

SENATE BILL 54

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EMERGENCY BILL
(PRE-FILED)

6lr1068
CF HB 3

By: **Senators Middleton and Ferguson**

Requested: November 3, 2015

Introduced and read first time: January 13, 2016

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Public Utilities – Transportation Network Services and For-Hire**
3 **Transportation – Clarifications**

4 FOR the purpose of clarifying certain provisions relating to transportation network services
5 and for-hire transportation; expanding the types of insurers writing motor vehicle
6 liability insurance that may exclude certain coverage under certain circumstances;
7 altering the entities that may conduct a certain criminal history records check for
8 sedan companies, limousine companies, taxicab companies, and transportation
9 network companies; allowing the Public Service Commission to disclose certain
10 records or information required by certain orders; allowing the Commission to
11 disclose to the Comptroller certain records or information that relate to certain
12 assessments or obligations; requiring the Commission to provide certain information
13 to the Comptroller on request; clarifying that a certain license hearing officer may
14 hold certain hearings involving certain violations by a transportation network
15 operator, transportation network partner, or transportation network driver licensed
16 or otherwise authorized to provide transportation network services; allowing a
17 certain license hearing officer to hold certain hearings involving certain violations
18 by a sedan company, limousine company, taxicab company, or transportation
19 network company; clarifying that the For-Hire Driving Services Enforcement Fund
20 may be used solely for certain activities related to for-hire driving services;
21 prohibiting a transportation network company from operating in the State unless
22 the transportation network company has been issued a certain permit; requiring the
23 Commission to promptly notify a transportation network company of a certain order
24 under certain circumstances; prohibiting an exempt jurisdiction from imposing more
25 than one assessment or similar charge on a transportation network service;
26 specifying that the sum of certain assessments may not exceed a certain amount;
27 specifying whether a certain county or municipal corporation may impose an
28 assessment; requiring a certain county to notify certain municipal corporations
29 under certain circumstances; requiring a certain municipal corporation to notify a
30 certain county under certain circumstances; specifying when a municipal corporation

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 has certain priority over a county to impose an assessment; specifying when a county
2 has certain priority over a certain municipal corporation; requiring a county and a
3 municipal corporation that enter into a certain agreement to provide a copy of the
4 agreement to the Comptroller; providing the time period and notification
5 requirement before a certain assessment or change in assessment is to take effect;
6 requiring, at the Comptroller's discretion, the Comptroller to distribute assessments
7 in a certain manner; prohibiting the Comptroller from disclosing certain records or
8 information except under certain circumstances; authorizing the Comptroller to
9 review or inspect certain information in a certain manner; requiring that certain
10 provisions of law govern the administration, collection, enforcement, and appeals of
11 certain revenues; clarifying that a person is prohibited from operating a vehicle that
12 provides passenger-for-hire services in the State unless the person is licensed or
13 otherwise authorized by the Commission as a transportation network operator,
14 transportation network partner, or transportation network driver; prohibiting a
15 person from operating a transportation network company unless the person has been
16 issued a certain permit by the Commission; altering a certain intent of the General
17 Assembly; making stylistic changes; making technical corrections; making this Act
18 an emergency measure; and generally relating to transportation network services
19 and for-hire transportation.

20 BY repealing and reenacting, with amendments,
21 Article – Insurance
22 Section 19–517(c)(1), (2), and (5) and (d)(2) and (3)
23 Annotated Code of Maryland
24 (2011 Replacement Volume and 2015 Supplement)

25 BY repealing and reenacting, without amendments,
26 Article – Public Utilities
27 Section 10–101(a), (d), (g), and (m), 10–104.1(a), and 10–404(a)
28 Annotated Code of Maryland
29 (2010 Replacement Volume and 2015 Supplement)

30 BY repealing and reenacting, with amendments,
31 Article – Public Utilities
32 Section 10–101(l), 10–104.1(b), (e), and (h), 10–110(b), 10–112(e), 10–404(b), (e), and
33 (h), 10–406, and 10–502
34 Annotated Code of Maryland
35 (2010 Replacement Volume and 2015 Supplement)

36 BY repealing and reenacting, without amendments,
37 Article – Public Utilities
38 Section 10–101(n)
39 Annotated Code of Maryland
40 (2010 Replacement Volume and 2015 Supplement)
41 (As enacted by Chapter 204 of the Acts of the General Assembly of 2015)

42 BY adding to

1 Article – Public Utilities
 2 Section 10–403.1
 3 Annotated Code of Maryland
 4 (2010 Replacement Volume and 2015 Supplement)

5 BY repealing and reenacting, with amendments,
 6 Chapter 204 of the Acts of the General Assembly of 2015
 7 Section 2

8 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 9 That the Laws of Maryland read as follows:

10 **Article – Insurance**

11 19–517.

12 (c) (1) An [authorized] insurer that writes motor vehicle liability insurance in
 13 the State may exclude any and all coverage and the duty to defend afforded under an
 14 owner’s or operator’s personal motor vehicle insurance policy for any loss or injury that
 15 occurs while the vehicle operator is providing transportation network services.

