HLS 17RS-848 **REENGROSSED**

2017 Regular Session

HOUSE BILL NO. 527

BY REPRESENTATIVE HAVARD AND SENATOR CORTEZ

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

TRANSPORTATION: Establishes safety, reliability, and access requirements for Transportation Network Companies

1	AN ACT
2	To amend and reenact R.S. 44:4.1(B)(30), and to enact Part D of Chapter 4 of Title 45 of the
3	Louisiana Revised Statutes of 1950, to be comprised of R.S. 45:202 through 217,
4	relative to Transportation Network Companies; to provide for definitions; to require
5	an operation permit for operation of a transportation network company; to require
6	fare transparency and electronic receipts for all riders; to provide relative to
7	identification requirements for transportation network company vehicles and drivers;
8	to provide for requirements of transportation network company drivers; to require
9	each transportation network company to establish a drug and alcohol policy; to
10	provide relative to the limitations, driver conduct, discrimination policy, records,
11	audit procedures, assessment fees, and controlling authority of transportation
12	network companies; to provide for a public records exception; and to provide for
13	related matters.
14	Be it enacted by the Legislature of Louisiana:
15	Section 1. R.S. 44:4.1(B)(30) is hereby amended and reenacted to read as follows:
16	§4.1. Exceptions
17	* * *
18	B. The legislature further recognizes that there exist exceptions, exemptions,
19	and limitations to the laws pertaining to public records throughout the revised
20	statutes and codes of this state. Therefore, the following exceptions, exemptions, and

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CODING: Words in struck through type are deletions from existing law; words underscored are additions.

1	limitations are hereby continued in effect by incorporation into this Chapter by
2	citation:
3	* * *
4	(30) R.S. 45:1313(C) <u>R.S. 45:215, 216, 1313(C)</u>
5	* * *
6	Section 2. Part D of Chapter 4 of Title 45 of the Louisiana Revised Statutes of 1950,
7	comprised of R.S. 45:202 through 217, is hereby enacted to read as follows:
8	PART D. TRANSPORTATION NETWORK COMPANY REQUIREMENTS
9	§202. Definitions
10	The following terms, as used in this Part, shall have the meanings ascribed
11	to them in this Section except where a different meaning is expressly stated or
12	clearly indicated by the context:
13	(1) "Department" means the Department of Agriculture and Forestry.
14	(2) "Digital network" means any online-enabled technology application
15	service, website, or system offered or utilized by a transportation network company
16	that enables the prearrangement of rides with transportation network company
17	<u>drivers.</u>
18	(3) "Gross trip fare" means the total charge, including the base fare and any
19	time or distance charges, for a prearranged ride.
20	(4) "Local assessment fee" means one percent of the gross trip fare.
21	(5) "Prearranged ride" means the provision of transportation by a TNC driver
22	to a rider, beginning when a TNC driver accepts a ride requested by a rider through
23	a digital network controlled by a transportation network company, continuing while
24	the TNC driver transports a requesting rider, and ending when the last requesting
25	rider departs from the TNC vehicle. A prearranged ride does not include
26	transportation provided by shared expense van pool services, as defined pursuant to
27	R.S. 45:162, shared expense car pool services, as defined pursuant to R.S. 45:162,
28	transportation provided using a vehicle subject to Part A or B of this Chapter, or
29	engaged solely in interstate commerce.

