

HB 3023 STAFF MEASURE SUMMARY

House Committee On Business and Labor

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 3/18

WHAT THE MEASURE DOES:

Requires transportation network company (TNC) to obtain license from Department of Transportation (ODOT). Directs ODOT to establish licensing program through rule. Preempts local government regulation of TNC. Sets initial and annual licensing fee at \$5,000. Allows airport or other transportation authority to charge fee for use of facility and to designate where TNC can operate on facility. Establishes requirements of drivers, including criminal background check conducted by TNC or other party. Establishes requirements for vehicle. Sets minimum insurance coverage limits. Establishes record keeping requirements for data on rides, drivers, and complaints. Allows ODOT to review random sample of records for purpose of verifying compliance. Allows ODOT to assess civil penalty of up to \$100 per violation. Becomes operative January 1, 2020. Takes effect 91st day following adjournment sine die.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Oregon's cities and counties have authority to regulate taxicabs, limousines, and other vehicles for hire; legislation reaffirming the policy was enacted in 1985. Cities and counties are allowed to restrict the number of licenses, set maximum rates and establish how rates are calculated, establish safety and insurance requirements, and establish route boundaries. In the last decade, the transportation network company (TNC) model (also referred to as "ridesharing") developed to provide prearranged transportation services for compensation through a website or smart phone app to connect drivers using their personal vehicles with riders. Uber and Lyft are TNC companies people are most familiar with. Some cities in Oregon, such as Portland, Salem, and Eugene, have adopted licensing programs tailored to meet local needs.

House Bill 2023 establishes a statewide TNC licensing program administered by the Oregon Department of Transportation.