16 (2) [A motor vehicle] **IF AN** insurer that **WRITES MOTOR VEHICLE**
 17 **LIABILITY INSURANCE IN THE STATE** defends or indemnifies a claim against a driver for
 18 which coverage is excluded under the terms of its policy, **THE INSURER** shall have a right
 19 of contribution against other insurers that provide insurance to the same driver in
 20 satisfaction of the requirements of § 10–405 of the Public Utilities Article at the time of the
 21 loss.

22 (5) If [a motor vehicle] **AN** insurer **THAT WRITES MOTOR VEHICLE**
 23 **LIABILITY INSURANCE IN THE STATE** excludes coverage for providing transportation
 24 network services, the [motor vehicle] insurer shall provide written notice to the named
 25 insured stating that the policy excludes coverage for providing transportation network
 26 services:

27 (i) for a policy initially purchased on or after January 1, 2016, at the
 28 time of issuance; and

29 (ii) for a policy in force before January 1, 2016, at the time the policy
 30 first renews after January 1, 2016.

31 (d) (2) Coverage under a motor vehicle insurance policy maintained by a
 32 transportation network company may not be dependent on a personal [motor vehicle]
 33 insurer **THAT WRITES MOTOR VEHICLE LIABILITY INSURANCE IN THE STATE** first
 34 denying a claim, nor may a personal motor vehicle insurance policy be required to first deny
 35 a claim.

1 (3) Nothing in this section or § 10–405 of the Public Utilities Article
2 precludes [a motor vehicle] AN insurer **THAT WRITES MOTOR VEHICLE LIABILITY**
3 **INSURANCE IN THE STATE** from providing coverage for an operator’s motor vehicle while
4 the operator is providing transportation network services if the [motor vehicle] insurer
5 elects to do so by contract or endorsement.

6 Article – Public Utilities

7 10–101.

8 (a) In this title the following words have the meanings indicated.

9 (d) “For–hire driver’s license” includes:

10 (1) a passenger–for–hire license; and

11 (2) a taxicab driver’s license.

12 (g) “Provide passenger–for–hire services” includes:

13 (1) providing limousine services;

14 (2) providing sedan services; and

15 (3) providing transportation network services.

16 (l) “Transportation network company” means a company that [has been issued a
17 permit by the Commission and] operates in the State using a digital network to connect
18 passengers to transportation network operators or transportation network partners for
19 transportation network services.

20 (m) “Transportation network operator”, “transportation network partner”, or
21 “transportation network driver” means an individual who:

22 (1) has been issued a transportation network operator’s license, or is
23 otherwise authorized, by the Commission to provide transportation network services;

24 (2) receives, through a transportation network company’s digital network
25 application, a connection to a potential passenger to transport the passenger between
26 points chosen by the passenger in exchange for the payment of a fee to the transportation
27 network company; and

28 (3) uses a motor vehicle that is owned, leased, or otherwise authorized for
29 use by the individual and is approved for use in providing transportation network services
30 by the Commission.

1 (n) (1) "Transportation network services" means the activities of an operator
2 during:

3 (i) transportation network coverage period one, during which the
4 operator is logged onto and ready to accept a prearranged ride request made through a
5 transportation network company's digital network application;

6 (ii) transportation network coverage period two, during which the
7 operator accepts a ride request from a passenger that is prearranged through a
8 transportation network company's digital network application, and is traveling to a
9 predetermined location to pick up the passenger; and

10 (iii) transportation network coverage period three, during which the
11 operator transports the passenger and continuing until the passenger departs the motor
12 vehicle.

13 (2) "Transportation network services" does not include providing taxicab
14 services, sedan services, or limousine services.

15 10–104.1.

16 (a) An applicant for a for–hire driver's license may not provide sedan services,
17 limousine services, or taxicab services unless the Commission has authorized the applicant
18 to operate on a provisional basis or has issued a valid temporary or permanent driver's
19 license to provide sedan services, limousine services, or taxicab services.

20 (b) The Commission may approve an applicant and issue a temporary driver's
21 license to the applicant if:

22 (1) the applicant provides all information that the Commission requires for
23 the application, including the information specified in item (2) of this subsection; and

24 (2) the Commission is satisfied with the successful submission of the
25 applicant's:

26 (i) national criminal history records check:

27 1. conducted by [the National Association of Professional
28 Background Screeners] **A CONSUMER REPORTING AGENCY AS DEFINED UNDER §**
29 **14–1201 OF THE OF THE COMMERCIAL LAW ARTICLE** or a comparable entity approved
30 by the Commission; and

31 2. that includes:

32 A. a Multi–State Multi–Jurisdiction Criminal Records
33 Database Search or a search of a similar nationwide database with validation;

1 B. a search of the Sex Offender [and Crimes Against Minors]
2 Registry; and

3 C. a search of the U.S. Department of Justice's National Sex
4 Offender Public Web site; and

5 (ii) driving record check that includes a driving history research
6 report.

