

SENATE BILL No. 347

DIGEST OF INTRODUCED BILL

Citations Affected: IC 8-2.1; IC 9-19-11-1; IC 36-9-2-4.

Synopsis: Transportation network companies. Requires a transportation network company (TNC) to have a permit issued by the Indiana department of transportation to provide TNC services in Indiana. Establishes requirements that a TNC must satisfy in order to be issued a permit. Provides that a person that violates TNC requirements commits a Class A infraction. Provides that a person that violates TNC requirements related to accessibility is subject to an additional penalty of up to \$10,000. Establishes the accessible transportation fund to provide grants to TNCs that provide accessible services. Deposits the additional penalties in the fund.

Effective: July 1, 2015.

Yoder

January 8, 2015, read first time and referred to Committee on Homeland Security & Transportation.



First Regular Session 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

SENATE BILL No. 347

A BILL FOR AN ACT to amend the Indiana Code concerning transportation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 8-2.1-17-16 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 16. "Taxicab" means
3 a motor vehicle that:

- 4 (1) is designed and constructed to accommodate and transport not
- 5 more than six (6) passengers in addition to the driver;
- 6 (2) does not operate over any definite and designated routes
- 7 within the corporate boundaries of a city or town and the
- 8 suburban territory of a city or town; and
- 9 (3) transports passengers to the destination designated by the
- 10 passengers at the time of their transportation.

11 **The term does not include a vehicle operated by a transportation**
12 **network company driver.**

13 SECTION 2. IC 8-2.1-17-18 IS ADDED TO THE INDIANA CODE
14 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY
15 1, 2015]: **Sec. 18. "Transportation network company" or "TNC"**
16 **means an entity that uses a digital network or software application**



1 service to connect passengers to services provided by
 2 transportation network company drivers. The term does not
 3 include:

4 (1) taxicab associations; or

5 (2) for hire vehicle owners.

6 SECTION 3. IC 8-2.1-17-19 IS ADDED TO THE INDIANA CODE
 7 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 8 1, 2015]: **Sec. 19. "Transportation network company driver" or**
 9 **"TNC driver" means an individual who operates a motor vehicle**
 10 **that is:**

11 (1) owned, leased, or otherwise authorized for use by the
 12 individual; and

13 (2) used by the individual to provide transportation network
 14 company services.

15 **The term does not include the operator of a taxicab or a for hire**
 16 **vehicle.**

17 SECTION 4. IC 8-2.1-17-20 IS ADDED TO THE INDIANA CODE
 18 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 19 1, 2015]: **Sec. 20. (a) "Transportation network company services"**
 20 **or "TNC services" means services that are:**

21 (1) provided by a transportation network company to a
 22 passenger; and

23 (2) prearranged by the passenger through the use of a TNC
 24 digital network or software application.

25 (b) The term includes the following:

26 (1) The acceptance by a TNC driver of a passenger's request
 27 for transportation between locations chosen by the passenger.

28 (2) The transportation by a TNC driver of a passenger in the
 29 TNC driver's vehicle.

30 (3) The exit of a passenger from a TNC driver's vehicle.

31 (c) The term does not include:

32 (1) any events that occur after a passenger exits a TNC
 33 driver's vehicle; or

34 (2) services rendered by a taxicab or a limousine.

35 SECTION 5. IC 8-2.1-19-3 IS ADDED TO THE INDIANA CODE
 36 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 37 1, 2015]: **Sec. 3. This chapter does not apply to a vehicle operated**
 38 **by a transportation network company driver.**

39 SECTION 6. IC 8-2.1-19.1 IS ADDED TO THE INDIANA CODE
 40 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 41 JULY 1, 2015]:

42 **Chapter 19.1. Transportation Network Companies**



1 **Sec. 1. (a) A transportation network company may not operate**
 2 **in Indiana without a permit issued under section 3 of this chapter.**

3 **(b) The fee for a permit is five thousand dollars (\$5,000).**

4 **(c) A permit is valid for one (1) year from the date of issuance.**

5 **Sec. 2. A TNC or a TNC driver is not:**

6 **(1) a common carrier;**

7 **(2) a contract carrier; or**

8 **(3) a motor carrier.**

9 **Sec. 3. The department shall issue a permit to a TNC that:**

10 **(1) pays the fee under section 1(b) of this chapter; and**

11 **(2) satisfies the following requirements:**

12 **(A) Establishes a zero tolerance policy for drug and alcohol**
 13 **use under section 5 of this chapter.**

14 **(B) Requires compliance with applicable vehicle**
 15 **requirements under section 6 of this chapter.**

16 **(C) Imposes motor vehicle insurance requirements that**
 17 **meet or exceed the requirements under section 7 of this**
 18 **chapter.**

19 **(D) Establishes fare guidelines under section 8 of this**
 20 **chapter.**

21 **(E) Establishes a privacy policy under section 9 of this**
 22 **chapter.**

23 **(F) Adopts nondiscrimination and accessibility policies**
 24 **under section 10 of this chapter.**

