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SENATE BILL NO. 1494

Offered January 18, 2017

A *BILL to amend and reenact §§ 46.2-2000, 46.2-2001, 46.2-2001.1, 46.2-2011.11, 46.2-2011.14, 46.2-2011.16, 46.2-2011.22, 46.2-2099.17, 46.2-2099.18, 46.2-2099.19, 46.2-2099.48, and 46.2-2099.52 of the Code of Virginia and to amend the Code of Virginia by adding in Article 10 of Chapter 20 a section numbered 46.2-2099.19:1, relating to transportation network company brokers.*

Patron—McClellan

Referred to Committee on Transportation

Be it enacted by the General Assembly of Virginia:

1. That §§ 46.2-2000, 46.2-2001, 46.2-2001.1, 46.2-2011.11, 46.2-2011.14, 46.2-2011.16, 46.2-2011.22, 46.2-2099.17, 46.2-2099.18, 46.2-2099.19, 46.2-2099.48, and 46.2-2099.52 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Article 10 of Chapter 20 a section numbered 46.2-2099.19:1 as follows:

§ 46.2-2000. Definitions.

Whenever used in this chapter unless expressly stated otherwise:

"Authorized insurer" means, in the case of an interstate motor carrier whose operations may or may not include intrastate activity, an insurer authorized to transact business in any one state, or, in the case of a solely intrastate motor carrier, an insurer authorized to transact business in the Commonwealth.

"Broker" means any person not included in the term "motor carrier" and not a bona fide employee or agent of any such carrier, who, as principal or agent, sells or offers for sale any transportation subject to this chapter *except for transportation pursuant to Article 15 (§ 46.2-2099.45 et seq.)*, or negotiates for, or holds himself out by solicitation, advertisement, or otherwise as one who sells, provides, furnishes, contracts, or arranges for such transportation.

"Carrier by motor launch" means a common carrier, which carrier uses one or more motor launches operating on the waters within the Commonwealth to transport passengers.

"Certificate" means a certificate of public convenience and necessity or a certificate of fitness.

"Certificate of fitness" means a certificate issued by the Department to a contract passenger carrier, a sight-seeing carrier, a transportation network company, or a nonemergency medical transportation carrier.

"Certificate of public convenience and necessity" means a certificate issued by the Department of Motor Vehicles to certain common carriers, but nothing contained in this chapter shall be construed to mean that the Department can issue any such certificate authorizing intracity transportation.

"Common carrier" means any person who undertakes, whether directly or by a lease or any other arrangement, to transport passengers for the general public by motor vehicle for compensation over the highways of the Commonwealth, whether over regular or irregular routes, including such motor vehicle operations of carriers by rail or water under this chapter. "Common carrier" does not include nonemergency medical transportation carriers, transportation network companies, or TNC partners as defined in this section.

"Contract passenger carrier" means a motor carrier that transports groups of passengers under a single contract made with one person for an agreed charge for such transportation, regardless of the number of passengers transported, and for which transportation no individual or separate fares are solicited, charged, collected, or received by the carrier. "Contract passenger carrier" does not include a transportation network company or TNC partner as defined in this section.

"Department" means the Department of Motor Vehicles.

"Digital platform" means any online-enabled application, software, website, or system offered or utilized by a transportation network company that enables the prearrangement of rides with TNC partners.

"Employee hauler" means a motor carrier operating for compensation and exclusively transporting only bona fide employees directly to and from the factories, plants, office or other places of like nature where the employees are employed and accustomed to work.

"Excursion train" means any steam-powered train that carries passengers for which the primary purpose of the operation of such train is the passengers' experience and enjoyment of this means of transportation, and does not, in the course of operation, carry (i) freight other than the personal luggage of the passengers or crew or supplies and equipment necessary to serve the needs of the passengers and crew, (ii) passengers who are commuting to work, or (iii) passengers who are traveling to their final destination solely for business or commercial purposes.

"Financial responsibility" means the ability to respond in damages for liability thereafter incurred

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59 arising out of the ownership, maintenance, use, or operation of a motor vehicle, in the amounts provided
60 for in this chapter.

61 "Highway" means every public highway or place of whatever nature open to the use of the public for
62 purposes of vehicular travel in the Commonwealth, including the streets and alleys in towns and cities.

63 "Identification marker" means a decal or other visible identification issued or required by the
64 Department to show one or more of the following: (i) that the operator of the vehicle has registered with
65 the Department for the payment of the road tax imposed under Chapter 27 (§ 58.1-2700 et seq.) of
66 Title 58.1; (ii) proof of the possession of a certificate or permit issued pursuant to Chapter 20
67 (§ 46.2-2000 et seq.); (iii) proof that the vehicle has been registered with the Department as a TNC
68 partner vehicle under subsection B of § 46.2-2099.50; (iv) proof that the vehicle has been authorized by
69 a transportation network company to be operated as a TNC partner vehicle, in accordance with
70 subsection C of § 46.2-2099.50; or (v) proof of compliance with the insurance requirements of this
71 chapter.