7 (e) (1) A sedan company or limousine company may request that the
8 Commission waive the requirement to comply with subsection (c) of this section and instead
9 comply with subsection (b)(2) of this section for applicants and drivers of the sedan company
10 or limousine company.

11 (2) On receipt of a request under paragraph (1) of this subsection, the
12 Commission shall:

13 (i) determine whether the sedan company's or limousine company's
14 process for complying with subsection (b)(2) of this section can be shown to be as
15 comprehensive and accurate as complying with the supplemental criminal background
16 check as set forth under § 10-104(b) of this subtitle; and

17 (ii) within 3 months [of] AFTER receiving the request, determine
18 whether to:

19 1. grant the waiver;

20 2. deny the waiver; or

21 3. approve an alternative process.

22 (h) (1) [Records] **EXCEPT AS PROVIDED IN PARAGRAPHS (2) AND (3) OF**
23 **THIS SUBSECTION, RECORDS OR INFORMATION** provided to the Commission by a sedan
24 company, limousine company, or taxicab company under this section are not subject to
25 release under the Maryland Public Information Act [or any other law].

26 (2) The Commission may not disclose records or information provided to
27 the Commission under this section to any person unless the disclosure is required by
28 subpoena [or], court order, **OR ORDER OF THE MARYLAND TAX COURT**.

29 (3) If a subpoena [or], A court order, **OR AN ORDER OF THE MARYLAND**
30 **TAX COURT** requires the Commission to disclose information provided to the Commission
31 under this section, the Commission shall promptly notify the sedan company, limousine
32 company, or taxicab company before disclosing the **RECORDS OR** information.

33 10-110.

1 (b) The license hearing officer may hold a hearing involving a violation of this
2 division or the Commission's regulations:

3 (1) by a for-hire driver licensed by the Commission, **INCLUDING A**
4 **TRANSPORTATION NETWORK OPERATOR, TRANSPORTATION NETWORK PARTNER,**
5 **OR TRANSPORTATION NETWORK DRIVER LICENSED OR OTHERWISE AUTHORIZED BY**
6 **THE COMMISSION TO PROVIDE TRANSPORTATION NETWORK SERVICES; [and]**

7 (2) except for a violation relating to rates, by a holder of a taxicab permit
8 issued by the Commission; **AND**

9 **(3) BY A SEDAN COMPANY, LIMOUSINE COMPANY, TAXICAB COMPANY,**
10 **OR TRANSPORTATION NETWORK COMPANY.**

11 10-112.

12 (e) The Fund is to be used solely for statewide enforcement activities of the
13 Commission relating to [taxicab services, limousine services, and sedan] **FOR-HIRE**
14 **DRIVING** services.

15 **10-403.1.**

16 **A TRANSPORTATION NETWORK COMPANY MAY NOT OPERATE IN THE STATE**
17 **UNLESS THE COMMISSION HAS ISSUED A PERMIT TO THE TRANSPORTATION**
18 **NETWORK COMPANY.**

19 10-404.

20 (a) An operator may not provide transportation network services unless the
21 Commission has authorized the operator to operate on a provisional basis or has issued a
22 valid temporary or permanent transportation network operator's license to provide
23 transportation network services.

24 (b) The Commission may approve an applicant to be an operator and issue a
25 temporary transportation network operator's license to the applicant if:

26 (1) the applicant provides all information that the Commission requires for
27 the application, including the information specified in item (2) of this subsection; and

28 (2) the Commission is satisfied with the successful submission of the
29 applicant's:

30 (i) national criminal history records check:

1 1. conducted by [the National Association of Professional
2 Background Screeners] **A CONSUMER REPORTING AGENCY AS DEFINED UNDER §**
3 **14-1201 OF THE COMMERCIAL LAW ARTICLE** or a comparable entity approved by the
4 Commission; and

5 2. that includes:

6 A. a Multi-State Multi-Jurisdiction Criminal Records
7 Database Search or a search of a similar nationwide database with validation;

8 B. a search of the Sex Offender [and Crimes Against Minors]
9 Registry; and

10 C. a search of the U.S. Department of Justice's National Sex
11 Offender Public Web site; and

12 (ii) driving record check that includes a driving history research
13 report.

14 (e) (1) A transportation network company may request that the Commission
15 waive the requirement to comply with subsection (c) of this section and instead require
16 compliance with subsection (b)(2) of this section for applicants and operators of the
17 transportation network company.

18 (2) On receipt of a request under paragraph (1) of this subsection, the
19 Commission shall:

20 (i) determine whether the transportation network company's
21 process for complying with subsection (b)(2) of this section can be shown to be as
22 comprehensive and accurate as complying with the supplemental criminal background
23 check as set forth under § 10-104(b) of this title; and

24 (ii) within 3 months [of] **AFTER** receiving the request, determine
25 whether to:

26 1. grant the waiver;

27 2. deny the waiver; or

28 3. approve an alternative process.

