
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 241 Session of
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INTRODUCED BY DeLUCA, COHEN, READSHAW AND GAINNEY,
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REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, JANUARY 28, 2015

AN ACT

1 Amending Titles 53 (Municipalities Generally), 66 (Public
2 Utilities) and 75 (Vehicles) of the Pennsylvania Consolidated
3 Statutes, in taxicabs and limousines in first class cities,
4 further providing for definitions; in general provisions,
5 further providing for definitions; in powers and duties,
6 further providing for power of commission to require
7 insurance; in contract carrier by motor vehicle and broker,
8 further providing for declaration of policy and definitions;
9 providing for transportation network services; in general
10 provisions, further providing for definitions; and, in
11 registration of vehicles, further providing for application
12 for registration.

13 The General Assembly of the Commonwealth of Pennsylvania
14 hereby enacts as follows:

15 Section 1. The definitions of "call or demand service,"
16 "taxicab service" and "limousine service" in section 5701 of
17 Title 53 of the Pennsylvania Consolidated Statutes are amended
18 to read:

19 § 5701. Definitions.

20 The following words and phrases when used in this chapter
21 shall have the meanings given to them in this section unless the
22 context clearly indicates otherwise:

23 * * *

1 "Call or demand service" or "taxicab service." Local common
2 carrier service for passengers, rendered on either an exclusive
3 or nonexclusive basis, where the service is characterized by the
4 fact that passengers normally hire the vehicle and its driver
5 either by telephone call or by hail, or both. The term does not
6 include limousine service. The term shall not include,
7 transportation network service as defined in 66 Pa.C.S. § 102
8 (relating to definitions).

9 * * *

10 "Limousine service."

11 (1) Except as provided in paragraph (2), a motor vehicle
12 providing any of the following services:

13 (i) Local, nonscheduled common carrier service for
14 passengers on an exclusive basis for compensation.

15 (ii) Common carrier service for passengers for
16 compensation:

17 (A) from any airport, railroad station or hotel
18 located in whole or in part in a city of the first
19 class; or

20 (B) to any airport, railroad station or hotel
21 located in whole or in part in a city of the first
22 class from a point within the city of the first
23 class.

24 (2) The term does not include any of the following:

25 (i) Taxicab service.

26 (ii) Service that was otherwise exempt from the
27 jurisdiction of the Pennsylvania Public Utilities
28 Commission prior to the effective date of this
29 subparagraph.

30 (iii) Other paratransit service.

1 (iv) Employee commuter van pooling.

2 (v) A vehicle with a seating capacity of 16 or more
3 persons, including the driver.

4 (vi) Transportation network service as defined in 66
5 Pa.C.S. § 102 (relating to definitions).

6 * * *

7 Section 2. The definitions of "common carrier" and "motor
8 carrier" in section 102 of Title 66 are amended, the definition
9 of "common carrier by motor vehicle" is amended by adding a
10 paragraph and the section is amended by adding definitions to
11 read:

12 § 102. Definitions.

13 Subject to additional definitions contained in subsequent
14 provisions of this part which are applicable to specific
15 provisions of this part, the following words and phrases when
16 used in this part shall have, unless the context clearly
17 indicates otherwise, the meanings given to them in this section:

18 * * *

19 "Common carrier." Any and all persons or corporations
20 holding out, offering, or undertaking, directly or indirectly,
21 service for compensation to the public for the transportation of
22 passengers or property, or both, or any class of passengers or
23 property, between points within this Commonwealth by, through,
24 over, above, or under land, water, or air, and shall include
25 forwarders, but shall not include contract carriers by motor
26 vehicles, or brokers, or any bona fide cooperative association
27 transporting property exclusively for the members of such
28 association on a nonprofit basis. The term shall not include a
29 transportation network company or transportation network company
30 driver.

