5.1 Authority

Consistent with a 2016 legislative mandate providing for the regulation of intrastate for-hire passenger transportation services provided by “Transportation Network Companies,” enacted through R.I. Gen. Laws Chapter 39-14.2, these rules and regulations are deemed by the Division to be necessary to assure adequate, safe and compliant service under this new Chapter of the Rhode Island General Laws. These rules and regulations further acknowledge that the Division is authorized to conduct investigations into complaints, conduct investigations initiated on its own, and to hold hearings and impose sanctions as it deems necessary to fulfill the proper administration of R.I. Gen. Laws Chapter 39-14.2.

5.2 Definitions

A. Terms used herein shall be construed as follows unless another meaning is expressed or is clearly apparent from the language or content.

1. “Administrator” means the Administrator of the Division of Public Utilities & Carriers or his or her duly appointed designee.

2. “Digital Network” means any online-enabled technology application service, website or system offered or utilized by a transportation network company that enables the prearrangement of rider transportation with transportation network company drivers.


4. “Partner” or “Partnering” means the act of a TNC operator agreeing to the terms and conditions set forth by a TNC for access to the TNC’s digital network for the purpose of being connected to potential TNC riders seeking TNC services.

5. “Person” means and includes any individual, partnership, corporation or other association of individuals.
6. “Personal Vehicle” means a vehicle that is used by a transportation network company driver and is:
   
   (a) Designed to hold no more than seven (7) individuals, including the driver;

   (b) Owned, leased or otherwise authorized for use by the individual; and

   (c) Not a jitney, as defined in R.I. Gen. Laws § 39-13-1, a taxicab or limited public motor vehicle, as defined in R.I. Gen. Laws § 39-14-1, a public motor vehicle, as defined in R.I. Gen. Laws § 39-14.1-1, or a common carrier as defined in R.I. Gen. Laws Title 39.

7. “Transportation Network Company” or “TNC” means an entity licensed by the Division pursuant to R.I. Gen Laws Chapter 39-14.2 that uses a digital network to connect transportation network company riders to transportation network operators who provide prearranged rides. A transportation network company shall not be deemed to control, direct or manage the personal vehicles or transportation network company drivers that connect to its digital network, except where agreed to by written contract.

8. “Transportation Network Company Affiliation Placard” means a recognizable logo or decal issued by the TNC used to identify personal vehicles whenever such a vehicle is available to provide, or is providing, TNC services.

9. “Transportation Network Operator” or” TNC Operator” or “TNC Driver” means an individual who:

   (a) 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

   (b) Uses a personal vehicle to offer or provide a prearranged ride to TNC riders upon connection through a digital network controlled by a transportation network company in exchange for compensation or payment of a fee.

10. “Transportation Network Company (TNC) Rider” or “Rider” means an individual or persons who uses a transportation network company's digital network to connect with a transportation network driver who provides prearranged rides to the rider in the driver's personal vehicle between points chosen by the rider.

11. “Transportation Network Company (TNC) Services” or “Prearranged Ride” means the provision of transportation by a TNC driver to a TNC rider
beginning when a TNC driver accepts a TNC rider's request for a ride made only through a digital network controlled by a transportation network company (TNC), continuing while the TNC driver transports the requesting TNC rider(s) and ending when the last requesting TNC rider(s) departs from the personal vehicle. TNC services and prearranged rides do not include transportation provided using a jitney, as defined in R.I. Gen. Laws § 39-13-1, a taxicab or limited public motor vehicle, as defined in R.I. Gen. Laws § 39-14-1, a public motor vehicle, as defined in R.I. Gen. Laws § 39-14.1-1, a common carrier as defined in R.I. Gen. Laws Title 39, or a regional transportation provider. TNC services and prearranged rides do not include a shared expense carpool or vanpool arrangement or service.

5.3 TNC Driver Requirements

A. A TNC driver is not required to register the vehicle such driver uses for prearranged rides as a commercial or for-hire vehicle.

