



1 "Digital network" means any online-enabled technology  
2 application service, website, or system offered or utilized by a  
3 transportation network company that enables the prearrangement  
4 of rides with transportation network company drivers.

5 "Prearranged ride" has the same meaning as defined in  
6 section 431:10C-701.

7 "Transportation network company" means an entity that uses  
8 a digital network or software application service to connect  
9 passengers to transportation network company drivers; provided  
10 that the entity:

- 11 (1) Does not control, direct, or manage the transportation  
12 network company vehicles or transportation network  
13 company drivers that connect to its digital network,  
14 except where agreed to by written contract; and
- 15 (2) Is not a taxicab association or a for-hire vehicle  
16 owner.

17 "Transportation network company driver" has the same  
18 meaning as defined in section 431:10C-701.

19 "Transportation network company rider" or "rider" means an  
20 individual or persons who use a transportation network company's  
21 digital network to connect with a transportation network company



1 driver who provides prearranged rides to the rider in a  
2 transportation network company vehicle between destination  
3 points chosen by the rider.

4 "Transportation network company vehicle" means a vehicle  
5 that is:

- 6 (1) Used by a transportation network company driver to  
7 provide a prearranged ride;
- 8 (2) Owned, leased, or otherwise authorized for use by the  
9 transportation network company driver; and
- 10 (3) Not operating as a taxicab, limousine, or other for-  
11 hire vehicle.

12 **§ -2 Relation to other laws; commercial vehicle; for-**  
13 **hire vehicle; registration; exemption.** Solely for the purposes  
14 of this chapter, neither a transportation network company nor a  
15 transportation network company driver shall be deemed to be a  
16 common carrier by motor vehicle, a contract carrier by motor  
17 vehicle, a motor carrier as defined in section 271-4, a taxicab,  
18 or a for-hire vehicle service. No transportation network  
19 company driver shall be required to register a transportation  
20 network company vehicle as a commercial or for-hire vehicle.



1           §   -3   **Transportation network company; permit; required.**

2   (a)   No person shall operate a transportation network company in  
3   the State without first having obtained a permit from the  
4   director of transportation.   The application shall be in a form  
5   and content as prescribed by the director of transportation;  
6   provided that any transportation network company operating in  
7   the State before the effective date of this chapter may continue  
8   operating until the director of transportation has established a  
9   permitting process and sets a registration deadline.

10       (b)   The director of transportation shall issue a permit to  
11   each applicant that satisfies the requirements for a  
12   transportation network company as set forth by the director of  
13   transportation and shall collect an annual permit fee of up to  
14   \$25,000 from the applicant prior to the issuance of a permit.

15       §   -4   **Fare transparency.**   If a fare is collected from a  
16   rider, the transportation network company shall disclose the  
17   fare or fare calculation method to the rider on its website or  
18   within the online-enabled technology application service before  
19   the beginning of the prearranged ride.   If the fare is not  
20   disclosed to the rider before the beginning of the prearranged



1 ride, the rider shall have the option to receive an estimated  
2 fare before the beginning of the prearranged ride.

3       **§ -5 Agent for service.** Any transportation network  
4 company in operation in the State shall maintain an agent for  
5 service of process in the State.

6       **§ -6 Identification of transportation network company**  
7 **vehicles and drivers.** During a prearranged ride, a  
8 transportation network company's digital network shall display a  
9 picture of the transportation network company driver and the  
10 license plate number of the transportation network company  
11 vehicle.

12       **§ -7 Electronic receipt.** Following the completion of a  
13 trip, the transportation network company shall transmit an  
14 electronic receipt on behalf of the transportation network  
15 company driver that shall include the following information:

- 16       (1) The origin and destination or destinations of the  
17             trip;  
18       (2) The total time and distance of the trip; and  
19       (3) The total fare paid.

20       **§ -8 Disclosure; limitations; insurance requirements.**  
21 The requirements of section 431:10C-703 shall apply to



1 transportation network companies and transportation network  
2 company drivers.

3       **§ -9 Transportation network company driver requirements.**

4 (a) Prior to allowing an individual to act as a transportation  
5 network company driver and accept a request for a prearranged  
6 ride through a transportation network company's digital network:

7       (1) The individual shall submit an application to the  
8           transportation network company and shall include the  
9           following information:

- 10           (A) The individual's address;
- 11           (B) The individual's age;
- 12           (C) A copy of the individual's valid driver's  
13           license;
- 14           (D) A copy of the applicable motor vehicle  
15           registration;
- 16           (E) A copy of the applicable automobile liability  
17           insurance; and
- 18           (F) Other information deemed necessary by the  
19           transportation network company;

20       (2) The transportation network company shall conduct  
21       national and local criminal background checks for each



1 applicant and each driver on an annual basis. The  
2 criminal background check shall include a review of:

3 (A) A multi-state and multi-jurisdictional criminal  
4 records locator or other similar commercial  
5 nationwide database with validation (primary  
6 source search); and

7 (B) The United States Department of Justice national  
8 sex offender public website; and

9 (3) The transportation network company shall obtain and  
10 review, or have a third-party entity obtain and  
11 review, a driving history research report for the  
12 individual.

