

2019 Regular Session

HOUSE BILL NO. 575

BY REPRESENTATIVE MAGEE

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

TRANSPORTATION: Establishes requirements for transportation network companies

1 AN ACT

2 To amend and reenact R.S. 45:201.6(G)(2) and to enact Chapter 36 of Title 48 of the  
3 Louisiana Revised Statutes of 1950, to be comprised of R.S. 48:2191 through 2205,  
4 relative to transportation network companies; to provide for transportation network  
5 company and driver requirements; to provide for permits, fees, fare transparency, and  
6 identification of vehicles and drivers; to provide for a nondiscrimination policy; to  
7 provide for definitions; to provide for records and audit requirements; to provide for  
8 an effective date; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. Chapter 36 of Title 48 of the Louisiana Revised Statutes of 1950,  
11 comprised of R.S. 48:2191 through 2205, is hereby enacted to read as follows:

12 CHAPTER 36. TRANSPORTATION NETWORK COMPANY REQUIREMENTS

13 §2191. Definitions

14 The following terms, as used in this Chapter, shall have the meanings  
15 ascribed to them in this Section, except where a different meaning is expressly stated  
16 or clearly indicated by context:

17 (1) "Bodily injury" means claims for general and special damages for  
18 personal injury arising under Civil Code Article 2315.

19 (2) "Department" means the Louisiana Department of Transportation and  
20 Development.

1           (3) "Digital network" means any online-enabled application, software,  
2           website, or system offered or utilized by a transportation network company that  
3           enables the prearrangement of rides with transportation network company drivers.

4           (4) "Gross trip fare" means the base fare plus any time or distance charges,  
5           excluding any additional charges such as airport or venue fees.

6           (5) "Intrastate prearranged ride" means any prearranged ride, as provided for  
7           in this Section, originating within the jurisdiction of the local governmental  
8           subdivision.

9           (6) "Local governmental subdivision" means any parish or municipality as  
10           defined in Article VI, Section 44(1) of the Constitution of Louisiana.

11           (7) "Personal vehicle" means a vehicle that is used by a transportation  
12           network company driver and is owned, leased, or otherwise authorized for use by the  
13           transportation network company driver. A personal vehicle is not a vehicle subject  
14           to Parts A and B of the Motor Carrier law as provided for in R.S. 45:161 et seq. or  
15           engaged solely in interstate commerce.

16           (8) "Prearranged ride" means the provision of transportation by a driver to  
17           a rider that commences when a driver accepts a ride requested by a person through  
18           a digital network controlled by a transportation network company, continues during  
19           the driver transporting a requesting rider, and ends when the last requesting rider  
20           departs from the personal vehicle. A prearranged ride does not include shared  
21           expense van pool services, as defined pursuant to R.S. 45:162(18), shared expense  
22           car pool services, as defined pursuant to R.S. 45:162(1), or transportation provided  
23           using a vehicle subject to Part A or B of the Motor Carrier law as provided for in  
24           R.S. 45:161 et seq. or engaged solely in interstate commerce.

25           (9) "Pre-trip acceptance period" means any period of time during which a  
26           driver is logged on to the transportation network company's digital network and is  
27           available to receive transportation requests, but is not engaged in an intrastate  
28           prearranged ride as defined in Paragraph (5) of this Section.

1           (10) "Transportation network company" or "company" means a person,  
2           whether natural or juridical, that uses a digital network to connect transportation  
3           network company riders to transportation network company drivers who provide  
4           prearranged rides, or a person, whether natural or juridical, that provides a  
5           technology platform to a transportation network company rider that enables the  
6           transportation network company rider to schedule an intrastate prearranged ride.

7           (11) "Transportation network company driver" or "driver" means a person  
8           who receives connections to potential passengers and related services from a  
9           transportation network company in exchange for payment of a fee to the  
10           transportation network company, and who uses a personal vehicle to offer or provide  
11           a prearranged ride to persons upon connection through a digital network controlled  
12           by a transportation network company in return for compensation or payment of a fee.

13           (12) "Transportation network company rider" or "rider" means a person who  
14           uses a transportation network company's digital network to connect with a  
15           transportation network driver who provides intrastate prearranged rides to the rider  
16           in the driver's personal vehicle between points chosen by the rider.

17           (13) "Transportation network company vehicle" or "vehicle" has the same  
18           meaning as "personal vehicle" as provided for in this Section.

