A-Engrossed House Bill 3023

Ordered by the House April 16 Including House Amendments dated April 16

Sponsored by Representatives MCLAIN, CLEM, BYNUM; Representatives BARKER, BARRETO, BOSHART DAVIS, LEIF, NEARMAN, SCHOUTEN, SOLLMAN, WILSON, Senators HANSELL, HEARD, MANNING JR, ROBLAN, THOMSEN

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Requires transportation network company that operates in this state to obtain license from Department of Transportation. Requires department to establish licensing program by rule and specifies conditions for obtaining license.

Requires transportation network company to keep certain records and to make certain disclosures to participating drivers and riders. Requires transportation network company to conduct criminal background check on individuals who apply to become participating drivers and to deny applications based on specified criteria.

Requires transportation network company to adopt, and oblige participating drivers to follow, certain policies.

Specifies automobile insurance coverage requirements for participating drivers. Permits insurers

to exclude coverage for activities in which individual engages as participating driver.

Permits department [to annually] each quarter to inspect random sample of records that transportation network company maintains solely for purpose of verifying that transportation network company is complying with Act and to investigate and resolve complaint against transportation network company or participating driver. Requires transportation network company to bar participating driver from digital network if transportation network company substantiates certain complaints against participating driver.

Permits level law or formation of the complaints against participating driver.

Permits local law enforcement to enforce certain provisions of Act under specified conditions. Permits department to collect fee to disburse to local governments for enforcement and separate fees for administering provisions of Act and for deploying charging stations and related infrastructure for electric vehicles throughout state. Permits local government to charge fee for purpose of establishing and implementing transportation program for people who use wheelchairs.

Permits department to impose civil penalty for violation of provisions of Act.

Becomes operative on January 1, 2020.

Takes effect on 91st day following adjournment sine die.

1 A BILL FOR AN ACT

- Relating to transportation network companies; creating new provisions; amending ORS 825.017; and prescribing an effective date.
- 4 Be It Enacted by the People of the State of Oregon:
 - SECTION 1. As used in sections 1 to 15 of this 2019 Act:
 - (1) "Digital network" means a method for requesting a prearranged ride from a participating driver using a software application, a website or another Internet-based electronic technology that a transportation network company provides.
 - (2) "Participating driver" means an individual who:
 - (a) Receives a request through a digital network from a rider for a prearranged ride; and
- 11 (b) Offers or provides a prearranged ride to a rider in exchange for a fee that the rider 12 pays.
 - (3) "Prearranged ride" means transportation that a rider requests from a participating

NOTE: Matter in **boldfaced** type in an amended section is new; matter [italic and bracketed] is existing law to be omitted. New sections are in **boldfaced** type.

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driver by means of a digital network that:

- (a) Begins at the time a participating driver accepts a rider's request for transportation;
- (b) Continues at any time during which the participating driver transports the rider and any other individual for whom the rider also requests transportation; and
- (c) Ends at a destination chosen by the rider or any other individual for which the rider also requests transportation and at the time that the rider, or the last individual for whom the rider requests transportation, exits the participating driver's transportation network company vehicle.
- (4) "Rider" means an individual who uses a digital network to request a prearranged ride from a participating driver.
- (5) "Transportation network company" means a corporation, association, partnership, limited liability company, limited liability partnership or other legal entity that operates a digital network in this state by means of which a participating driver receives a request from a rider for a prearranged ride.
- (6)(a) "Transportation network company vehicle" means a motor vehicle that a participating driver:
 - (A) Owns, leases or has authorization to use; and
 - (B) Actually uses to offer or provide prearranged rides to riders.
 - (b) "Transportation network company vehicle" does not include:
- (A) A taxicab, limousine or other vehicle for hire that is subject to a city's or county's regulation under ORS 221.495 or other applicable laws of this state, administrative rules, or city or county ordinances, resolutions or other measures; or
- (B) A commercial vehicle, as defined in ORS 826.001, that the Department of Transportation registers, licenses or regulates under provisions of law other than sections 1 to 15 of this 2019 Act or rules the department adopts under sections 1 to 15 of this 2019 Act.
- SECTION 2. (1) Notwithstanding any other law to the contrary and except as provided in subsection (2) of this section and section 15 of this 2019 Act, a transportation network company or participating driver is subject to exclusive regulation under sections 1 to 15 of this 2019 Act and is not subject to regulation or taxation as a taxicab, limousine, commercial vehicle, carrier, as defined in ORS 825.005, common carrier or contract carrier or to a local governmental entity's regulation of the rates the transportation network company charges or to any other requirements the local governmental entity may impose as a condition of operation within the local governmental entity's jurisdiction.
 - (2) Sections 1 to 15 of this 2019 Act do not:
- (a) Prevent a local government from enforcing an ordinance, resolution or other law that applies generally and that regulates traffic or provides for public safety; and
 - (b) Prohibit an airport or other transportation authority from:
- (A) Charging a transportation network company a fee for using the airport or other transportation facility if the fee is comparable with fees the airport or other transportation facility charges to other persons that provide ground transportation;
- (B) Entering into a contract, lease or other agreement with a transportation network company for operations on the airport's or other transportation facility's property; or
 - (C) Designating locations for picking up passengers or conducting related operations.
- SECTION 3. (1)(a) Except as provided in paragraph (b) of this subsection, a person may not engage in business as a transportation network company in this state unless the person

