

Senate Bill No. 182

CHAPTER 769

An act to add Chapter 7 (commencing with Section 16550) to Part 1 of Division 7 of the Business and Professions Code, relating to business.

[Approved by Governor October 13, 2017. Filed with
Secretary of State October 13, 2017.]

LEGISLATIVE COUNSEL'S DIGEST

SB 182, Bradford. Transportation network company: participating drivers: single business license.

The Passenger Charter-party Carriers' Act authorizes the Public Utilities Commission to regulate charter-party carriers in California, including transportation network companies that provide prearranged transportation services for compensation using an online-enabled application or platform to connect passengers with drivers.

Existing law authorizes the legislative body of an incorporated city and a county board of supervisors to license businesses carried on within their respective jurisdictions and to set licensing fees for those businesses.

This bill would prohibit any local jurisdiction, as defined, that requires a driver, as defined, to obtain a business license, as defined, to operate as a driver for a transportation network company, from requiring that driver to obtain more than a single business license, as specified, regardless of the number of local jurisdictions in which the driver operates. The bill would require the driver to obtain a business license in the local jurisdiction in which the driver is domiciled, except as specified. The bill would require each transportation network company to notify its drivers of the obligations set forth in these provisions. The bill would require that personally identifiable information, as defined, submitted to a local jurisdiction for purposes of complying with or enforcing these licensing provisions not be disclosed on a publicly accessible Internet Web site. The bill would declare that its provisions do not preclude the sharing of business license data among local jurisdictions and would make a finding that allowing the free operation of drivers for transportation network companies across local jurisdictions is a matter of statewide concern.

The people of the State of California do enact as follows:

SECTION 1. Chapter 7 (commencing with Section 16550) is added to Part 1 of Division 7 of the Business and Professions Code, to read:

CHAPTER 7. TRANSPORTATION NETWORK COMPANY DRIVERS: BUSINESS LICENSES

16550. It is the intent of the Legislature to limit any requirement for a business license imposed by a local jurisdiction on a participating driver for a transportation network company to a single business license, regardless of the number of local jurisdictions in which the participating driver operates.

16550.1. For purposes of this chapter, the following definitions apply:

(a) “Business license” includes any license, certificate, fee, or equivalent payment that is required or collected by a local jurisdiction annually, or on some other fixed cycle, as a condition of providing prearranged transportation services in the local jurisdiction.

(b) “Driver” has the same meaning as the definition of driver provided in subdivision (a) of Section 5431 of the Public Utilities Code.

(c) “Local jurisdiction” means a city, county, or city and county, including charter cities.

(d) “Personally identifiable information” means individually identifiable information about an individual driver collected by the local jurisdiction from that individual, including, but not limited to, all of the following:

- (1) A first and last name.
- (2) A residential address, including a street and city name.
- (3) An email address.
- (4) A telephone number.
- (5) A social security number.
- (6) Driver income or tax information.

(e) “Transportation network company” has the same meaning as the definition of transportation network company provided in subdivision (c) of Section 5431 of the Public Utilities Code.

16550.2. (a) Any local jurisdiction that requires a driver to obtain a business license to operate as a driver for a transportation network company may only require that driver to obtain a single business license, regardless of the number of local jurisdictions in which the driver operates.

(b) The driver shall obtain a business license in the local jurisdiction in which the driver is domiciled. If the local jurisdiction does not require a business license to operate as a driver for a transportation network company, the driver shall not be required to obtain a business license for any other jurisdiction.

(c) A local jurisdiction shall not require a driver to obtain a business license if either of the following applies:

- (1) The driver is compliant with subdivision (b).
- (2) The driver has not operated as a driver for more than 30 days in the preceding fiscal year.

(d) Each transportation network company shall notify its drivers of the obligations set forth in this chapter.

(e) Notwithstanding any other law, a business license issued to a driver by a local jurisdiction pursuant to this chapter shall be valid for the period of time determined by the local jurisdiction by law or regulation, except

that the local jurisdiction shall not require a driver to obtain a business license that applies for a period before January 1, 2018, or that imposes any penalty or fee on a driver related to the driver's failure to obtain a business license for providing transportation network services for a period before January 1, 2018.

(f) Personally identifiable information submitted to a local jurisdiction pursuant to this chapter shall not be disclosed on a publicly accessible Internet Web site.

(g) This chapter does not preclude the sharing of business license data among local jurisdictions.

(h) The Legislature finds and declares that allowing the free operation of drivers for transportation network companies across local jurisdictions is a matter of statewide concern and is not a municipal affair as that term is used in subdivision (a) of Section 5 of Article XI of the California Constitution.