72 "Interstate" means transportation of passengers between states.

73 "Intrastate" means transportation of passengers solely within a state.

74 "License" means a license issued by the Department to a broker or a TNC broker.

75 "Minibus" means any motor vehicle having a seating capacity of not less than seven nor more than
76 31 passengers, including the driver, and used in the transportation of passengers.

77 "Motor carrier" means any person who undertakes, whether directly or by lease, to transport
78 passengers for compensation over the highways of the Commonwealth.

79 "Motor launch" means a motor vessel that meets the requirements of the U.S. Coast Guard for the
80 carriage of passengers for compensation, with a capacity of six or more passengers, but not in excess of
81 50 passengers. "Motor launch" does not include sight-seeing vessels, special or charter party vessels
82 within the provisions of this chapter. A carrier by motor launch shall not be regarded as a steamship
83 company.

84 "Nonemergency medical transportation carrier" means a motor carrier that exclusively provides
85 nonemergency medical transportation and provides such transportation only (i) through the Department
86 of Medical Assistance Services; (ii) through a broker operating under a contract with the Department of
87 Medical Assistance Services; or (iii) as a Medicaid Managed Care Organization contracted with the
88 Department of Medical Assistance Services to provide such transportation.

89 "Nonprofit/tax-exempt passenger carrier" means a bona fide nonprofit corporation organized or
90 existing under Chapter 10 (§ 13.1-801 et seq.) of Title 13.1, or a tax-exempt organization as defined in
91 §§ 501(c)(3) and 501(c)(4) of the Internal Revenue Code, as amended, who undertakes, whether directly
92 or by lease, to control and operate minibuses exclusively in the transportation, for compensation, of
93 members of such organization if it is a membership corporation, or of elderly, disabled, or economically
94 disadvantaged members of the community if it is not a membership corporation.

95 "Operation" or "operations" includes the operation of all motor vehicles, whether loaded or empty,
96 whether for compensation or not, and whether owned by or leased to the motor carrier who operates
97 them or causes them to be operated.

98 "Operation of a TNC partner vehicle" means (i) any time a TNC partner is logged into a digital
99 platform and is available to pick up passengers; (ii) any time a passenger is in the TNC partner vehicle;
100 and (iii) any time the TNC partner has accepted a prearranged ride request through the digital platform
101 and is en route to a passenger.

102 "Operator" means the employer or person actually driving a motor vehicle or combination of
103 vehicles.

104 "Permit" means a permit issued by the Department to carriers operating as employee haulers or
105 nonprofit/tax-exempt passenger carriers or to operators of taxicabs or other vehicles performing taxicab
106 service under this chapter.

107 "Person" means any individual, firm, copartnership, corporation, company, association, or joint-stock
108 association, and includes any trustee, receiver, assignee, or personal representative thereof.

109 "Personal vehicle" means a motor vehicle that is not used to transport passengers for compensation
110 except as a TNC partner vehicle.

111 "Prearranged ride" means passenger transportation for compensation in a TNC partner vehicle
112 arranged through a digital platform. "Prearranged ride" includes the period of time that begins when a
113 TNC partner accepts a ride requested through a digital platform, continues while the TNC partner
114 transports a passenger in a TNC partner vehicle, and ends when the passenger exits the TNC partner
115 vehicle.

116 "Restricted common carrier" means any person who undertakes, whether directly or by a lease or
117 other arrangement, to transport passengers for compensation, whereby such transportation service has
118 been restricted. "Restricted common carrier" does not include a transportation network company or TNC
119 partner as defined in this section.

120 "Route," when used in connection with or with respect to a certificate of public convenience and

necessity, means the road or highway, or segment thereof, operated over by the holder of a certificate of public convenience and necessity or proposed to be operated over by an applicant therefor, whether such road or highway is designated by one or more highway numbers.

"Services" and "transportation" include the service of, and all transportation by, all vehicles operated by, for, or in the interest of any motor carrier irrespective of ownership or contract, expressed or implied, together with all facilities and property operated or controlled by any such carrier or carriers and used in the transportation of passengers or the performance of any service in connection therewith.

"Sight-seeing carrier" means a restricted common carrier authorized to transport passengers under the provisions of this chapter, whereby the primary purpose of the operation is the passengers' experience and enjoyment or the promotion of tourism.

"Sight-seeing carrier by boat" means a restricted common carrier, which restricted common carrier uses a boat or boats operating on waters within the Commonwealth to transport passengers, and whereby the primary purpose of the operation is the passengers' experience and enjoyment or the promotion of tourism. Sight-seeing carriers by boat shall not be regarded as steamship companies.