29 (h) (1) **[Records] EXCEPT AS PROVIDED IN PARAGRAPHS (2) AND (3) OF**
30 **THIS SUBSECTION, RECORDS OR INFORMATION** provided to the Commission by a
31 transportation network company under this section are not subject to release under the
32 Maryland Public Information Act [or any other law].

1 (2) The Commission may not disclose records or information provided to
2 the Commission under this section to any person unless:

3 **(I) the disclosure is required by subpoena [or], court order, OR**
4 **ORDER OF THE MARYLAND TAX COURT; OR**

5 **(II) THE DISCLOSURE IS TO THE COMPTROLLER UNDER §**
6 **10-406(G)(5) OF THIS SUBTITLE.**

7 (3) If a subpoena [or], court order, **OR ORDER OF THE MARYLAND TAX**
8 **COURT** requires the Commission to disclose information provided to the Commission under
9 this section, the Commission shall promptly notify the transportation network company
10 before disclosing the **RECORDS OR** information.

11 10-406.

12 (a) (1) In this section the following words have the meaning indicated.

13 (2) “Assessment” means a charge imposed by a local jurisdiction on each
14 transportation network service that includes a passenger trip during transportation
15 network coverage period three as described in § 10-101(n)(1)(iii) of this title.

16 (3) “Exempt jurisdiction” means a county or [municipality] **MUNICIPAL**
17 **CORPORATION** that imposed a tax, fee, or charge on for-hire transportation services
18 provided on a per ride or per passenger basis in that county or [municipality] **MUNICIPAL**
19 **CORPORATION** on or before January 1, 2015.

20 (b) **(1) [This] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**
21 **SUBSECTION, THIS** section does not limit the authority of an exempt jurisdiction to impose
22 an assessment, a tax, a fee, or a charge on for-hire transportation services, including
23 transportation network services.

24 **(2) AN EXEMPT JURISDICTION MAY NOT IMPOSE MORE THAN ONE**
25 **ASSESSMENT OR SIMILAR CHARGE ON A TRANSPORTATION NETWORK SERVICE.**

26 (c) (1) In accordance with subsections (d) and (e) of this section, a county or
27 municipality may impose an assessment under this section.

28 (2) Except in an exempt jurisdiction, an assessment **BY A COUNTY OR**
29 **MUNICIPAL CORPORATION** authorized by this section may not exceed 25 cents per trip.

30 (3) **(I)** Except as provided in subsection [(e)(2)]**(E)(5)** of this section
31 [and subject to the limitation in paragraph (2) of this subsection], an assessment may not
32 be imposed on a transportation network service by both a county and a [municipality]
33 **MUNICIPAL CORPORATION.**

1 **(II) IF BOTH A COUNTY AND A MUNICIPAL CORPORATION**
2 **IMPOSE AN ASSESSMENT ON A TRANSPORTATION NETWORK SERVICE IN**
3 **ACCORDANCE WITH SUBSECTION (E)(5) OF THIS SECTION, THE SUM OF THE**
4 **ASSESSMENTS IMPOSED BY BOTH JURISDICTIONS MAY NOT EXCEED 25 CENTS PER**
5 **TRIP.**

6 (4) The revenue generated from an assessment authorized under this
7 section shall be used for transportation purposes.

8 (d) **(1) [A] THIS SUBSECTION APPLIES TO A county or [municipality]**
9 **MUNICIPAL CORPORATION** that licensed or regulated taxicab services on or before
10 January 1, 2015, either directly or through the Commission as provided in § 10–202 of this
11 title[.].

12 **(2) (I) A COUNTY, IN ACCORDANCE WITH SUBPARAGRAPH (II) OF**
13 **THIS PARAGRAPH, OR A MUNICIPAL CORPORATION** may impose an assessment on trips
14 that originate [within] **IN** the county or [municipality] **MUNICIPAL CORPORATION.**

15 **(II) A COUNTY AUTHORIZED TO IMPOSE AN ASSESSMENT UNDER**
16 **THIS SUBSECTION:**

17 1. **MAY IMPOSE AN ASSESSMENT ON TRIPS THAT**
18 **ORIGINATE IN ANY AREA OF THE COUNTY; BUT**

19 2. **MAY NOT IMPOSE AN ASSESSMENT IN A MUNICIPAL**
20 **CORPORATION THAT IS AUTHORIZED TO IMPOSE AN ASSESSMENT UNDER THIS**
21 **SUBSECTION.**

22 **(3) IF A COUNTY OR MUNICIPAL CORPORATION AUTHORIZED TO**
23 **IMPOSE AN ASSESSMENT UNDER THIS SUBSECTION HAS NOT IMPOSED AN**
24 **ASSESSMENT ON TRIPS THAT ORIGINATE IN THE COUNTY OR MUNICIPAL**
25 **CORPORATION BY JULY 1, 2016, THE COUNTY OR MUNICIPAL CORPORATION IS**
26 **SUBJECT TO SUBSECTION (E) OF THIS SECTION.**