B. TNC drivers may utilize a personal vehicle to provide licensed TNC services, provided:

1. The vehicle is owned by, leased to or otherwise authorized by the legal owner/lessee to be used by a TNC driver to provide TNC services; and

2. The vehicle is no older than fifteen (15) model years old and is designed to hold no more than seven (7) individuals, including the driver; and

3. The vehicle meets the vehicle safety inspection requirements for a private motor vehicle in Rhode Island or the state in which the vehicle is registered performed by a facility licensed by the state to conduct such inspections, and shall display an according inspection sticker on the vehicle’s windshield if required to do so by applicable law; and

4. The vehicle shall have met or surpassed sanitary/acceptability standards established by the TNC with which the TNC driver has partnered; and

5. It shall be prohibited for a TNC driver to connect to a TNC’s digital network for the purpose of accepting solicitations and providing TNC services in a personal vehicle other than a personal vehicle that the TNC driver has registered with the TNC pursuant to R.I. Gen. Laws § 39-14.2-11.

C. A TNC driver must display the Transportation Network Company’s placard on the TNC’s driver’s personal vehicle at all times when connected to a TNC’s digital network and when transporting a TNC rider.

D. A TNC driver may be affiliated with or may "partner" with more than one properly permitted transportation network company to provide TNC services.
E. TNC drivers shall be prohibited from providing prearranged rides for more than 12 hours in a 24-hour period. Following an 8-hour period during which the TNC driver does not provide prearranged rides, the 12-hour period will reset.

F. No individual shall provide TNC services or transport TNC riders in a personal vehicle until the individual shall have first submitted to required background checks conducted through the TNC.

G. TNC drivers shall be strictly prohibited from soliciting or accepting so-called “street hails” or “walk-up requests” by potential passengers or from parking at or waiting for passengers at taxicab stands.

H. TNC drivers are prohibited from smoking in their vehicles when transporting TNC riders. The TNC driver may allow or prohibit passengers from smoking in their vehicle.

I. At all times during their use of a vehicle in connection with a TNC’s digital network, a TNC driver shall carry physical or electronic proof of insurance coverage that satisfies the financial responsibility provisions of R.I. Gen. Laws § 39-14.2-14. In the event of an accident, when logged on to the TNC’s digital network or providing a pre-arranged ride, TNC drivers shall be required to provide this proof of insurance coverage to all interested parties, automobile insurers and investigating police officers, upon request pursuant to R.I. Gen. Laws § 31-47-2(15).

J. A TNC driver shall not operate his/her vehicle when it is so loaded or when there is in the front seat such number of persons as to obstruct the view of the driver to the front or sides, or to interfere with his/her control over the vehicle. No TNC driver shall carry more passengers than the Manufacturer’s designed capacity of the vehicle.

K. A TNC driver must report any criminal conviction or adjudicated traffic violation to the TNC(s) and the Division within five (5) business days of the conviction or adjudication. If the Division investigation reveals that the criminal conviction or adjudicated traffic violation is of such a nature that continued driving for a TNC by said TNC driver could constitute a danger to the public, the Division may impose an immediate suspension on the TNC driver’s authority to drive for all TNCs doing business in Rhode Island; if such a discretionary action is taken, a formal hearing shall be scheduled as soon as possible to gauge the appropriateness of the immediate suspension and to determine if the suspension shall continue.

5.4 Transportation Network Company Requirements for TNC Driver Background Checks

A. Prior to permitting an individual to accept trip requests through its digital network, a TNC shall:
1. Require the individual to submit an application to the TNC that includes the individual's name, address, age, driver's license number, photocopy or electronic copy of the driver's license, motor vehicle registration for the personal vehicle that the individual intends to use to provide prearranged rides, automobile liability insurance policy (with effective dates), and other information as may be required by the TNC.