19           §2192. Classification of carriers

20           A company or a driver shall not be considered a common carrier, contract  
21           carrier, or motor carrier, and does not provide taxi or for hire vehicle service. In  
22           addition, a driver is not required to register the vehicle that the driver uses to provide  
23           prearranged rides as a commercial motor vehicle or a for hire vehicle.

24           §2193. Transportation network company permits

25           A. A person shall not operate a company in the state of Louisiana without  
26           first obtaining a permit from the department. However, if a company has been  
27           operating in this state prior to the effective date of this Chapter, they may continue  
28           operating until the department creates a permit process and sets a registration  
29           deadline. As a part of the permit process, a company shall be required to provide the

1        department with a certificate of insurance verifying compliance with R.S. 45:201.6  
2        and listing the department as a certificate holder.

3                B. The department shall issue a permit to each applicant that meets the  
4        requirements applicable to a company as provided for in this Chapter.

5        §2194. Service of process

6                A company shall maintain an agent for service of process in the state of  
7        Louisiana.

8        §2195. Fare transparency

9                If a fare is collected from a rider, the company shall disclose to the rider the  
10       fare or fare calculation method located on its website or within the online-enabled  
11       technology application service prior to the start of the prearranged ride. If the fare  
12       is not disclosed to the rider prior to the beginning of the prearranged ride, the rider  
13       shall have the option to receive an estimated fare before the start of the prearranged  
14       ride.

15       §2196. Identification of transportation network company vehicles and drivers

16                The company's digital network shall display a picture of the driver and the  
17       license plate number of the motor vehicle used for providing the prearranged ride  
18       before the rider enters the driver's vehicle.

19       §2197. Electronic receipt

20                Within a reasonable amount of time following the completion of a  
21       prearranged ride, a company shall transmit an electronic receipt to the rider on behalf  
22       of the driver. The receipt shall include all of the following:

23                (1) The origin and destination of the trip.

24                (2) The duration and distance of the trip.

25                (3) The total fare paid for the trip.

26       §2198. Zero tolerance policy

27                A. The company shall implement a zero tolerance policy regarding a driver's  
28       activities while accessing the company's digital network. The zero tolerance policy  
29       shall address the use of drugs or alcohol while a driver is providing prearranged rides

1 or is logged into the company's digital network but is not providing prearranged  
2 rides. The company shall provide notice of this policy on its website as well as  
3 procedures to report a complaint about a driver with whom a rider was matched and  
4 whom the rider reasonably suspects was under the influence of drugs or alcohol  
5 during the course of the prearranged ride.

6 B. Upon receipt of a rider's complaint alleging a violation of the zero  
7 tolerance policy, the company shall suspend the alleged driver's ability to accept trip  
8 requests through the company's digital network immediately and shall conduct an  
9 investigation into the reported incident. The suspension shall last the duration of the  
10 investigation.

11 C. The company shall maintain records relevant to the enforcement of this  
12 requirement for a period of at least two years from the date that a rider's complaint  
13 is received by the company.

14 §2199. Transportation network company driver requirements

15 A. Before an individual is authorized to accept trip requests through a  
16 transportation network company's digital network, the following conditions shall be  
17 met:

18 (1) The individual shall submit an application to the company, which  
19 includes information regarding his address, age, driver's license, motor vehicle  
20 registration, insurance, and any other information required by the company.

21 (2) The company or a third party shall conduct a local and national criminal  
22 background check for each applicant that includes the following:

23 (a) A multi-state and multi-jurisdiction criminal records locator or other  
24 similar commercial nationwide database with validation of any records through a  
25 primary source search.

26 (b) A search of the national sex offender public website maintained by the  
27 United States Department of Justice.

28 (3) The company or a third party shall obtain and review a driving history  
29 research report for each applicant.

1           B. The company or a third party shall conduct the background check and  
2           driving history research report set forth in Paragraphs (A)(2) and (A)(3) of this  
3           Section at least once every two years.

4           C. The company shall not authorize an individual to act as a driver if the  
5           individual's driving history report reveals the individual received more than three  
6           moving violations within the three-year period prior to applying to the company.

7           D. The company shall not authorize an individual to act as a driver if the  
8           individual's initial background check or any subsequent background check reveals  
9           the individual:

10           (1) Has had more than one of the following violations within the three-year  
11           period prior to applying to the company:

12           (a) Flight from an officer or aggravated flight from an officer as provided for  
13           in R.S. 14:108.1.

