

HOUSE BILL NO. 924

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Transportation

on _____)

(Patron Prior to Substitute--Delegate Srinivasan)

A BILL to amend and reenact §§ 46.2-2099.48 and 46.2-2100 of the Code of Virginia and to amend the Code of Virginia by adding in Article 15 of Chapter 20 of Title 46.2 a section numbered 46.2-2099.54 and by adding in Article 3 of Chapter 21 of Title 46.2 a section numbered 46.2-2148.1, relating to transportation network companies; delivery network companies; publishing and disclosure requirements; civil penalty.

Be it enacted by the General Assembly of Virginia:

1. That §§ 46.2-2099.48 and 46.2-2100 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Article 15 of Chapter 20 of Title 46.2 a section numbered 46.2-2099.54 and by adding in Article 3 of Chapter 21 of Title 46.2 a section numbered 46.2-2148.1 as follows:

§ 46.2-2099.48. General operational requirements for transportation network companies and TNC partners.

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

B. A transportation network company shall authorize collection of fares for transporting passengers solely through a digital platform. A TNC partner shall not accept payment of fares directly

27 from a passenger or any other person prearranging a ride or by any means other than electronically via a
28 digital platform, unless:

29 1. The ride is booked by a transit system, with a transportation network company with which it has
30 a contract, on behalf of an eligible paratransit passenger;

31 2. The fare is a defined amount, as published by the transit system, and is communicated to the
32 passenger in advance;

33 3. The transportation network company specifically authorizes over the digital network the TNC
34 partner to collect cash for the fare, and that authorization includes the amount to be collected. The
35 transportation network company's digital platform shall provide the TNC partner with a method to
36 acknowledge receipt of the fare when it is collected;

37 4. The passenger receives a receipt for the fare paid; and

38 5. The transit system receives a receipt and full accounting of cash fares monthly, or on demand,
39 through the transportation network company's account dashboard.

40 C. A transportation network company with knowledge that a TNC partner has violated the
41 provisions of subsection A or B shall remove the TNC partner from the transportation network company's
42 digital platform for at least one year.

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

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

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

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

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

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

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

56 7. Separate weekly reports on the average fare collected, total hours worked, and percentage earned
57 by TNC partners for each market area in which such delivery network company operates.

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

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

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

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

- 77 1. The name or logo of the transportation network company;
- 78 2. The name and a photograph of the TNC partner; and
- 79 3. The make, model, and license plate number of each TNC partner vehicle associated with the
80 TNC partner and the state issuing each such license plate.

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

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

- 89 1. The name of the transportation network company;
- 90 2. The name of the TNC partner and the identification number issued to the TNC partner by the
91 transportation network company;
- 92 3. The license plate number of the TNC partner vehicle and the state issuing such license plate;
- 93 and
- 94 4. The location, date, and approximate time that each passenger was or will be picked up.

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

- 97 1. A map of the route taken;
- 98 2. The date and the times the trip began and ended;
- 99 3. The total fare, including the base fare and any additional charges incurred for distance traveled
100 or duration of the prearranged ride;
- 101 4. The TNC partner's first name and photograph; and
- 102 5. Contact information by which additional support may be obtained.

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

105 TNC partners shall comply with all applicable laws regarding nondiscrimination against
106 passengers or potential passengers.

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

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

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

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

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

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

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

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

129 **§ 46.2-2099.54. Required disclosures to TNC partners.**

130 For purposes of this section:

131 "Deactivation process" means conduct that a transportation network company engages in to
132 materially restrict a TNC partner's access to the digital platform, including blocking access to the digital

133 platform, suspending a TNC partner, or changing a TNC partner's status from eligible to ineligible to
134 provide transportation services for the transportation network company.

135 "Fare" means the total amount actually paid by the consumer in a transaction.

136 "Nonlinear compensation system" means an offer of compensation that (i) features hidden
137 algorithms rather than a transparent per-mile, per-minute, or per-trip pay system or (ii) that a transportation
138 network company makes to a TNC partner based on the number or type of delivery or transportation tasks
139 that the TNC partner performs within a certain period of time or in a consecutive manner, including a
140 bonus or payment scheme described as a "quest" or "ride challenge" or other temporary payment scheme.

141 A transportation network company shall disclose to TNC partners the use of any nonlinear
142 compensation system and details about the transportation network company's deactivation process for
143 TNC partners. Transportation network companies shall also provide each TNC partner with a weekly
144 report that includes the average fare collected, total hours worked, and total amount earned by such TNC
145 partner that week.

146 **§ 46.2-2100. Definitions.**

147 Whenever used in this chapter, unless expressly stated otherwise:

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

151 "Certificate of fitness" means a certificate issued by the Department to certain "household goods
152 carriers" under this chapter.

153 "Constructive weight" means a measurement of seven pounds per cubic foot of properly loaded
154 van space.

155 "Delivery network company" means a person that, using a digital platform, sells delivered goods
156 or services and connects consumers with delivery drivers through a digital platform.

157 "Department" means the Department of Motor Vehicles.