1 first obtains a license from the Department of Transportation.

- (b) A person that operated as a transportation network company before the operative date of sections 1 to 15 of this 2019 Act under a local government ordinance, resolution or other regulation may continue to operate under the ordinance, resolution or regulation without first obtaining a license from the department until:
- (A) The department adopts by rule and implements a licensing program under sections 1 to 15 of this 2019 Act; and
- (B) The date that the department specifies for obtaining a license under the rules described in subparagraph (A) of this paragraph.
- (2) The department by rule shall implement a licensing program for transportation network companies that complies with the provisions of sections 1 to 15 of this 2019 Act. At a minimum, an applicant for a license must:
- (a) Submit to the department a certificate of existence or certificate of authorization from the Secretary of State that affirms that the applicant is a business entity that is registered in this state or authorized to transact business in this state; and
 - (b) Identify the name and street address of the applicant's registered agent in this state.
 - (3)(a) The department shall issue a license to an applicant that:
- (A) Meets the requirements specified in sections 1 to 15 of this 2019 Act and rules the department adopts under sections 1 to 15 of this 2019 Act; and
 - (B) Pays a fee of \$5,000 to the department.
- (b) A license the department issues under this subsection expires at the end of the calendar year in which the department issued or renewed the license.
- (c) The department may renew a license to operate as a transportation network company in each subsequent year after the department issues an initial license if a licensee continues to meet the requirements of sections 1 to 15 of this 2019 Act and if the licensee each year pays the fee specified in this subsection.
 - SECTION 4. (1) A transportation network company shall:
- (a) Maintain a record of each prearranged ride that a participating driver provides after receiving a request by means of the transportation network company's digital network. The transportation network company shall maintain the record for a period of not less than three years after the date of the prearranged ride.
- (b) Maintain records of each participating driver who received a request for a prearranged ride by means of the transportation network company's digital network. The transportation network company shall maintain each record for a period of not less than three years after the date on which the participating driver last received a request for a prearranged ride.
 - (c) Require a participating driver, while providing a prearranged ride, to:
- (A) Use a transportation network company vehicle that meets any applicable safety and emissions standards for motor vehicles in the jurisdiction in which the transportation network company vehicle is registered;
- (B) Provide to the transportation network company on a form the Director of Transportation specifies by rule, before the participating driver begins providing prearranged rides, a written report that shows that any transportation network company vehicle the participating driver intends to use with an odometer that registers more than 10,000 miles, or that is more than one year old as of the date on which the participating driver will provide a prearranged

- ride, has undergone and passed a safety inspection that must include the following components of the transportation network company vehicle:
- 3 (i) Brakes;
- 4 (ii) The steering mechanism;
- 5 (iii) Windows and other glass, including all interior and exterior mirrors;
 - (iv) Windshield wipers;
- (v) Headlights, tail lights, brake lights and turn signal lights;
- 8 (vi) The adjustment mechanisms for the front seat or seats;
- 9 (vii) Doors;
- 10 (viii) The horn;
- 11 (ix) The speedometer;
- 12 (x) The bumpers;
- 13 (xi) The muffler and exhaust system;
- 14 (xii) Tires, including the tread depth of the tires; and
- 15 (xiii) Safety belts;