1 "Common carrier by motor vehicle." Any common carrier who or
2 which holds out or undertakes the transportation of passengers
3 or property, or both, or any class of passengers or property,
4 between points within this Commonwealth by motor vehicle for
5 compensation, whether or not the owner or operator of such motor
6 vehicle, or who or which provides or furnishes any motor
7 vehicle, with or without driver, for transportation or for use
8 in transportation of persons or property as aforesaid, and shall
9 include common carriers by rail, water, or air, and express or
10 forwarding public utilities insofar as such common carriers or
11 such public utilities are engaged in such motor vehicle
12 operations, but does not include:

13 * * *

14 (10) A person or entity that is any of the following:

15 (i) A transportation network company.

16 (ii) A transportation network company driver.

17 * * *

18 "Motor carrier." A common carrier by motor vehicle, and a
19 contract carrier by motor vehicle. The term shall not include a
20 transportation network company or transportation network company
21 driver.

22 * * *

23 "Transportation network company." A company that uses a
24 digital network to connect a passenger with a transportation
25 network company driver for the purpose of transportation.

26 "Transportation network company driver." An individual who
27 uses the individual's personal vehicle to provide a ride for a
28 passenger arranged electronically through a transportation
29 network company.

30 "Transportation network company vehicle." A vehicle used by

1 a transportation network company driver to provide
2 transportation network services.

3 "Transportation network service." A service which meets all
4 of the following:

5 (1) Matches a passenger and driver electronically in
6 advance.

7 (2) Is rendered on an exclusive basis.

8 (3) Is characterized by an individual offering a ride to
9 a passenger in the individual's personal vehicle through a
10 digital network.

11 Section 3. Section 512 of Title 66 is amended to read:

12 § 512. Power of commission to require insurance.

13 (a) Motor carriers.--The commission may, as to motor
14 carriers, prescribe, by regulation or order, such requirements
15 as it may deem necessary for the protection of persons or
16 property of their patrons and the public, including the filing
17 of surety bonds, the carrying of insurance, or the
18 qualifications and conditions under which such carriers may act
19 as self-insurers with respect to such matters. All motor
20 carriers of passengers, whose current liquid assets do not
21 exceed their current liabilities by at least \$100,000, shall
22 cover each and every vehicle, transporting such passengers, with
23 a public liability insurance policy or a surety bond issued by
24 an insurance carrier or a bonding company authorized to do
25 business in this Commonwealth, in such amounts as the commission
26 may prescribe, but not less than \$5,000 for one and \$10,000 for
27 more than one person injured in any one accident.

28 (b) Transportation network companies.--The commission may,
29 in respect to transportation network companies, promulgate
30 regulations or issue orders establishing requirements necessary

1 for the protection of persons or property of their patrons and
2 the public, including the carrying of insurance as required
3 under section 2603 (relating to service standards and
4 requirements of transportation network companies).

5 Section 4. The definition of "broker" in section 2501(b) of
6 Title 66 is amended and paragraph (2) of the definition of
7 "contract carrier by motor vehicle" is amended by adding a
8 subparagraph to read:

9 § 2501. Declaration of policy and definitions.

10 * * *

11 (b) Definitions.--The following words and phrases when used
12 in this part shall have, unless the context clearly indicates
13 otherwise, the meanings given to them in this subsection:

14 "Broker." Any person or corporation not included in the term
15 "motor carrier" and not a bona fide employee or agent of any
16 such carrier, or group of such carriers, who or which, as
17 principal or agent, sells or offers for sale any transportation
18 by a motor carrier, or the furnishing, providing, or procuring
19 of facilities therefor, or negotiates for, or holds out by
20 solicitation, advertisement, or otherwise, as one who sells,
21 provides, furnishes, contracts, or arranges for such
22 transportation, or the furnishing, providing, or procuring of
23 facilities therefor, other than as a motor carrier directly or
24 jointly, or by arrangement with another motor carrier, and who
25 does not assume custody as a carrier. The term shall not include
26 a transportation network company or a transportation network
27 company driver.

28 "Contract carrier by motor vehicle."

29 * * *

30 (2) The term "contract carrier by motor vehicle" does

1 not include:

2 * * *

3 (x) A transportation network company or
4 transportation network company driver.