"Single state insurance receipt" means any receipt issued pursuant to 49 C.F.R. Part 367 evidencing that the carrier has the required insurance and paid the requisite fees to the Commonwealth and other qualified jurisdictions.

"Special or charter party carrier by boat" means a restricted common carrier which transports groups of persons under a single contract made with one person for an agreed charge for such movement regardless of the number of persons transported. Special or charter party carriers by boat shall not be regarded as steamship companies.

"Taxicab or other motor vehicle performing a taxicab service" means any motor vehicle having a seating capacity of not more than six passengers, excluding the driver, not operating on a regular route or between fixed terminals used in the transportation of passengers for hire or for compensation, and not a common carrier, restricted common carrier, transportation network company, TNC partner, or nonemergency medical transportation carrier as defined in this chapter.

"TNC broker" means any person who (i) is not a transportation network company or TNC partner and (ii) is not a bona fide employee or agent of a transportation network company or TNC partner, who arranges any transportation subject to Article 15 (§ 46.2-2099.45 et seq.) or negotiates for or holds himself out by solicitation, advertisement, or otherwise as one who arranges for such transportation but does not control the manner in which such transportation is provided.

"TNC broker insurance" means a motor vehicle liability insurance policy that specifically covers liabilities arising while the TNC partner is en route to a passenger pursuant to arrangements made by a TNC broker.

"TNC insurance" means a motor vehicle liability insurance policy that specifically covers liabilities arising from a TNC partner's operation of a TNC partner vehicle.

"TNC partner" means a person authorized by a transportation network company to use a TNC partner vehicle to provide prearranged rides on an intrastate basis in the Commonwealth.

"TNC partner vehicle" means a personal vehicle authorized by a transportation network company and used by a TNC partner to provide prearranged rides on an intrastate basis in the Commonwealth.

"Trade dress" means a logo, insignia, or emblem attached to or visible from the exterior of a TNC partner vehicle that identifies a transportation network company or digital platform with which the TNC partner vehicle is affiliated.

"Transportation network company" means a person who provides prearranged rides using a digital platform that connects passengers with TNC partners.

§ 46.2-2001. Regulation by Department; reports; prevention of discrimination; regulation of leasing of motor vehicles.

The Department shall supervise, regulate and control all motor carriers, carriers by rail, *TNC brokers*, and brokers not exempted under this chapter doing business in the Commonwealth, and all matters relating to the performance of their public duties and their charges therefor as provided by this chapter, and shall correct abuses therein by such carriers; and to that end the Department may prescribe reasonable rules, regulations, forms and reports for such carriers and brokers in furtherance of the administration and operation of this chapter; and the Department shall have the right at all times to require from such motor carriers, carriers by rail, and brokers special reports and statements, under oath, concerning their business.

The Department shall make and enforce such requirements, rules and regulations as may be necessary to prevent unjust or unreasonable discriminations by any carrier, *TNC broker*, or broker in favor of, or against, any person, locality, community or connecting carrier in the matter of service, schedule, efficiency of transportation or otherwise, in connection with the public duties of such carrier, *TNC broker*, or broker. The Department shall administer and enforce all provisions of this chapter, and may prescribe reasonable rules, regulations and procedure looking to that end.

182 The Department may prescribe and enforce such reasonable requirements, rules and regulations in the
183 matter of leasing of motor vehicles as are necessary to prevent evasion of the Department's regulatory
184 powers.

185 The Department shall work in conjunction with the Department of State Police and local
186 law-enforcement officials to promote uniform enforcement of the laws pertaining to motor carriers and
187 the rules, regulations, forms, and reports prescribed under the provisions of this chapter.

188 **§ 46.2-2001.1. License, permit, or certificate required.**

189 A. It shall be unlawful for any person to operate, offer, advertise, provide, procure, furnish, or
190 arrange by contract, agreement, or arrangement to transport passengers for compensation as a *TNC*
191 *broker*, broker, motor carrier or excursion train operator without first obtaining a license, permit, or
192 certificate, unless otherwise exempted, as provided in this chapter.

193 B. Beginning July 1, 2014, any person making application for a license, permit, or certificate
194 pursuant to this chapter who has violated § 46.2-2001.1, either as a result of a conviction or as a result
195 of an imposition of a civil penalty, shall be denied such license, permit, or certificate for a period of 12
196 months from the date the final disposition of the conviction or imposition of the civil penalty has been
197 rendered.

198 The Department of Motor Vehicles shall require applicants for a license, permit, or certificate to
199 report any conviction or imposition of civil penalties for violations of § 46.2-2001.1.