1	(6) "Transportation network company", "TNC", or "company" means a
2	corporation, partnership, sole proprietorship, or other entity licensed and operating
3	in this state that uses a digital network to connect a TNC rider to a TNC driver who
4	provides a prearranged ride. A TNC may not control, direct, or manage the personal
5	vehicle or the TNC driver who connects to its digital network, except where agreed
6	to by written contract.
7	(7) "Transportation network company driver" or "TNC driver" means an
8	individual who receives connections to potential riders and related services from a
9	transportation network company and, in return for compensation, uses a TNC vehicle
10	to offer or provide a prearranged ride to riders upon connection through a digital
11	network controlled by a transportation network company.
12	(8) "Transportation network company rider" or "rider" means an individual
13	or persons who use a transportation network company's digital network to connect
14	with a transportation network company driver who provides prearranged rides in the
15	TNC driver's TNC vehicle between points chosen by the rider.
16	(9) "Transportation network company vehicle" or "TNC vehicle" means a
17	vehicle that is used by a transportation network company driver to offer or provide
18	a prearranged ride and is owned, leased, or otherwise authorized for use by the
19	transportation network company driver. Notwithstanding any other provision of law
20	to the contrary, a vehicle that is let or rented to another for consideration may be
21	used as a transportation network company vehicle.
22	§203. Classification of carriers; registration
23	A TNC or TNC driver is not a common carrier, contract carrier, or motor
24	carrier, and does not provide taxi or for-hire vehicle service. In addition, a TNC
25	driver is not required to register the vehicle that the TNC driver uses to provide
26	prearranged rides as a commercial motor vehicle or a for-hire vehicle.
27	§204. TNC permits
28	A. A person shall not operate a TNC in the state of Louisiana without
29	obtaining a permit from the department, except a TNC operating in the state before

1	the effective date of this Part may continue operating until the department creates a
2	permit process and sets a registration deadline.
3	B. The department shall issue a permit to each applicant that meets the
4	requirements for a TNC as provided for in this Part.
5	§205. Service of process; TNC
6	A TNC shall maintain an agent for service of process in the state of
7	Louisiana.
8	§206. Fare transparency
9	If a fare is collected from a rider, the TNC shall disclose to the rider the fare
10	or fare calculation method on its website or within the online-enabled technology
11	application service prior to the start of the prearranged ride. If the TNC fails to
12	disclose the fare 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	<u>ride.</u>
15	§207. Identification of TNC vehicles and drivers
16	The TNC's digital network shall display a picture of the TNC driver and the
17	license plate number of the motor vehicle used for providing the prearranged ride
18	before the rider enters the TNC driver's vehicle.
19	§208. Electronic receipts
20	Within a reasonable amount of time following completion of a trip, a TNC
21	shall transmit an electronic receipt to the rider on behalf of the TNC driver. The
22	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	§209. Substance abuse policy
27	A. Each TNC shall implement a substance abuse zero tolerance policy
28	regarding a TNC driver's activities while accessing the TNC's digital network. The
29	policy shall address the use of drugs or alcohol while a TNC driver is providing

1	prearranged rides or is logged into the TNC's digital network but is not providing
2	prearranged rides. The TNC shall provide notice of this policy on its website, as
3	well as procedures to report a complaint about a TNC driver with whom a rider was
4	matched and whom the rider reasonably suspects was under the influence of drugs
5	or alcohol during the course of the trip.
6	B. Upon receipt of a rider complaint alleging a violation of the substance
7	abuse zero tolerance policy, the TNC shall suspend such TNC driver's ability to
8	accept trip requests through the TNC's digital network as soon as feasible, and shall
9	conduct an investigation of the reported incident. The suspension shall last the
10	duration of the investigation.
11	C. The TNC shall maintain records of all reported incidents for a period of
12	at least two years from the date that a rider complaint is received by the TNC.
13	§210. TNC limitations
14	TNC drivers shall be independent contractors and are not considered
15	employees of the TNC, if all of the following conditions are met:
16	(1) The TNC does not unilaterally prescribe specific hours during which a
17	TNC driver must be logged into the TNC's digital network.
18	(2) The TNC does not impose an express prohibition on the TNC driver's
19	ability to utilize digital networks from other TNCs.
20	(3) The TNC does not restrict a TNC driver from engaging in any other
21	occupation or business.
22	(4) The TNC and TNC driver agree in writing that the TNC driver is an
23	independent contractor with respect to the TNC.
24	§211. TNC driver requirements
25	A. Before an individual is authorized to accept trip requests through a TNC's
26	digital network, the following conditions shall be met:
27	(1) The individual shall submit an application to the TNC, which includes
28	his address, age, a copy of his driver's license and motor vehicle registration, and
29	other information required by the TNC.