5 Section 5. Title 66 is amended by adding a chapter to read:

6 CHAPTER 26

7 TRANSPORTATION NETWORK SERVICES

8 Sec.

9 2601. Definitions.

10 2602. Applicability of certain laws and prohibition.

11 2603. Service standards and requirements for transportation
12 network companies.

13 2604. Service standards and requirements for transportation
14 network company drivers.

15 2605. Transportation network company vehicle requirements.

16 2606. Rates and forms of compensation.

17 2607. Regulations.

18 2608. Commission costs.

19 § 2601. Definitions.

20 The following words and phrases when used in this chapter
21 shall have the meanings given to them in this section unless the
22 context clearly indicates otherwise:

23 "Form E." As defined in 52 Pa. Code 1025.1 (relating to
24 definitions).

25 "License." Proof of the commission's approval authorizing a
26 transportation network company to operate a transportation
27 network service in this Commonwealth in accordance with this
28 chapter. The term does not include a certificate of public
29 convenience as described under Ch. 11 (relating to certificates
30 of public convenience).

1 § 2602. Applicability of certain laws and prohibition.

2 (a) Motor carrier laws.--The following laws and regulations
3 of this Commonwealth shall not apply to a transportation network
4 company or transportation network company driver:

5 (1) This title, except that the commission shall
6 regulate transportation network companies, drivers and
7 services under this chapter and Chapters 3 (relating to
8 public utility commission), 5 (relating to powers and
9 duties), 7 (relating to procedure on complaints) and 33
10 (relating to violations and penalties).

11 (2) 53 Pa.C.S. (relating to municipalities generally).

12 (3) Laws and regulations containing special insurance
13 requirements for motor carriers, except as provided in
14 section 2603(a)(3)(vii) (relating to service standards and
15 requirements for transportation network companies).

16 (4) Laws imposing a greater standard of care on motor
17 carriers than that imposed on other drivers or owners of
18 motor vehicles.

19 (5) Laws and regulations imposing special equipment
20 requirements and special accident reporting requirements on
21 motor carriers.

22 (b) Municipal licenses and taxes.--A municipality may not
23 impose a tax on or require a license for a transportation
24 network company or transportation network service.

25 § 2603. Service standards and requirements for transportation
26 network companies.

27 (a) Requirements for transportation network companies.--

28 (1) A transportation network company may not operate in
29 this Commonwealth unless it holds and maintains a license
30 issued by the commission.

1 (2) An application for a license shall be made to the
2 commission in writing, be verified by oath or affirmation and
3 be in the form and contain the information as the commission
4 may, by regulation or order, require.

5 (3) A license shall be issued to a transportation
6 network company applicant if the commission is satisfied that
7 the applicant will do all of the following:

8 (i) Maintain accurate records of all transportation
9 network company drivers providing services arranged
10 through the transportation network company's digital
11 network. The commission shall determine, by regulation or
12 order, the appropriate time period for which the
13 transportation network company shall retain the records
14 of all transportation network company drivers.

15 (ii) Establish a driver training program designed to
16 ensure that each transportation network company driver
17 safely operates the driver's vehicle prior to the driver
18 being permitted to offer transportation network services
19 through the transportation network company. The following
20 shall apply to the driver training program:

21 (A) Each transportation network company shall
22 file its driver training program with the commission
23 upon application for a license to provide a
24 transportation network service.

25 (B) The commission shall establish, through
26 regulation or order, the components each driver
27 training program must include at a minimum.

28 (C) Each transportation network company must
29 file an annual report with the commission on the
30 number of transportation network company drivers

1 currently providing service for the transportation
2 network company that became eligible and completed
3 the driver training program.

4 (iii) Implement a zero tolerance policy on the use
5 of drugs or alcohol while a transportation network
6 company driver provides transportation network services,
7 provide notice of the zero tolerance policy on its
8 publicly accessible Internet website and procedures to
9 report a complaint about a transportation network company
10 driver with whom the passenger was matched and whom the
11 passenger reasonably suspects was under the influence of
12 drugs or alcohol during the course of the ride and
13 immediately suspend the transportation network company
14 driver upon receipt of a passenger complaint alleging a
15 violation of the zero tolerance policy. The suspension
16 shall last the duration of the investigation.

