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Shawn Sullivan, Director of the Budget

Sam Brownback, Governor

March 2, 2015

The Honorable Scott Schwab, Chairperson House Committee on Insurance Statehouse, Room 151-S Topeka, Kansas 66612

Dear Representative Schwab:

SUBJECT: Fiscal Note for HB 2286 by House Committee on Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2286 is respectfully submitted to your committee.

HB 2286 would propose the permitting of Transportation Network Companies (TNC), which would include ride-sharing companies such as UBER. The bill would require a \$5,000 permit fee through the Kansas Corporation Commission (KCC), and extensive requirements regarding fees for service, liability insurance, the use of drugs, maintenance or records, requirements for licensing of drivers, equipment requirements, solicitation of cash, discrimination with respect to passengers, and the disclosure of personal passenger information. The bill would authorize the KCC to promulgate rules and regulations for TNC companies

The current safety and economic jurisdiction of the KCC is based on entities that operate commercial motor vehicles. Since TNCs do not operate as commercial motor vehicles that transport more than eight passengers including the driver, the KCC indicates that it would not have jurisdiction over these small for-hire operators, and is unable to estimate any fiscal effect from the passage of the bill.

Sincerely,

Shawn Sullivan,

Director of the Budget