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PUBLIC SERVICE COMMISSION

March 1, 2022

Chair Delores Kelley
Senate Finance Committee
Miller Senate Office Building, 3 East
Annapolis, MD 21401

**RE: SB 715 – UNFAVORABLE – Public Utilities – Transportation Network Operators –
Age of Motor Vehicles**

Dear Chair Kelley and Committee Members:

Senate Bill 715 prohibits a transportation network operator (“TNO”) from providing for-hire passenger ride services using a motor vehicle that is more than 15 model years old. The proposed legislation applies only to transportation network company operator vehicles and does not apply to other vehicles regulated by the Public Service Commission.

The Commission licenses and regulates common carriers operating a passenger-for-hire service by motor vehicles in Maryland. There are more than 1,100 companies operating more than 244,000 passenger-for-hire vehicles in the State, including TNO vehicles. Additionally, the Commission licenses and regulates approximately 1,200 taxicabs operating in Baltimore City, Baltimore County, the City of Hagerstown, Cumberland and Charles County. Chapter 204 of the 2015 Regular Legislative Session (Senate Bill 868) established the regulatory framework for transportation network services, which encompasses transportation network companies (*e.g.*, Uber, Lyft) and their drivers.

The Commission’s existing transportation regulations under COMAR require that a vehicle used to provide for-hire transportation services must be 12 model years old or less. This vehicle age limit applies to TNO vehicles (COMAR 20.95.01.24), along with proof of semi-annual safety inspections. Similarly, taxicabs are subject to the same restriction under COMAR 20.90.02.16.

These regulations were the result of the Commission’s extensive rulemaking processes, which involved industry and stakeholder participation, a working group, and public comment to establish the maximum model year age of TNO vehicles. The current standards serve to ensure the safety of the riding public by limiting the age of vehicles to 12 years old. It is a

commonplace industry standard that for-hire vehicles should not exceed 12 model years of age to ensure safety and protection for the riding public and the vehicle operator.

SB 715 would only apply to TNO vehicles and does not extend to all vehicles regulated by the Commission—including certain taxicabs. As such, SB 715 would inexplicably eliminate a level playing field for the for-hire industry in the State, as TNO operators would be permitted to use older vehicles (15 years old), while other common carrier companies are required to remove vehicles from service when they reach 12 years old.

In light of the inherent safety concerns associated with older vehicles remaining on the road for passenger-for-hire service, as well as the discriminatory treatment that SB 715 would create between passenger-for-hire operators, I recommend an unfavorable report. Please contact Director of Legislative Affairs, Lisa Smith, at (410) 336-6288 if you have any questions.

Sincerely,



Jason M. Stanek
Chairman