1	(2) The TNC or a third party shall conduct a local and national criminal
2	background check for each applicant that includes the following:
3	(a) A search of the multi-state and multi-jurisdiction criminal records locator
4	or other similar commercial nationwide database with validation of any records
5	through primary source search.
6	(b) A search of the national sex offender public website maintained by the
7	United States Department of Justice.
8	(3) The TNC or a third party shall obtain and review a driving history
9	research report for each potential TNC driver.
10	B. The TNC or a third party shall conduct the background check and driving
11	history research report set forth in Paragraphs (A)(2) and (A)(3) of this Section at
12	least once every two years.
13	C. The TNC shall not authorize an individual to act as a TNC driver on its
14	digital network if the driving history research report conducted when the individual
15	first seeks access to the digital network reveals that the individual has had more than
16	three moving violations in the prior three-year period.
17	D. The TNC shall not authorize an individual to act as a TNC driver on its
18	digital network if the background check conducted when the individual first seeks
19	access to the digital network or any subsequent background check reveals that
20	individual:
21	(1) Has had one or more of the following violations in the prior three-year
22	period:
23	(a) Attempting to evade the police.
24	(b) Reckless driving.
25	(c) Driving with a suspended or revoked license.
26	(2) Has been convicted, within the past seven years, of:
27	(a) A felony.
28	(b) A misdemeanor for driving under the influence of drugs or alcohol, for
29	hit and run, or for any other driving-related offense.

1	(c) A misdemeanor for a violent offense or sexual battery.
2	(3) Is a match on the national sex offender public website maintained by the
3	United States Department of Justice.
4	(4) Does not possess a valid driver's license to operate a personal vehicle.
5	(5) Does not possess proof of registration for the motor vehicle used to
6	provide prearranged rides.
7	§212. Prohibited conduct
8	A TNC driver may not accept a trip for compensation if the trip was not
9	arranged through a TNC's digital network.
10	§213. Nondiscrimination; accessibility
11	A. The TNC shall adopt a nondiscrimination policy with respect to riders and
12	potential riders and shall notify TNC drivers of such policy.
13	B. TNC drivers shall comply with all applicable nondiscrimination laws.
14	C. TNC drivers shall comply with all applicable laws relating to the
15	transportation of service animals.
16	D. A TNC shall not impose additional charges for providing services to
17	persons with physical disabilities because of those disabilities.
18	§214. Records
19	A TNC shall maintain the following records:
20	(1) Individual trip records for at least one year from the date each trip was
21	provided.
22	(2) Individual records of all TNC drivers for at least one year after the date
23	on which a TNC driver's relationship with the TNC was terminated.
24	§215. Audit procedures; confidentiality of records
25	A. For the sole purpose of verifying that a TNC is in compliance with the
26	requirements of this Chapter and no more than annually, the department shall have
27	the right to visually inspect a sample of records that the TNC is required to maintain.
28	The sample shall be chosen randomly by the department in a manner agreeable to
29	both parties. The audit shall take place at a mutually agreed location in the state.

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2	specific drivers or riders.
3	B. In response to a specific complaint against any TNC driver or TNC, the
4	department is authorized to inspect records held by the TNC that are necessary to
5	investigate and resolve the complaint. The TNC and department shall endeavor to
6	have the inspection take place at a mutually agreed location in the state. Any record
7	furnished to the department may exclude information that would identify specific
8	drivers or riders, unless the identity of a driver or rider is relevant to the complaint.
9	C. Any records inspected by the department pursuant to this Section are
10	designated confidential, are not subject to disclosure to a third party by the
11	department without prior written consent of the TNC, and are exempt from
12	disclosure under the Public Records Law, R.S. 44:1 et seq. Nothing in this Section
13	shall be construed as applying to other department records related to its regulation
14	of TNCs if such records do not include information that is otherwise designated
15	confidential or exempted pursuant to the Public Records Law or as limiting the
16	applicability of any other exemptions under the Public Records Law.
17	§216. Local assessment fee
18	A. A TNC shall collect a local assessment fee on behalf of a TNC driver for
19	all intrastate prearranged rides.
20	B. A TNC shall determine whether each intrastate prearranged ride
21	originated within the incorporated boundaries of a municipality, or outside of the
22	incorporated boundaries of a municipality and within the boundaries of a parish of
23	this state using geographic information system data made available by the
24	department.
25	C. Within thirty days of the end of a calendar quarter, a TNC shall submit
26	to the department all of the following:
27	(1) The total local assessment fees collected by a TNC on behalf of the TNC
28	drivers.