2. Conduct, or have a third party accredited by the National Association of Professional Background Screeners (NAPBS) conduct a local and national criminal background check for each applicant that shall include:
   a. multi-state/multi-jurisdictional criminal records locator or other similar commercial nationwide database with validation (primary source search); and
   b. Dru Sjodin National Sex Offender Public Website; and

3. Obtain and review, or have a third party obtain and review, a driving history research report for such driving applicant.

B. The TNC shall certify to the Division that the background checks verify that the applicant meets the following criteria:

1. Has not had more than three (3) moving violations in the prior three (3) year period, or one of the following major violations in the prior three (3) year period:
   a. attempting to evade the police;
   b. reckless driving or driving on a suspended license; or
   c. revoked license;

2. Has not, in the past seven (7) years, been convicted of or pleaded nolo contendere to any of the following:
   a. driving under the influence of drugs or alcohol;
   b. felony fraud;
   c. sexual offenses;
   d. use of a motor vehicle to commit a felony;
   e. felony crimes involving property damage, and/or theft; or
   f. acts of violence or felony acts of terror.

3. Is not a match in the Dru Sjodin National Sex Offender Public Website;
4. Possesses a valid driver’s license;

5. Possesses proof of registration for the motor vehicle to be used to provide prearranged rides or TNC services;

6. Possesses proof of automobile liability insurance, which satisfies the financial responsibility requirement for a motor vehicle under R.I. Gen. Laws § 31-47-2(13)(i)(A), for the motor vehicle(s) to be used to provide prearranged rides or TNC services; and

7. Is at least nineteen (19) years of age.

C. The TNC shall certify to the Division that the applicant has satisfied the aforementioned background check criteria by providing the Division with an electronically-delivered weekly “drivers list” that verifies compliance and which provides the following details on each certified driver:

1. the driver’s full name,

2. the plate number (and state) that will be displayed on the vehicle the driver plans to use to provide TNC services,

3. the driver’s license number (and state), and

4. the date on which the driver is authorized to begin providing TNC services. Such records shall be treated by the Division as confidential and shall not be treated as public records.

D. The TNC shall conduct an annual background check on its TNC drivers and shall recertify to the Division on an annual basis that a TNC driver continues to satisfy all prescribed background check requirements.

5.5 Transportation Network Company Operating Requirements

A. No person shall operate a TNC in the state until that person shall have applied for and obtained a permit from the Division. Such permits shall be renewed annually before the close of business on December 31. Permits shall not be transferred without the consent of the Division.

B. No application for a permit may be granted or renewed unless each applicant for a permit has paid the appropriate application or renewal fee (fee schedule contained in R.I. Gen. Laws § 39-14.2-5(c)) and the Division determines that each applicant has satisfied the following requirements:

1. That the applicant has verified that it has a sufficient oversight process in place to ensure that every vehicle providing TNC services through its digital network possesses adequate insurance coverage;
2. That the applicant has established vehicle sanitary and acceptability standards for its TNC drivers, which ensures compliance with the vehicle age and safety requirements contained in R.I. Gen. Laws Chapter 39-14.2 and, which also ensures that TNC riders will be transported in clean vehicles. Such standards shall be submitted, in writing, with all applications for TNC permits and be subject to Division approval;

3. That the applicant has submitted to the Division information on the internal or third party background check entity and its data collection process to ensure compliance with the requirements of R.I. Gen. Laws §§ 39-14.2-7(b) and (c). This information shall consist of the following:
   a. The identity of the internal or third party background check entity (name, address and telephone number) and verification of accreditation by the National Association of Professional Background Screeners (NAPBS);
   b. Details on the methodology to be used in conducting the required background checks, including the time required to conduct such background checks;
   c. Details on the information required to be provided by the prospective TNC driver in order to begin the background check process and a description on how the internal or third party background check entity verifies the accuracy of the information provided by the prospective TNC driver; and

4. That the applicant has verified that it has sufficient oversight processes in place to ensure that each TNC driver using the applicant’s network:
   a. Has submitted to a background check conducted by the applicant that includes a review of local and national criminal records, sex offender records and driving records associated with each driver;
   b. Has submitted an application that contains the TNC driver’s name, address, age, driver’s license number, and a photocopy or electronic copy of the driver’s license, motor vehicle registration and automobile insurance policy.

