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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 4746

03/07/2024 Authored by Hassan, Noor, Hussein and Long
03/18/2024 The bill was read for the first time and referred to the Committee on Commerce Finance and Policy
Adoption of Report: Amended and re-referred to the Committee on Judiciary Finance and Civil Law

1.1 A bill for an act
1.2 relating to labor; regulating transportation network companies; providing a civil
1.3 cause of action; imposing criminal penalties; amending Minnesota Statutes 2022,
1.4 section 65B.472; proposing coding for new law as Minnesota Statutes, chapter
1.5 181C.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2022, section 65B.472, is amended to read:

1.8 65B.472 TRANSPORTATION NETWORK FINANCIAL RESPONSIBILITY.

1.9 Subdivision 1. Definitions. (a) Unless a different meaning is expressly made applicable,
1.10 the terms defined in paragraphs (b) through (g) (p) have the meanings given them for the
1.11 purposes of this chapter section.

1.12 (b) A "Digital network" means any online-enabled application, software, website, or
1.13 system offered or utilized by a transportation network company that enables the
1.14 prearrangement of rides with transportation network company drivers.

1.15 (c) "Disability and income loss benefits" has the meaning given in section 65B.44,
1.16 subdivision 3, subject to the weekly maximum amount and with a maximum time period
1.17 of 104 weeks after the injury.

1.18 (d) "P1," "P2," and "P3" have the meanings given in section 181C.01, subdivision 4.

1.19 (e) "Funeral and burial expenses" has the meaning given in section 65B.44, subdivision
1.20 4.

1.21 (f) "Medical expense benefits" has the meaning given in section 65B.44, subdivision 2.

2.1 (g) "Personal injury" means a physical injury or mental impairment arising out of and
2.2 in the course of a prearranged ride. A personal injury is only covered if the injury occurs
2.3 to a driver during P2 or P3. A personal injury claimant is subject to the requirements of
2.4 section 65B.56.

2.5 ~~(e)~~ (h) "Personal vehicle" means a vehicle that is used by a transportation network
2.6 company TNC driver in connection with providing a prearranged ride and is:

2.7 (1) owned, leased, or otherwise authorized for use by the ~~transportation network company~~
2.8 driver; and

2.9 (2) not a taxicab, limousine, for-hire vehicle, or a private passenger vehicle driven by a
2.10 volunteer driver.

2.11 ~~(d)~~ (i) "Prearranged ride" means the provision of transportation by a driver to a rider,
2.12 beginning when a driver accepts a ride requested by a rider through a digital network
2.13 controlled by a transportation network company, continuing while the driver transports a
2.14 requesting rider, and ending when the last requesting rider departs from the personal vehicle.
2.15 A prearranged ride does not include transportation provided using a taxicab, limousine, or
2.16 other for-hire vehicle.

2.17 (j) "Replacement services loss benefits" has the meaning given in section 65B.44,
2.18 subdivision 5, subject to the weekly maximum amount and with a maximum time period
2.19 of 104 weeks after the injury.

2.20 (k) "Survivors economic loss benefits" has the meaning given in section 65B.44,
2.21 subdivision 6, subject to the weekly maximum amount and with a maximum time period
2.22 of 104 weeks after death.

2.23 (l) "Survivors replacement services loss benefits" has the meaning given in section
2.24 65B.44, subdivision 7, subject to the weekly maximum amount and with a maximum time
2.25 period of 104 weeks after death.

2.26 ~~(e)~~ (m) "Transportation network company" or "TNC" means a corporation, partnership,
2.27 sole proprietorship, or other entity that is operating in Minnesota that uses a digital network
2.28 to connect transportation network company riders to transportation network company drivers
2.29 who provide prearranged rides.

2.30 ~~(f)~~ (n) "Transportation network company driver," "TNC driver," or "driver" means
2.31 an individual who:

3.1 (1) receives connections to potential riders and related services from a transportation
 3.2 network company in exchange for payment of a fee to the transportation network company;
 3.3 and

3.4 (2) uses a personal vehicle to provide a prearranged ride to riders upon connection
 3.5 through a digital network controlled by a transportation network company in return for
 3.6 compensation or payment of a fee.

3.7 ~~(g)~~ (o) "Transportation network company rider," "TNC rider," or "rider" means an
 3.8 individual or persons who use a transportation network company's digital network to connect
 3.9 with a transportation network driver who provides prearranged rides to the rider in the
 3.10 driver's personal vehicle between points chosen by the rider.

