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IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 262

BY TRANSPORTATION AND DEFENSE COMMITTEE

AN ACT 1 RELATING TO TRANSPORTATION NETWORK COMPANIES; AMENDING TITLE 49, IDAHO 2 CODE, BY THE ADDITION OF A NEW CHAPTER 37, TITLE 49, IDAHO CODE, TO PRO-3 VIDE A SHORT TITLE, TO PROVIDE LEGISLATIVE PURPOSE AND INTENT, TO DEFINE 4 TERMS, TO PROVIDE THAT TRANSPORTATION NETWORK COMPANIES ARE NOT OTHER 5 CARRIERS OR TAXICABS, TO REQUIRE TRANSPORTATION NETWORK COMPANY SER-6 VICES TO MAINTAIN AN AGENT IN IDAHO, TO PROVIDE FOR COLLECTION OF FEES 7 FOR SERVICES, TO PROVIDE FOR IDENTIFICATION OF TRANSPORTATION NETWORK 8 COMPANY VEHICLES AND DRIVERS, TO REQUIRE TRANSPORTATION NETWORK COMPA-9 10 NIES AND DRIVERS TO COMPLY WITH STATE OF IDAHO INSURANCE REQUIREMENTS, TO PROVIDE A ZERO TOLERANCE POLICY AND PROVIDE FOR DISCIPLINARY PROCE-11 DURES, TO PROVIDE FOR TRANSPORTATION NETWORK COMPANY DRIVER REQUIRE-12 MENTS, TO PROHIBIT SERVICE TO STREET HAILS, TO PROHIBIT CASH PAYMENT, TO 13 PROHIBIT DISCRIMINATION AND PROVIDE FOR ACCESSIBILITY, TO PROVIDE FOR 14 15 RECORDS MAINTENANCE AND TO PROVIDE FOR PREEMPTION OF LOCAL REGULATIONS; AND DECLARING AN EMERGENCY. 16

17 Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Title 49, Idaho Code, be, and the same is hereby amended by the addition thereto of a <u>NEW CHAPTER</u>, to be known and designated as Chapter 37, Title 49, Idaho Code, and to read as follows:

CHAPTER 37 TRANSPORTATION NETWORK COMPANY SERVICES ACT

49-3701. SHORT TITLE. This chapter shall be cited as the "Transportation Network Company Services Act."

49-3702. LEGISLATIVE PURPOSE AND INTENT. It is the intent of the Idaho legislature to regulate the use of transportation network company (TNC) services within the state of Idaho and to promote the safety, reliability and cost-effectiveness of transportation network company (TNC) services, as well as preserve and enhance access to these important transportation options for residents and visitors.

- 49-3703. DEFINITIONS. As used in this chapter, the following terms have the meanings as stated:
- (1) "Transportation network company" or "TNC" shall mean an entity operating in Idaho that meets the requirements of this chapter and uses a digital network or software application service to connect passengers to transportation network company services provided by transportation network company drivers. A TNC is not deemed to own, control, operate or manage the vehicles used by TNC drivers, and is not a taxicab association or a for-hire vehicle owner.

- (2) "Transportation network company (TNC) driver" shall mean an individual who operates a motor vehicle that is:
 - (a) Owned, leased or otherwise authorized for use by the individual;
 - (b) Not a taxicab or for-hire vehicle; and

- (c) Used to provide transportation network company services.
- (3) "Transportation network company (TNC) services" shall mean transportation of a passenger between points chosen by the passenger and prearranged with a TNC driver through the use of a TNC digital network or software application. TNC services shall begin when a TNC driver accepts a request for transportation received through the TNC's digital network or software application service, continue while the TNC driver transports the passenger in the TNC driver's vehicle, and end when the passenger exits the TNC driver's vehicle. TNC service is not a taxicab, for-hire vehicle or street hail service.
- (4) The definitions set forth in this section apply only to this chapter and not to the law of insurance contained in title 41, Idaho Code.
- 49-3704. NOT OTHER CARRIERS. TNCs or TNC drivers are not common carriers as defined in section 61-113, Idaho Code; they are not motor carriers, nor do they provide taxicab or for-hire vehicle service. In addition, a TNC driver shall not be required to register the vehicle such driver uses for TNC services as a commercial or for-hire vehicle or to obtain a commercial driver's license.
- 49-3705. AGENT. The TNC must maintain an agent for service of process in the state of Idaho.
- 49-3706. FARE CHARGED FOR SERVICES. A TNC may charge a fare for the services provided to passengers; provided that, if a fare is charged, the TNC shall disclose to passengers the fare calculation method on its website or within the software application service. The TNC shall also provide passengers with the applicable rates being charged and the option to receive an estimated fare before the passenger enters the TNC driver's vehicle.
- 49-3707. IDENTIFICATION OF TNC VEHICLES AND DRIVERS. The TNC's software application or website shall display a picture of the TNC driver, and the license plate number of the motor vehicle utilized for providing the TNC service before the passenger enters the TNC driver's vehicle.
- 49-3708. TNC AND TNC DRIVER INSURANCE REQUIREMENTS. TNCs and TNC drivers shall comply with all applicable requirements for insurance imposed by Idaho statutes pertaining to automobile liability insurance in this title and title 41, Idaho Code.
- 49-3709. ZERO TOLERANCE FOR DRUG OR ALCOHOL USE. (1) The TNC shall implement a zero tolerance policy on the illegal use of drugs or the use of alcohol while a TNC driver is providing TNC services or is logged into the TNC's digital network but is not providing TNC services, and shall provide notice of this policy on its website, as well as procedures to report a complaint about a driver with whom a passenger was matched and whom the passen-