17 (iv) Obtain and review, prior to permitting a person
18 to act as a transportation network company driver on its
19 digital network, a criminal history research report for
20 the person. The following shall apply:

21 (A) The criminal history research report shall
22 be a national criminal background check, including
23 the national sex offender database.

24 (B) A person who has been convicted, within the
25 past seven years, of driving under the influence of
26 drugs or alcohol or of a crime involving property
27 damage and theft may not be a transportation network
28 company driver.

29 (C) A person who has been convicted at any time
30 for fraud, sexual offenses, use of a motor vehicle to

1 commit a felony, acts of violence or acts of terror
2 may not be a transportation network company driver.

3 (v) Obtain and review, prior to permitting a person
4 to act as a transportation network company driver on its
5 digital network, a driving history research report for
6 the person. A person with more than three moving
7 violations in the three-year period prior to the check or
8 a major violation in the three-year period prior to the
9 check may not be a transportation network company
10 driver. The commission shall determine, through
11 regulation or order, the frequency with which the
12 transportation network company must review the driving
13 history of each transportation network company driver.

14 (vi) Display, on the digital application used by the
15 transportation network company to connect transportation
16 network company drivers and passengers, a picture of the
17 transportation network company driver taken within the
18 preceding 12 months, a description of the individual's
19 vehicle used in providing transportation network services
20 and the license plate number of the vehicle.

21 (vii) Maintain commercial liability insurance
22 coverage in the amount of not less than \$1,000,000 per
23 incident, medical payments coverage in the amount of not
24 less than \$5,000 per incident, comprehensive and
25 collision coverage in the amount of not less than \$50,000
26 per incident and uninsured/underinsured motorist coverage
27 in the amount of not less than \$1,000,000 per incident
28 for incidents involving a transportation network company
29 driver while providing transportation network company
30 services. The following shall apply:

1 (A) Transportation network companies that file
2 with the commission, as provided for under
3 subparagraph (ix), at least \$1,000,000 of commercial
4 liability insurance coverage may operate vehicles
5 with a seating capacity of not more than eight
6 passengers, including the driver.

7 (B) Transportation network companies that file
8 with the commission at least \$1,500,000 of commercial
9 liability insurance coverage may operate vehicles
10 with a seating capacity of not more than 10
11 passengers, including the driver.

12 (C) The insurance required under this
13 subparagraph must apply as the primary coverage
14 regardless of any insurance policy held by the
15 transportation network company driver from the time
16 at which the transportation network company driver
17 opens the digital application used by a
18 transportation network company to connect
19 transportation network company drivers and
20 passengers, until the time at which the
21 transportation network company driver closes the
22 application or the passenger safely exits the
23 vehicle, whichever is later.

24 (D) Notwithstanding any insurance coverage held
25 or maintained by the transportation network company
26 driver, the transportation network company's
27 insurance coverage required under this subparagraph
28 shall cover, as the primary insurance coverage, each
29 claim arising for an injury from an incident
30 involving a transportation network company driver

1 while providing transportation network company
2 services during the times set forth in clause (C).
3 (viii) Direct, prior to permitting a person to act
4 as a transportation network company driver on its digital
5 network, that the person notify in writing the person's
6 personal auto insurance company of the person's intent to
7 operate as a driver on the applicant's digital network.
8 The applicant shall be required to maintain a copy of
9 such notification while the person is a transportation
10 network company driver on its digital network and for a
11 period of three years following termination of the
12 driver's affiliation with the applicant.

13 (ix) File with the commission a Form E evidencing
14 its commercial insurance coverage and other coverage as
15 required under subparagraph (vii). Except for the Form E,
16 the commission may not disclose to a third party any
17 information related to the insurance policy. A record
18 disclosed under this subparagraph shall not be subject to
19 disclosure to a third party by the commission, including
20 through a request submitted under the act of February 14,
21 2008 (P.L.6, No.3), known as the Right-to-Know Law.