C. Each TNC shall maintain a “business address” that must be a street address at which mailings may be delivered and said address shall be furnished to the Division. Post Office Boxes are not sufficient to satisfy this requirement. A change of business address shall be reported to the Division within ten (10) business days.

D. The TNC’s digital network shall display to passengers requesting TNC services a picture of the TNC driver and the license plate number of the vehicle to be used
to provide the requested services before the passenger enters the TNC driver’s vehicle.

E. All TNCs must issue a transportation network affiliation placard to their TNC drivers and require their TNC drivers to display the TNC’s transportation network affiliation placard in a conspicuous place on the TNC driver’s personal vehicle at all times when connected to the TNC’s digital network. Each TNC shall provide the Division with one of its placards for informational purposes and shall provide updated placards in the event that a TNC redesigns its placard. Placards between TNCs must be sufficiently different to allow TNC riders and the Division to be able to distinguish between the various TNCs operating in Rhode Island.

F. A TNC shall be prohibited from disclosing a TNC rider’s personal identifiable information to a third party, except under the following conditions:

1. Disclosure is pursuant to the publically disclosed terms of the TNC’s privacy policy or another consent mechanism to which the rider consents;

2. Disclosure is required by a legal obligation; or

3. Disclosure is required to protect or defend the terms of use of the service or to investigate violations of those terms. In addition to the foregoing, a TNC shall be permitted to share a rider’s name and/or telephone number with the TNC operator providing prearranged rides or TNC services to such passenger in order to facilitate correct identification of the rider by the TNC operator or to facilitate communications between those two parties.

G. Every TNC shall adopt a policy of non-discrimination based on the rider’s race, color, national origin, religious belief or affiliation, gender, physical disability, age, sexual orientation/identity, gender identity, or the pick-up location or drop-off location requested by the rider. TNCs and TNC drivers shall not impose any additional charge(s) for providing such non-discriminatory services.

H. Every TNC shall implement a zero tolerance alcohol and drug policy regarding a TNC driver’s activities while accessing the TNC’s digital network. The zero tolerance policy shall address the use of drugs or alcohol while a TNC driver is providing prearranged rides or is logged into the TNC’s digital network but not providing prearranged rides. The TNC shall provide notice of this policy on its website or mobile application, as well as the procedures to report a complaint about a TNC driver with whom a rider was matched and whom the rider reasonably suspects was under the influence of drugs or alcohol during the course of a recently completed prearranged trip.

1. Upon receipt of such a rider complaint alleging a violation of the zero tolerance policy, the TNC shall suspend such TNC operator's access to the digital network as soon as possible and shall conduct an investigation into the reported incident. The suspension of access shall last until the
investigation is complete. The TNC shall maintain records relevant to the enforcement of this requirement for a period of at least two (2) years from the date that a rider complaint is received by the TNC. The TNC shall also provide the Division with a copy of the complaint and a report on the TNC’s investigatory findings and action taken thereon immediately after the investigation is completed.

I. Before a TNC driver is allowed to accept a request for prearranged rides on the TNC’s digital network, the TNC shall disclose in writing to its TNC driver the insurance coverage limits detailed in R.I. Gen. Laws § 39-14.2-15.

J. A TNC shall maintain individual trip records that detail the date, time, pick-up location, drop-off location, distance traveled, length of time of the trip and total fare charged for every TNC service it coordinates in the state. Such records shall be maintained for a minimum of two (2) years from December 31 of the calendar year in which the services were rendered.

K. A TNC shall maintain detailed TNC driver records that include the dates and times the driver "logs into" and "logs out of" the TNC’s digital network, the number of TNC service trips the driver performs through the TNC’s digital network, and the total miles driven and fares collected. Additionally, the TNC shall maintain records of all passenger complaints lodged against each TNC driver and the results of any investigation or actions taken as a result of such complaints. Such records shall be maintained for a minimum of two (2) years from December 31 of the calendar year in which the services were rendered.