13 (b) The transportation network company shall not permit an  
14 individual to act as a transportation network company driver on  
15 its digital network who:

16 (1) Has more than three moving violations within the prior  
17 three years, or one of the following major violations  
18 in the past three years:

19 (A) Attempting to evade the police;

20 (B) Reckless driving; or

21 (C) Driving on a suspended or revoked license;



- 1 (2) Within the past seven years has been:
- 2 (A) Convicted of any felony; or
- 3 (B) Convicted of any other misdemeanor relating to
- 4 driving, violent, or sexual offenses;
- 5 (3) Is registered on the United States Department of
- 6 Justice national sex offender public website or any
- 7 publicly accessible state sex offender registry;
- 8 (4) Does not possess a valid driver's license;
- 9 (5) Does not possess proof of a current and valid
- 10 registration for the motor vehicle or vehicles used to
- 11 provide prearranged rides;
- 12 (6) Does not possess proof of valid automobile liability
- 13 insurance for the transportation network company
- 14 vehicle; or
- 15 (7) Is not at least nineteen years of age.
- 16 (c) A transportation network company driver shall be
- 17 considered an independent contractor, and not an employee of a
- 18 transportation network company, if all of the following
- 19 conditions are met:
- 20 (1) The transportation network company does not prescribe
- 21 the specific hours during which the transportation





1 network company driver is required to be logged into  
2 the transportation network company's digital network;

3 (2) The transportation network company does not impose any  
4 restrictions on the transportation network company  
5 driver's ability to use other transportation network  
6 companies' digital networks;

7 (3) The transportation network company does not restrict a  
8 transportation network company driver from engaging in  
9 any other occupation or business; and

10 (4) The transportation network company and the  
11 transportation network company driver agree in writing  
12 that the transportation network company driver is an  
13 independent contractor.

14 (d) A transportation network company does not control,  
15 direct, or manage the transportation network company vehicles or  
16 transportation network company drivers that connect to its  
17 digital network, except where expressly agreed to by written  
18 contract.

19 § -10 Non-discrimination; accessibility. (a) The  
20 transportation network company shall adopt a policy of  
21 non-discrimination on the basis of destination, race, color,



1 national origin, religious belief or affiliation, sex,  
2 disability, age, sexual orientation, or gender identity with  
3 respect to riders and potential riders and shall notify the  
4 transportation network company drivers of the policy.

5 (b) In addition to any policy established pursuant to  
6 subsection (a), transportation network company drivers shall  
7 comply with all applicable laws regarding non-discrimination  
8 against riders or potential riders on the basis of destination,  
9 race, color, national origin, religious belief or affiliation,  
10 sex, disability, age, sexual orientation, or gender identity.

11 (c) Transportation network company drivers shall comply  
12 with all applicable laws to accommodate service animals. For  
13 purposes of this subsection, "service animal" shall have the  
14 same meaning as that term is defined in section 347-2.5.

15 (d) A transportation network company shall not impose  
16 additional charges for providing services to persons with  
17 physical disabilities.

18 **§ -11 Audit procedures; confidentiality of records. (a)**

19 No more than annually, the department of transportation shall  
20 have the right to visually inspect a sample of records  
21 maintained by a transportation network company for the sole



1 purpose of verifying that a transportation network company is in  
2 compliance with the requirements of this chapter. The sample  
3 shall be chosen randomly by the department of transportation in  
4 a manner agreeable to both parties. The audit shall take place  
5 at a mutually agreed location in the State. Any record  
6 furnished to the department of transportation shall exclude  
7 information that would tend to identify specific drivers or  
8 riders.

9 (b) In response to a specific complaint against any  
10 transportation network company driver or transportation network  
11 company, the department of transportation shall be authorized to  
12 inspect records held by the transportation network company that  
13 are necessary to investigate and resolve the complaint. The  
14 department of transportation and transportation network company  
15 shall conduct the inspection at a mutually agreed upon location  
16 in the State. Any record furnished to the department of  
17 transportation shall exclude information that would tend to  
18 identify specific transportation network company drivers or  
19 riders, unless the identity of a transportation network company  
20 driver or rider is relevant to the complaint.



1 (c) Any records inspected by the department of  
 2 transportation under this section shall be confidential, are not  
 3 subject to disclosure to a third party by the department of  
 4 transportation without prior written consent of the  
 5 transportation network company, and shall be exempt from  
 6 disclosure under chapter 92F. Nothing in this section shall be  
 7 construed as limiting the applicability of any other exemptions  
 8 under chapter 92F.

9 **§ -12 Uniform statewide regulation.** (a) This chapter  
 10 shall apply uniformly throughout the State and in all political  
 11 subdivisions of the State.

12 (b) This chapter shall supersede any ordinance or other  
 13 regulation adopted by a political subdivision that specifically  
 14 governs transportation network companies, transportation network  
 15 company drivers, or transportation network company vehicles,  
 16 including those adopted before the effective date of this  
 17 chapter."

18 SECTION 3. Act 236, Session Laws of Hawaii 2016, is  
 19 amended by amending section 6 to read as follows:

20 "SECTION 6. This Act shall take effect upon its approval;  
 21 provided that section 2 of this Act shall take effect on



1 September 1, 2016 [~~provided further that this Act shall be~~  
2 ~~repealed on September 1, 2021~~]."

3 SECTION 4. Statutory material to be repealed is bracketed  
4 and stricken.

5 SECTION 5. This Act shall take effect upon its approval.



**Report Title:**

Transportation Network Companies; Regulation; Permitting

**Description:**

Establishes requirements and permitting procedures for transportation network companies operating in the State. Makes permanent insurance requirements for transportation network companies and transportation network drivers. (SD1)

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