22 (x) Maintain an Internet website that provides a
23 customer service telephone number or e-mail address and
24 the telephone number of the commission's customer
25 hotline.

26 (b) License.--

27 (1) The commission shall prescribe, through regulation
28 or order, the privileges, rights and authority provided with,
29 and suspension, revocation or renewal requirements for, the
30 issuance of a license under this chapter.

1 (2) A license under this chapter shall not provide the
2 same authority as a certificate of public convenience as
3 described under Chapter 11 (relating to certificates of
4 public convenience).

5 (c) Inspection of records.--Subject to reasonable
6 confidentiality obligations and confidentiality laws, the
7 commission may inspect records to investigate compliance with
8 the requirements of this chapter and regulations issued under
9 section 2606 (relating to rates and forms of compensation).

10 (d) Discrimination in service.--A transportation network
11 company may not, in regard to service, make or grant an
12 unreasonable preference or advantage to a person, corporation or
13 municipal corporation or subject a person, corporation or
14 municipal corporation to an unreasonable prejudice or
15 disadvantage. A transportation network company may not establish
16 or maintain an unreasonable difference, in regard to service,
17 between localities or between classes of service. This
18 subsection does not prohibit the establishment of reasonable
19 classifications of service.

20 § 2604. Service standards and requirements for transportation
21 network company drivers.

22 (a) Separate licenses prohibited.--A separate license may
23 not be required for a transportation network company driver that
24 is approved to provide transportation network services by an
25 approved transportation network company.

26 (b) Requirements for transportation network drivers.--A
27 transportation network company driver must comply with all of
28 the following:

29 (1) Each transportation network company driver must pass
30 a criminal history search and a driving history search as

1 specified in section 2603 (relating to service standards and
2 requirements for transportation network companies).

3 (2) Each transportation network company driver shall be
4 subject to sections 501 (relating to general powers) and 3301
5 (relating to civil penalties for violations).

6 (3) A transportation network company driver must:

7 (i) Possess a valid driver's license, proof of motor
8 vehicle insurance and be at least 21 years of age.

9 (ii) Prior to acting as a transportation network
10 company driver for any approved transportation network
11 company, notify in writing the driver's personal auto
12 insurance company of the driver's intent to operate as a
13 driver for an approved transportation network company and
14 send to the transportation network company a copy of such
15 notification.

16 (iii) In the case of an accident, provide proof of
17 personal insurance and the transportation network
18 company's commercial liability insurance and other
19 coverage as required under section 2603(a)(3)(vii). A
20 transportation network company driver shall have 24 hours
21 to provide proof of the transportation network company's
22 commercial liability insurance and other coverage as
23 required under section 2603(a)(3)(vii).

24 (4) A transportation network company driver may only
25 accept a ride arranged through the approved transportation
26 network company's digital network and may not solicit or
27 accept street-hails or telephone calls.

28 § 2605. Transportation network company vehicle requirements.

29 (a) Authorized vehicles.--A transportation network company
30 vehicle must be an automobile or light duty truck that is

1 equipped and licensed for use on a public highway, including a
2 coupe, sedan, van, minivan, sport utility vehicle, hatchback,
3 convertible or pickup truck.

4 (b) Age of vehicle.--Unless otherwise permitted by the
5 commission, a vehicle may not be operated for purposes of
6 providing transportation network services if it is more than
7 eight model years old.

8 (c) Inspections required.--

9 (1) An annual certificate of inspection must be obtained
10 from an inspection station approved by the Department of
11 Transportation under 67 Pa. Code Ch. 175 (relating to vehicle
12 equipment and inspection) for each transportation network
13 company vehicle.

14 (2) A safety inspection must be conducted by the
15 transportation network company or a third party on each
16 transportation network company vehicle before the vehicle is
17 used to provide transportation network services, and annually
18 thereafter.