27 **(4) (I) IF A COUNTY AUTHORIZED TO IMPOSE AN ASSESSMENT**
28 **UNDER THIS SUBSECTION PLANS TO IMPOSE AN ASSESSMENT UNDER THIS SECTION,**
29 **THE COUNTY SHALL NOTIFY THE MUNICIPAL CORPORATIONS IN THE COUNTY OF**
30 **THE COUNTY’S INTENT TO IMPOSE AN ASSESSMENT.**

31 **(II) IF A MUNICIPAL CORPORATION AUTHORIZED TO IMPOSE AN**
32 **ASSESSMENT UNDER THIS SUBSECTION PLANS TO IMPOSE AN ASSESSMENT UNDER**
33 **THIS SECTION, THE MUNICIPAL CORPORATION SHALL NOTIFY THE COUNTY OF THE**
34 **MUNICIPAL CORPORATION’S INTENT TO IMPOSE AN ASSESSMENT.**

1 (e) (1) This subsection applies to a county **OR MUNICIPAL CORPORATION**
2 that:

3 (i) is not authorized to impose an assessment under subsection (d) of this
4 section; **[and] OR**

5 (ii) **1. IS AUTHORIZED TO IMPOSE AN ASSESSMENT UNDER**
6 **SUBSECTION (D) OF THIS SECTION; BUT**

7 **2. has not imposed an assessment by July 1, 2016.**

8 **(2) IN ACCORDANCE WITH PARAGRAPH (3) OF THIS SUBSECTION AND**
9 **SUBSECTIONS (F) AND (G) OF THIS SECTION, A COUNTY OR MUNICIPAL**
10 **CORPORATION MAY IMPOSE AN ASSESSMENT ON TRIPS THAT ORIGINATE IN THE**
11 **COUNTY OR MUNICIPAL CORPORATION.**

12 **(3) (I) EXCEPT AS PROVIDED UNDER SUBPARAGRAPH (II) OF THIS**
13 **PARAGRAPH:**

14 **1. A MUNICIPAL CORPORATION HAS PRIORITY OVER THE**
15 **COUNTY WHERE THE MUNICIPAL CORPORATION IS LOCATED TO IMPOSE AN**
16 **ASSESSMENT ON TRIPS THAT ORIGINATE IN THE MUNICIPAL CORPORATION; AND**

17 **2. THE COUNTY MAY NOT IMPOSE AN ASSESSMENT ON**
18 **TRIPS THAT ORIGINATE IN THE MUNICIPAL CORPORATION.**

19 **(II) A COUNTY HAS PRIORITY OVER A MUNICIPAL CORPORATION**
20 **TO IMPOSE AN ASSESSMENT ON TRIPS THAT ORIGINATE IN THE MUNICIPAL**
21 **CORPORATION, AND THE MUNICIPAL CORPORATION MAY NOT IMPOSE AN**
22 **ASSESSMENT ON TRIPS THAT ORIGINATE IN THE MUNICIPAL CORPORATION, IF:**

23 **1. THE COUNTY HAS IMPOSED AN ASSESSMENT ON TRIPS**
24 **THAT ORIGINATE IN THE COUNTY UNDER SUBSECTION (D) OF THIS SECTION BY JULY**
25 **1, 2016; AND**

26 **2. THE MUNICIPAL CORPORATION IS NOT AUTHORIZED**
27 **TO IMPOSE AN ASSESSMENT ON TRIPS THAT ORIGINATE IN THE MUNICIPAL**
28 **CORPORATION UNDER SUBSECTION (D) OF THIS SECTION.**

29 **(III) A MUNICIPAL CORPORATION THAT IS NOT AUTHORIZED TO**
30 **IMPOSE AN ASSESSMENT ON TRIPS THAT ORIGINATE IN THE MUNICIPAL**
31 **CORPORATION UNDER SUBSECTION (D) OF THIS SECTION AND THAT IS LOCATED IN**
32 **A COUNTY THAT IS AUTHORIZED TO IMPOSE AN ASSESSMENT ON TRIPS THAT**

1 ORIGINATE IN THE COUNTY UNDER SUBSECTION (D) OF THIS SECTION MAY IMPOSE
 2 AN ASSESSMENT ON TRIPS THAT ORIGINATE IN THE MUNICIPAL CORPORATION
 3 UNDER THIS SUBSECTION AFTER JULY 1, 2016 IF THE COUNTY HAS NOT IMPOSED
 4 AN ASSESSMENT ON TRIPS THAT ORIGINATE IN THE COUNTY BY JULY 1, 2016.