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- (C) Display consistently at all times during which the participating driver is connected to a digital network and available to provide prearranged rides, or is providing prearranged rides, a distinctive sign or emblem in a form that the department approves and that:
- (i) Is sufficiently large and has a sufficient contrast in any colors used so as to enable a person to read the sign or emblem from a distance of at least 50 feet in daylight;
 - (ii) Is reflective, illuminated or otherwise visible in darkness;
- (iii) Identifies the transportation network company with which the participating driver is associated; and
 - (iv) Does not display the words "taxi," "taxi cab" or "cab"; and
- (D) Refrain from displaying a light or sign on top of the transportation network company vehicle with any of the words set forth in subparagraph (C)(iv) of this paragraph, from using a taxi meter or taxi plate or from otherwise attempting to indicate that the transportation network company vehicle is a taxi.
- (d) Prohibit a participating driver from providing a prearranged ride in a transportation network company vehicle that is more than 10 years old as of the date on which the participating driver last provided a prearranged ride.
- (e) Provide in writing to a participating driver, before permitting the participating driver to obtain a request for a prearranged ride from the transportation network company's digital network, a statement that:
- (A) Specifies the type, amount, limits and exclusions and any other relevant information for any automobile insurance coverage the transportation network company provides to the participating driver while the participating driver uses a transportation network company vehicle to provide prearranged rides or is connected to the transportation network company's digital network and available to provide prearranged rides; and
- (B) Notifies the participating driver that an automobile insurance policy for a transportation network company vehicle might not provide coverage during times in which the participating driver uses the transportation network company vehicle to provide prearranged rides or is connected to the transportation network company's digital network and available to provide prearranged rides.
 - (f) Display, on the transportation network company's website or in any interface to the

transportation company's digital network, a picture of a participating driver and the license plate number for the transportation network company vehicle the participating driver will use to provide the prearranged ride. The transportation network company shall ensure that the picture and license plate number is available to the rider before the rider enters into the participating driver's transportation network company vehicle.

- (g) Disclose, before a rider accepts a prearranged ride, in a display on the transportation network company's website or in any interface to the transportation company's digital network:
- (A) The rate or method by which the transportation network company calculates the fee for the prearranged ride; and
- (B) An estimate of the total fee for the prearranged ride, if the rider requests an estimate.
- (h) Transmit to a rider, within 24 hours after a prearranged ride ends, an electronic receipt that lists:
 - (A) The locations at which the prearranged ride began and ended;
- (B) The total distance that the rider traveled during the prearranged ride and the total time that the prearranged ride took; and
 - (C) The total fee, if any, that the transportation network company charged the rider.
- (2) The Department of Transportation by rule shall specify the information that a transportation network company must keep in records the transportation network company maintains under subsection (1)(a) and (b) of this section.
- SECTION 5. (1) An individual who intends to become a participating driver shall submit an application to a transportation network company that:
 - (a) Lists the individual's name, address, age and driver license number; and
- (b) Includes proof of automobile liability insurance that covers the applicant's transportation network company vehicle and proof of the applicant's motor vehicle registration, along with any other information the transportation network company may require to evaluate the application.
- (2) For each individual that a transportation network company intends to engage as a participating driver, the transportation network company shall:
 - (a) Conduct, or have another person conduct, a criminal background check that:
- (A) Uses a criminal records locator or database that is nationwide in scope and validates each criminal record that is located; and
- (B) Searches the United States Department of Justice National Sex Offender Public Website for a match between a listing on the website and the information the individual submits in an application under subsection (1) of this section; and
- (b) Obtain and review, or have another person obtain and review, a driving history report for the individual.
- (3) A transportation network company may not permit an individual to connect to the transportation network company's digital network as a participating driver if the individual:
 - (a) Is not 21 years of age or older;
- (b) Does not have a valid driver license and at least one year of experience as a driver in a United States jurisdiction as of the date of the individual's application under subsection (1) of this section;
 - (c) Does not have proof of registration for the transportation network company vehicle

the individual will use to provide prearranged rides;

- (d) Does not have proof of having automobile liability insurance for the transportation network company vehicle the individual will use to provide prearranged rides;
- (e) Has had, in a period that begins three years before the date of the individual's application under subsection (1) of this section, a license or other authorization to operate a vehicle for hire revoked by a local government in this state;
- (f) Has had, in a period that begins three years before the date of the individual's application under subsection (1) of this section, two or more violations of the basic speed rule or other moving violations or has had a Class A or Class B traffic violation that is the equivalent, in the relevant jurisdiction, of one of these traffic violations:
- (A) Failing to obey a police officer, as defined in ORS 811.535;
- (B) Careless driving, as defined in ORS 811.135; or
 - (C) Violation driving while suspended or revoked, as defined in ORS 811.175;
- 14 (g) Was convicted:

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- 15 (A) In the 10-year period before the date of the individual's application under subsection 16 (1) of this section, of any felony or the equivalent, in the relevant jurisdiction; or
 - (B) In the seven-year period before the date of the individual's application under subsection (1) of this section, of a misdemeanor or, in the relevant jurisdiction, of the equivalent of a misdemeanor that involved:
 - (i) Criminal driving while suspended or revoked, as defined in ORS 811.182;
 - (ii) Driving under the influence of intoxicants, as defined in ORS 813.010;
- 22 (iii) Reckless driving, as defined in ORS 811.140;
- 23 (iv) Fleeing or attempting to elude a police officer, as defined in ORS 811.540 (1)(b)(B);
- 24 (v) Assault in the fourth degree, as defined in ORS 163.160;
- 25 (vi) Strangulation, as defined in ORS 163.187;
- 26 (vii) Menacing, as defined in ORS 163.190; or
- 27 (viii) A sex offense; or
- 28 (h) Matches a listing in the United States Department of Justice National Sex Offender 29 Public Website.
 - <u>SECTION 6.</u> (1) A transportation network company shall adopt, shall display on the transportation network company's website or in any interface to the transportation company's digital network and shall notify each individual that the transportation network company permits to connect to the transportation network company's digital network as a participating driver of the following policies:
 - (a) A participating driver may not solicit or accept a request for a prearranged ride or a request to provide transportation to a rider for compensation other than by means of a transportation network company's digital network.
 - (b) A participating driver may not discriminate against a rider on the basis of the rider's:
- 39 (A) Intended destination;
- 40 (B) Race or color;
 - (C) National origin;
 - (D) Religious belief or affiliation;
 - (E) Sex, sexual orientation, gender or gender identity;
- 44 (F) Marital status;
- 45 (G) Age; or

(H) Disability.

- (c) A participating driver shall comply with all laws that prohibit discrimination on the basis of the categories identified in paragraph (b) of this subsection.
- (d) A participating driver shall comply with all laws that relate to accommodating a rider with a service animal.
- (e) A participating driver may not use drugs or alcohol at any time during which the participating driver is engaged in providing a prearranged ride to a rider or is connected to the transportation network company's digital network and available to receive a request for a prearranged ride.
- (2) A transportation network company shall adopt and shall display on the transportation network company's website, or in any interface to the transportation company's digital network, a policy and procedure by means of which a rider may complain to the transportation network company about a participating driver's violation of a policy the transportation network company adopted under subsection (1) of this section.
- (3)(a) As soon as possible after receiving a complaint from a rider under subsection (2) of this section concerning a violation of subsection (1)(e) of this section, a transportation network company shall suspend a participating driver's ability to connect to the transportation network company's digital network and begin an investigation of the rider's complaint. A participating driver's ability to connect to the transportation network company's digital network must remain suspended until the transportation network company concludes the investigation.
- (b) A transportation network company shall maintain records related to a complaint from a rider under subsection (2) of this section for a period of not less than two years.
- (4) A transportation network company may not, because of a rider's physical disability, impose an additional charge for a participating driver's providing service to the rider.
- SECTION 7. A transportation network company may not create a false impression, if the impression is material to a provision or requirement of sections 1 to 15 of this 2019 Act, or otherwise engage in a deceptive practice to mislead a governmental body or evade the enforcement of any provision or requirement under sections 1 to 15 of this 2019 Act.
- SECTION 8. (1) A transportation network company or a participating driver, or both the transportation network company and the participating driver in combination, shall obtain and keep in force at all times during which the participating driver remains as a participating driver with the transportation network company a primary automobile insurance policy that recognizes that the participating driver is providing prearranged rides for a transportation network company and provides coverage during times in which the participating driver is:
 - (a) Engaged in providing a prearranged ride to a rider; or
- (b) Connected to a digital network and available to receive a request for a prearranged ride.
- (2) A primary automobile policy described in subsection (1) of this section must provide, during times in which a participating driver is connected to a digital network and available to receive a request for a prearranged ride but is not engaged in providing a prearranged ride:
- (a) Coverage with the following limits:
 - (A) \$50,000 for death or bodily injury for each person covered under the policy;

- (B) \$100,000 for death or bodily injury per incident; and
- (C) \$25,000 for property damage;

