

REGULATORY TOPIC OVERVIEW

MOTOR CARRIERS SECTION

(JANUARY 2023)

The Division of Public Utilities and Carriers ("DPUC") Motor Carriers Section oversees the regulatory framework and compliance of all services that transport people or property from one point within Rhode Island to another point within Rhode Island (intra-state) — whether on land or water — in exchange for compensation (for-hire).

The Motor Carriers Section is responsible for ensuring that each for-hire carrier in the state obtains the proper agency licensure and operates in accordance with all state statutes and properly-established rules and regulations. There are different services authorized – both for passengers and for property – and each authorized service type has a different regulatory framework. Taxicabs are regulated differently than towing companies; ferry operations are regulated differently than household goods moving companies.

Such regulation is important to maintain a level playing field for all carriers, but it is *absolutely essential* in certain industries to protect the public regarding the safety, efficiency, and pricing of service. For example, *Passenger Carriers* like licensed Jitney, Taxicab and Public Motor Vehicle companies must adhere to strict vehicle standards, driver vetting, insurance coverage, and approved pricing schemes, while TNCs like Uber and Lyft must conduct their own national background checks on potential drivers and maintain increased liability coverage (although pricing is not regulated). While much of the *Property Carrier* universe deals with business-to-business shipping of freight, parcels and packages, sand-and-gravel, and petroleum products, etc., two types of property carriers – household goods movers and towing companies – deal almost exclusively with the general public; accordingly, the Motor Carriers Section is tasked with ensuring that adequate service and pricing protections are in place and enforced uniformly to benefit the public. Ferry operations are unique among the regulated carriers; accordingly, they are treated much more like traditional "public utilities" when it comes to ratemaking, and service standards like routes and schedules.

The Motor Carriers Section oversees all aspects of the for-hire intra-state transportation industries, from processing applications, conducting application hearings, issuing operator's licenses to Taxi and PMV drivers, testing/sealing taximeters, approving pricing tariffs, ensuring proper insurance coverage, investigating complaints, and enforcing all regulatory requirements and imposing punitive measures (fines, suspensions, revocations...) against carriers when warranted.

The Motor Carriers Section also is charged with administering the Unified Carrier Registration (UCR) program for Rhode Island. UCR is a federally mandated registration program for all carriers of property or passengers engaged in <u>interstate</u> commerce under USDOT authority. The program generates \$2.85 million in general revenue to the state, although the equivalent amount must be used to offset Rhode Island expenses on appropriate transportation and highway safety initiatives and regulatory initiatives.