5 [(2)](4) (I) Before [the] A county may impose an assessment ON
 6 TRIPS THAT ORIGINATE in a [municipality] MUNICIPAL CORPORATION UNDER THIS
 7 SUBSECTION, the county shall:

8 [(i)] 1. notify the [municipality] MUNICIPAL CORPORATION of the
 9 county's intent to impose an assessment on transportation network services that originate
 10 in the [municipality] MUNICIPAL CORPORATION; and

11 [(ii)] 2. provide the [municipality] MUNICIPAL CORPORATION
 12 reasonable time to pass an ordinance authorizing the imposition of an assessment.

13 [(3)] (II) Before a [municipality] MUNICIPAL CORPORATION may
 14 impose an assessment ON TRIPS THAT ORIGINATE IN THE MUNICIPAL CORPORATION
 15 UNDER THIS SUBSECTION, the [municipality] MUNICIPAL CORPORATION shall:

16 [(i)] 1. notify the county of the [municipality's] MUNICIPAL
 17 CORPORATION'S intent to impose an assessment; and

18 [(ii)] 2. if the county imposes an assessment, provide the county
 19 reasonable time to notify the Comptroller before the [municipality's] MUNICIPAL
 20 CORPORATION'S assessment becomes effective.

21 [(4)](5) (I) Notwithstanding [paragraphs (2) and (3)] PARAGRAPH (4) of
 22 this subsection[,] AND SUBJECT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH, BOTH
 23 a county and [municipality] A MUNICIPAL CORPORATION AUTHORIZED TO IMPOSE AN
 24 ASSESSMENT UNDER THIS SUBSECTION may IMPOSE AN ASSESSMENT ON A
 25 TRANSPORTATION NETWORK SERVICE IF THE COUNTY AND THE MUNICIPAL
 26 CORPORATION enter into an agreement:

27 1. to share revenues; and

28 2. THAT SPECIFIES THE ALLOCATION OF THE REVENUES
 29 [allocate them in any manner].

30 (II) A COUNTY AND A MUNICIPAL CORPORATION THAT ENTER
 31 INTO AN AGREEMENT UNDER THIS PARAGRAPH TO IMPOSE AN ASSESSMENT ON A
 32 TRANSPORTATION NETWORK SERVICE BY BOTH JURISDICTIONS SHALL PROVIDE A
 33 COPY OF THE AGREEMENT TO THE COMPTROLLER.

1 **(III) IF BOTH A COUNTY AND A MUNICIPAL CORPORATION**
2 **IMPOSE AN ASSESSMENT ON A TRANSPORTATION NETWORK SERVICE UNDER THIS**
3 **PARAGRAPH, THE SUM OF THE ASSESSMENTS IMPOSED BY BOTH JURISDICTIONS**
4 **MAY NOT EXCEED THE AMOUNT UNDER SUBSECTION (C)(3)(II) OF THIS SECTION.**

5 **(f) (1) AT LEAST 120 DAYS BEFORE AN ASSESSMENT IS TO TAKE EFFECT,**
6 **A COUNTY OR MUNICIPAL CORPORATION THAT INTENDS TO IMPOSE AN ASSESSMENT**
7 **SHALL NOTIFY THE COMPTROLLER:**

8 **(I) OF THE AMOUNT OF THE ASSESSMENT;**

9 **(II) OF THE EFFECTIVE DATE OF THE ASSESSMENT; AND**

10 **(III) THAT THE NOTICE REQUIRED UNDER SUBSECTION (E)(4) OF**
11 **THIS SECTION WAS PROVIDED TO THE COUNTY OR MUNICIPAL CORPORATION.**

12 **(2) A county or [municipality] MUNICIPAL CORPORATION that imposes**
13 **an assessment shall notify the Comptroller AT LEAST 120 DAYS BEFORE ANY CHANGE**
14 **IN AN ASSESSMENT IS TO TAKE EFFECT [of]:**

15 **[(1)] (I) OF the amount of the NEW assessment; [and]**

16 **[(2)] (II) [any change in] OF THE EFFECTIVE DATE OF the NEW**
17 **assessment [amount at least 120 days before the new amount takes effect]; AND**

18 **(III) THAT THE NOTICE REQUIRED UNDER SUBSECTION (E)(4) OF**
19 **THIS SECTION WAS PROVIDED TO THE COUNTY OR MUNICIPAL CORPORATION.**

20 **(g) (1) This subsection governs the collection, remittance, accounting, and use**
21 **of revenues from assessments imposed by a county or [municipality] MUNICIPAL**
22 **CORPORATION under this section.**

23 **(2) A transportation network company shall:**

24 **(i) collect assessments on behalf of an operator who accepts a**
25 **request for a ride made through the transportation network company's digital network;**

26 **(ii) collect any assessment, fee, charge, or tax imposed by an exempt**
27 **jurisdiction on a transportation network service; and**

28 **(iii) submit to the Comptroller no later than 30 days after the end of**
29 **a calendar quarter, or as otherwise specified by the Comptroller in regulations:**

30 1. the assessments and other revenues collected by the
31 transportation network company on behalf of the transportation network operators;

1 2. the allocation of the assessments and other revenues
2 attributable to each county or [municipality] MUNICIPAL CORPORATION that has
3 imposed an assessment based on where the trip originated; and

4 3. under oath, a certification that it has submitted the correct
5 amount of assessments and revenues.