14           (b) Reckless operation of a vehicle as provided for in R.S. 14:99.

15           (c) Operating a vehicle while under suspension for certain prior offenses as  
16           provided for in R.S. 14:98.8.

17           (2) Has been convicted, within the past seven years, of:

18           (a) Any enumerated felony as provided for in Title 14 of the Louisiana  
19           Revised Statutes of 1950, comprised of R.S. 14:1 through 601.

20           (b) Operating a vehicle while intoxicated as provided for in R.S. 14:98  
21           through 98.4.

22           (c) Hit and run driving as provided for in R.S. 14:100.

23           (d) Any crime of violence as defined in R.S. 14:2(B).

24           (3) Is listed as an offender in the national sex offender public website  
25           maintained by the United States Department of Justice.

26           (4) Does not possess a valid driver's license to operate a personal vehicle.

27           (5) Does not possess the required registration to operate a motor vehicle used  
28           to provide prearranged rides.

1        §2200. Prohibited conduct

2                A driver may not accept a trip for compensation other than a trip arranged  
3        through a company's digital network.

4        §2201. Nondiscrimination; accessibility

5                A. The company shall adopt a nondiscrimination policy with respect to riders  
6        and potential riders and shall inform drivers of such policy.

7                B. Drivers shall comply with all applicable nondiscrimination laws.

8                C. Drivers shall comply with all applicable laws relating to transporting  
9        service animals.

10               D. A company shall not impose any additional charges for providing services  
11       to persons with physical disabilities.

12       §2202. Records

13               A company shall maintain the following records:

14               (1) Individual trip records for at least three years from the date each trip was  
15       provided.

16               (2) Individual records of drivers for at least three years after the date which  
17       a driver's relationship with the company has ended.

18       §2203. Audit procedures; confidentiality of records

19               A. For the sole purpose of verifying that a company is in compliance with  
20       the requirements of this Chapter, annually at most, the department shall have the  
21       right to visually inspect a sample of records that the company is required to maintain.

22       The sample shall consist of required records pertaining to up to one hundred drivers.

23       If, after the initial review, the department has a reasonable basis to conclude that the  
24       company is not in compliance with the requirements of this Chapter, the department

25       may, upon reasonable notice, conduct a supplemental audit of records for an  
26       additional selection of drivers. The audit shall take place at a location in Baton

27       Rouge. Any record furnished to the department may, as appropriate, exclude  
28       information that would identify specific drivers or riders.

1           B. The governing body of a local governmental subdivision may request  
2           from the department a report on the results of the audit performed by the commission  
3           pursuant to Subsection A of this Section.

4           C. In response to a specific complaint against any driver or company, the  
5           department is authorized to inspect records held by the company that are necessary  
6           to investigate and resolve the complaint. The company and department shall  
7           endeavor to have the inspection take place at a mutually agreed upon location in the  
8           state. Any record furnished to the department may exclude information that would  
9           identify specific drivers or riders, unless the identity of a driver or rider is relevant  
10          to the complaint.

11          D. Any records inspected by the department pursuant to this Section are  
12          designated confidential and are not subject to disclosure to a third party by the  
13          department without prior written consent of the company. Nothing in this Section  
14          shall be construed as applying to other department records related to its regulation  
15          of transportation network companies if such records do not include information that  
16          is otherwise designated confidential.

17          §2204. Local fees

18          A. A local governmental subdivision that enacted a transportation network  
19          company ordinance prior to March 1, 2019, that included a per-trip fee and has a  
20          company operating within the corporate limits of the local governmental subdivision  
21          as of March 1, 2019, is authorized to impose a fee up to or equal to the per-trip fee  
22          imposed by the local governmental subdivision's transportation network company  
23          ordinance as of March 1, 2019, on each intrastate prearranged ride originating within  
24          the corporate limits of the local governmental subdivision. Nothing in this  
25          Subsection shall be construed to allow a local governmental subdivision to impose  
26          any fees or requirements other than the per-trip fee specified in this Subsection.

27          B. Any local governmental subdivision not included in Subsection A of this  
28          Section is authorized to impose a fee of up to one percent of the gross trip fare for  
29          each intrastate prearranged ride. A local governmental subdivision that imposes a

1 per-trip fee pursuant to Subsection A of this Section shall not impose a fee pursuant  
2 to this Subsection. Nothing in this Subsection shall be construed to allow a local  
3 governmental subdivision to impose any fees or requirements other than the fee  
4 specified in this Subsection.