3.11 ~~(h)~~ (p) "Volunteer driver" means an individual who transports persons or goods on
 3.12 behalf of a nonprofit entity or governmental unit in a private passenger vehicle and receives
 3.13 no compensation for services provided other than the reimbursement of actual expenses.

3.14 Subd. 2. **Maintenance of transportation network financial responsibility.** (a) A
 3.15 transportation network company driver or transportation network company on the driver's
 3.16 behalf shall maintain primary automobile insurance that recognizes that the driver is a
 3.17 transportation network company driver or otherwise uses a vehicle to transport passengers
 3.18 for compensation and covers the driver: during P1, P2, and P3.

3.19 ~~(1) while the driver is logged on to the transportation network company's digital network;~~
 3.20 ~~or~~

3.21 ~~(2) while the driver is engaged in a prearranged ride.~~

3.22 (b) During P1, the following automobile insurance requirements apply ~~while a~~
 3.23 ~~participating transportation network company driver is logged on to the transportation~~
 3.24 ~~network company's digital network and is available to receive transportation requests but~~
 3.25 ~~is not engaged in a prearranged ride:~~

3.26 (1) primary coverage insuring against loss resulting from liability imposed by law for
 3.27 injury and property damage, including the requirements of section 65B.49, subdivision 3,
 3.28 in the amount of not less than \$50,000 because of death or bodily injury to one person in
 3.29 any accident, \$100,000 because of death or bodily injury to two or more persons in any
 3.30 accident, and \$30,000 for injury to or destruction of property of others in any one accident;

3.31 (2) security for the payment of basic economic loss benefits where required by section
 3.32 65B.44 pursuant to the priority requirements of section 65B.47. A transportation network
 3.33 company and a ~~transportation network company~~ driver, during the period set forth in this

4.1 paragraph, are deemed to be in the business of transporting persons for purposes of section
4.2 65B.47, subdivision 1, and the insurance required under this subdivision shall be deemed
4.3 to cover the vehicle during the period set forth in this paragraph;

4.4 (3) primary uninsured motorist coverage and primary underinsured motorist coverage
4.5 where required by section 65B.49, subdivisions 3a and 4a; and

4.6 (4) the coverage requirements of this subdivision may be satisfied by any of the following:

4.7 (i) automobile insurance maintained by the transportation network company driver;

4.8 (ii) automobile insurance maintained by the transportation network company; or

4.9 (iii) any combination of items (i) and (ii).

4.10 (c) During P2 and P3, the following automobile insurance requirements apply while a
4.11 transportation network company driver is engaged in a prearranged ride:

4.12 (1) primary coverage insuring against loss resulting from liability imposed by law for
4.13 injury and property damage, including the requirements of section 65B.49, in the amount
4.14 of not less than \$1,500,000 for death, injury, or destruction of property of others;

4.15 (2) security for the payment of basic economic loss benefits where required by section
4.16 65B.44 pursuant to the priority requirements of section 65B.47. A transportation network
4.17 company and a transportation network company driver, during the period set forth in this
4.18 paragraph, are deemed to be in the business of transporting persons for purposes of section
4.19 65B.47, subdivision 1, and the insurance required under this subdivision shall be deemed
4.20 to cover the vehicle during the period set forth in this paragraph;

4.21 (3) primary uninsured motorist coverage and primary underinsured motorist coverage
4.22 where required by section 65B.49, subdivisions 3a and 4a; and

4.23 (4) the coverage requirements of this subdivision may be satisfied by any of the following:

4.24 (i) automobile insurance maintained by the transportation network company driver;

4.25 (ii) automobile insurance maintained by the transportation network company; or

4.26 (iii) any combination of items (i) and (ii).

4.27 (d) During P2 and P3, a TNC must keep in place on behalf of the driver insurance that
4.28 provides reimbursement for all loss suffered through injury arising from the driver's work
4.29 for the TNC that is not otherwise covered by the insurance required under paragraphs (b)
4.30 and (c). The insurance coverage shall be in the amount of not less than \$1,000,000 in the
4.31 aggregate due to personal injury and includes medical expense benefits, disability and

5.1 income loss benefits, funeral and burial expenses, replacement services loss benefits,
5.2 survivors economic loss benefits, and survivors replacement services loss benefits.