6 (3) (i) Subject to subparagraph (ii) of this paragraph, from the
7 assessments and revenues imposed by counties and [municipalities] MUNICIPAL
8 CORPORATIONS, the Comptroller shall distribute each quarter the amount necessary to
9 administer the assessments to an administrative cost account.

10 (ii) The amount distributed to the administrative cost account may
11 not exceed 5% of the revenue from the assessments and other revenue.

12 (4) After making the distribution required by paragraph (2) of this
13 subsection, within 45 days of the end of each calendar quarter, the Comptroller shall
14 distribute the remaining revenue to:

15 (I) the county or [municipality] MUNICIPAL CORPORATION that is
16 the source of the revenue; OR

17 (II) AT THE DISCRETION OF THE COMPTROLLER, THE COUNTY
18 THAT IS THE SOURCE OF THE REVENUE FOR THE COUNTY TO DISTRIBUTE TO THE
19 SOURCE OF REVENUE IN THE COUNTY OR MUNICIPAL CORPORATION.

20 [(5) (i) The Comptroller may inspect, at a transportation network
21 company's place of business or a mutually agreed location, no more than annually, records
22 necessary to ensure that the transportation network company has remitted to the
23 Comptroller the correct revenues and allocations.]

24 (5) **THE COMMISSION SHALL DISCLOSE:**

25 (I) ON THE REQUEST OF THE COMPTROLLER, RECORDS OR
26 INFORMATION THAT RELATE TO THE COLLECTION, REMITTANCE, ACCOUNTING OF
27 REVENUES FROM ASSESSMENTS, OR THE ENFORCEMENT OF THE OBLIGATIONS
28 UNDER THIS SECTION THAT ARE:

29 1. PROVIDED TO THE COMMISSION UNDER THIS
30 SUBTITLE; OR

31 2. CREATED, ISSUED, OR MAINTAINED BY THE
32 COMMISSION IN THE COURSE OF ADMINISTERING THIS SUBTITLE; AND

1 **(II) RECORDS OR INFORMATION REQUIRED BY A SUBPOENA, A**
2 **COURT ORDER, OR AN ORDER OF THE MARYLAND TAX COURT.**

3 **(6) (I) 1. THE COMPTROLLER MAY REVIEW OR INSPECT EACH**
4 **YEAR, AT A TRANSPORTATION NETWORK COMPANY'S PLACE OF BUSINESS OR A**
5 **MUTUALLY AGREED LOCATION, RECORDS NECESSARY TO ENSURE THAT THE**
6 **TRANSPORTATION NETWORK COMPANY HAS REMITTED TO THE COMPTROLLER THE**
7 **CORRECT REVENUES AND ALLOCATIONS.**

8 **2. NOTHING IN THIS SUBPARAGRAPH IS INTENDED TO**
9 **LIMIT THE PERIOD COVERED BY THE COMPTROLLER'S REVIEW OR INSPECTION,**
10 **WHICH MAY INCLUDE MORE THAN 1 YEAR.**

11 (ii) **[Records] EXCEPT AS PROVIDED IN SUBPARAGRAPHS (III)**
12 **AND (IV) OF THIS PARAGRAPH, RECORDS OR INFORMATION** provided to the
13 Comptroller by a transportation network company under this subsection are not subject to
14 release under the Maryland Public Information Act [or any other law].

15 (iii) Subject to subparagraph (iv) of this paragraph, the Comptroller
16 may not disclose records or information provided by a transportation network company
17 unless the disclosure is required by [a] subpoena [or], court order, **OR ORDER OF THE**
18 **MARYLAND TAX COURT.**

19 (iv) **1. If a subpoena [or], A court order, OR AN ORDER OF THE**
20 **MARYLAND TAX COURT** requires the Comptroller to disclose information provided by a
21 transportation network company, the Comptroller shall promptly notify the transportation
22 network company before disclosing the information.

23 **(V) THE COMPTROLLER MAY DISCLOSE RECORDS OR**
24 **INFORMATION PROVIDED BY THE COMMISSION OR A TRANSPORTATION NETWORK**
25 **COMPANY TO:**

26 **1. THE MARYLAND TAX COURT;**

27 **2. A LEGAL REPRESENTATIVE OF THE STATE, TO REVIEW**
28 **THE ASSESSMENT INFORMATION ABOUT A TRANSPORTATION NETWORK COMPANY:**

29 **A. THAT APPLIES FOR REVIEW UNDER TITLE 13 UNDER**
30 **THE TAX – GENERAL ARTICLE;**

31 **B. THAT APPEALS FROM A DETERMINATION UNDER**
32 **TITLE 13 OF THE TAX – GENERAL ARTICLE; OR**

1 **C. AGAINST WHICH AN ACTION TO RECOVER AN**
2 **ASSESSMENT, AN INTEREST, OR A PENALTY IS PENDING OR WILL BE INITIATED**
3 **UNDER TITLE 13 OF THE TAX – GENERAL ARTICLE; AND**