- (b) Uninsured motorist coverage as required under ORS 742.500 to 742.506, 742.508 and 742.510; and
 - (c) Personal injury protection coverage as provided in ORS 742.518 to 742.542.
 - (3) A primary automobile policy described in subsection (1) of this section must provide, during times in which a participating driver is engaged in providing a prearranged ride:
 - (a) Coverage with a limit of \$1 million for death, bodily injury and property damage;
 - (b) Uninsured motorist coverage as required under ORS 742.500 to 742.506, 742.508 and 742.510; and
 - (c) Personal injury protection coverage as provided in ORS 742.518 to 742.542.
 - (4) If a participating driver's primary automobile insurance policy has lapsed or does not provide the coverage required under this section, the transportation network company with which the participating driver is associated shall provide the required coverage beginning with the first dollar of any claim. The transportation network company has a duty to defend against the claim.
 - (5) An automobile insurance policy that a transportation network company maintains under this section may not require an insurer that provides an automobile insurance policy to a participating driver, or an automobile insurance policy that provides coverage for a participating driver, to deny a claim as a condition of providing coverage under the transportation network company's automobile insurance policy.
 - (6) A transportation network company or participating driver may obtain automobile insurance coverage that meets the requirements of this section from an insurer who has a certificate of authority to transact insurance in this state that the Director of Transportation issued under ORS 731.402 or an eligible surplus lines insurer, as defined in ORS 735.405.
 - (7) An insurance policy that meets the requirements set forth in this section satisfies the financial responsibility requirements for motor vehicles that are set forth in ORS chapter 806.
 - (8) A participating driver shall comply with ORS 806.011 at all times during which the participating driver is engaged in providing a prearranged ride to a rider or is connected to the transportation network company's digital network and available to receive a request for a prearranged ride.
 - (9)(a) If an accident occurs at a time during which a participating driver is engaged in providing a prearranged ride to a rider or is connected to the transportation network company's digital network and available to receive a request for a prearranged ride, the participating driver shall provide all required information about the automobile insurance policy to directly interested parties and insurers and to investigating police officers.
 - (b) If an investigating police officer asks, a participating driver shall disclose to the police officer whether at the time of the accident the participating driver was engaged in providing a prearranged ride to a rider or was connected to the transportation network company's digital network and available to receive a request for a prearranged ride but not engaged in providing a prearranged ride.
 - SECTION 9. (1) An insurer may deny or exclude from an automobile insurance policy any and all coverage for a loss or injury that occurs while the insured is engaged in providing a prearranged ride to a rider or is connected to a transportation network company's digital

network and available to receive a request for a prearranged ride. Notwithstanding the provisions of ORS chapter 806, coverage that an insurer may exclude under the circumstances described in this subsection includes, but is not limited to:

- (a) Liability coverage for death, bodily injury or property damage;
- (b) Uninsured motorist coverage as required under ORS 742.500 to 742.506, 742.508 and 742.510;
- (c) Personal injury protection coverage at the minimum coverage amounts required for private passenger vehicles under ORS 742.518 to 742.542;
 - (d) Coverage for medical payments;

- (e) Comprehensive coverage for physical damage to a motor vehicle; and
- (f) Coverage for collisions and resulting physical damage.
- (2) An insurer that denies or excludes coverage under this section does not have a duty to indemnify any party or defend against a claim brought against a participating driver or a transportation network company to the extent that the insurer denied or excluded coverage for the claim.
- (3) This section does not limit or invalidate an exclusion of the type described in subsection (1) of this section that existed in an automobile insurance policy before the operative date of sections 1 to 15 of this 2019 Act.
- (4) An insurer that defends against a claim or indemnifies a party after denying or excluding coverage for the claim has a right of contribution against any other insurer that provides coverage to a participating driver under section 8 of this 2019 Act.
- (5) A transportation network company and an insurer that provides coverage under section 8 of this 2019 Act shall cooperate fully with an adjuster's or a claim coverage investigation of an accident that involves a participating driver and shall provide in response to a request from a party involved in the accident, an insurer or an investigating police officer the precise times during which the participating driver was engaged in providing a prearranged ride to a rider or was connected to a transportation network company's digital network and available to receive a request for a prearranged ride during a period that begins 12 hours before the time of the accident and ends 12 hours after the time of the accident.
- (6) A transportation network company and an insurer that provides coverage under section 8 of this 2019 Act shall provide a clear description of the insurance coverage, exclusions and limits under the automobile insurance policy to a party involved in an accident, an investigating police officer or another insurer.
- (7) This section does not require an insurer to refer to this section or to use specific language to deny or exclude coverage as provided in this section.
- (8) This section does not preclude an insurer from providing primary or excess automobile insurance coverage for a transportation network company vehicle if the insurer contracts with a participating driver to provide the coverage or if the insurer provides the coverage by endorsement on the participating driver's automobile insurance policy.

SECTION 10. (1) The Department of Transportation each quarter may inspect a random sample of records that a transportation network company maintains under section 4 (1)(a) and (b) of this 2019 Act solely for the purpose of verifying that the transportation network company is complying with sections 1 to 15 of this 2019 Act. The department may also inspect transportation network company documents that are necessary to investigate and resolve a specific complaint against the transportation network company or a participating driver. The

department shall agree with the transportation network company on a method for choosing a sample for inspection under this subsection and on a location at which the inspection occurs.

