

## HB 3379 A STAFF MEASURE SUMMARY

### House Committee On Business and Labor

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**Action Date:** 04/08/19

**Action:** Without recommendation as to passage, with amendments, and be referred to Revenue, then to Ways and Means. (Printed A-Eng.)

**Vote:** 6-5-0-0

**Yeas:** 6 - Bynum, Clem, Doherty, Evans, Fahey, Holvey

**Nays:** 5 - Barker, Barreto, Boles, Bonham, Boshart Davis

**Fiscal:** Fiscal impact issued

**Revenue:** Revenue impact issued

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**Meeting Dates:** 3/18, 4/8

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#### WHAT THE MEASURE DOES:

Prohibits transportation network company (TNC) or TNC driver from picking up rider in location unless the TNC has license or authorization to operate within the local government's jurisdiction. Allows local government or Oregon Department of Transportation (ODOT) to license and regulate vehicle-for-hire services and hired drivers. Prohibits ODOT from licensing the service if local government requests ODOT not license the service. Establishes minimum standards of licensing program for application; insurance; background checks; vehicle inspection; and data collection, retention, and sharing. Allows airport or other transportation authority to charge fee for use of facility, to designate where hired driver may pick up riders, and to establish minimum insurance coverage for hired driver. Allows ODOT to charge taxi and TNC per-ride fee to be used to administer provisions of measure. Becomes operative January 1, 2020. Takes effect 91st day following adjournment sine die.

#### ISSUES DISCUSSED:

- Current inability for passengers to be picked up in some local jurisdictions
- Benefits and drawbacks of statewide licensing as opposed to local control
- Benefits of keeping drunk drivers off the road
- Insurance coverage differences based on whether driver is heading to pick up a rider, providing a ride, or waiting for a request to pick up a rider
- Whether TNC service increases congestion and reduces mass transit riders
- Competition with taxicabs
- Views of TNC drivers

#### EFFECT OF AMENDMENT:

Authorizes Oregon Department of Transportation (ODOT) to license a vehicle-for-hire service to operate and for hired driver to provide rides for hire in a jurisdiction in which local government has either entered into intergovernmental agreement with ODOT or has declined to license the service. Prohibits ODOT from licensing the service if local government affirmatively requests ODOT not license the service. Clarifies definition of taxi and transportation network vehicle. Limits price charged to passenger with physical disability. Modifies insurance coverage limits for taxis and TNC. Allows ODOT to charge taxi and TNC per-ride fee to be used to administer provisions of measure. Eliminates enforcement under the Unlawful Trade Practices Act.

#### 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

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"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 3379-A allows local governments and ODOT to regulate TNC operations. The measure prohibits TNC drivers from picking up riders in an area in which the TNC is not licensed to operate; sets minimum standards for insurance, vehicle inspections, background checks, and data sharing; and provides authority for licensing entities, airports, and other transportation districts to impose fees on TNC operations.