S T A T E O F N E W Y O R K

3472

2015-2016 Regular Sessions

I N A S S E M B L Y

January 23, 2015

Introduced by M. of A. ORTIZ -- read once and referred to the Committee on Consumer Affairs and Protection

AN ACT to amend the general business law, in relation to prohibiting the practice of surge pricing by rideshare service companies

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. The general business law is amended by adding a new section 396-pp to read as follows:

S 396-PP. RIDESHARE SERVICE; SURGE PRICING PROHIBITED. 1. FOR PURPOSES OF THIS SECTION, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS:

A. "RIDESHARE SERVICE" SHALL MEAN A TRANSPORTATION SERVICE THAT USES AN ONLINE-ENABLED PLATFORM TO CONNECT PASSENGERS WITH DRIVERS WHO USE THEIR PERSONAL, NON-COMMERCIAL VEHICLES TO DRIVE PASSENGERS FOR A FEE.

B. "ONLINE-ENABLED PLATFORM" SHALL MEAN AN APP, PROGRAM, TEXT MESSAGE SERVICE, EMAIL SERVICE OR ANY OTHER COMMUNICATIONS TECHNOLOGY CAPABLE OF CONNECTING USERS OF SUCH TECHNOLOGY BY MEANS OF A SMART PHONE, TABLET, COMPUTER OR ANY OTHER SIMILAR DEVICE.

(C) "SURGE PRICING" SHALL MEAN THE PRACTICE OF RAISING PRICES WHEN DEMAND FOR A SERVICE IS STRONG AND LOWERING PRICES WHEN DEMAND FOR A SERVICE IS WEAK.

2. NO PERSON, CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR ANY OTHER COMPANY, BUSINESS OR FIRM HOWEVER ORGANIZED THAT OPERATES A RIDESHARE SERVICE SHALL ENGAGE IN THE PRACTICE OF SURGE PRICING. A VIOLATION OF THIS SECTION SHALL BE PUNISHABLE BY A CIVIL PENALTY OF TWO HUNDRED FIFTY DOLLARS FOR EACH SUCH OCCURRENCE.

S 2. This act shall take effect on the thirtieth day after it shall have become a law.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

LBD07615-01-5