5.3 (e) Any insurer authorized to write accident and sickness insurance in this state shall
5.4 have the power to issue the blanket accident and sickness policy described in paragraph (d).

5.5 (f) A policy of blanket accident and sickness insurance as described in paragraph (d)
5.6 must include in substance the provisions required for individual policies that are applicable
5.7 to blanket accident and sickness insurance and the following provisions:

5.8 (1) a provision that the policy and the application of the policyholder constitutes the
5.9 entire contract between the parties, and that, in the absence of fraud, all statements made
5.10 by the policyholder are deemed representations and not warranties, and that a statement
5.11 made for the purpose of affecting insurance does not avoid insurance or reduce benefits
5.12 unless the statement is contained in a written instrument signed by the policyholder, a copy
5.13 of which has been furnished to such policyholder; and

5.14 (2) a provision that to the group or class originally insured shall be added from time to
5.15 time all new persons eligible for coverage.

5.16 (g) If an injury is covered by blanket accident and sickness insurance maintained by
5.17 more than one transportation network company, the insurer of the transportation network
5.18 company against whom a claim is filed is entitled to contribution for the pro rata share of
5.19 coverage attributable to one or more other transportation network companies up to the
5.20 coverages and limits in paragraph (d).

5.21 (h) Notwithstanding any other law, amounts paid or payable under the coverages required
5.22 by section 65B.49, subdivisions 3a and 4a, shall be reduced by the total amount of benefits
5.23 paid or payable under any insurance provided under paragraph (d).

5.24 ~~(d)~~ (i) If insurance maintained by the driver in paragraph (b) or (c) has lapsed or does
5.25 not provide the required coverage, insurance maintained by a transportation network company
5.26 shall provide the coverage required by this subdivision beginning with the first dollar of a
5.27 claim and have the duty to defend the claim.

5.28 ~~(e)~~ (j) Coverage under an automobile insurance policy maintained by the transportation
5.29 network company shall not be dependent on a personal automobile insurer first denying a
5.30 claim nor shall a personal automobile insurance policy be required to first deny a claim.

5.31 ~~(f)~~ (k) Insurance required by this subdivision must satisfy the requirements of chapter
5.32 60A.

6.1 ~~(g)~~ (l) Insurance satisfying the requirements of this subdivision shall be deemed to satisfy
6.2 the financial responsibility requirements under the Minnesota No-Fault Automobile Insurance
6.3 Act, sections 65B.41 to 65B.71.

6.4 ~~(h)~~ (m) A transportation network company driver shall carry proof of coverage satisfying
6.5 paragraphs (b) and (c) at all times during the driver's use of a vehicle in connection with a
6.6 transportation network company's digital network. In the event of an accident, a transportation
6.7 network company driver shall provide this insurance coverage information to the directly
6.8 interested parties, automobile insurers, and investigating police officers upon request pursuant
6.9 to section 65B.482, subdivision 1. Upon such request, a transportation network company
6.10 driver shall also disclose to directly interested parties, automobile insurers, and investigating
6.11 police officers whether the driver was logged on to the transportation network company's
6.12 digital network or on a prearranged ride at the time of an accident.

6.13 **Subd. 3. Disclosure to transportation network company drivers.** The transportation
6.14 network company shall disclose in writing to transportation network company drivers the
6.15 following before they are allowed to accept a request for a prearranged ride on the
6.16 transportation network company's digital network:

6.17 (1) the insurance coverage, including the types of coverage and the limits for each
6.18 coverage under subdivision 2, paragraphs (b), (c), and (d), that the transportation network
6.19 company provides while the transportation network company driver uses a personal vehicle
6.20 in connection with a transportation network company's digital network;

6.21 (2) that the transportation network company driver's own automobile insurance policy
6.22 might not provide any coverage while the driver is logged on to the transportation network
6.23 company's digital network and is available to receive transportation requests or is engaged
6.24 in a prearranged ride depending on its terms; and

6.25 (3) that using a vehicle with a lien against the vehicle to provide ~~transportation network~~
6.26 ~~services~~ prearranged rides may violate the transportation network driver's contract with the
6.27 lienholder.

