SENATE BILL 705

By: Senators Beidle, Feldman, and Hershey

Introduced and read first time: February 3, 2021

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 28, 2021

CHAPTER

1 AN ACT concerning

State Airports - Commercial Activity - Rental Vehicles and Peer-to-Peer Car Sharing

- FOR the purpose of establishing certain standards and requirements governing the 4 5 provision of services and the granting of privileges by the Maryland Aviation 6 Administration with respect to commercial activity undertaken by rental vehicle 7 companies and peer-to-peer car sharing programs at State airports; altering the defined term "commercial activity" as it relates to State airports to include certain 8 9 activities performed by rental vehicle companies and peer-to-peer car sharing 10 programs; establishing that the Administration's authority over commercial activity 11 at a certain airport extends to a commercial zone within a certain radius of the main terminal; requiring the Administration to establish the rules and requirements for 12 13 the conduct of airport—related commercial activity within a certain commercial zone; making a certain stylistic change; and generally relating to commercial activity by 14 15 rental vehicle companies and peer-to-peer car sharing programs at State airports.
- 16 BY repealing and reenacting, without amendments,
- 17 Article Insurance
- 18 Section 19–520(a)(1), (8), and (9)
- 19 Annotated Code of Maryland
- 20 (2017 Replacement Volume and 2020 Supplement)
- 21 BY repealing and reenacting, with amendments,
- 22 Article Transportation
- 23 Section 5–408

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.

$\frac{1}{2}$	Annotated Code of Maryland (2020 Replacement Volume)
3 4 5 6 7	BY repealing and reenacting, without amendments, Article – Transportation Section 18–108(a) and 18.5–106 Annotated Code of Maryland (2020 Replacement Volume)
8	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:
0	Article – Insurance
1	19–520.
2	(a) (1) In this section the following words have the meanings indicated.
13 14 15	(8) "Peer-to-peer car sharing" means the authorized use of a motor vehicle by an individual other than the vehicle's owner through a peer-to-peer car sharing program.
16 17 18	(9) "Peer-to-peer car sharing program" means a platform that is in the business of connecting vehicle owners with drivers to enable the sharing of motor vehicles for financial consideration.
9	Article - Transportation
20	5–408.
21 22 23 24	(a) In its operation of an airport, airport facility, or air navigation facility owned or controlled by this State, the Administration, with the approval of the Secretary and subject to the direction of the Commission, may contract, lease, or otherwise arrange with any person to:
25 26	(1) Provide the person with services furnished by the Administration or its agents at the airport or facility; or
27	(2) Grant to the person the privilege of:
28 29	(i) Using or improving for commercial purposes any part of the airport or facility; or
30 31	(ii) Supplying services, facilities, goods, commodities, or other things at the airport or facility.

- 1 (b) (1) For the privileges granted, the Administration may establish any terms 2 and conditions and fix any charges, rentals, or fees that: 3 (i) Are reasonable and uniform for the same class of privilege or service; 4 Are established with due regard to the property and 5 (ii) 6 improvements used and the expenses of operation to this State; and 7 Do not deprive the public of its rightful, equal, and uniform use (iii) of any part of the airport or facility. 8 9 The Administration shall monitor the charges, fees, or prices of any goods or services offered to the public by persons granted the privilege under this section. 10 Every contract, lease, or other arrangement shall provide that charges, fees, or prices: 11 12 May not be increased without the prior approval of the 13 Administration; and 14 Are to be reasonable. In determining reasonableness the Administration shall consider the charges, fees, or prices for the same goods or services at 15 comparable airports. 16 17 (3)The Administration shall: 18 Monitor the employment practices under Title 20, Subtitle 6 of the State Government Article of persons granted privileges under this section; and 19 20 Refer for investigation all alleged violations of § 20-606 of the 21State Government Article to the Commission on Civil Rights, the Equal Employment 22Opportunity Commission, or any appropriate State or federal administrative body. 23 IN CARRYING OUT ITS POWERS AND DUTIES UNDER THIS **(4)** 24SUBSECTION WITH RESPECT TO THE OFFER FOR RENTAL OR USE OF A MOTOR VEHICLE BY A RENTAL VEHICLE COMPANY, AS DEFINED IN § 18–108 OF THIS 25ARTICLE, OR A PEER-TO-PEER CAR SHARING PROGRAM, AS DEFINED IN § 19-520 OF 26THE INSURANCE ARTICLE, THE ADMINISTRATION SHALL: 27 28 **(I)** TREAT THE LIKE SERVICES AS BEING OF THE SAME CLASS; 29 PROVIDE SERVICES AND (II)GRANT PRIVILEGES \mathbf{A} 30 CONSISTENT MANNER;
- 31 (III) ENSURE THAT THE TERMS AND CONDITIONS OF 32 AGREEMENTS, INCLUDING ALL ACCESS AND FEE REQUIREMENTS, ARE REASONABLE 33 AND UNIFORM WHEN COMPARING:

$\frac{1}{2}$	1. On-airport rental vehicle companies and on-airport peer-to-peer car sharing programs; and
3 4	2. OFF-AIRPORT RENTAL VEHICLE COMPANIES AND OFF-AIRPORT PEER-TO-PEER CAR SHARING PROGRAMS; AND
E	(D) TAKE INTO CONCIDEDATION THE ADMINISTRATION?

