Sponsored by:
Assemblywoman ANGELA V. MCKNIGHT
District 31 (Hudson)
Assemblyman DANIEL R. BENSON
District 14 (Mercer and Middlesex)

SYNOPSIS
Prohibits transportation network companies from engaging in surge pricing during state of emergency.

CURRENT VERSION OF TEXT
As introduced.
A3302 MCKNIGHT, BENSON

AN ACT concerning certain fares charged by transportation network companies and amending P.L.2017, c.26.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

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

2. "Applicant" means a person who applies to a transportation network company to be a transportation network company driver.


5. "Division" means the Division of Consumer Affairs in the Department of Law and Public Safety.

6. "Machine-readable code or image" means an optical label that can be scanned using a special scanner or a personal mobile device with a built-in camera.

7. "Personal vehicle" means a motor vehicle that is used by a transportation network company driver to provide prearranged rides and is owned, leased, or otherwise authorized for use by the transportation network company driver. A personal vehicle shall not be considered an autocab or taxi as defined in R.S.48:16-1, a limousine as defined in R.S.48:16-13 or section 2 of P.L.1997, c.356 (C.48:16-13.1), an autobus or jitney as defined in R.S.48:16-23, a motor bus as defined in section 1 of P.L.1991, c.154 (C.17:28-1.5), or any other for-hire vehicle. A personal vehicle shall not be considered an automobile as defined in subsection a. of section 2 of P.L.1972, c.70 (C.39:6A-2) while a transportation network company driver is providing a prearranged ride.

8. "Prearranged ride" means the provision of transportation by a transportation network company driver to a transportation network company rider, beginning when a driver accepts a ride requested by a rider through a digital network controlled by a transportation network company, continuing while the driver transports a requesting rider, and ending when the last requesting rider departs from the personal vehicle. A prearranged ride shall not include transportation provided using an autocab, taxi, limousine, autobus,

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.
jitney, motor bus, or other for-hire vehicle. A prearranged ride shall not include ridesharing, as defined in R.S.39:1-1.

“State of emergency” means a natural disaster or emergency for which a state of emergency has been declared by the President of the United States or the Governor.

“Surge pricing” means charging a transportation network company rider a higher fare rate than the usual fare rate charged for the prearranged ride during times of high demand for prearranged rides, including, but not limited to, by using a rate multiplier.

"Transportation network company" means a corporation, partnership, sole proprietorship, or other entity that is registered as a business in the State or operates in this State, and uses a digital network to connect a transportation network company rider to a transportation network company driver to provide a prearranged ride. A transportation network company shall not include an individual, corporation, partnership, sole proprietorship, or other entity arranging non-emergency medical transportation for individuals qualifying for Medicaid under P.L.1968, c.413 (C.30:4D-1 et seq.) or Medicare under Pub.L.89-97 (42 U.S.C. s.1395 et seq.) pursuant to a contract with the State or a managed care organization, whereby Medicaid or Medicare funding is used to pay for the non-emergency medical transportation services.

"Transportation network company driver" or "driver" means a person who receives connections to potential riders and related services from a transportation network company in exchange for payment of a fee to the transportation network company, and uses a personal vehicle to offer or provide a prearranged ride to a rider upon connection through a digital network controlled by a transportation network company in return for compensation or payment of a fee.

"Transportation network company rider" or "rider" means a person who uses a transportation network company's digital network to connect with a transportation network company driver to receive a prearranged ride from the driver using the driver's personal vehicle.

(cf: P.L.2019, c.128, s.1)

2. Section 7 of P.L.2017, c.26 (C.39:5H-7) is amended to read as follows:

7. a. A transportation network company may, on behalf of a transportation network company driver, collect a fare for a prearranged ride provided to a transportation network company rider; provided that, if a fare is collected from a rider, the transportation network company shall disclose to the rider on its website or digital network the fare or method by which the transportation network company calculates fares. The transportation network company shall provide riders with the applicable rates being charged by a transportation network company
driver and the option to receive an estimated fare prior to the rider
entering the driver's personal vehicle.

b. (1) During a state of emergency, a transportation network
company shall not engage in surge pricing for a prearranged ride in
the area in which the state of emergency has been declared. Any
increase in the fare rate that is in excess of two times the usual fare
rate shall constitute surge pricing.

(2) A transportation network company that violates the
provisions of this subsection shall be subject to a penalty of not
more than $10,000 for the first offense and not more than $20,000
for the second and each subsequent offense to be collected in a civil
action by a summary proceeding under the "Penalty Enforcement
(cf: P.L.2017, c.26, s.7)

3. This act shall take effect immediately.

STATEMENT

This bill prohibits a transportation network company from
engaging in surge pricing for a prearranged ride during a natural
disaster or emergency for which a state of emergency has been
declared in the area in which the state of emergency has been
declared. Surge pricing is defined to mean charging a
transportation network company rider a higher fare rate than the
usual fare rate charged for the prearranged ride during times of high
demand for prearranged rides, including by using a rate multiplier.
The bill specifies that any increase in the fare rate that is in excess of
two times the usual fare rate constitutes surge pricing.