5 C. A local governmental subdivision authorized to impose a fee pursuant to  
6 Subsection B of this Section may impose the specified fee that complies with  
7 Subsection B of this Section by passing an ordinance. The ordinance shall impose  
8 the specified fee, that complies with Subsection B of this Section, on each company  
9 permitted by the department in accordance with R.S. 48:2193. A municipality's fee  
10 may apply only to intrastate prearranged rides originating within the incorporated  
11 limits of the municipality. A parish's fee may apply only to intrastate prearranged  
12 rides originating within the unincorporated portions of the parish.

13 D. A local governmental subdivision shall provide, at least thirty days prior,  
14 written notice to each company permitted by the department, in accordance with R.S.  
15 48:2193, of an initial hearing, reading, or consideration of an ordinance imposing a  
16 fee pursuant to this Section. A local governmental subdivision shall also provide  
17 written notice within ten days of the passage of any ordinance imposing a fee  
18 pursuant to this Section. A fee imposed pursuant to this Section shall not go into  
19 effect until the first day of the month that is at least thirty days after passage of the  
20 ordinance imposing the fee.

21 E. If a local governmental subdivision passes an ordinance imposing a fee  
22 pursuant to this Section, a company shall collect the fee on behalf of drivers for each  
23 intrastate prearranged ride. Each company shall remit the total fee to the local  
24 governmental subdivision on a quarterly basis within thirty days after the end of the  
25 calendar quarter.

26 F. The department shall have the sole audit authority with respect to fees  
27 remitted by a company to a local governmental subdivision. A company shall keep  
28 accurate books and records reflecting its accounting and payment of fees, pursuant  
29 to this Section, in accordance with generally accepted accounting principles. For

1 each local governmental subdivision that passes an ordinance imposing a fee  
2 pursuant to this Section, the department may, at its discretion, upon reasonable prior  
3 written request, and no more than annually, conduct an audit by visually inspecting  
4 a company's books and records related to its accounting and payment of fees to the  
5 local governmental subdivision. Such an audit shall be limited to a single calendar  
6 quarter, which may be chosen by the department, for each local governmental  
7 subdivision. The department shall endeavor to have any such audits for a particular  
8 company occur within the same calendar quarter. If the local governmental  
9 subdivision has a reasonable basis to suspect a material underpayment by a company,  
10 the local governmental subdivision shall request that the department initiate an audit  
11 pursuant to this Subsection. If an underpayment of over fifty dollars to any local  
12 governmental subdivision is identified in an audit conducted by the department, the  
13 company shall remit the underpaid fees to the local governmental subdivision within  
14 thirty days of the conclusion of the department's audit. A local governmental  
15 subdivision shall not add additional audit authority by ordinance. Any record  
16 furnished or disclosed to the department may, as appropriate, exclude information  
17 that would identify specific drivers or riders.

18 G. The governing body of a local governmental subdivision may request to  
19 review the results of an audit conducted pursuant to Subsection F of this Section with  
20 respect to fees remitted by a company to the local governmental subdivision.

21 H. The total fee remitted to any local governmental subdivision by a  
22 company, any records maintained by a company pursuant to this Section that are  
23 obtained by a local governmental subdivision, the department, or any other public  
24 body, and any records that incorporate information from records maintained pursuant  
25 to this Section are designated confidential and are not subject to disclosure to a third  
26 party without prior written consent of the company. Nothing in this Subsection shall  
27 prohibit the department from communicating the results of an audit pursuant to  
28 Subsection F of this Section to the local governmental subdivision of which the fees  
29 were the subject of the audit.



1 Section 2. R.S. 45:201.6(G)(2) is hereby amended and reenacted to read as follows:

2 §201.6. Requirements for insurance

3 \* \* \*

4 G. A policy of insurance procured pursuant to this Section:

5 \* \* \*

6 (2) May be placed with an authorized insurer or with a surplus lines insurer,  
7 pursuant to R.S. 22:432, that has a rating of no less than an A- from A.M. Best, an  
8 A from Demotech, Inc. or a similar rating from another rating agency recognized by  
9 the Department of Insurance.

