

**STATE OF MARYLAND
OFFICE OF PEOPLE'S COUNSEL**

Paula M. Carmody, People's Counsel

6 St. Paul Street, Suite 2102
Baltimore, Maryland 21202
410-767-8150; 800-207-4055
www.opc.state.md.us

BILL NO.: **Senate Bill 54**
Public Utilities – Transportation Network Services

COMMITTEE: **Senate Finance**

HEARING DATE: **January 19, 2016**

SPONSORS: **Senators Middleton and Ferguson**

POSITION: **Support**

Senate Bill 54 provides clarifying amendments to Chapter 204 of the Acts of the General Assembly of 2015. The bill includes certain modifications to the insurance requirements and assessments imposed by counties or municipalities., The bill also clarifies the definition of “transportation network company” (TNC) so that it applies to every transportation network company operating in the State, and specifies that a transportation network company may not operate in the State unless the Public Service Commission (PSC) has issued a permit to the company. The bill expands the number of agencies that may conduct national criminal history records checks as part of the for-hire driver’s license application process without requiring prior approval from PSC. The bill also authorizes the PSC to disclose records or information if required by an order of the Maryland Tax Court; this authorization is in addition to the current requirement that it disclose records pursuant to subpoena or court order.

Finally, under current law, a PSC hearing officer may hold a hearing involving a violation by a for-hire driver licensed by PSC. The bill clarifies that PSC hearing officers may hold hearings on alleged violations by a transportation network operator, partner, or driver licensed or otherwise authorized by PSC to provide transportation network services as well as for violations by sedan, limousine, taxicab, and transportation network companies (as opposed to only the drivers).

Pursuant to our statutory responsibilities, the Office of People's Counsel (OPC) has represented the interests of the consumers who use or may use transportation network services in Commission proceedings, and testified regarding the TNC bills during the last legislative session. OPC's primary concern has been to ensure the safety and protection of the riding public under the oversight of the Commission. The legislation passed last year addressed these overarching concerns, and in our view, provides a positive model for other jurisdictions still attempting to address issues regarding TNC operations.

The Office of People's Counsel believes the SB 54 amendments not only clarify the intent of the legislation passed last year but strengthen the entire for-hire transportation regulatory paradigm.¹ Therefore, the Office of People's Counsel respectfully requests a FAVORABLE report on Senate Bill 54.

¹ OPC does note that Section 10-102.1(b)(2)(i) has been amended to replace "National Association of Professional Background Screeners" with "Consumer Reporting Agency," as defined in Section 14-1201 of the Commercial Law Article. OPC does not have sufficient familiarity with the involvement of consumer reporting agencies in background checks to comment on that substitution. In any event, the critical components of the background check requirements remain the same.