25 **(G) Establishes record maintenance guidelines under**
 26 **section 11 of this chapter.**

27 **Sec. 4. (a) Before a TNC employs an individual as a TNC driver,**
 28 **the TNC shall:**

29 **(1) require the individual to submit to the TNC an application**
 30 **that includes:**

31 **(A) the individual's name, address, and age;**

32 **(B) a copy of the individual's driver's license;**

33 **(C) a copy of the certificate of registration for the vehicle**
 34 **that the individual will use to provide TNC services;**

35 **(D) proof of financial responsibility for the vehicle**
 36 **described in clause (C); and**

37 **(E) any other information required by the TNC;**

38 **(2) with respect to the individual, conduct, or contract with a**
 39 **third party to conduct:**

40 **(A) a local and national criminal background check; and**

41 **(B) a search of the national sex offender registry; and**

42 **(3) obtain a copy of the individual's driving record maintained**



1 under IC 9-14-3-7.

2 (b) A TNC may not employ as a TNC driver an individual:

3 (1) who has been convicted of one (1) or more traffic
4 violations in the three (3) preceding years;

5 (2) against whom a judgment has been entered for more than
6 three (3) traffic violations in the preceding three (3) years;

7 (3) who has been convicted of a felony in the seven (7)
8 preceding years;

9 (4) who is a match in the national sex offender registry;

10 (5) who is unable to provide information required under
11 subsection (a); or

12 (6) who is less than nineteen (19) years of age.

13 Sec. 5. (a) A TNC shall establish and enforce a zero tolerance
14 policy for drug and alcohol use by TNC drivers during any period
15 when a TNC driver is providing, or is available to provide TNC
16 services. The policy must include provisions for:

17 (1) investigations of alleged policy violations; and

18 (2) suspensions of TNC drivers under investigation.

19 (b) A TNC shall publish on the TNC's Internet web site:

20 (1) the policy established under subsection (a); and

21 (2) the procedure by which a passenger may report a violation
22 of the policy by a TNC driver.

23 Sec. 6. A TNC must require that a vehicle used to provide TNC
24 services must comply with all applicable laws and regulations
25 concerning vehicle equipment.

26 Sec. 7. (a) A TNC or the owner of a vehicle used to provide TNC
27 services shall maintain motor vehicle insurance that meets the
28 following requirements:

29 (1) The insurance product is issued by an insurance company
30 that holds a certificate of authority to do insurance business
31 in Indiana.

32 (2) The insurance provides primary liability coverage:

33 (A) for liability arising from the provision of TNC services;
34 and

35 (B) in an amount equal to at least one million dollars
36 (\$1,000,000) per occurrence for death, personal injury, and
37 property damage.

38 (3) During the period when a TNC driver is available to
39 receive requests for, but is not providing TNC services, the
40 insurance provides liability coverage in the following
41 amounts:



- 1 (A) An amount equal to at least fifty thousand dollars
2 (\$50,000) per person for bodily injury.
- 3 (B) An amount equal to at least one hundred thousand
4 dollars (\$100,000) per occurrence for personal injury to
5 two (2) or more individuals.
- 6 (C) An amount equal to at least twenty-five thousand
7 dollars (\$25,000) per occurrence for property damage.
- 8 (b) A TNC or the owner of a vehicle used to provide TNC
9 services may maintain coverage described in subsection (a)(3)
10 through a combination of policies maintained by the TNC, the
11 owner, or both the TNC and the owner.
- 12 Sec. 8. (a) A TNC shall establish guidelines under which a TNC
13 may charge a fare for TNC services. The guidelines must require
14 the following:
- 15 (1) Disclosure of the fare calculation method:
- 16 (A) on the TNC's Internet web site; or
17 (B) within the TNC's software application service.
- 18 (2) Publication to passengers of applicable rates at the time of
19 service.
- 20 (3) Providing an estimated fare to a passenger before the
21 passenger enters a vehicle operated by a TNC driver.
- 22 (4) Payment of a fare only by electronic means using the
23 TNC's digital network or software application service.
- 24 (b) A TNC driver may not solicit or accept cash payments from
25 passengers.
- 26 Sec. 9. (a) A TNC shall establish a privacy policy to protect the
27 personal identifying information of a passenger.
- 28 (b) A policy established under subsection (a) shall prohibit the
29 disclosure of a passenger's personal identifying information unless:
- 30 (1) the passenger consents in writing to the disclosure;
- 31 (2) the disclosure is required under law; or
32 (3) the disclosure is necessary to:
- 33 (A) protect or defend; or
34 (B) investigate violations of;
35 the terms of use of TNC services.
- 36 (c) A policy established under subsection (a) shall authorize the
37 disclosure of a passenger's name and telephone number by a TNC
38 to a TNC driver to facilitate the provision of TNC services by the
39 TNC driver to the passenger.
- 40 Sec. 10. (a) A TNC shall adopt policies concerning
41 nondiscrimination and accessibility that comply with state and
42 federal law.