10 \* \* \*

11 Section 3. The department shall also have the authority to promulgate rules and  
12 regulations to implement and enforce this Act, including the imposition of fees as are  
13 necessary to cover the cost of administration of this Act. The rules and regulations may be  
14 more stringent than the requirements set forth in this Act, provided that they are consistent  
15 with the requirements of this Act. Additionally, the department shall report to the Joint  
16 Legislative Committee on Transportation, Highways and Public Works for review and  
17 approval of any rules or regulations promulgated by the department.

18 Section 4. This Act shall become effective July 1, 2019.

---

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

---

HB 575 Engrossed 2019 Regular Session Magee

**Abstract:** Provides relative to transportation network company requirements.

Proposed law defines "bodily injury" as claims for general and special damages for personal injury arising under present law (Civil Code Article 2315).

Proposed law defines "department" as the La. Dept. of Transportation and Development.

Proposed law defines "digital network" as any online-enabled application, software, website or system offered or utilized by a transportation network company that enables the prearrangement of rides with transportation network company drivers.

Proposed law defines "gross trip fare" as the base fare plus any time or distance charges, excluding any additional charges such as airport or venue fees.

Proposed law defines "intrastate prearranged ride" as any prearranged ride originating within the jurisdiction of the local governmental subdivision.

Proposed law defines "local governmental subdivision" as any parish or municipality as defined in Article VI, Section 44(1) of the Constitution of Louisiana.

Proposed law defines "personal vehicle" as a vehicle that is used by a transportation network company driver and is owned, leased, or otherwise authorized for use by the transportation network company driver. Specifies that a personal vehicle is not a vehicle subject to Parts A and B of the Motor Carrier law as provided for in R.S. 45:161 et seq. or engaged solely in interstate commerce.

Proposed law defines "prearranged ride" as the provision of transportation by a driver to a rider that commences when a driver accepts a ride requested by a person through a digital network controlled by a transportation network company, continues during the driver transporting a requesting rider, and ends when the last requesting rider departs from the personal vehicle. Specifies that a prearranged ride does not include shared expense van pool services, as defined in present law, shared expense car pool services, as defined in present law, or transportation provided using a vehicle subject to Part A or B of the Motor Carrier law or engaged solely in interstate commerce.

Proposed law defines "pre-trip acceptance period" as any period of time during which a driver is logged on to the transportation network company's digital network and is available to receive transportation requests but is not engaged in an intrastate prearranged ride.

Proposed law defines "transportation network company" as a person, whether natural or juridical, that uses a digital network to connect transportation network company riders to transportation network company drivers who provide prearranged rides, or a person, whether natural or juridical, that provides a technology platform to a transportation network company rider that enables the transportation network company rider to schedule an intrastate prearranged ride.

Proposed law defines "transportation network company driver" as a person who receives connections to potential passengers and related services from a transportation network company in exchange for payment of a fee to the transportation network company, and who uses a personal vehicle to offer or provide a prearranged ride to persons upon connection through a digital network controlled by a transportation network company in return for compensation or payment of a fee.

Proposed law defines "transportation network company rider" as a person who uses a transportation network company's digital network to connect with a transportation network driver who provides intrastate prearranged rides to the rider in the driver's personal vehicle between points chosen by the rider.

Proposed law provides that a "transportation network company vehicle" has the same meaning as "personal vehicle".

Proposed law establishes a classification of carriers; specifically, provides that a company or driver is not a common carrier, contract carrier, or motor carrier and exempts a driver from having to register the vehicle as a commercial motor vehicle or a for hire vehicle.

Proposed law prohibits a person from operating a company without first obtaining a permit from the department and further provides requirements for the permit. Proposed law provides an exception to this requirement for companies that have been operating in this state prior to the effective date of proposed law.

Proposed law requires the department to issue a permit to each applicant that meets the requirements applicable to a company as provided for in proposed law.

Proposed law requires a company to maintain an agent for service of process in this state.

Proposed law requires companies to disclose the fare or the fare calculation method located on their website or within the online-enabled technology application service to the rider prior to the prearranged ride if a fare is collected from the rider.

Proposed law requires the company's digital network to display a picture of the driver and the license plate number of the vehicle that will be used prior to the rider entering the car for a prearranged ride.

Proposed law requires the transmission of an electronic receipt to the rider on behalf of a driver within a reasonable time following the completion of a prearranged ride. Proposed law requires that the origin and destination of the trip, the duration and distance of the trip, and the total fare paid for the trip be included on the receipt.

