California Public Utilities Commission - Summary of Transportation Network Company Phase II Proposed Decision

For CPUC docket card for Order Instituting Rulemaking on Transportation Network Companies (R.12-12-011), visit www.cpuc.ca.gov

Item #	Issue	Proposed Rule	Rationale
1	TCP[1]/TNC[2] Vehicle Inspections	Every 12 months or 50,000 miles, whichever occurs first.	Some vehicles may be driven frequently and should be inspected based on accumulated mileage.
2	TCP/TNC Maintenance of Inspection Records	Pursuant to Pub. Util. Code § 5389, TCPs/TNCs shall maintain inspection records showing vehicles inspected by a facility licensed by the California Bureau of Automotive Repair.	Creates greater certainty that TCP/TNC vehicles will receive a more rigorous inspection from a third party source. California Bureau of Automotive Repairs performs licensing for auto repair dealers, smog check stations, brake and/or lamp stations, smog check inspectors and/or smog check repair technicians, and brake and/or lamp adjusters. In Phase III, CPUC may consider recommendations for entities to perform licensing/certification of individual mechanics that TNCs could employ.
3	TCP/TNC Maintenance of 19-point Checklist Records	Pursuant to Pub. Util. Code § 5389, TCPs/ TNCs shall maintain records demonstrating that the 19-point checklist originally required by CPUC's Phase I decision (D.13-09-045) was followed and passed.	Passengers expect a consistent level of vehicle safety from all Commission-regulated carriers.
4	Retention, inspection of TNC driver-specific or vehicle-specific records	Pursuant to Pub. Util. Code § 5389, CPUC's Safety and Enforcement Division may inspect TNC records including proof of required liability insurance, criminal background check	While not requiring TNCs to provide additional information to the Commission over what is currently required, Safety and Enforcement Division may inspect TNC records without obtaining consent. Annual reports should be expanded to include driver suspensions and deactivations.

[1] For Charter Party Carrier (TCP) statutes, see Pub. Util. Code § 5371 et seq.
[2] For Transportation Network Company (TNC) statutes, see Pub. Util. § Code 5430 et seq.

	information, TNC drivers' licenses and driving records, inspection records, driver suspensions, deactivations, and subsequent reactivations.	
:companied	TNCs that primarily transport unaccompanied minors must, at a minimum, comply with background check requirements set out in 1997 CPUC decision addressing the issue (D.97-07-063).	Trustline registry process offers distinct consumer protection advantages: (1) Trustline provides information to the public about an applicant's status through a toll-free number, and (2) Trustline maintains and updates the Trustline registry list. Companies are free to distinguish themselves in the marketplace using additional safety mechanisms.
equirements at	TNCs must comply with the insurance filing requirements of CPUC General Order 115-F and CPUC Resolution TL-19105.	General Order 115-F requiring 30-day cancellation notice will allow the Commission to monitor TNC compliance with insurance requirements. Resolution TL-19105 provides for electronic insurance certificate filing requirements.
	TNCs must place trade dress (company logo identifying the TNC) in the front and rear of a TNC driver's vehicle allowing identification as a TNC from front and rear.	Addresses public safety for other drivers, bicyclists, and pedestrians without stifling innovation.
	TNC drivers may drive leased vehicles provided the leases comply with Pub. Util. Code § 5362, Vehicle Code §§ 460 and 370, and any other relevant laws	A TNC driver's personal vehicle can include a leased vehicle. Definition of personal vehicle should be sufficiently flexible to cover situations where a TNC driver does not own his/her car.
part of driver	Record is insufficient to require	Evidentiary record presently insufficient to support Commission decision-

	background checks	fingerprinting as part of background check for all TNC drivers. Exception for companies transporting unaccompanied minors, which must use the Trustline process (see above).	making on the issue; not originally within Phase II scope. Sixty days after this decision is adopted, Commissioner Randolph will issue separate ruling posing questions regarding additional background checks.
10	Fare-splitting operations	Permitted under Pub. Util. Code § 5401, provided certain conditions are met.	No public policy or safety impediments to authorizing fare-splitting pursuant to Pub. Util. Code § 5401. TCPs (including TNCs) may only charge a fare computed on either vehicle mileage, time of use, or a combination thereof. TCPs and TNCs engaged in fare-splitting must certify the nature of their operations to CPUC's Safety and Enforcement Division, including demonstration of how fare-splitting is calculated and impacts of fare-splitting on the environment.