMATION~~ provided to the**



Comptroller by a transportation network company under this subsection are not subject to release under the Maryland Public Information Act [or any other law].

(iii) ~~Subject to subparagraph (iv) of this paragraph, the~~ **THE** Comptroller may not disclose records or information provided by a transportation network company unless the disclosure is required by [a] subpoena [or]; court order; **OR ORDER OF THE MARYLAND TAX COURT.**

(iv) ~~1. If a subpoena [or], A court order, OR AN ORDER OF THE MARYLAND TAX COURT~~ requires the Comptroller to disclose information provided by a transportation network company **ON NOTICE THAT A PERSON IS SEEKING RECORDS OR INFORMATION UNDER SUBPARAGRAPH (III) OF THIS PARAGRAPH**, the Comptroller shall promptly notify the transportation network company before disclosing the information.

**(V) THE COMPTROLLER MAY DISCLOSE RECORDS OR INFORMATION PROVIDED BY THE COMMISSION OR A TRANSPORTATION NETWORK COMPANY TO:**

- 1. THE MARYLAND TAX COURT;**
- 2. A LEGAL REPRESENTATIVE OF THE STATE, TO REVIEW THE ASSESSMENT INFORMATION ABOUT A TRANSPORTATION NETWORK COMPANY:**
  - A. THAT APPLIES FOR REVIEW UNDER TITLE 13 UNDER THE TAX – GENERAL ARTICLE;**
  - B. THAT APPEALS FROM A DETERMINATION UNDER TITLE 13 OF THE TAX – GENERAL ARTICLE; OR**
  - C. AGAINST WHICH AN ACTION TO RECOVER AN ASSESSMENT, AN INTEREST, OR A PENALTY IS PENDING OR WILL BE INITIATED UNDER TITLE 13 OF THE TAX – GENERAL ARTICLE; ~~AND~~ OR**
- 3. ANY LICENSE-ISSUING AUTHORITY OF THE STATE REQUIRED BY STATE LAW TO VERIFY THROUGH THE COMPTROLLER THAT:**
  - A. AN APPLICANT HAS PAID ALL UNDISPUTED TAXES AND UNEMPLOYMENT INSURANCE CONTRIBUTIONS PAYABLE TO THE COMPTROLLER OR THE SECRETARY OF LABOR, LICENSING, AND REGULATION; OR**
  - B. THE APPLICANT HAS PROVIDED FOR PAYMENT IN A MANNER SATISFACTORY TO THE UNIT RESPONSIBLE FOR COLLECTION.**

(VI) 1. ~~EXCEPT AS PROVIDED UNDER SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, RECORDS~~ RECORDS OR INFORMATION DISCLOSED UNDER SUBPARAGRAPH (V)2 ~~AND OR 3~~ OF THIS PARAGRAPH ARE NOT SUBJECT TO RELEASE UNDER THE MARYLAND PUBLIC INFORMATION ACT.

2. A PERSON THAT RECEIVES RECORDS OR INFORMATION UNDER SUBPARAGRAPH (V)2 ~~AND OR 3~~ OF THIS PARAGRAPH MAY NOT DISCLOSE THE RECORDS OR INFORMATION UNLESS THE DISCLOSURE IS REQUIRED BY ~~SUBPOENA,~~ COURT ORDER, OR ORDER OF THE MARYLAND TAX COURT.

3. ON NOTICE THAT A THIRD PARTY IS SEEKING RECORDS OR INFORMATION UNDER SUBPARAGRAPH (V)2 SUBSUBPARAGRAPH 2 OF THIS PARAGRAPH SUBPARAGRAPH, THE PERSON THAT RECEIVES RECORDS OR INFORMATION UNDER SUBPARAGRAPH (V)2 OR 3 OF THIS PARAGRAPH SHALL PROMPTLY NOTIFY THE TRANSPORTATION NETWORK COMPANY BEFORE DISCLOSING THE INFORMATION.

(7) (I) EXCEPT TO THE EXTENT OF ANY INCONSISTENCY WITH THIS ~~SUBSECTION~~ SECTION, THE PROVISIONS OF ~~TITLES 11 AND~~ TITLE 13 OF THE TAX – GENERAL ARTICLE THAT APPLY TO THE SALES AND USE TAX SHALL GOVERN THE ADMINISTRATION, COLLECTION, ENFORCEMENT, AND APPEALS OF THE REVENUES FROM ASSESSMENTS UNDER THIS SECTION.

(II) THE LIMITATIONS GOVERNING THE SALES AND USE TAX UNDER § 13-1102 OF THE TAX – GENERAL ARTICLE APPLY TO THE ASSESSMENTS IMPOSED UNDER THIS SECTION.

[(6)] (8) The Comptroller may adopt regulations or other requirements or procedures to carry out the provisions of this section, including requirements and procedures regarding the administration, collection, and enforcement of the assessment.

(H) THE COMPTROLLER SHALL ENFORCE THIS SECTION AND § 10-407 OF THIS SUBTITLE.

10-502.

(a) A person may not operate a vehicle that provides passenger-for-hire services in the State:

(1) unless the person is licensed as a passenger-for-hire driver by the Commission, INCLUDING A PERSON WHO IS LICENSED OR OTHERWISE AUTHORIZED BY THE COMMISSION AS A TRANSPORTATION NETWORK OPERATOR, TRANSPORTATION NETWORK PARTNER, OR TRANSPORTATION NETWORK DRIVER; or

(2) in violation of this title or Title 9, Subtitle 2 of this article.

(b) A person may not operate a vehicle that provides taxicab services in the State:

(1) unless the person is licensed as a taxicab driver by the Commission or a county or municipal corporation; or

(2) that is under the jurisdiction of the Commission, in violation of this title.

(c) **A PERSON MAY NOT OPERATE A TRANSPORTATION NETWORK COMPANY IN THE STATE UNLESS THE PERSON HAS BEEN ISSUED A PERMIT AS A TRANSPORTATION NETWORK COMPANY BY THE COMMISSION.**

(D) Subject to the hearing provisions of § 3–102(c) of this article, the Commission may impose on a person who violates this section a civil penalty not exceeding \$500 for each violation.

### Chapter 204 of the Acts of 2015

SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that:

(1) the insurance coverages for transportation network companies and transportation network operators required under this Act be provided, to the extent available, by ~~insurance carriers admitted in the State~~ **AUTHORIZED INSURERS AND THE MARYLAND AUTOMOBILE INSURANCE FUND**; and

(2) the Maryland Insurance Administration expedite review of applications by ~~authorized~~ insurers **AND THE MARYLAND AUTOMOBILE INSURANCE FUND** for approval of insurance products for transportation network services, and that these products become available for purchase by July 1, 2016.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a ye and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted.

**Enacted under Article II, § 17(b) of the Maryland Constitution, April 8, 2016.**