
THIRD READING

Bill No: AB 2716
Author: Grayson (D)
Amended: 6/30/22 in Senate
Vote: 21

SENATE TRANSPORTATION COMMITTEE: 13-0, 6/14/22
AYES: Gonzalez, Allen, Becker, Cortese, Dahle, Dodd, Limón, McGuire, Min,
Newman, Skinner, Wieckowski, Wilk
NO VOTE RECORDED: Bates, Archuleta, Melendez, Rubio

SENATE ENERGY, U. & C. COMMITTEE: 13-0, 6/27/22
AYES: Hueso, Dahle, Becker, Bradford, Dodd, Eggman, Gonzalez, Grove,
Hertzberg, McGuire, Min, Rubio, Stern
NO VOTE RECORDED: Borgeas

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

ASSEMBLY FLOOR: 70-0, 5/25/22 - See last page for vote

SUBJECT: Transportation network companies: participating drivers: safety
courses

SOURCE: Author

DIGEST: This bill establishes minimum training requirements for transportation
network company (TNC) drivers.

ANALYSIS:

Existing law:

- 1) Establishes the California Public Utilities Commission (CPUC) to regulate
privately owned public utilities and common carriers in California. Specifies
that the Legislature may prescribe that additional classes of private corporations
or other persons are public utilities.

- 2) Establishes the “Passenger Charter-Party Carriers Act,” which directs the CPUC to regulate, require license or permit to operate, require insurance and workers compensation, takes appropriate enforcement action and other provisions related to transportation charter-party carriers (CPCs).
- 3) Defines “charter-party carrier of passengers” as every person engaged in the transportation of persons by motor vehicle for compensation, whether in common or contract carriage, over any public highway in the state.
- 4) Defines TNC as an organization, including, but not limited to, a corporation, limited liability company, partnership, sole proprietor, or any other entity, operating in California that provides prearranged transportation services for compensation using an online-enabled application or platform to connect passengers with drivers using a personal vehicle.
- 5) Defines a “participating driver” as any person who uses a vehicle in connection with a transportation network company’s online-enabled application or platform to connect with passengers.

This bill:

- 1) Directs TNCs to require their drivers to complete a safety course once every two years as a condition of using a TNC’s online-enabled application. This course must be provided at no cost to the driver.
- 2) Specifies that TNC safety training courses must include at least the following components:
 - a) Training regarding road safety and safe driving practices, including avoiding speeding, collisions, and driving while drowsy.
 - b) Distracted driving, including the correct use, mounting and viewing of mobile devices.
 - c) Training regarding safe interactions with passengers, including de-escalation, management of intoxicated or unruly passengers, and driving unaccompanied minors.
 - d) Training on how to comply with CPUC vehicle inspection requirements.
- 3) Requires a TNC to compensate drivers for completing required safety courses.

Comments

- 1) *Purpose.* According to the author, "While TNCs and drivers provide valuable services to many Californians, some passengers have experienced riding with an unsafe or distracted driver who was using their phone, speeding, or driving erratically. While all California drivers are required to maintain an active driving license, there are currently no requirements in place to ensure that TNC drivers receive regular and recurring safety training...this measure will improve passenger and driver safety and ensure drivers stay up to date on their safe driving skills."
- 2) *What is a TNC?* Transportation Network Companies (TNCs) provide prearranged transportation services for compensation using an online-enabled application or platform (such as smart phone apps) to connect drivers using their personal vehicles with passengers. Common examples are Uber and Lyft.
- 3) *Existing TNC Safety Requirements.* Pursuant to CPUC regulations, TNCs are required to obtain from the CPUC a permit to operate, perform criminal background checks for each driver, establish a driver training program, implement a zero-tolerance policy on drugs and alcohol, and require minimum levels of insurance coverage. Likewise, TNCs must ensure that their drivers' Department of Motor Vehicles (DMV) records have no more than three points within the preceding 3 years, no "major violations" (reckless driving, hit and run, or driving with a suspended license conviction) within the preceding three years, and no driving under the influence conviction within the past seven years. Further, TNC vehicles are also required to be inspected at appropriate 12-month or 50,000 mile marks by a qualified facility licensed by the California Bureau of Automotive Repair. Additionally, to ensure proper regulatory oversight of TNC operations, the CPUC also requires each TNC to annually submit comprehensive reports covering a breadth of data including accident reports, law-enforcement citations, zero-tolerance violations, and instances of assault or harassment.
- 4) *Proposed Courses.* AB 2716 proffers baseline standards for TNC driver's training courses, including instructions on distracted driving, passenger de-escalation, rules of the road training, and a mandate that drivers stay up to date on their safe driving skills by requiring them to take the course every two years. Although the training elements proposed by this bill are consistent with the CPUC's existing safety requirements for TNCs and this is a large shift in the amount of training required for the drivers.

- 5) *Recent Amendments.* The author recently amended this bill to include a provision that requires a TNC to make sure that a vehicle satisfies the vehicle inspection requirements established by the CPUC before allowing a participating driver to operate the vehicle as part of its service, and every 12 months or 50,000 miles thereafter, whichever occurs first, as specified.
- 6) *Concerns.* While AB 2716 attempts to make utilizing TNC's safer via mandating continuous safety courses for drivers, the bill has the unintended consequence of placing new requirements on TNC drivers without stipulating how the participating driver is to be compensated for their time needed to complete the course. TNC drivers are typically not paid by the hour so a flat rate may need to be determined. The author recently amended this bill to include language that the TNC must compensate a participating driver for completing the safety course. However, negotiations with stakeholders must continue to determine how the driver will be compensated.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

SUPPORT: (Verified 7/26/22)

American Property Casualty Insurance Association

OPPOSITION: (Verified 7/29/22)

California Labor Federation, AFL-CIO

California Teamsters Public Affairs Council

Los Angeles County Federation of Labor, AFL-CIO

SEIU California State Council

UFCW - Western States Council

ASSEMBLY FLOOR: 70-0, 5/25/22

AYES: Aguiar-Curry, Arambula, Bauer-Kahan, Bennett, Bigelow, Bloom, Boerner Horvath, Mia Bonta, Bryan, Calderon, Carrillo, Cervantes, Choi, Cooley, Cooper, Cunningham, Megan Dahle, Daly, Davies, Flora, Mike Fong, Fong, Friedman, Gabriel, Cristina Garcia, Eduardo Garcia, Gray, Grayson, Haney, Holden, Irwin, Jones-Sawyer, Lackey, Lee, Levine, Low, Maienschein, Mathis, Mayes, McCarty, Medina, Muratsuchi, Nazarian, Nguyen, Patterson, Petrie-Norris, Quirk, Quirk-Silva, Ramos, Reyes, Luz Rivas, Robert Rivas, Rodriguez, Blanca Rubio, Salas, Santiago, Seyarto, Smith, Stone, Ting, Valladares, Villapudua, Voepel, Waldron, Ward, Akilah Weber, Wicks, Wilson, Wood, Rendon

NO VOTE RECORDED: Berman, Chen, Gallagher, Gipson, Kalra, Kiley, Mullin,
O'Donnell

Prepared by: Katie Bonin / TRANS. / (916) 651-4121

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