Proposed law requires a company to implement a zero tolerance policy regarding a driver's activities while accessing the company's digital network. Proposed law requires the policy address the use of drugs or alcohol while a driver is providing prearranged rides or is logged into the company's digital network but is not providing prearranged rides, and requires the company to provide notice of this policy on its website as well as procedures to report a complaint about a driver with whom a rider was matched and whom the rider reasonably suspects was under the influence of drugs or alcohol during the course of the prearranged ride.

Proposed law requires a company to suspend a driver's ability to accept trip requests through the company's digital network immediately upon receipt of a rider's complaint alleging a violation of the zero tolerance policy. Proposed law further requires the company to conduct an investigation into the reported incident and mandates that the suspension must last until the investigation is complete. Proposed law requires the company to maintain records relevant to the complaint for a period of at least two years from the date that a rider's complaint is received by the company.

Proposed law establishes application, background check, and driving history requirements that an individual must meet prior to being authorized to accept trip requests through a company's digital network.

Proposed law requires the application include information regarding the applicant's address, age, driver's license, motor vehicle registration, insurance, and any other information required by the company.

Proposed law requires the company or a third party conduct a local and national criminal background check for each applicant that includes: a multi-state and multi-jurisdictional criminal records locator or other similar commercial nationwide database, a search of the national sex offender public website maintained by the U.S. Dept. of Justice, and the applicant's driving history. Proposed law further requires the company to conduct the background check or driving history research report at least once every two years.

Proposed law requires a company to prohibit an individual from acting as a driver if, within the three year period prior to applying to the company, the individual's driving history report reveals more than three moving violations, or the individual's initial background check or any subsequent background check reveals the individual has had at least one of the following violations: flight from an officer or aggravated flight from an officer, reckless operation of a vehicle, or operating a vehicle while under suspension.

Proposed law requires a company to prohibit an individual from acting as a driver if the individual has been convicted, within the past seven years, of any enumerated felony in present law, operating a vehicle while intoxicated, hit and run driving, or any crime of violence as provided for in present law. Proposed law further requires a company to prohibit

an individual from acting as a driver if the individual is listed as an offender on the national sex offender public website maintained by the U.S. Dept. of Justice, or does not possess a valid driver's license or the required registration to operate a motor vehicle.

Proposed law prohibits a driver from accepting a trip for compensation if it is not arranged through the company's digital network.

Proposed law requires a company to adopt a nondiscrimination policy with respect to riders and potential riders and to inform its drivers of this policy. Proposed law requires the drivers to comply with all applicable nondiscrimination laws and all applicable laws relating to transporting service animals.

Proposed law prohibits a company from imposing any additional charges for providing services to persons with physical disabilities.

Proposed law requires a company to keep individual trip records and individual driver records for at least three years after each trip or dissolution of a relationship with a driver.

Proposed law establishes requirements and procedures for an audit of a company by the department. Specifies that the audit procedures are to include the right by the department to visually inspect a sample of records, pertaining up to 100 drivers, that the company is required to maintain. Proposed law further provides that if the department has a reasonable basis to conclude that the company is not in compliance with the requirements of present law after initial review, the department may conduct a supplemental audit of records for an additional selection of drivers at a location in Baton Rouge; the identity of specific drivers or riders may be excluded, as appropriate, from the records.

Proposed law grants the governing body of a local governmental subdivision the ability to request a report from the department on the results of an audit performed by the commission pursuant to present law.

Proposed law authorizes the department to inspect records held by the company that are necessary to investigate and resolve a specific complaint against a driver or the company. Requires the inspection to take place at a mutually agreed upon place by the department and the company. Specifies that the identity of a driver or rider may be excluded unless it is relevant to the complaint.

Proposed law provides that any records inspected by the department pursuant to proposed law are designated confidential and are not subject to disclosure to a third party without written consent. Proposed law provides an exclusion from this designation if such records do not include information that is otherwise designated confidential.

Proposed law authorizes a local governmental subdivision that has enacted a company ordinance that includes a per-trip fee prior to March 1, 2019, and has a company operating within the corporate limits of a local governmental subdivision as of March 1, 2019, to impose a fee up to or equal to the per-trip fee imposed by the local governmental subdivision's company ordinance as of March 1, 2019, on each intrastate prearranged ride within the corporate limits of the local governmental subdivision.