Any record furnished to the department may exclude information that would identify

1	(2) A report listing the percentages of gross trip fares that originated in each
2	municipality during the reporting period.
3	(3) A report listing the percentage of gross trip fares that originated outside
4	a municipality during the reporting period.
5	D. The local assessment fees collected pursuant to this Section are to be
6	administered by the department as follows:
7	(1) The state shall retain five percent of the total local assessment fees
8	collected to cover expenses borne by the department from regulation of TNCs and
9	the collection and distribution of local assessment fees.
10	(2) Within sixty days of the end of the calendar quarter, the department shall
11	distribute the remaining portion of the total local assessment fees collected under
12	Paragraph (C)(1) of this Section, after covering their expenses as provided for in
13	Paragraph (1) of this Subsection, to the local governmental subdivision where a trip
14	originated during the reporting period. The distribution to the local governmental
15	subdivision must be proportionate to the percentage of the gross trip fare that
16	originated in the local governmental subdivision.
17	E. Any records maintained by a TNC pursuant to this Section that are
18	obtained by the department, another public body, or a local governmental
19	subdivision, or any records that incorporate information from records maintained
20	pursuant to this Section, shall not be subject to disclosure under the Public Records
21	Law, R.S. 44:1 et seq., or any other applicable law. The department may not
22	disclose records or information provided by a TNC unless disclosure is required by
23	a subpoena or court order. If a disclosure is required, the department shall promptly
24	notify the TNC prior to the disclosure.
25	F. Annually, the department may request that a TNC engage an independent
26	third-party auditor to verify the local assessment fees submitted to the department
27	pursuant to Paragraph (C)(1) of this Section are accurate. The TNC that is subject
28	to the audit shall engage the independent third-party auditor, which must be selected
29	at the sole discretion of the TNC, and shall bear all costs associated with the third-

party audit. The independent third-party auditor must be a certified public accounting
firm licensed in the state and qualified to perform engagements in accordance with
generally accepted government auditing standards. The TNC shall provide the
department with a copy of the third-party audit report within fifteen days of
completion, which shall in no event, occur later than ninety days after receipt of the
department's written request. If applicable, the audit report shall disclose the amount
of any underpayment and any overpayment. If the audit reveals that a TNC
underpaid the amount owed, the TNC shall, within ten business days, pay the
underpayment. If the audit reveals that a TNC overpaid the amount owed, the
department shall, within ten business days, refund the overpayment.
§217. Controlling authority
A. It is the intent of the legislature to provide for uniformity of laws
governing TNCs, TNC drivers, and TNC vehicles throughout the state in order to
protect and promote the safety and welfare of the residents of Louisiana.
B. Notwithstanding any other provision of law to the contrary, TNCs, TNC
drivers, and TNC vehicles are governed exclusively by state law, including Part C
of this Chapter, this Part, and any rules promulgated by the department consistent
with this Part.
C. A local governmental subdivision, special district, airport authority, port
authority, or other local governmental entity or political subdivision shall not
perform any of the following acts:
(1) Impose a tax on, or require a license for, a TNC, a TNC driver, or a TNC
vehicle if such tax or license relates to providing prearranged rides.
(2) Require a transportation network company or a TNC driver to obtain a
business license or any other type of similar authorization to operate within the
jurisdiction.
(3) Subject a TNC, TNC driver, or TNC vehicle to any rate, entry, operation,
or other requirement of a local governmental subdivision, special district, airport
authority, port authority, or other local governmental entity or political subdivision.

D. This Section does not prohibit an airport from charging reasonable
pick-up fees for use of the airport's facilities or designating locations for staging,
pick-up, and other similar operations at the airport.

Section 3. This Act shall become effective on July 1, 2017.

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 527 Reengrossed

2017 Regular Session

Havard

Abstract: Provides relative to safety, reliability, and access requirements for Transportation Network Companies (TNCs).