- (2) A record that is subject to the department's inspection under this section:
- (a) Is confidential and is not subject to disclosure to another person without the written consent of the transportation network company; and
 - (b) Is not a public record and is not subject to disclosure under ORS 192.311 to 192.478.
- (3)(a) A transportation network company may not permit a participating driver to connect to the transportation network company's digital network as a participating driver if the transportation network company substantiates a complaint that the participating driver has engaged in behavior involving unlawful violence or threats of unlawful violence or has engaged in conduct that, if charged as a criminal offense, would constitute:
 - (A) A felony that involves using a motor vehicle;
 - (B) Driving under the influence of intoxicants, as defined in ORS 813.010;
- 15 (C) A sex offense;

- (D) Damage to property; or
- (E) Theft, as described in ORS 164.015.
- (b) The transportation network company shall notify the department immediately after denying a participating driver the ability to connect to the transportation network company's digital network under paragraph (a) of this subsection. In the notice, the transportation network company shall disclose the name of the participating driver and the license plate number of the participating driver's transportation network company vehicle.
- (c) The department shall notify every transportation network company the department has licensed in this state of the transportation network company's action under paragraph (a) of this subsection under a process and within a period of time the department specifies by rule.
- SECTION 11. (1) As used in this section, "local law enforcement officer" means a person that a local government authorizes to carry out enforcement activities described in this section including, but not limited to, a police officer or a regulator inspector.
 - (2) A local government may enforce sections 4 (1)(c) and (d) and 8 of this 2019 Act.
- (3) A local law enforcement officer that enforces section 4 (1)(c) or (d) or 8 of this 2019 Act shall disclose to a participating driver, with any appropriate identification, that the local law enforcement officer is an official of the local government before conducting an inspection or examination.
- (4) The Department of Transportation may by rule impose on a transportation network company a fee of not more than 10 cents for each prearranged ride the transportation network company provides to a rider. The department shall deposit the moneys the department receives under this subsection into the State Treasury to the credit of a subaccount the department establishes for the purpose of disbursing funds to cities in accordance with subsection (6) of this section for the exclusive purpose of conducting enforcement activities under this section. Moneys in the fund are continuously appropriated to the department for the purposes described in this subsection.
- (5) A transportation network company not later than 45 days after the end of each calendar quarter shall:
 - (a) Remit to the department the sum of the fees the transportation network company

collected in accordance with subsection (4) of this section;

- (b) Submit to the department a written report that lists the total number of prearranged rides for which the transportation network company collected a fee required under subsection (4) of this section during the previous calendar quarter; and
- (c) Identify in writing for each city and county in this state the total number of prearranged rides that originated within the boundaries of the city or county during the previous calendar quarter.
- (6) The department, not later than 60 days after the end of each calendar quarter, shall disburse from the moneys in the fund described in subsection (4) of this section to the local government of each city or county within which a prearranged ride originated a sum that is equivalent to the proportion of prearranged rides that originated within the city or county during the previous calendar quarter.

SECTION 12. (1) As used in this section, "qualifying governmental body" means:

- (a) A local government of a city with a population greater than 100,000; or
- (b) The local governments of two or more contiguous and adjacent cities with a combined population greater than 100,000 that have entered into an intergovernmental agreement to jointly run a transportation program for people who use wheelchairs.
- (2)(a) A qualifying governmental body may by ordinance, regulation or other law impose on a transportation network company a fee of not more than 10 cents for each prearranged ride. The qualifying governmental body shall deposit the moneys the qualifying governmental body receives from the transportation network company into a fund and use the moneys in the fund for the exclusive purpose of establishing, implementing and administering a transportation program for people who use wheelchairs.
- (b) A qualifying governmental body that passes an ordinance, regulation or other law described in paragraph (a) of this subsection shall notify the Department of Transportation at least 60 days before the ordinance, regulation or other law becomes effective.
- (c) The department shall notify each transportation network company the department has licensed of the requirements and effective date of each ordinance, regulation or other law of which the department receives notice under paragraph (b) of this subsection.
- (3) A transportation network company not later than 45 days after the end of each calendar quarter shall remit to each qualifying governmental body the fees the transportation network company collected for the purposes set forth in subsection (2) of this section.
- <u>SECTION 13.</u> (1)(a) The Department of Transportation may by rule impose on a transportation network company:
- (A) A fee in an amount the department specifies for each prearranged ride for the purpose of administering the provisions of sections 1 to 15 of this 2019 Act; and
- (B) A fee of two cents for each prearranged ride for the purpose of deploying throughout this state charging stations and related infrastructure for electric vehicles.
- (b) The department shall deposit the moneys the department receives under this subsection into the State Treasury to the credit of a subaccount the department establishes for the purposes set forth in this subsection. Moneys in the subaccount are continuously appropriated to the department for the purposes set forth in this subsection.
- (2) A transportation network company not later than 45 days after the end of each calendar quarter shall remit to the department the fees the transportation network company collected for the purposes set forth in subsection (1) of this section.