6.28 **Subd. 4. Automobile insurance provisions.** (a) Insurers that write automobile insurance
6.29 in Minnesota may exclude any and all coverage afforded under the owner's insurance policy
6.30 for any loss or injury that occurs ~~while a driver is logged on to a transportation network~~
6.31 ~~company's digital network or while a driver provides a prearranged ride~~ during P1, P2, and
6.32 P3. This right to exclude all coverage may apply to any coverage included in an automobile
6.33 insurance policy including, but not limited to:

6.34 (1) liability coverage for bodily injury and property damage;

- 7.1 (2) uninsured and underinsured motorist coverage;
- 7.2 (3) basic economic loss benefits as defined under section 65B.44;
- 7.3 (4) medical payments coverage;
- 7.4 (5) comprehensive physical damage coverage; and
- 7.5 (6) collision physical damage coverage.

7.6 These exclusions apply notwithstanding any requirement under the Minnesota No-Fault
7.7 Automobile Insurance Act, sections 65B.41 to 65B.71. Nothing in this section implies or
7.8 requires that a personal automobile insurance policy provide coverage ~~while the driver is~~
7.9 ~~logged on to the transportation network company's digital network, while the driver is~~
7.10 ~~engaged in a prearranged ride, or while the driver otherwise uses a vehicle to transport~~
7.11 ~~passengers for compensation~~ during P1, P2, or P3.

7.12 Nothing in this section shall be deemed to preclude an insurer from providing coverage
7.13 for the transportation network company driver's vehicle, if it so chooses to do so by contract
7.14 or endorsement.

7.15 (b) Automobile insurers that exclude coverage as permitted in paragraph (a) shall have
7.16 no duty to defend or indemnify any claim expressly excluded thereunder. Nothing in this
7.17 section shall be deemed to invalidate or limit an exclusion contained in a policy, including
7.18 any policy in use or approved for use in Minnesota prior to May 19, 2015, that excludes
7.19 coverage for vehicles used to carry persons or property for a charge or available for hire by
7.20 the public.

7.21 (c) An automobile insurer that defends or indemnifies a claim against a driver that is
7.22 excluded under the terms of its policy as permitted in paragraph (a) shall have a right of
7.23 contribution against other insurers that provide automobile insurance to the same driver in
7.24 satisfaction of the coverage requirements of subdivision 2 at the time of loss.

7.25 (d) In a claims coverage investigation, transportation network companies and any insurer
7.26 potentially providing coverage under subdivision 2 shall cooperate to facilitate the exchange
7.27 of relevant information with directly involved parties and any insurer of the transportation
7.28 network company driver if applicable, including the precise times that a transportation
7.29 network company driver logged on and off of the transportation network company's digital
7.30 network in the 12-hour period immediately preceding and in the 12-hour period immediately
7.31 following the accident and disclose to one another a clear description of the coverage,
7.32 exclusions, and limits provided under any automobile insurance maintained under subdivision
7.33 2.

8.1 **EFFECTIVE DATE.** This section is effective January 1, 2025.

8.2 Sec. 2. **[181C.01] DEFINITIONS.**

8.3 Subdivision 1. **Application.** For purposes of this chapter, the terms defined in this section
8.4 have the meanings given.

8.5 Subd. 2. **Deactivation.** "Deactivation" means the suspension or termination of a driver's
8.6 ability to receive connections to potential riders from a transportation network company.
8.7 Deactivation also means an account being "on hold" or "waitlisting," if applicable to a TNC.

8.8 Subd. 3. **Digital network.** "Digital network" has the meaning given in section 65B.472,
8.9 subdivision 1.

8.10 Subd. 4. **Driver time periods.** "Driver time periods" are divided into three exclusive
8.11 segments which have the following meanings:

8.12 (1) "period 1" or "P1" means the time when a driver is logged into a TNC application,
8.13 but has not accepted a ride offer;

8.14 (2) "period 2" or "P2" means the time when a driver is proceeding to pick up a rider
8.15 after choosing to accept a ride offer; and

8.16 (3) "period 3" or "P3" means the time when a driver is transporting a rider from a pickup
8.17 location to a dropoff location.

8.18 Subd. 5. **Personal vehicle.** "Personal vehicle" has the meaning given in section 65B.472,
8.19 subdivision 1.

8.20 Subd. 6. **Seven-county metropolitan area.** "Seven-county metropolitan area" means
8.21 Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington Counties.