- 5 (IV) TAKE INTO CONSIDERATION THE ADMINISTRATION'S 6 LONG-TERM INVESTMENT IN THE CONSOLIDATED RENTAL VEHICLE FACILITY AND 7 ASSOCIATED STRUCTURES AND IMPROVEMENTS.
- 8 (c) (1) (I) In this subsection, "commercial activity" means the sale, 9 merchandising, marketing, or promotion of any goods or services.
- 10 (II) "COMMERCIAL ACTIVITY" INCLUDES THE OFFER OR
 11 ARRANGEMENT BY A RENTAL VEHICLE COMPANY OR A PEER-TO-PEER CAR SHARING
 12 PROGRAM OF THE RENTAL OR USE OF A MOTOR VEHICLE BY:
- 1. LISTING, PUBLISHING, OR ADVERTISING THE RENTAL
 OR USE OF A MOTOR VEHICLE BY MENTIONING THE FORMAL OR INFORMAL NAME OF
 AN AIRPORT OPERATED BY THE ADMINISTRATION, INCLUDING THE USE OF "BWI",
 "BWI MARSHALL", OR ANY SIMILAR DERIVATIVE;
- 2. LISTING, PUBLISHING, OR ADVERTISING THE RENTAL
 OR USE OF A MOTOR VEHICLE PARKED ON OR LOCATED AT AIRPORT PROPERTY OR
 FACILITIES;
- 3. FACILITATING THE USE OF MOTOR VEHICLES TO TRANSPORT AIRPORT CUSTOMERS TO OR FROM AIRPORT PROPERTY OR FACILITIES, REGARDLESS OF WHETHER:
- 23 A. Use is initiated on or off airport property or 24 facilities;
- B. THE RENTAL START TIME OCCURS ON OR OFF AIRPORT PROPERTY OR FACILITIES; OR
- 27 C. THE CAR SHARING START TIME OCCURS ON OR OFF 28 AIRPORT PROPERTY OR FACILITIES; OR
- 29 4. PROMOTING OR MARKETING MOTOR VEHICLES TO 30 TRANSPORT AIRPORT CUSTOMERS TO OR FROM AIRPORT PROPERTY OR FACILITIES, 31 REGARDLESS OF WHETHER:

- 1 Α. THE TRANSPORTATION IS INITIATED ON OR OFF 2 AIRPORT PROPERTY OR FACILITIES: 3 В. THE RENTAL START TIME OCCURS ON OR OFF 4 AIRPORT PROPERTY OR AIRPORT FACILITIES; OR 5 C. THE CAR SHARING START TIME OCCURS ON OR OFF 6 AIRPORT PROPERTY OR AIRPORT FACILITIES. 7 Commercial activity is [permitted] ALLOWED at an airport operated by (2)the Administration only when expressly authorized by and in a manner prescribed by the 8 9 Administration. 10 **(3)** <u>(I)</u> THIS PARAGRAPH APPLIES TO COMMERCIAL ACTIVITY DESCRIBED IN SUBSECTION (C)(1)(II) OF THIS SECTION. 11 12 THE ADMINISTRATION'S AUTHORITY OVER COMMERCIAL (II)13 ACTIVITY AT BALTIMORE-WASHINGTON INTERNATIONAL THURGOOD MARSHALL 14 AIRPORT SHALL EXTEND TO A COMMERCIAL ZONE THAT IS WITHIN A 7-MILE RADIUS 15 OF THE MAIN TERMINAL. 16 (III) THE ADMINISTRATION SHALL ESTABLISH RULES AND REQUIREMENTS FOR THE CONDUCT OF AIRPORT-RELATED COMMERCIAL ACTIVITY 17 WITHIN THE COMMERCIAL ZONE DESCRIBED IN SUBPARAGRAPH (II) OF THIS 18 19 PARAGRAPH. 20 18–108. 21 In this section, "rental vehicle company" means a person that rents a (1) motor vehicle to a consumer. 2223 "Rental vehicle company" does not include a peer-to-peer car sharing 24program, as defined under § 19–520 of the Insurance Article, and that is subject to Title 18.5 of this article. 2526 18.5–106.
- 27 In accordance with § 5–408 of this article, a peer–to–peer car sharing program must 28 have a concession fee agreement with the Maryland Aviation Administration to operate at 29 an airport in the State.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect 30 31 October July 1, 2021.