



1 "Department" means the department of transportation.

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

6 "Director" means the director of transportation.

7 "Prearranged ride" has the same meaning as in section 431:  
8 10C-701.

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

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

19 "Transportation network company driver" has the same  
20 meaning as in section 431:10C-701.



1 "Transportation network company rider" or "rider" means an  
2 individual or person who uses a transportation network company's  
3 digital network to connect with a transportation network company  
4 driver who provides prearranged rides to the rider in a  
5 transportation network company vehicle between destination  
6 points chosen by the rider.

7 "Transportation network company vehicle" means a vehicle  
8 that is:

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

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



1 company driver shall be required to register a transportation  
2 network company vehicle as a commercial or for-hire vehicle.

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

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

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

17       **§ -4 Fare transparency.** Prior to a rider confirming a  
18 ride, each transportation network company shall clearly display  
19 its fare structure and:

20 (1) The fare for the upcoming ride;



- 1           (2) The option to receive an estimated fare for the
- 2                    upcoming ride; or
- 3           (3) The basis and rate on which the subject fare is to be
- 4                    calculated, and any additional fees or charges that
- 5                    may apply.

6           **§ -5 Agent for service.** Any transportation network  
7 company in operation in the State shall maintain an agent for  
8 service of process in the State.

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

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

- 19           (1) The origin and destination or destinations of the
- 20                    trip;
- 21           (2) The total time and distance of the trip; and



1           (3) The total fare paid.

2           **§ -8 Disclosure; limitations; insurance requirements.**

3 The requirements of section 431:10C-703 shall apply to  
4 transportation network companies and transportation network  
5 company drivers.

6           **§ -9 Transportation network company driver requirements.**

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

10           (1) The individual shall submit an application to the  
11                   transportation network company and shall include the  
12                   following information:

13                   (A) The individual's address;

14                   (B) The individual's age;

15                   (C) A copy of the individual's valid driver's  
16                   license;

17                   (D) A copy of the applicable motor vehicle  
18                   registration;

19                   (E) A copy of the applicable motor vehicle insurance;  
20                   and



- 1 (F) Other information deemed necessary by the
- 2 transportation network company;
- 3 (2) The transportation network company shall each year
- 4 conduct national and local criminal background checks
- 5 for each applicant and each driver. The criminal
- 6 background check shall include a review of:
- 7 (A) A multi-state and multi-jurisdictional criminal
- 8 records locator or other similar commercial
- 9 nationwide database with validation; and
- 10 (B) The United States Department of Justice national
- 11 sex offender public website; and
- 12 (3) The transportation network company shall obtain and
- 13 review, or have a third-party entity obtain and
- 14 review, a driving history research report for the
- 15 individual.
- 16 (b) The transportation network company shall not permit an
- 17 individual to act as a transportation network company driver on
- 18 its digital network who:
- 19 (1) Has more than three moving violations within the prior
- 20 three years, or one of the following major violations
- 21 in the past three years:



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





1 transportation network company, if all of the following  
2 conditions are met:

3 (1) The transportation network company does not prescribe  
4 the specific hours during which the transportation  
5 network company driver is required to be logged in to  
6 the transportation network company's digital network;

7 (2) The transportation network company does not impose any  
8 restrictions upon the transportation network company  
9 driver's ability to use other transportation network  
10 companies' digital networks;

11 (3) The transportation network company does not restrict a  
12 transportation network company driver from engaging in  
13 any other occupation or business; and

14 (4) The transportation network company and the  
15 transportation network company driver agree in writing  
16 that the transportation network company driver is an  
17 independent contractor.

18 (d) A transportation network company shall not control,  
19 direct, or manage the transportation network company vehicles or  
20 transportation network company drivers that connect to its



1 digital network, unless a written contract expressly provides  
2 otherwise.

3       **§ -10 Non-discrimination; accessibility.** (a) The  
4 transportation network company shall adopt a policy of non-  
5 discrimination on the basis of destination, race, color,  
6 national origin, religious belief or affiliation, sex,  
7 disability, age, sexual orientation, or gender identity with  
8 respect to riders and potential riders and shall notify the  
9 transportation network company drivers of the policy.

10       (b) In addition to any policy established pursuant to  
11 subsection (a), transportation network company drivers shall  
12 comply with all applicable laws regarding nondiscrimination  
13 against riders or potential riders on the basis of destination,  
14 race, color, national origin, religious belief or affiliation,  
15 sex, disability, age, sexual orientation, or gender identity.

16       (c) Transportation network company drivers shall comply  
17 with all applicable laws to accommodate service animals.

18       For purposes of this subsection, "service animal" has the  
19 same meaning as in section 347-2.5.



1 (d) A transportation network company shall not impose  
2 additional charges for providing services to persons with  
3 physical disabilities.

4 **§ -11 Audit procedures; confidentiality of records.** (a)

5 Not more than annually, the department may visually inspect and  
6 audit a sample of records maintained by a transportation network  
7 company for the sole purpose of verifying that a transportation  
8 network company complies with the requirements of this chapter.  
9 The sample shall be chosen randomly by the department in a  
10 manner agreeable to both parties. The audit shall take place at  
11 a mutually agreed location in the State. Any record furnished  
12 to the department shall exclude information that would tend to  
13 identify specific drivers or riders.

14 (b) In response to a specific complaint against any  
15 transportation network company driver or transportation network  
16 company, the department may inspect records held by the  
17 transportation network company that are necessary to investigate  
18 and resolve the complaint. The department and transportation  
19 network company shall conduct the inspection at a mutually  
20 agreed upon location in the State. Any record furnished to the  
21 department shall exclude information that would tend to identify



1 specific transportation network company drivers or riders,  
2 unless the identity of a transportation network company driver  
3 or rider is relevant to the complaint.

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

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

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

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



# H.B. NO. 699

1           "SECTION 6. This Act shall take effect upon its approval;  
2 provided that section 2 of this Act shall take effect on  
3 September 1, 2016[; ~~provided further that this Act shall be~~  
4 ~~repealed on September 1, 2021~~]."

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

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

8

INTRODUCED BY:

A handwritten signature in black ink, appearing to be "J. A. ..." with a horizontal line underneath it.

JAN 25 2021



# H.B. NO. 699

**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.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

