ASSEMBLY COMMITTEE SUBSTITUTE FOR

ASSEMBLY, No. 4061



STATE OF NEW JERSEY

218th LEGISLATURE

 ADOPTED JUNE 18, 2018

Sponsored by:

Assemblyman NICHOLAS CHIARAVALLOTI

District 31 (Hudson)

Assemblyman RAJ MUKHERJI

District 33 (Hudson)

Senator NILSA CRUZ-PEREZ

District 5 (Camden and Gloucester)

Co-Sponsored by:

Assemblywoman Jimenez

SYNOPSIS

 Imposes surcharge on prearranged rides.

CURRENT VERSION OF TEXT

 Substitute as adopted by the Assembly Budget Committee.



**An Act** imposing a surcharge on prearranged rides provided by transportation network companies, supplementing Title 54 of the Revised Statutes, and amending P.L.2017, c.26 (C.39:5H-1 et seq.).

 **Be It Enacted** *by the Senate and General Assembly of the State of New Jersey:*

 1. (New Section) a. As used in this section:

 “Prearranged ride,” “Rider,” and “Transportation network company,” shall have the same meanings as provided in section 2 of P.L.2017, c.26 (C.39:5H-2).

 “Shared ride” means a prearranged ride in which:

 (1) prior to commencement of the prearranged ride, the rider requested to share the prearranged ride with one or more riders; and

 (2) the rider is charged a fare that is calculated, in part, based on the rider’s request to share all or part of the prearranged ride with one or more riders, regardless of whether the rider actually shares all or part of the ride with one or more riders.

 b. There is imposed on a transportation network company rider a surcharge of $0.30 upon every prearranged ride that originates and terminates within the State, except that only a $0.15 surcharge is imposed on the rider of a shared ride; provided, however, that no surcharge shall be imposed on a ride that originates and ends in a county with a population of fewer than 200,000 people, according to the latest federal decennial census. The surcharge imposed under this section shall be collected by the transportation network company, and shall be separately stated on the electronic receipt provided to the rider pursuant to section 9 of P.L.2017, c.26 (C.39:5H-9).

 c. Each transportation network company required to collect the surcharge imposed by this section shall be personally liable for the surcharge imposed, collected, or required to be collected under this section. Any such transportation network company shall have the same right with respect to collecting the surcharge from a rider as if the surcharge were a part of the sales price and payable at the same time.

 d. In carrying out the provisions of this section, the Director of the Division of Taxation in the Department of the Treasury shall have all of the powers and authority granted in P.L.1966, c.30 (C.54:32B-1 et seq.). The surcharge shall be filed and paid by the transportation network company on a monthly basis in a manner prescribed by the director. The director shall promulgate such rules and regulations as the director determines are necessary to effectuate the provisions of this section.

 e. The surcharge imposed by this section shall be governed by the provisions of the “State Uniform Tax Procedure Law,” R.S.54:48-1 et seq.

 2. Section 9 of P.L.2017, c.26 (C.39:5H-9) is amended to read as follows:

 9. Within 48 hours following completion of a prearranged ride, a transportation network company shall provide a transportation network company rider with an electronic receipt which shall include:

 a. the points of origin and destination of the prearranged ride;

 b. the total time and distance of the prearranged ride; **[**and**]**

 c. an itemization of the total fare paid, if any; and

 d. the surcharge imposed pursuant to section 1 of P.L. , c. (C. ) (pending before the Legislature as this bill).

(cf: P.L.2017, c.26, s.9)

 3. Section 26 of P.L.2017, c.26 (C.39:5H-26) is amended to read as follows:

 26. Notwithstanding any other provision of law, a transportation network company and a transportation network company driver shall be governed exclusively by P.L.2017, c.26 (C.39:5H-1 et seq.), any supplements or amendments thereto, and any rules promulgated by the commission or division pursuant to P.L.2017, c.26 (C.39:5H-1 et seq.).

 A county or municipality shall not require a transportation network company or transportation network company driver to obtain a license or permit to provide a prearranged ride in that county or municipality, or require a driver to obtain a license or permit for the driver's personal vehicle in order to provide a prearranged ride in that county or municipality.

 A county or municipality shall not impose a tax or fee that only applies to a transportation network company or transportation network company driver; provided that a transportation network company or driver shall be subject to a tax or fee that applies generally to all businesses or residents of the county or municipality.

 Except for the initial and annual permit fee imposed pursuant to subsection b. of section 4 of P.L.2017, c.26 (C.39:5H-4) and the surcharge imposed pursuant to section 1 of P.L. , c. (C. ) (pending before the Legislature as this bill), the State shall not impose a tax or fee that only applies to a transportation network company or transportation network company driver; provided that, a transportation network company or driver shall be subject to a tax or fee that applies generally to all businesses or residents of the State.

 Nothing in this section shall be construed to alter, supersede, or prohibit a financial access agreement between a transportation network company and a city of the first class with an international airport terminal, provided the transportation network company complies with all other provisions of P.L.2017, c.26 (C.39:5H-1 et seq.).

(cf: P.L.2017, c.26, s.26)

 4. Notwithstanding the provisions of the “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.), to the contrary, the Director of the Division of Taxation may adopt immediately upon filing with the Office of Administrative Law such rules and regulations as the director determines to be necessary to effectuate the purposes of P.L. , c. (C. ) (pending before the Legislature as this bill), which rules and regulations shall be effective for a period not to exceed 360 days following the effective date of P.L. , c. (C. ) (pending before the Legislature as this bill) and may thereafter be amended, adopted, or readopted by the director in accordance with the requirements of the “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.).

 5. This act shall take effect immediately and apply to all prearranged rides beginning on or after October 1, 2018.