<u>Proposed law</u> adds references to the confidentiality provisions in <u>proposed law</u> to the public records law.

Proposed law defines "department" as the Dept. of Agriculture and Forestry.

<u>Proposed law</u> defines "digital network" as any online-enabled technology application service, website, or system offered or utilized by a TNC that enables the prearrangement of rides with TNC drivers.

<u>Proposed law</u> defines "transportation network company vehicle" or "TNC vehicle" as a vehicle that is used by a transportation network company driver to offer or provide a prearranged ride and is owned, leased, or otherwise authorized for use by the TNC driver. Notwithstanding any other provision of law, a vehicle that is let or rented to another for consideration may be used as a transportation network company vehicle.

<u>Proposed law</u> defines "transportation network company", "TNC", or "Company" as a corporation, partnership, sole proprietorship, or other entity licensed and operating in this state that uses a digital network to connect a TNC rider to a TNC driver who provides a prearranged ride. A TNC may not control, direct, or manage the personal vehicle or the TNC driver who connects to its digital network, except where agreed to by written contract.

<u>Proposed law</u> defines "transportation network company driver" or "TNC driver" as an individual who receives connections to potential riders and related services from a TNC and, in return for compensation, uses a TNC vehicle to offer or provide a prearranged ride to riders upon connection through a digital network controlled by a TNC.

<u>Proposed law</u> defines "transportation network company rider" or "rider" as an individual or persons who use a TNC's digital network to connect with a TNC driver who provides prearranged rides in the TNC driver's TNC vehicle between points chosen by the rider.

<u>Proposed law</u> defines "prearranged ride" as the provision of transportation by a TNC driver to a rider, beginning when a TNC driver accepts a ride requested by a rider through a digital network controlled by a TNC, continuing while the TNC driver transports a requesting rider, and ending when the last requesting rider departs from the TNC vehicle. A prearranged ride does not include transportation provided by shared expense van pool services, as defined pursuant to <u>present law</u> (R.S. 45:162(18)), shared expense car pool services, as defined pursuant to <u>present law</u> (R.S. 45:162(1)), transportation provided using a vehicle subject to <u>present law</u>, or engaged solely in interstate commerce.

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

<u>Proposed law</u> defines "gross trip fare" as the total charge, including the base fare and any time or distance charges, for a prearranged ride.

Proposed law defines "local assessment fee" as one percent of the gross trip fare.

<u>Proposed law</u> clarifies that a TNC or TNC driver is not a common carrier, contract carrier, or motor carrier, does not provide taxi or for-hire vehicle service, and is not required to register the TNC vehicle as a commercial motor vehicle or for-hire vehicle.

<u>Proposed law</u> requires a person to obtain a permit from the department prior to operating a TNC in the state and requires the department to issue a permit to each applicant who meets the requirements as provided in <u>proposed law</u>. Allows a TNC operating in this state prior to the effective date of <u>proposed law</u> to continue operating until the department creates a permit process and sets a registration deadline.

<u>Proposed law</u> requires a TNC to maintain an agent for service of process in the state.

<u>Proposed law</u> requires a TNC to disclose the fare or fare calculation method on its website or within the online-enabled technology application prior to the beginning of the prearranged ride. Requires the TNC disclose, at a minimum, an estimated fare before the start of the prearranged ride.

<u>Proposed law</u> requires a TNC's digital network to display a picture of the TNC driver and the license plate number of the motor vehicle used for providing the prearranged ride prior to the rider entering the vehicle.

<u>Proposed law</u> requires a TNC to transmit an electronic receipt to the rider, within a reasonable amount of time following completion of a trip, which provides the total fare, origin, destination, duration, and distance of the trip.

<u>Proposed law</u> requires TNCs to implement a substance abuse zero tolerance policy which must address the use of drugs or alcohol while a TNC driver is providing prearranged rides or is logged into the TNC's digital network.

<u>Proposed law</u> provides that a TNC must provide notice of this policy and procedures to report a complaint on its website about a TNC driver whom the rider suspects was under the influence of drugs or alcohol during the course of his trip. Suspends a TNC driver upon receipt of a rider complaint alleging violation of the substance abuse zero tolerance policy and requires an investigation of the reported incident. Specifies that the suspension must last the duration of the investigation and provides that the TNC must maintain records of all reported incidents for two years from the date of the complaint.