L. No TNC permit holder may use any other business name than that listed on the permit. Should a business name be changed, the permit holder must first, if the business is not a corporation, register the name with the city or town in which the business is located. If a corporation, the business must first register the name with the Secretary of State’s Office. After registration, all new business names must be filed with the Division. The Division will review the filing to determine whether the name could cause confusion with any existing business. If the Division rejects the name, the permit holder will be notified within ten (10) business days of the filing.

M. No TNC shall permit a TNC driver to provide prearranged TNC services for more than 12 hours in a 24-hour period unless the driving time is broken by a period of eight full hours of rest. Before allowing a TNC driver to connect to its digital network, a TNC must inquire whether the driver requesting access to the TNC’s digital network has driven for another TNC during the last 24 hours and whether the driver has exceeded or will be exceeding his/her maximum allowable hours of TNC service operations.

N. TNCs shall make arrangements for bringing these rules and regulations to the attention of all their drivers and employees.
5.6 Transportation Network Company Rate, Charging and Receipt Operating Requirements

A. A TNC may charge a fare for the transportation services provided to the passengers; provided that, if the fare is charged, the TNC shall disclose to the riders the fare or fare calculation method on its website or within the digital network.

B. The TNC shall provide the potential rider with the option to receive a reasonably accurate estimate of the expected total fare before the passenger enters the TNC driver’s personal vehicle.

C. Fares for TNC services shall not be paid in cash. Any payment for TNC services shall be made only electronically using the TNC’s digital network or other application.

D. Within a reasonable period of time following the completion of a TNC service trip, a TNC shall transmit an electronic receipt to the rider that provides the following information:

1. The origin and destination of the trip;
2. The total time and distance of the trip; and
3. An itemization of the total fare paid, including any additional surcharges;

E. All TNC’s shall establish and implement a written policy capping dynamic pricing during disasters and relevant states of emergency and make this policy available on its website and in its web-application. The policy shall also be filed with the Division at the time the TNC applies for its initial TNC Permit, and re-filled with the Division upon any change/amendment to the policy.

5.7 Transportation Network Company Financial Responsibility Requirements

A. All TNCs and TNC drivers shall fully comply with the financial responsibility requirements contained in R.I. Gen. Laws §§ 39-14.2-14 and 39-14.2-15. Consistent therewith, TNCs shall provide the Division with a “Certificate of Insurance” as well as a copy of the applicable insurance policy to ensure that each TNC is operating in full compliance with the requirements contained in R.I. Gen. Laws § 39-14.2-14. TNC shall also require their insurance providers to notify the Division in the event the prescribed insurance protections lapse.

5.8 Division Audit Powers

A. The Division shall have the authority, on an annual basis, to visually inspect a sample of records that the TNC is required to maintain. The sample shall be
chosen randomly by the Division in a manner agreeable to both the Division and the TNC. The TNC shall transmit the requested records to the Division within 14 business days of request, via a secure delivery method, which may include use of encryption security.

B. In response to a complaint against a TNC driver, or upon reasonable suspicion that a violation of R.I. Gen. Laws Chapter 39-14.2 has occurred, the Division is authorized to inspect records held by the TNC that are necessary to complete its investigation.

C. Any records inspected by the Division shall be held confidential and are not subject to disclosure to a third party without the prior written consent of the TNC. Such records shall also be exempt from disclosure under the Rhode Island Access to Records Act (R.I. Gen. Laws Chapter 38-2).

5.9. Penalties

A. The Division is authorized to fine a TNC or TNC driver for any violation(s) of these rules and regulations or violation of the provisions of R.I. Gen. Laws Chapter 39-14.2, provided that the Division first schedules a formal hearing to gauge the appropriateness of a fine, and provides a TNC or TNC Driver the opportunity to be heard.