Proposed law authorizes a local governmental subdivision to impose a per-trip fee up to 1% of the gross trip fare for each intrastate prearranged ride. Further provides that the local governmental subdivision may impose such a fee by passing an ordinance that imposes the fee on each company permitted by the department in accordance with present law.

Proposed law prohibits a local governmental subdivision that imposes a per-trip fee pursuant to proposed law from imposing any fees or requirements other than the fee specified in proposed law.

Proposed law specifies that a municipality's fee may apply only to intrastate prearranged rides originating within the incorporated limits of the municipality and a parish's fee may apply only to intrastate prearranged rides originating within the unincorporated portions of the parish.

Proposed law requires a local governmental subdivision provide written notice to each company at least 30 days prior to an initial hearing, reading, or consideration of an ordinance imposing a fee pursuant to proposed law. Further provides that a local governmental subdivision must also provide written notice within 10 days of the passage of any ordinance imposing a fee pursuant to proposed law, and such ordinance cannot go into effect until the 1st day of the month that it is at least 30 days after passage of the ordinance.

Proposed law requires a company to collect the fee on behalf of the drivers and remit the total fee to the local governmental subdivision on a quarterly basis within 30 days of the end of the calendar quarter.

Proposed law grants the department sole audit authority with respect to the fees remitted by a company to a local governmental subdivision; requires a company to keep accurate books and records reflecting its accounting and payment of fees; and upon reasonable prior written request, no more than annually, authorizes the department to conduct an audit by visually inspecting a company's books and records relating to its accounting and payment of fees to the local governmental subdivision, with the audit limited to a single calendar year, which may be chosen by the department.

Proposed law provides that if a local governmental subdivision has a reasonable basis to suspect underpayment, the local governmental subdivision must request that the department initiate an audit pursuant to proposed law, and if underpayment is over \$50, requires the company to remit the underpaid fees to the local governmental subdivision within 30 days.

Proposed law prohibits a local governmental subdivision from adding audit authority by ordinance.

Proposed law provides that any record furnished or disclosed to the department may, as appropriate, exclude information that would identify specific drivers or riders. Further provides that the governing body of a local governmental subdivision may request to review the results of an audit conducted pursuant to proposed law with respect to fees remitted by a company to the local governmental subdivision.

Proposed law provides that the total fee remitted to any local governmental subdivision by a company, any records maintained by a company pursuant to proposed law that are obtained by a local governmental subdivision, the department, or any other public body, and any records that incorporate information from records maintained pursuant to proposed law are designated confidential and are not subject to disclosure to a third party without prior written consent of the company.

Proposed law provides that it is the intent of the legislature to provide for the uniformity of laws to govern transportation network companies, along with any rules promulgated by the department. Further provides restrictions to the governing authorities on imposing taxes, requiring a company to acquire a local business license or other type of authorization to operate, or subject a company to any rate, entry, operation, or other requirement, except as provided for in proposed law.

Proposed law provides that proposed law does not prohibit an airport from charging pick-up fees for the use of the airport's facilities or designating locations for staging, pick-up, and other similar operations at the airport.

Proposed law provides that nothing in proposed law is to be construed to prohibit the state from maintaining, enforcing, prescribing, or continuing in effect any law or regulation regarding the sale, distribution, repair, or service of vehicles.

Present law authorizes a policy of insurance procured pursuant to present law to be placed with an authorized insurer or with a surplus lines insurer pursuant to present law.

Proposed law retains present law but requires that the authorized insurer or surplus lines insurer have a rating of no less than an A- from A.M. Best, an A from Demotech, Inc., or a similar rating from another rating agency recognized by the Dept. of Insurance.

Proposed law authorizes the department to promulgate rules and regulations to implement and enforce proposed law and specifies that the rules may be more stringent than the requirements set forth in proposed law. Mandates that the department report to the Joint Legislative Committee on Transportation, Highways and Public Works for review and approval of any rules or regulations promulgated by the department.

Effective July 1, 2019.

(Amends R.S. 45:201.6(G)(2); Adds R.S. 48:2191 - 2205)

#### Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Transportation, Highways and Public Works to the original bill:

1. Make technical changes.
2. Change the governing authority for transportation network companies from the Dept. of Agriculture and Forestry to the Dept. of Transportation and Development.