<u>Proposed law</u> specifies that TNC drivers are independent contractors and are not considered employees of the TNC if specific hours are not unilaterally prescribed to the TNC driver, the TNC does not impose an express prohibition on the TNC driver's ability to utilize the digital network, the TNC does not restrict the TNC driver from engaging in any other business or occupation, and the TNC and TNC driver agree, in writing, that the TNC driver is an independent contractor.

<u>Proposed law</u> requires the following conditions to be met before an individual is authorized to accept trip requests through a TNC's digital network:

- (1) The individual must submit an application to the TNC, which includes his address, age, a copy of his driver's license and motor vehicle registration, and any other required information.
- (2) The TNC or a third party must conduct a local and national criminal background check for each applicant.

(3) The TNC or a third party must obtain and review a driving history research report for each potential TNC driver.

<u>Proposed law</u> requires a TNC or a third party to conduct the background check and driving history research report at least once every two years.

<u>Proposed law</u> prohibits a TNC from authorizing an individual to act as a TNC driver on its digital network if the driving history research report initially conducted reveals that the individual has had more than three moving violations in the prior three-year period.

<u>Proposed law</u> prohibits a TNC from authorizing an individual to act as a TNC driver on its digital network if any of the following exists:

- (1) The individual has had, in the prior three-year periods, a violation of attempting to evade the police; reckless driving; or driving with a suspended or revoked license one or more times.
- (2) The individual has been convicted, within the past seven years, of a felony; a misdemeanor for driving under the influence of drugs or alcohol; for hit and run, or any other driving-related offense; or a misdemeanor for a violent offense or sexual battery.
- (3) The individual is a match on the national sex offender public website maintained by the U.S. Dept. of Justice.
- (4) The individual does not possess a valid driver's license to operate a personal vehicle.
- (5) The individual does not possess proof of registration for the motor vehicle used to provide prearranged rides.

<u>Proposed law</u> prohibits a TNC driver from accepting a trip for compensation that was not arranged through a TNC's digital network.

<u>Proposed law</u> requires the TNC to adopt a nondiscrimination policy and provide notice of the policy to its riders. Specifies that all TNC drivers must comply with all applicable laws relating to discrimination and transportation of service animals. Prohibits a TNC from imposing additional charges for providing services to persons with physical disabilities.

<u>Proposed law</u> requires a TNC to maintain individual trip records and individual records of all TNC drivers for at least one year from the date the trip was provided and the TNC driver and rider relationship was terminated, respectively.

<u>Proposed law</u> permits the department to annually visually inspect a sample of records that the TNC is required to maintain, chosen randomly by the department in a manner agreeable to both parties, at a mutually agreed location in the state and allows for the exclusion of information that would identify specific drivers or riders.

<u>Proposed law</u> authorizes the department to inspect records held by the TNC that are necessary to investigate and resolve any complaint made against a TNC driver or TNC. Provides that the department and TNC have the inspection take place at a mutually agreed location in the state and any record furnished to the department may exclude information that would identify a specific driver or rider, unless such identification is relevant to the complaint.

<u>Proposed law</u> specifies that any records inspected by the department are designated confidential, are not subject to disclosure to a third party by the department without prior written consent of the TNC, and are exempt from disclosure under <u>present law</u> (Public Records Law). Provides that proposed law does not apply to other department records related

to its regulation of TNCs if such records do not include information that is otherwise designated confidential or exempted pursuant to present law (Public Records Law).

<u>Proposed law</u> authorizes a TNC to collect a local assessment fee for all intrastate prearranged rides and requires the TNC to determine the origin of each intrastate prearranged ride using geographic information system data made available by the department. Requires the TNC to submit the total local assessment fees collected, a report listing percentages of gross trip fares that originated in each municipality, and a report listing the percentage of gross trip fares that originated outside a municipality to the department within 30 days of the end of a calendar quarter.

<u>Proposed law</u> mandates the state retain 5% of the total local assessment fees collected to cover departmental expenses incurred from regulation of TNCs and the department must distribute remaining funds proportionately to each local governmental subdivision where a trip originated.