4 **3. ANY LICENSE-ISSUING AUTHORITY OF THE STATE**
5 **REQUIRED BY STATE LAW TO VERIFY THROUGH THE COMPTROLLER THAT:**

6 **A. AN APPLICANT HAS PAID ALL UNDISPUTED TAXES AND**
7 **UNEMPLOYMENT INSURANCE CONTRIBUTIONS PAYABLE TO THE COMPTROLLER OR**
8 **THE SECRETARY OF LABOR, LICENSING, AND REGULATION; OR**

9 **B. THE APPLICANT HAS PROVIDED FOR PAYMENT IN A**
10 **MANNER SATISFACTORY TO THE UNIT RESPONSIBLE FOR COLLECTION.**

11 **(VI) 1. EXCEPT AS PROVIDED UNDER SUBSUBPARAGRAPH 2**
12 **OF THIS SUBPARAGRAPH, RECORDS OR INFORMATION DISCLOSED UNDER**
13 **SUBPARAGRAPH (V)2 AND 3 OF THIS PARAGRAPH ARE NOT SUBJECT TO RELEASE**
14 **UNDER THE MARYLAND PUBLIC INFORMATION ACT.**

15 **2. A PERSON THAT RECEIVES RECORDS OR**
16 **INFORMATION UNDER SUBPARAGRAPH (V)2 AND 3 OF THIS PARAGRAPH MAY NOT**
17 **DISCLOSE THE RECORDS OR INFORMATION UNLESS THE DISCLOSURE IS REQUIRED**
18 **BY SUBPOENA, COURT ORDER, OR ORDER OF THE MARYLAND TAX COURT.**

19 **(7) (I) EXCEPT TO THE EXTENT OF ANY INCONSISTENCY WITH THIS**
20 **SUBSECTION, THE PROVISIONS OF TITLES 11 AND 13 OF THE TAX – GENERAL**
21 **ARTICLE THAT APPLY TO THE SALES AND USE TAX SHALL GOVERN THE**
22 **ADMINISTRATION, COLLECTION, ENFORCEMENT, AND APPEALS OF THE REVENUES**
23 **FROM ASSESSMENTS UNDER THIS SECTION.**

24 **(II) THE LIMITATIONS GOVERNING THE SALES AND USE TAX**
25 **UNDER § 13-1102 OF THE TAX – GENERAL ARTICLE APPLY TO THE ASSESSMENTS**
26 **IMPOSED UNDER THIS SECTION.**

27 **[(6)](8) The Comptroller may adopt regulations or other requirements or**
28 **procedures to carry out the provisions of this section, including requirements and**
29 **procedures regarding the administration, collection, and enforcement of the assessment.**

30 10-502.

31 **(a) A person may not operate a vehicle that provides passenger-for-hire services**
32 **in the State:**

1 (1) unless the person is licensed as a passenger-for-hire driver by the
2 Commission, **INCLUDING A PERSON WHO IS LICENSED OR OTHERWISE AUTHORIZED**
3 **BY THE COMMISSION AS A TRANSPORTATION NETWORK OPERATOR,**
4 **TRANSPORTATION NETWORK PARTNER, OR TRANSPORTATION NETWORK DRIVER;** or

5 (2) in violation of this title or Title 9, Subtitle 2 of this article.

6 (b) A person may not operate a vehicle that provides taxicab services in the State:

7 (1) unless the person is licensed as a taxicab driver by the Commission or
8 a county or municipal corporation; or

9 (2) that is under the jurisdiction of the Commission, in violation of this
10 title.

11 (c) **A PERSON MAY NOT OPERATE A TRANSPORTATION NETWORK COMPANY**
12 **IN THE STATE UNLESS THE PERSON HAS BEEN ISSUED A PERMIT AS A**
13 **TRANSPORTATION NETWORK COMPANY BY THE COMMISSION.**

14 (D) Subject to the hearing provisions of § 3-102(c) of this article, the Commission
15 may impose on a person who violates this section a civil penalty not exceeding \$500 for each
16 violation.

17 Chapter 204 of the Acts of 2015

18 SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General
19 Assembly that:

20 (1) the insurance coverages for transportation network companies and
21 transportation network operators required under this Act be provided, to the extent
22 available, by insurance carriers admitted in the State; and

23 (2) the Maryland Insurance Administration expedite review of applications
24 by [authorized] insurers for approval of insurance products for transportation network
25 services, and that these products become available for purchase by July 1, 2016.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency
27 measure, is necessary for the immediate preservation of the public health or safety, has
28 been passed by a ye and nay vote supported by three-fifths of all the members elected to
29 each of the two Houses of the General Assembly, and shall take effect from the date it is
30 enacted.