- (3) Subsection (1)(a)(B) of this section does not apply to a prearranged ride that a transportation network company provides by means of an electric vehicle.
- (4) Before disbursing moneys for the purpose of providing charging stations and related infrastructure, the department shall consult with each transportation network company from which the department received the proceeds of the fee the department imposed under subsection (1)(a)(B) of this section as to the type and location of all charging stations and related infrastructure that the moneys will fund.

SECTION 14. Section 13 of this 2019 Act is amended to read:

- **Sec. 13.** (1)(a) The Department of Transportation may by rule impose on a transportation network company[:]
- [(A)] a fee in an amount the department specifies for each prearranged ride for the purpose of administering the provisions of sections 1 to 15 of this 2019 Act[; and]
- [(B) A fee of two cents for each prearranged ride for the purpose of deploying throughout this state charging stations and related infrastructure for electric vehicles].
- (b) The department shall deposit the moneys the department receives under this subsection into the State Treasury to the credit of a subaccount the department establishes for the purposes set forth in this subsection. Moneys in the subaccount are continuously appropriated to the department for the purposes set forth in this subsection.
- (2) A transportation network company not later than 45 days after the end of each calendar quarter shall remit to the department the fees the transportation network company collected for the purposes set forth in subsection (1) of this section.
- [(3) Subsection (1)(a)(B) of this section does not apply to a prearranged ride that a transportation network company provides by means of an electric vehicle.]
- [(4) Before disbursing moneys for the purpose of providing charging stations and related infrastructure, the department shall consult with each transportation network company from which the department received the proceeds of the fee the department imposed under subsection (1)(a)(B) of this section as to the type and location of all charging stations and related infrastructure that the moneys will fund.]
- SECTION 15. The Department of Transportation may impose a civil penalty for each of a transportation network company's violations of a provision of sections 1 to 15 of this 2019 Act including, but not limited to, a failure to timely or accurately remit any fees required under section 11, 12 or 13 of this 2019 Act. The department shall impose the civil penalty in accordance with ORS 183.745.

SECTION 16. ORS 825.017 is amended to read:

- 825.017. Except as provided in this section and ORS 825.026 and 825.030, this chapter does not apply to the persons or vehicles described in this section. The exemption under this section applies to the following persons and vehicles:
- (1) Vehicles being used by, or under contract with, any school board, district or person responsible for the administration of elementary or secondary school activities, and engaged exclusively in transporting students or combinations of students and other persons to or from school, to or from authorized school activities or other activities sponsored by the governing board of a public university listed in ORS 352.002, or for purposes provided under ORS 332.427. This exemption shall not be affected by the charging of a fee to cover the costs of the transportation.
 - (2) Vehicles being used in a taxicab operation if the vehicle:
 - (a) Is a passenger vehicle with a passenger seating capacity that does not exceed five;

- (b) Carries passengers for hire where the destination and route traveled may be controlled by a passenger and the fare is calculated on the basis of any combination of an initial fee, distance traveled or waiting time; and
 - (c) Is transporting persons or property, or both, between points in Oregon.
- (3) Vehicles being used for the transportation of property by private carrier by means of a single vehicle or combination of vehicles with a combined weight that does not exceed 8,000 pounds.
 - (4) Vehicles being used in operating implements of husbandry.
 - (5) Vehicles being used as a hearse or ambulance.
 - (6) Vehicles being used over any private road or thoroughfare.
- (7) Vehicles being used on any road, thoroughfare or property, other than a state highway, county road or city street, for the removal of forest products as defined in ORS 321.005, or the product of forest products converted to a form other than logs at or near the harvesting site, or when used for the construction or maintenance of the road, thoroughfare or property, pursuant to a written agreement or permit authorizing the use, construction or maintenance of the road, thoroughfare or property, with:
- (a) An agency of the United States;
 - (b) The State Board of Forestry;
 - (c) The State Forester; or