<u>Proposed law</u> prohibits any records maintained by a TNC pursuant to <u>proposed law</u>, obtained by the department or other public entity from being disclosed under <u>present law</u> (Public Records Law). Specifies that the department is prohibited from disclosing records or information provided by a TNC unless disclosure is required by a subpoena or court order and provides that if such disclosure is required, the department must notify the TNC prior to disclosure.

<u>Proposed law</u> authorizes the department to request that a TNC engage an independent third-party auditor to verify the local assessment fees submitted to the department pursuant to <u>proposed law</u> are accurate. Allows the TNC to select the third party auditor and bear all costs associated with the audit. Requires the auditor to be a certified public accounting firm licensed in the state and qualified to perform engagements in accordance with generally accepted government auditing standards.

<u>Proposed law</u> requires the audit report to be provided to the department within 15 days of completion, which must not occur later than 90 days after receipt of the department's written request, and provides for payment of any amount owed and refund of any amount overpaid.

<u>Proposed law</u> provides that TNCs, TNC drivers, and TNC vehicles are governed by the laws of the state and any rules promulgated by the department.

<u>Proposed law</u> prohibits a local governmental subdivision, special district, airport authority, port authority, or other local governmental entity or political subdivision from imposing a tax on or requiring a license for a TNC, a TNC driver, or a TNC vehicle if such tax or license relates to providing prearranged rides; from requiring a TNC or a TNC driver to obtain a business license or any other type of similar authorization to operate within the jurisdiction; and from subjecting a TNC, TNC driver, or TNC vehicle to any rate, entry, operation, or other requirement of the local governmental subdivision, special district, airport authority, port authority, or other local governmental entity or political subdivision.

<u>Proposed law</u> clarifies that <u>proposed law</u> does not prevent an airport from charging reasonable pick-up fees for use of airport facilities or designating locations for staging, pick-up, and other similar airport operations.

Effective July 1, 2017.

(Amends R.S. 44:4.1(B)(30); Adds R.S. 45:202-217)

Summary of Amendments Adopted by House

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

- 1. Make technical changes.
- 2. Transfer regulating authority to the Department of Agriculture and Forestry.
- 3. Require the TNC or third party to conduct a background check and driving history research report at least once every two years.
- 4. Prohibit a TNC from authorizing an individual to act as a TNC driver on its digital network if the driving history research report initially conducted reveals that the individual has had more than three moving violations in the prior three-year period.
- 5. Clarify a provision that prohibits a TNC from authorizing an individual to act as a TNC driver on its digital network if the background check initially conducted reveals that the individual has had one or more violations enumerated in proposed law in the prior three-year period.
- 6. Specify that a TNC cannot authorize an individual to act as a TNC driver if the person does not possess a valid driver's license to operate a personal vehicle.
- 7. Permit the department to annually visually inspect a sample of records that the TNC is required to maintain, chosen randomly by the department in a manner agreeable to both parties, at a mutually agreed location in the state and allows for the exclusion of information that would identify specific drivers or riders.
- 8. Authorize the department to inspect records held by the TNC that are necessary to investigate and resolve any complaint made against a TNC driver or TNC. Provide that the department and TNC have the inspection take place at a mutually agreed location in the state and any record furnished to the department may exclude information that would identify a specific driver or rider, unless such identification is relevant to the complaint.
- 9. Specify that any records inspected by the department are designated confidential, are not subject to disclosure to a third party by the department without prior written consent of the TNC, and are exempt from disclosure under present law.
- 10. Delete the requirement that an airport charge reasonable pick-up fees consistent with any such fees charged to taxicab companies at that airport, if the airport elects to charge pick-up fees.
- The Committee Amendments Proposed by <u>House Committee on House and Governmental Affairs</u> to the <u>engrossed</u> bill:
- 1. Add provisions relative to the confidentiality of records to provide that <u>proposed law</u> does not apply to department records related to its regulation of TNCs if such records do not include information that is otherwise designated confidential or exempted pursuant to <u>present law</u> (Public Records Law).
- 2. Make technical changes.