19 (3) An inspection under paragraph (2) shall be conducted
20 by an individual who is competent and qualified to make an
21 inspection to ensure that the equipment is in a safe
22 condition to be operated on the highway. The inspection shall
23 include the following:

24 (i) Foot brakes.

25 (ii) Emergency brakes.

26 (iii) Steering mechanism.

27 (iv) Windshield.

28 (v) Rear window and other glass.

29 (vi) Windshield wipers.

30 (vii) Headlights.

- 1 (viii) Tail lights.
- 2 (ix) Turn indicator lights.
- 3 (x) Brake lights.
- 4 (xi) Front seat adjustment mechanism.
- 5 (xii) The opening, closing and locking of doors.
- 6 (xiii) Horn.
- 7 (xiv) Speedometer.
- 8 (xv) Bumpers.
- 9 (xvi) Muffler and exhaust system.
- 10 (xvii) Condition of tires, including tread depth.
- 11 (xviii) Interior and exterior rear view mirrors.
- 12 (xix) Safety belts for driver and passenger.

13 (4) A commission officer may inspect the transportation
14 network company's vehicles to ensure compliance with
15 paragraph (3).

16 § 2606. Rates and forms of compensation.

17 (a) Passenger receipt.--Upon completion of a trip, each
18 transportation network company shall transmit an electronic
19 receipt to the passenger's e-mail address or mobile application
20 documenting the origination and destination of the trip and the
21 total amount paid, if any.

22 (b) Fares.--A transportation network company may offer
23 transportation network services at no charge, suggest a donation
24 or charge a fare. If a fare is charged, a transportation network
25 company must disclose the fare calculation method, the
26 applicable rates being charged and the option for an estimated
27 fare to the passenger before booking the ride. The amount of a
28 donation, charge, fare or other compensation provided or
29 received for transportation network services shall not be
30 subject to review or approval by the commission under Chapter 13

1 (relating to rates and distribution systems).

2 § 2607. Regulations.

3 The commission may promulgate regulations and issue orders to
4 enforce this chapter.

5 § 2608. Commission costs.

6 The program costs for commission implementation and
7 enforcement of this chapter shall be included in the
8 commission's proposed budget and shall be assessed upon
9 transportation network companies in accordance with section
10 510(a) (relating to assessment for regulatory expenses upon
11 public utilities).

12 Section 6. The definition of "bus" in section 102 of Title
13 75 is amended to read:

14 § 102. Definitions.

15 Subject to additional definitions contained in subsequent
16 provisions of this title which are applicable to specific
17 provisions of this title, the following words and phrases when
18 used in this title shall have, unless the context clearly
19 indicates otherwise, the meanings given to them in this section:

20 * * *

21 "Bus."

22 (1) A motor vehicle designed to transport 16 or more
23 passengers, including the driver; or

24 (2) a motor vehicle, other than a taxicab or limousine,
25 designed to transport not more than 15 passengers, including
26 the driver, and used for the transportation of persons for
27 compensation.

28 The term does not include a vehicle used in a ridesharing
29 arrangement, as defined in the act of December 14, 1982

30 (P.L.1211, No.279), entitled "An act providing for ridesharing

1 arrangements and providing that certain laws shall be
2 inapplicable to ridesharing arrangements," [or] a school bus[.]
3 or a motor vehicle designed for carrying not more than 15
4 passengers, exclusive of the driver, that is used as a
5 transportation network company vehicle as defined in 66 Pa.C.S.
6 § 102 (relating to definitions).

7 * * *

8 Section 7. Section 1305(b) of Title 75 is amended to read:
9 § 1305. Application for registration.

10 * * *

11 (b) Evidence of P.U.C. approval for buses and taxis.--Before
12 registering any bus or taxi which is required under the laws of
13 this Commonwealth to obtain a certificate of public convenience
14 from the Pennsylvania Public Utility Commission, the department
15 shall require evidence that the certificate has been issued and
16 has not been revoked or has not expired. This subsection shall
17 not apply to a transportation network company vehicle as defined
18 in 66 Pa.C.S. § 102 (relating to definitions).

19 * * *

20 Section 8. This act shall take effect in 60 days.