- (d) A licensee of an agency named in this subsection.
 - (8) Vehicles being used on any county road for the removal of forest products as defined in ORS 321.005, or the products of forest products converted to a form other than logs at or near the harvesting site, if:
 - (a) The use is pursuant to a written agreement entered into with the State Board of Forestry, the State Forester or an agency of the United States, authorizing the owner of the motor vehicle to use the road and requiring the owner to pay for or to perform the construction or maintenance of the county road, including any operator of a motor vehicle retained to transport logs, poles and piling for the owners who are exempt under this section;
 - (b) The board, officer or agency that entered into the agreement or granted the permit, by contract with the county court or board of county commissioners, has assumed the responsibility for the construction or maintenance of the county road; and
 - (c) Copies of the agreements or permits required by this subsection are filed with the Director of Transportation.
 - (9) Vehicles being used in transporting persons with disabilities, with or without their supervisors or assistants, to or from rehabilitation facilities or child care services if the motor vehicle is a passenger motor vehicle with a seating capacity of not more than 12 passengers. The exemption provided by this subsection applies only when the motor vehicle is operated by or under contract with any person responsible for the administration of rehabilitation facilities as defined in ORS 344.710 to 344.730 or child care services provided by a facility licensed under ORS 329A.030 and 329A.250 to 329A.450.
 - (10) Vehicles owned or operated by the United States or by any governmental jurisdiction within the United States except as provided in ORS 825.022. This chapter does apply to vehicles when owned or operated:
 - (a) As a carrier of property for hire;
 - (b) By a transportation district organized under ORS 267.510 to 267.650;
- 45 (c) By a county service district authorized to provide public transportation under ORS 451.010;

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- (d) By an intergovernmental body formed by two or more public bodies, as defined in ORS 174.109, to provide public transportation.
- (11) Vehicles owned or operated by a mass transit district organized under ORS 267.010 to 267.390.
- (12) Vehicles owned or operated by, or under contract with, a person responsible for the construction or reconstruction of a highway under contract with the Department of Transportation or with an agency of the United States when operated within the immediate construction project as described in the governmental agency contract during the construction period.
- (13) Vehicles owned or operated by, or under contract with, a charitable organization when exclusively engaged in performing transportation, either one way or round trip, necessary to the operation of the charitable organization. As used in this subsection, "charitable organization" means an organization that has no capital stock and no provision for making dividends or profits, but derives its funds principally from public and private charity and holds them in trust for the promotion of the welfare of others and not for profit. Any organization claiming an exemption under this subsection shall file an affidavit with the department stating that it is organized and operated in accordance with the requirements of this subsection.
- (14) Passenger vehicles with a passenger seating capacity that does not exceed five when used in the transportation of new telephone books.
- (15) A vehicle that is used in a limousine service operation in which the destination and route traveled may be controlled by the passenger and the fare is calculated on the basis of any combination of initial fee, distance traveled and waiting time if the vehicle:
 - (a) Is a passenger vehicle with a passenger seating capacity that does not exceed eight;
 - (b) Carries passengers for hire between points in Oregon; and
 - (c) Operates on an irregular route basis.
- (16) Fire trucks and rescue vehicles that are designated as emergency vehicles by the Department of Transportation under ORS 801.260, while involved in emergency and related operations.
- (17) A person who provides services related to the packing or loading of household goods if the person does not:
 - (a) Provide or operate a motor vehicle for the movement of the household goods; and
- (b) Act as an agent for any person who does provide or operate a motor vehicle for the movement of the household goods.
- (18) A transportation network company vehicle that a participating driver is using to provide a prearranged ride or is using while the participating driver is connected to a digital network and available to accept a request for a prearranged ride but is not providing a prearranged ride. As used in this subsection, "transportation network company vehicle," "participating driver," "prearranged ride" and "digital network" have the meanings given those terms in section 1 of this 2019 Act.
- SECTION 17. (1) Sections 1 to 15 of this 2019 Act and the amendments to ORS 825.017 by section 16 of this 2019 Act become operative January 1, 2020.
- (2) The amendments to section 13 of this 2019 Act by section 14 of this 2019 Act become operative on January 1, 2026.
- (3) The Director of Transportation may adopt rules and take any other action before the operative date specified in subsection (1) of this section that is necessary to enable the director, on and after the operative date specified in subsection (1) of this section, to exercise

- all of the duties, functions and powers conferred on the director by sections 1 to 15 of this 2 2019 Act and the amendments to ORS 825.017 by section 16 of this 2019 Act.
- SECTION 18. This 2019 Act takes effect on the 91st day after the date on which the 2019 regular session of the Eightieth Legislative Assembly adjourns sine die.