200 **§ 46.2-2011.11. Established place of business.**

201 A. No license or certificate shall be issued to any applicant that does not have an established place
202 of business, owned or leased by the applicant, where a substantial portion of the activity of the motor
203 carrier, *TNC broker*, or broker business will be routinely conducted and that:

204 1. Satisfies all applicable local zoning regulations;

205 2. Houses all records that the motor carrier, *TNC broker*, or broker is required to maintain by this
206 chapter or by regulations promulgated pursuant to this chapter; and

207 3. Is equipped with a working telephone listed or advertised in the name of the motor carrier, *TNC*
208 *broker*, or broker.

209 B. Every licensee and certificate holder shall maintain an established place of business in accordance
210 with subsection A of this section and keep on file a physical address with the Department. Every
211 licensee and certificate holder shall inform the Department by certified letter or other manner prescribed
212 by the Department of any changes to the motor carrier, *TNC broker*, or broker's mailing address,
213 physical location, telephone number, and legal status, legal name of company, or trade name of
214 company within 30 days of such change.

215 C. Any licensee or certificate holder that relocates his established place of business shall confirm to
216 the Department that the new established place of business conforms to the requirements of subsection A.

217 **§ 46.2-2011.14. Notice of abandonment of service.**

218 Every motor carrier, *TNC broker*, broker, or excursion train operator who ceases operation or
219 abandons his rights under a license, certificate, or permit issued shall notify the Department within ~~thirty~~
220 30 days of such cessation or abandonment.

221 **§ 46.2-2011.16. Reports, records, etc.**

222 A. The Department is hereby authorized to require annual, periodical, or special reports from motor
223 carriers, except such as are exempt from the operation of the provisions of this chapter; to prescribe the
224 manner and form in which such reports shall be made; and to require from such carriers specific
225 answers to all questions upon which the Department may deem information to be necessary. Such
226 reports shall be under oath whenever the Department so requires. The Department may also require any
227 motor carrier to file with it a true copy of each or any contract, agreement, or arrangement between
228 such carrier and any other carrier or person in relation to the provisions of this chapter.

229 B. The Department may, in its discretion, prescribe (i) the forms of any and all accounts, records,
230 and memoranda to be kept by motor carriers and (ii) the length of time such accounts, records, and
231 memoranda shall be preserved, as well as of the receipts and expenditures of money. The Department or
232 its employees shall at all times have access to all lands, buildings, or equipment of motor carriers used
233 in connection with their operations and also all accounts, records, and memoranda, including all
234 documents, papers, and correspondence now or hereafter existing, and kept, or required to be kept, by
235 motor carriers. The Department and its employees shall have authority to inspect and examine any and
236 all such lands, buildings, equipment, accounts, records, and memoranda, including all documents, papers,
237 and correspondence now or hereafter existing and kept or required to be kept by such carriers. These
238 provisions shall apply to receivers of carriers and to operating trustees and, to the extent deemed
239 necessary by the Department, to persons having control, direct or indirect, over or affiliated with any
240 motor carrier.

241 C. As used in this section the term "motor carriers" includes *TNC brokers*, brokers, and excursion
242 train operators.

243 **§ 46.2-2011.22. Violation; criminal penalties.**

A. Any person knowingly and willfully violating any provision of this chapter, or any rule or regulation thereunder, or any term or condition of any certificate, permit, or license, for which a penalty is not otherwise herein provided, is guilty of a misdemeanor and, upon conviction, shall be fined not more than \$2,500 for the first offense and not more than \$5,000 for any subsequent offense. Each day of such violation shall constitute a separate offense.

B. Any person, whether carrier, *TNC broker*, broker, or any officer, employee, agent, or representative thereof, or a TNC partner, who knowingly and willfully by any such means or otherwise fraudulently seeks to evade or defeat regulation as in this chapter shall be deemed guilty of a misdemeanor and, upon conviction thereof, be fined not more than \$500 for the first offense and not more than \$2,000 for any subsequent offense.

C. Any motor carrier, *TNC broker*, broker, or excursion train operator or any officer, agent, employee, or representative thereof, or a TNC partner, who willfully fails or refuses to make a report to the Department as required by this chapter or to keep accounts, records, and memoranda in the form and manner approved or prescribed by the Department, or knowingly and willfully falsifies, destroys, mutilates, or alters any such report, account, record, or memorandum, or knowingly and willfully files any false report, account, record, or memorandum, is guilty of a misdemeanor and, upon conviction, be subject for each offense to a fine of not less than \$100 and not more than \$5,000.

§ 46.2-2099.17. Regulation of brokers.

The Department shall regulate *TNC brokers* and brokers and make and enforce reasonable requirements respecting their licenses, financial responsibility, accounts, records, reports, operations, and practices.

§ 46.2-2099.18. Broker's license required.

No person shall for compensation sell or offer for sale transportation subject to this chapter or shall make any contract, agreement, or arrangement to provide, procure, furnish, or arrange for such transportation or shall hold himself out by advertisement, solicitation, or otherwise as one who sells, provides, procures, contracts, or arranges for such transportation, unless such person holds a *TNC broker's license* or broker's license issued by the Department to engage in such transactions; however, the provisions of this section shall not apply to any carrier holding a certificate or permit under the provisions of this chapter or to any bona fide employee or agent of such motor carrier, so far as concerns transportation to be furnished wholly by such carrier or jointly with other motor carriers holding like certificates or permits.