1 (b) A TNC may not impose an additional charge on or a
 2 different fare schedule for a passenger who is an individual with a
 3 disability.

4 (c) At the time a passenger requests TNC services through a
 5 TNC's Internet web site or software application service, the TNC
 6 shall provide the passenger an opportunity to indicate whether the
 7 passenger is an individual with a disability who requires an
 8 accessible vehicle. If the TNC is unable to accommodate the
 9 request for an accessible vehicle, the TNC shall inform the
 10 passenger of a carrier that is able to accommodate the request.

11 (d) The department may impose, as an additional penalty to any
 12 other penalty imposed under this chapter, a penalty not to exceed
 13 ten thousand dollars (\$10,000) on a person who violates this
 14 section. The penalty shall be deposited in the accessible
 15 transportation fund established by section 15 of this chapter.

16 Sec. 11. A TNC shall establish record maintenance guidelines
 17 that require the following:

18 (1) Records related to the enforcement of a zero tolerance
 19 policy established under section 5(a) of this chapter must be
 20 maintained for at least two (2) years following the date on
 21 which a passenger reports a violation of the policy.

22 (2) Individual trip records must be maintained for at least one
 23 (1) year from the date of each trip.

24 (3) Records related to a TNC driver must be maintained for
 25 at least one (1) year following the date on which the TNC
 26 driver's employment with a TNC is terminated or otherwise
 27 ends.

28 Sec. 12. At the time a passenger arranges with a TNC for TNC
 29 services, the TNC shall display on its Internet web site or within its
 30 software application:

31 (1) a digital photograph of the TNC driver; and

32 (2) the license plate number of the TNC vehicle;

33 that will be used to provide TNC services to the passenger.

34 Sec. 13. Within a reasonable time after a TNC provides TNC
 35 services to a passenger, the TNC shall transmit to the passenger an
 36 electronic receipt that includes the following information:

37 (1) The origin and destination of the trip.

38 (2) The total duration and distance of the trip.

39 (3) An itemization of the total fare.

40 Sec. 14. A TNC or a TNC driver may not solicit or accept street
 41 hails.

42 Sec. 15. (a) The accessible transportation fund is established to



1 provide grants to TNCs or TNC drivers that provide accessible
 2 TNC services that comply with applicable state and federal
 3 requirements.

4 (b) The department shall administer the fund.

5 (c) The fund consists of the following:

6 (1) Penalties deposited in the fund under section 10 of this
 7 chapter.

8 (2) Money deposited in the fund from any other source.

9 (d) The expenses of administering the fund shall be paid from
 10 money in the fund.

11 (e) Money in the fund at the end of a state fiscal year does not
 12 revert to the state general fund.

13 (f) The treasurer of state shall invest the money in the fund not
 14 currently needed to meet the obligations of the fund in the same
 15 manner as other public funds may be invested. Interest that
 16 accrues from these investments shall be deposited in the fund.

17 **Sec. 16. A person that violates this chapter commits a Class A**
 18 **infraction.**

19 SECTION 7. IC 9-19-11-1, AS AMENDED BY P.L.24-2006,
 20 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JULY 1, 2015]: Sec. 1. This chapter does not apply to a person who
 22 operates any of the following vehicles:

23 (1) A school bus.

24 (2) A taxicab.

25 (3) An ambulance.

26 (4) A public passenger bus.

27 (5) A motor vehicle having a seating capacity greater than nine
 28 (9) individuals that is owned or leased and operated by a religious
 29 or not-for-profit youth organization.

30 (6) An antique motor vehicle.

31 (7) A motorcycle.

32 (8) A motor vehicle that is owned or leased by a governmental
 33 unit and is being used in the performance of official law
 34 enforcement duties.

35 (9) A motor vehicle that is being used in an emergency.

36 (10) A motor vehicle that is funeral equipment used in the
 37 operation of funeral services when used in:

38 (A) a funeral procession;

39 (B) the return trip to a funeral home (as defined in
 40 IC 25-15-2-15); or

41 (C) both the funeral procession and return trip.

42 (11) A motor vehicle used to provide transportation network



1 **company services (as defined in IC 8-2.1-17-20).**
2 SECTION 8. IC 36-9-2-4 IS AMENDED TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2015]: Sec. 4. **(a) Except as provided in**
4 **subsection (b),** a unit may regulate the services offered by persons who
5 hold out for public hire the use of vehicles. This includes the power to
6 fix the price to be charged for that service.
7 **(b) A unit may not regulate the following:**
8 **(1) A transportation network company (as defined in**
9 **IC 8-2.1-17-18).**
10 **(2) A transportation network company driver (as defined in**
11 **IC 8-2.1-17-19).**