158 "Digital platform" means any online-enabled application, software, website, or system offered or
159 utilized by a delivery network company that enables the prearrangement of deliveries with DNC partners
160 as defined in § 46.2-2148.1.

161 "Financial responsibility" means the ability to respond in damages for liability thereafter incurred
162 arising out of the ownership, maintenance, use, or operation of a motor vehicle, in the amounts provided
163 for in this chapter.

164 "Gross weight" means the weight of a truck after a shipment has been loaded.

165 "Highway" means every public highway or place of whatever nature open to the use of the public
166 for purposes of vehicle travel in this Commonwealth, excluding the streets and alleys in towns and cities.

167 "Household goods" means personal effects and property used or to be used in a dwelling, when
168 transported or arranged to be transported (i) between residences or (ii) between a residence and a storage
169 facility with the intent to later transport to a residence. Transportation of such goods must be arranged and
170 paid for by, or on behalf of, the householder.

171 "Household goods carrier" means a carrier who undertakes, whether directly or by a lease or other
172 arrangement, to transport "household goods," as herein defined, by motor vehicle for compensation, on
173 any highway in this Commonwealth, between two or more points in this Commonwealth, whether over
174 regular or irregular routes.

175 "Interstate" means the transportation of property between states.

176 "Intrastate" means the transportation of property solely within a state.

177 "Motor carrier" means any person who undertakes whether directly or by a lease, to transport
178 property, including household goods, as defined by this chapter, for compensation over the highways of
179 the Commonwealth.

180 "Motor vehicle" means any vehicle, machine, tractor, trailer, or semitrailer propelled or drawn by
181 mechanical power and used upon the highways in the transportation of property, but does not include any
182 vehicle, locomotive or car operated exclusively on a rail or rails.

183 "Net weight" means the tare weight subtracted from the gross weight.

184 "Permit" means a permit issued by the Department authorizing the transportation of property,
185 excluding household goods transported for a distance greater than 30 road miles.

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

188 "Property carrier" means any person, not herein exempted, who undertakes either directly or by a
189 lease, to transport property for compensation.

190 "Services" and "transportation" includes the services of, and all transportation by, all vehicles
191 operated by, for, or in the interest of any motor carrier, irrespective of ownership or contract, express or
192 implied, together with all facilities and property operated or controlled by any such carrier or carriers and
193 used in the transportation of property or in the performance of any service in connection therewith.

194 "Tare weight" means the weight of a truck before being loaded at a shipper's residence or place of
195 business, including the pads, dollies, hand-trucks, ramps and other equipment normally used in the
196 transportation of household goods shipments.

197 **§ 46.2-2148.1. Delivery network companies; required disclosures and transparency; civil**
198 **penalty.**

199 A. For purposes of this section:

200 "Deactivation process" means conduct that a delivery network company engages in to materially
201 restrict a DNC partner's access to the digital platform, including blocking access to the digital platform,
202 suspending a DNC partner, or changing a DNC partner's status from eligible to ineligible to provide
203 delivery services for the delivery network company.

204 "DNC partner" means a property carrier authorized by a delivery network company to use a DNC
205 partner vehicle to provide prearranged deliveries on an intrastate basis in the Commonwealth.

206 "DNC partner vehicle" means a personal vehicle authorized by a delivery network company and
207 used by a DNC partner to provide prearranged deliveries on an intrastate basis in the Commonwealth.

208 "Fare" means the total amount actually paid by the consumer in a transaction.

209 "Nonlinear compensation system" means an offer of compensation that (i) features hidden
210 algorithms rather than a transparent per-mile, per-minute, or per-trip pay system or (ii) that a delivery

211 network company makes to a DNC partner based on the number or type of delivery or transportation tasks
212 that the DNC partner performs within a certain period of time or in a consecutive manner, including a
213 bonus or payment scheme described as a "quest" or "delivery challenge" or other temporary payment
214 scheme.

215 B. A delivery network company shall publish on its public website and associated digital platform
216 separate weekly reports on the average fare collected, total hours worked, and percentage earned by DNC
217 partners for each market area in which such delivery network company operates.

218 C. A delivery network company shall disclose to DNC partners the use of any nonlinear
219 compensation system and details about the delivery network company's deactivation process for DNC
220 partners. Delivery network companies shall also provide each DNC partner with a weekly report that
221 includes the average fare collected, total hours worked, and total amount earned by such DNC partner that
222 week.

223 D. Notwithstanding any contrary provision of law, the Attorney General may cause an action to
224 be brought in the appropriate circuit court in the name of the Commonwealth to enjoin any violation of
225 this section, § 46.2-2099.54, and subdivision D 7 of § 46.2-2099.48. The circuit court having jurisdiction
226 may enjoin such violation notwithstanding the existence of an adequate remedy at law. In any action
227 brought pursuant to this section, it shall not be necessary that damages be proved.

228 Any person who violates the provisions of this chapter shall be subject to a civil penalty in an
229 amount not to exceed \$1,000 plus reasonable attorney fees, expenses, and court costs, as determined by
230 the court. Each violation of this chapter shall constitute a separate violation and shall be subject to any
231 civil penalties imposed under this section.

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