§ 46.2-2099.19. Broker's license not substitute for other certificates or permits required.

No person who holds a *TNC broker's license* or broker's license under this article shall engage in transportation subject to this chapter unless he holds a certificate or permit as provided in this chapter. In the execution of any contract, agreement, or arrangement to sell, provide, procure, furnish, or arrange for such transportation, it shall be unlawful for ~~such person~~ a broker to employ any carrier by motor vehicle who is not the lawful holder of an effective certificate or permit issued as provided in this chapter or when such certificate or permit does not authorize the carrier to perform the service being acquired.

A person holding a broker's license shall obtain and maintain a copy of the certificate of public convenience and necessity issued to those carriers through which the broker arranges transportation services. *A person holding a TNC broker's license shall obtain and maintain a copy of the credential issued by the transportation network company pursuant to subsection H of § 46.2-2099.48 to those TNC partners through which the broker arranges transportation services.*

§ 46.2-2099.19:1. TNC broker insurance.

A. A TNC broker shall ensure that any TNC partner with whom it arranges transportation that will be provided pursuant to Article 15 (§ 46.2-2099.45 et seq.) has or is provided with TNC broker insurance as provided in this section. TNC broker insurance shall be in effect from the moment a TNC partner is en route to a passenger pursuant to arrangements made by a TNC broker and end when the TNC partner logs on to the transportation network company's digital platform or when the transportation arranged by the TNC broker has been canceled.

B. TNC broker insurance shall provide motor vehicle liability coverage. Such coverage shall be primary and shall provide liability coverage of at least \$50,000 per person and \$100,000 per incident for death and bodily injury and at least \$25,000 for property damage.

C. The requirements for the coverage required by this section may be satisfied by any of the following:

1. TNC broker insurance maintained by a TNC partner;
2. TNC broker insurance maintained by a TNC broker that provides coverage in the event that a TNC partner's insurance policy under subdivision 1 has ceased to exist or has been canceled or in the event that the TNC partner does not otherwise maintain TNC broker insurance; or
3. Any combination of subdivisions 1 and 2.

305 A TNC broker may meet its obligations under this subsection through a policy obtained by a TNC
306 partner pursuant to subdivision 1 or 3 only if the TNC broker verifies that a policy is maintained by the
307 TNC partner and such policy is specifically written to cover the TNC partner's use of a vehicle in
308 connection with a TNC broker.

309 D. In every instance where the TNC broker insurance maintained by a TNC partner to fulfill the
310 insurance obligations of this section has lapsed or ceased to exist, the TNC broker shall provide the
311 coverage required by this section beginning with the first dollar of a claim.

312 E. This section shall not limit the liability of a TNC broker arising out of an accident involving a
313 TNC partner in any action for damages against a TNC broker for an amount above the required
314 insurance coverage.

315 F. Any person, or attorney acting on his behalf, who suffers a loss in an automobile accident with a
316 reasonable belief that the accident involves a TNC partner vehicle driven by a TNC partner in
317 connection with a TNC broker and who provides the TNC broker with the date, approximate time, and
318 location of the accident, the name of the TNC partner, if available, and the accident report, if available,
319 may request in writing from the TNC broker information relating to the insurance coverage and the
320 company providing the coverage. The TNC broker shall respond electronically or in writing within 30
321 days. The TNC broker's response shall contain the following information: (i) the pick-up time of any
322 transportation that the TNC broker had arranged to be provided by the TNC partner within three hours
323 of the automobile accident, (ii) the distance between the site of the automobile accident and the pick-up
324 location, (iii) the name of the insurance carrier providing primary coverage, and (iv) the identity and
325 last known address of the TNC partner.

326 G. No contract, receipt, rule, or regulation shall exempt any TNC broker from the liability that
327 would exist had no contract been made or entered into, and no such contract, receipt, rule, or
328 regulation for exemption from liability for injury or loss occasioned by the neglect or misconduct of
329 such TNC broker shall be valid. The liability referred to in this subsection shall mean the liability
330 imposed by law upon a TNC broker for any loss, damage, or injury to passengers.

331 H. Any insurance required by this section may be placed with an insurer that has been admitted in
332 Virginia or with an insurer providing surplus lines insurance as defined in § 38.2-4805.2.

333 I. Any insurance policy required by this section shall satisfy the financial responsibility requirement
334 for a motor vehicle under § 46.2-706 during the period beginning when such vehicle is en route to a
335 passenger pursuant to arrangements made by a TNC broker and ending when the TNC partner logs on
336 to the transportation network company's digital platform or when the transportation arranged by the
337 TNC broker has been canceled.