ger reasonably suspects was under the influence of drugs or alcohol during the course of the trip.

- (2) Upon receipt of such passenger complaint alleging a violation of the zero tolerance policy, the TNC shall immediately suspend such TNC driver's access to the TNC's digital platform, and shall conduct an investigation into the reported incident. The suspension shall last the duration of the investigation.
- (3) The TNC shall maintain records relevant to the enforcement of this requirement for a period of at least two (2) years from the date that a passenger complaint is received by the TNC.
- 49-3710. TNC DRIVER REQUIREMENTS. (1) Prior to permitting an individual to act as a TNC driver on its digital platform, the TNC shall:
 - (a) Require the individual to submit an application to the TNC, which includes information regarding his or her address, age, driver's license, driving history, motor vehicle registration, automobile liability insurance, and other information required by the TNC;
 - (b) Conduct, or have a third party conduct, a local and national criminal background check for each applicant that shall include:
 - (i) Multistate/multi-jurisdiction criminal records locator or other similar commercial nationwide database with validation (primary source search); and
 - (ii) National sex offender registry database.
 - (c) Obtain and review a driving history research report for such individual.
- (2) The TNC shall not permit an individual to act as a TNC driver on its digital platform who:
 - (a) Has had more than three (3) moving violations in the prior three
 - (3) year period, or one (1) major violation in the prior three (3) year period (including, but not limited to, attempting to evade the police, reckless driving, or driving on a suspended or revoked license);
 - (b) Has been convicted, within the past seven (7) years, of driving under the influence of drugs or alcohol, fraud, sexual offenses, use of a motor vehicle to commit a felony, a crime involving property damage, and/or theft, acts of violence, or acts of terror;
 - (c) Is a match in the national sex offender registry database;
 - (d) Does not possess a valid driver's license;
 - (e) Does not possess proof of registration for the motor vehicle(s) used to provide TNC services;
 - (f) Does not possess proof of automobile liability insurance for the motor vehicle(s) used to provide TNC services; or
 - (g) Is not at least nineteen (19) years of age.
- 49-3711. NO STREET HAILS. A TNC driver shall exclusively accept rides booked through a TNC's digital network or software application service and shall not solicit or accept street hails.
- 49-3712. NO CASH TRIPS. The TNC shall adopt a policy prohibiting solicitation or acceptance of cash payments from passengers and notify TNC drivers of such policy. TNC drivers shall not solicit or accept cash pay-

ments from passengers. Any payment for TNC services shall be made only
electronically using the TNC's digital network or software application.

- 49-3713. NO DISCRIMINATION -- ACCESSIBILITY. (1) The TNC shall adopt a policy of nondiscrimination with respect to passengers and potential passengers and notify TNC drivers of such policy;
- (2) TNC drivers shall comply with all applicable laws regarding nondiscrimination against passengers or potential passengers;
- (3) TNC drivers shall comply with all applicable laws relating to accommodation of service animals;
- (4) A TNC shall not impose additional charges for providing services to persons with physical disabilities because of those disabilities; and
- (5) A TNC shall provide passengers an opportunity to indicate whether they require a wheelchair-accessible vehicle. If a TNC cannot arrange wheelchair-accessible TNC service in any instance, it shall direct the passenger to an alternate provider of wheelchair-accessible service, if available.
 - 49-3714. RECORDS. A TNC shall maintain:

- (1) Individual trip records for at least two (2) years from the date each trip was provided; and
- (2) TNC driver records at least until the one (1) year anniversary of the date on which a TNC driver's activation on the TNC digital network has ended.
- 49-3715. CONTROLLING AUTHORITY. Notwithstanding any other provision of law, except as provided in section 49-3708, Idaho Code, TNCs and TNC drivers are governed exclusively by this chapter. No municipality or other local entity may impose a tax on, or require a license for, a TNC, a TNC driver, or a vehicle used by a TNC driver where such tax or licenses relates to providing TNC services, or subject a TNC to the municipality or other local entity's rate, entry, operational or other requirements.
- SECTION 2. An emergency existing therefor, which emergency is hereby declared to exist, this act shall be in full force and effect on and after its passage and approval.