B. The Division is authorized to suspend or revoke a TNC permit for any violation of these rules and regulations or violation of the provisions of R.I. Gen. Laws Chapter 39-14.2. However, before either a suspension, revocation or denial of the renewal of a Permit, the Division shall first schedule a formal hearing to gauge the appropriateness of a suspension or revocation of a Permit, and provide the TNC the opportunity to be heard.

C. Failure by any TNC or TNC driver to adhere to and comply with any of these rules and/or any applicable state statutes may be grounds for regulatory sanctions. Generally, such sanctions shall be sought and imposed only after a formal hearing on the issue, but the Division reserves the right to impose an immediate suspension of a TNC permit holder’s authority to operate as a TNC and/or a TNC driver’s authority to drive for a TNC if such an action is deemed in the public interest; if such a discretionary action is taken, a formal hearing shall be scheduled as soon as possible to gauge the appropriateness of the immediate suspension and to determine if the suspension shall continue.

D. Any TNC driver who is the subject of a complaint or disciplinary investigation who fails to appear for a duly noticed hearing at the Division shall be subject to an immediate suspension of his/her TNC driving authority. For repeated failures to appear, such TNC driver shall be subject to a permanent revocation of his/her authority to drive for a TNC.
5.10. Complaints

A. Any person may file a complaint with the Division regarding a violation of these rules and regulations. The Division shall also have the authority to conduct investigations *sua sponte*. Complaints should be in writing and signed by the complainant stating the complainant’s address and telephone number and either mailed or hand-delivered to the Division of Public Utilities and Carriers, 89 Jefferson Blvd., Warwick, Rhode Island 02888. Nothing in this rule should be construed to prevent the Division from instituting an investigation or proceeding based upon an oral complaint or upon information developed in any other manner.

1. If the Division determines that the complaint alleges facts which could constitute a violation of these rules and regulations, the Division shall notify in writing the particular TNC driver and/or TNC of the nature of the complaint. A sufficient written answer must be filed by the TNC driver and/or TNC with the Division within ten (10) calendar days following the date of notice of the complaint. Upon receiving such answer(s), the Division shall notify the complainant of the contents or nature of the answer(s) and shall take whatever action deemed appropriate to resolve the complaint.

2. If the Division determines that the facts as alleged in any complaint are clearly not in violation of these rules and regulations, the complainant shall be so notified and no further action will be taken.

3. However, when the Division finds that a satisfactory response is not made to the notification of a complaint, or when no response is made to a complaint, or when the facts clearly warrant, a hearing shall be conducted by the Division concerning the complaint. The Division shall send a written notice of hearing to all parties consistent with the manner of notice specified in § 5.11 of this Part, below.

4. Failure of the TNC and/or TNC driver to appear before the Division for a scheduled hearing may result in a suspension or revocation of the TNC’s permit and/or the TNC driver’s authority to drive for a TNC. Failure of the complainant to appear for a scheduled hearing may result in dismissal of the complaint, although the Division reserves the right to pursue the matter without the complainant if it determines such action to be in the public interest.

5.11 Notice

A. The Division shall give notice of the commencement of a scheduled hearing in any pending matter to all parties and to such other persons as the Division designates.
1. Notice shall be by first-class mail or personal service unless otherwise specified by the Division. The Division shall give at least ten (10) calendar days’ written notice of the hearing unless the hearing officer determines that less notice is reasonable. Nothing herein, however, shall limit the power of the Division to order notice by additional means, including but not limited to notice by publication.

2. Unless information to the contrary has been received by the Division, notices shall be sufficient if mailed or delivered to the following:

   a. If the addressee is a TNC, the business address on file with the Division pursuant to § 5.5(C) of this Part, above.

   b. If the addressee is a TNC driver, the home or mailing address listed on file with the TNC involved in the complaint matter.

   c. If an attorney has entered an appearance on behalf of the addressee, to the office of the attorney.

**5.12 Effective Date**

These rules are effective as of November 13, 2017.