338 J. The Department shall not issue a TNC broker's license to any TNC broker that has not certified to
339 the Department that it will ensure that every TNC partner vehicle for which it arranges transportation
340 will be covered by an insurance policy that meets the requirements of this section.

341 K. Each TNC broker shall keep on file with the Department proof of an insurance policy maintained
342 by the TNC broker in accordance with subsection C. Such proof shall be in a form acceptable to the
343 Commissioner. A record of the policy shall remain in the files of the Department six months after the
344 license is revoked or suspended for any cause.

345 L. The Department may suspend a TNC broker license if the licensee fails to comply with the
346 requirements of this section. Any person whose license has been suspended pursuant to this subsection
347 may request a hearing as provided in subsection D of § 46.2-2011.26.

348 M. In a claims coverage investigation, a TNC broker and its insurer shall cooperate with insurers
349 involved in the claims coverage investigation to facilitate the exchange of information, including the
350 dates and times of any accident involving a TNC partner and information regarding transportation
351 arranged by it to be provided by the TNC partner through the TNC broker within three hours of the
352 automobile accident.

353 **§ 46.2-2099.48. General operational requirements for transportation network companies and**
354 **TNC partner.**

355 A. A transportation network company and a TNC partner shall provide passenger transportation only
356 on a prearranged basis and only by means of a digital platform that enables passengers to connect with
357 TNC partners using a TNC partner vehicle. No TNC partner shall transport a passenger unless a
358 transportation network company has matched the TNC partner to that passenger through the digital
359 platform. A TNC partner shall not solicit, accept, arrange, or provide transportation in any other manner.
360 A TNC partner shall not solicit, accept, or arrange transportation except through a transportation
361 network company's digital platform or through a TNC broker.

362 B. A transportation network company shall authorize collection of fares for transporting passengers
363 solely through a digital platform. A TNC partner shall not accept payment of fares directly from a
364 passenger or any other person prearranging a ride or by any means other than electronically via a digital
365 platform.

366 C. A transportation network company with knowledge that a TNC partner has violated the provisions

of subsection A or B shall remove the TNC partner from the transportation network company's digital platform for at least one year.

D. A transportation network company shall publish the following information on its public website and associated digital platform:

1. The method used to calculate fares or the applicable rates being charged and an option to receive an estimated fare;

2. Information about its TNC partner screening criteria, including a description of the offenses that the transportation network company will regard as grounds for disqualifying an individual from acting as a TNC partner;

3. The means for a passenger or other person to report a TNC partner reasonably suspected of operating a TNC partner vehicle under the influence of drugs or alcohol;

4. Information about the company's training and testing policies for TNC partners;

5. Information about the company's standards for TNC partner vehicles; and

6. A customer support telephone number or email address and instructions regarding any alternative methods for reporting a complaint.

E. A transportation network company shall associate a TNC partner with one or more personal vehicles and shall authorize a TNC partner to transport passengers only in a vehicle specifically associated with a TNC partner by the transportation network company. The transportation network company shall arrange transportation solely for previously associated TNC partners and TNC partner vehicles. A TNC partner shall not transport passengers except in a TNC partner vehicle associated with the TNC partner by the transportation network company.

F. A TNC partner shall carry at all times while operating a TNC partner vehicle proof of coverage under each in-force TNC insurance policy, which may be displayed as part of the digital platform, and each in-force personal automobile insurance policy covering the vehicle. The TNC partner shall present such proof of insurance upon request to the Commissioner, a law-enforcement officer, an airport owner and operator, an official of the Washington Metropolitan Area Transit Commission, or any person involved in an accident that occurs during the operation of a TNC partner vehicle. The transportation network company shall require the TNC partner's compliance with the provisions of this subsection.

G. Prior to a passenger's entering a TNC partner vehicle, a transportation network company shall provide through the digital platform to the person prearranging the ride the first name and a photograph of the TNC partner, the make and model of the TNC partner vehicle, and the license plate number of the TNC partner vehicle.

H. A transportation network company shall provide to each of its TNC partners a credential, which may be displayed as part of the digital platform, that includes the following information:

1. The name or logo of the transportation network company;

2. The name and a photograph of the TNC partner; and

3. The make, model, and license plate number of each TNC partner vehicle associated with the TNC partner and the state issuing each such license plate.

The TNC partner shall carry the credential at all times during the operation of a TNC partner vehicle and shall present the credential upon request to law-enforcement officers, airport owners and operators, officials of the Washington Metropolitan Area Transit Commission, or a passenger. The transportation network company shall require the TNC partner's compliance with this subsection.

I. A transportation network company and its TNC partner shall, at all times during a prearranged ride, make the following information available through its digital platform immediately upon request to representatives of the Department, to law-enforcement officers, to officials of the Washington Metropolitan Area Transit Commission, and to airport owners and operators:

1. The name of the transportation network company;

2. The name of the TNC partner and the identification number issued to the TNC partner by the transportation network company;

3. The license plate number of the TNC partner vehicle and the state issuing such license plate; and

4. The location, date, and approximate time that each passenger was or will be picked up.

J. Upon completion of a prearranged ride, a transportation network company shall transmit to the person who prearranged the ride an electronic receipt that includes:

1. A map of the route taken;

2. The date and the times the trip began and ended;

3. The total fare, including the base fare and any additional charges incurred for distance traveled or duration of the prearranged ride;

4. The TNC partner's first name and photograph; and

5. Contact information by which additional support may be obtained.

K. The transportation network company shall adopt and enforce a policy of nondiscrimination on the basis of a passenger's points of departure and destination and shall notify TNC partners of such policy.

428 TNC partners shall comply with all applicable laws regarding nondiscrimination against passengers or
429 potential passengers.

430 A transportation network company shall provide passengers an opportunity to indicate whether they
431 require a wheelchair-accessible vehicle. If a transportation network company cannot arrange
432 wheelchair-accessible service in a TNC partner vehicle in any instance, it shall direct the passenger to an
433 alternate provider of wheelchair-accessible service, if available.

434 A transportation network company shall not impose additional charges for providing services to
435 persons with disabilities because of those disabilities.

436 TNC partners shall comply with all applicable laws relating to accommodation of service animals.

437 A TNC partner may refuse to transport a passenger for any reason not prohibited by law, including
438 any case in which (i) the passenger is acting in an unlawful, disorderly, or endangering manner; (ii) the
439 passenger is unable to care for himself and is not in the charge of a responsible companion; or (iii) the
440 TNC partner has already committed to providing a ride for another passenger.

441 A TNC partner shall immediately report to the transportation network company any refusal to
442 transport a passenger after accepting a request to transport that passenger.

443 L. No transportation network company or TNC partner shall conduct any operation on the property
444 of or into any airport unless such operation is authorized by the airport owner and operator and is in
445 compliance with the rules and regulations of that airport. The Department may take action against a
446 transportation network company that violates any regulation of an airport owner and operator, including
447 the suspension or revocation of the transportation network company's certificate.

448 M. A TNC partner shall access and utilize a digital platform in a manner that is consistent with
449 traffic laws of the Commonwealth.

450 N. In accordance with § 46.2-812, no TNC partner shall operate a motor vehicle for more than 13
451 hours in any 24-hour period.

452 **§ 46.2-2099.52. TNC insurance.**

453 A. ~~On and after January 1, 2016,~~ at all times during the operation of a TNC partner vehicle, a
454 transportation network company or TNC partner shall keep in force TNC insurance as provided in this
455 section.

456 B. The following requirements shall apply to TNC insurance from the moment a TNC partner
457 accepts a prearranged ride request on a transportation network company's digital platform *and is en*
458 *route to the passenger* until the TNC partner completes the transaction on the digital platform or until
459 the prearranged ride is complete, whichever is later:

460 1. TNC insurance shall provide motor vehicle liability coverage. Such coverage shall be primary and
461 the minimum amount of liability coverage for death, bodily injury, and property damage shall be \$1
462 million.

463 2. TNC insurance shall provide uninsured motorist coverage and underinsured motorist coverage.
464 Such coverage shall apply from the moment a passenger enters a TNC partner vehicle until the
465 passenger exits the vehicle. The minimum amount of uninsured motorist coverage and underinsured
466 motorist coverage for death, bodily injury, and property damage shall be \$1 million.

467 3. The requirements of this subsection may be satisfied by any of the following:

- 468 a. TNC insurance maintained by a TNC partner;
469 b. TNC insurance maintained by a transportation network company; or
470 c. Any combination of subdivisions a and b.

471 A transportation network company may meet its obligations under this subsection through a policy
472 obtained by a TNC partner under subdivision a or c only if the transportation network company verifies
473 that the policy is maintained by the TNC partner.

474 4. Insurers providing insurance coverage under this subsection shall have the exclusive duty to
475 defend any liability claim, including any claim against a TNC partner, arising from an accident
476 occurring within the time periods specified in this subsection. Neither the TNC partner's nor the vehicle
477 owner's personal automobile insurance policy shall have the duty to defend or indemnify the TNC
478 partner's activities in connection with the transportation network company, unless the policy expressly
479 provides otherwise for the period of time to which this subsection is applicable or the policy contains an
480 amendment or endorsement to provide that coverage.

481 5. Coverage under a TNC insurance policy shall not be dependent on a personal automobile
482 insurance policy first denying a claim, nor shall a personal automobile insurance policy be required to
483 first deny a claim.

484 6. Nothing in this subsection shall be construed to require a personal automobile insurance policy to
485 provide primary or excess coverage. Neither the TNC partner's nor the vehicle owner's personal
486 automobile insurance policy shall provide any coverage to the TNC partner, the vehicle owner, or any
487 third party, unless the policy expressly provides for that coverage during the period of time to which
488 this subsection is applicable or the policy contains an amendment or endorsement to provide that
489 coverage.

C. The following requirements shall apply to TNC insurance (i) from the moment a TNC partner logs on to a transportation network company's associated digital platform until the TNC partner accepts a request to transport a passenger *and is en route to the passenger* and (ii) from the moment the TNC partner completes the transaction on the digital platform or the prearranged ride is complete, whichever is later, until the TNC partner either accepts another prearranged ride request on the digital platform or logs off the digital platform:

1. TNC insurance shall provide motor vehicle liability coverage. Such coverage shall be primary and shall provide liability coverage of at least \$50,000 per person and \$100,000 per incident for death and bodily injury and at least \$25,000 for property damage.

2. The requirements for the coverage required by this subsection may be satisfied by any of the following:

a. TNC insurance maintained by a TNC partner;

b. TNC insurance maintained by a transportation network company that provides coverage in the event that a TNC partner's insurance policy under subdivision a has ceased to exist or has been canceled or in the event that the TNC partner does not otherwise maintain TNC insurance; or

c. Any combination of subdivisions a and b.

A transportation network company may meet its obligations under this subsection through a policy obtained by a TNC partner pursuant to subdivision a or c only if the transportation network company verifies that the policy is maintained by the TNC partner and is specifically written to cover the TNC partner's use of a vehicle in connection with a transportation network company's digital platform.

D. In the event that the digital platform becomes inaccessible due to failure or malfunction while a TNC partner is en route to or transporting a passenger during a prearranged ride described in subsection B, TNC insurance coverage shall be presumed to be that required in subdivision B 1 until the passenger exits the vehicle.

E. In every instance where TNC insurance maintained by a TNC partner to fulfill the insurance obligations of this section has lapsed or ceased to exist, the transportation network company shall provide the coverage required by this section beginning with the first dollar of a claim.

F. This section shall not limit the liability of a transportation network company arising out of an accident involving a TNC partner in any action for damages against a transportation network company for an amount above the required insurance coverage.

G. Any person, or an attorney acting on his behalf, who suffers a loss in an automobile accident with a reasonable belief that the accident involves a TNC partner vehicle driven by a TNC partner in connection with a transportation network company and who provides the transportation network company with the date, approximate time, and location of the accident, and if available the name of the TNC partner and if available the accident report, may request in writing from the transportation network company information relating to the insurance coverage and the company providing the coverage. The transportation network company shall respond electronically or in writing within 30 days. The transportation network company's response shall contain the following information: (i) whether, at the approximate time of the accident, the TNC partner was logged into the transportation network company's digital platform and, if so logged in, whether a trip request had been accepted or a passenger was in the TNC partner vehicle; (ii) the name of the insurance carrier providing primary coverage; and (iii) the identity and last known address of the TNC partner.

H. No contract, receipt, rule, or regulation shall exempt any transportation network company from the liability that would exist had no contract been made or entered into, and no such contract, receipt, rule, or regulation for exemption from liability for injury or loss occasioned by the neglect or misconduct of such transportation network company shall be valid. The liability referred to in this subsection shall mean the liability imposed by law upon a transportation network company for any loss, damage, or injury to passengers in its custody and care as a transportation network company.

I. Any insurance required by this section may be placed with an insurer that has been admitted in Virginia or with an insurer providing surplus lines insurance as defined in § 38.2-4805.2.

J. Any insurance policy required by this section shall satisfy the financial responsibility requirement for a motor vehicle under § 46.2-706 during the period such vehicle is being operated as a TNC partner vehicle.

K. The Department shall not issue the certificate of fitness required under § 46.2-2099.45 to any transportation network company that has not certified to the Department that every TNC partner vehicle it has authorized to operate on its digital platform is covered by an insurance policy that meets the requirements of this section.

L. Each transportation network company shall keep on file with the Department proof of an insurance policy maintained by the transportation network company in accordance with this section. Such proof shall be in a form acceptable to the Commissioner. A record of the policy shall remain in the files of the Department six months after the certificate is revoked or suspended for any cause.

551 M. The Department may suspend a certificate if the certificate holder fails to comply with the
552 requirements of this section. Any person whose certificate has been suspended pursuant to this
553 subsection may request a hearing as provided in subsection D of § 46.2-2011.26.

554 N. In a claims coverage investigation, a transportation network company and its insurer shall
555 cooperate with insurers involved in the claims coverage investigation to facilitate the exchange of
556 information, including the dates and times of any accident involving a TNC partner and the precise
557 times that the TNC partner logged in and was logged out of the transportation network company's digital
558 platform.