8.22 Subd. 7. **Transportation network company.** "Transportation network company" or
8.23 "TNC" has the meaning given in section 65B.472, subdivision 1.

8.24 Subd. 8. **Transportation network company driver.** "Transportation network company
8.25 driver," "TNC driver," or "driver" has the meaning given in section 65B.472, subdivision
8.26 1.

8.27 Subd. 9. **Transportation network company rider.** "Transportation network company
8.28 rider," "TNC rider," or "rider" has the meaning given in section 65B.472, subdivision 1.

9.1 Sec. 3. **[181C.02] NOTICE AND PAY TRANSPARENCY.**

9.2 **Subdivision 1. Compensation notice.** (a) Upon initial or subsequent account activation,
9.3 and annually each year while a driver continues to maintain an account with the TNC, a
9.4 TNC must provide written notice of compensation to each driver containing the following
9.5 information:

9.6 (1) the right to legally required minimum compensation under section 181C.03;

9.7 (2) the frequency and manner of a driver's pay, including any policies covering driver
9.8 compensation;

9.9 (3) the rights and remedies available to a driver for a TNC's failure to comply with legal
9.10 obligations related to minimum compensation; and

9.11 (4) the driver's right to elect coverage of paid family and medical leave benefits, as
9.12 provided under chapter 268B.

9.13 (b) Written notice under this subdivision must be provided in understandable plain
9.14 language and made available in English, Amharic, Arabic, Hmong, Oromo, Somali, and
9.15 Spanish. TNCs operating in Minnesota must consider updating the languages in which they
9.16 offer the notice each year.

9.17 (c) The TNC must provide notice to a driver in writing or electronically of any changes
9.18 to the driver's compensation policy at least 48 hours before the date the changes take effect.

9.19 **Subd. 2. Assignment notice.** When a TNC alerts a driver of a possible assignment to
9.20 transport a rider, the ride offer must be available for sufficient time for the driver to review,
9.21 and the TNC must indicate:

9.22 (1) the estimated travel time and number of miles from the driver's current location to
9.23 the pickup location for P2;

9.24 (2) the estimated travel time and number of miles for the trip for P3; and

9.25 (3) the estimated total compensation.

9.26 **Subd. 3. Daily trip receipt.** Within 24 hours of each trip completion, the TNC must
9.27 transmit a detailed electronic receipt to the driver containing the following information for
9.28 each unique trip or portion of a unique trip:

9.29 (1) the date, pickup, and dropoff locations;

9.30 (2) the time and total mileage traveled from pick up to drop off of a rider or riders for
9.31 P3;

10.1 (3) the time and total mileage traveled from acceptance of the assignment to completion
 10.2 for P2 and P3;

10.3 (4) total fare or fee paid by the rider or riders; and

10.4 (5) total compensation to the driver, specifying:

10.5 (i) the rate or rates of pay, any applicable price multiplier, or variable pricing policy in
 10.6 effect;

10.7 (ii) any gratuity; and

10.8 (iii) an itemized list of all costs and reimbursements to, or charged to, the driver.

10.9 Subd. 4. **Weekly summary.** Each week, a TNC must transmit a weekly summary to a
 10.10 driver in writing or electronically containing the following information for the preceding
 10.11 calendar week:

10.12 (1) total time the driver logged into the TNC application;

10.13 (2) total time and mileage for P2 and P3 segments;

10.14 (3) total fares or fees paid by riders; and

10.15 (4) total compensation to the driver, including any gratuities.

10.16 Subd. 5. **Record keeping.** TNCs must maintain the trip receipts and weekly summaries
 10.17 required under this section for at least three years.

10.18 **Sec. 4. [181C.03] MINIMUM COMPENSATION.**

10.19 (a) Minimum compensation of a TNC driver under this section must be paid in a per
 10.20 minute, per mile format, as follows:

10.21 (1) for each trip that starts in the seven-county metropolitan area, and subject to an annual
 10.22 adjustment as provided under paragraph (f):

10.23 (i) \$..... per mile and \$..... per minute for any transportation of a rider by a driver; and

10.24 (ii) an additional \$..... per mile and \$..... per minute for any transportation of a rider
 10.25 by a driver in a vehicle operated under the requirements in sections 299A.11 to 299A.17,
 10.26 if applicable;

10.27 (iii) if a cancellation occurs after the driver has already departed to pick up a rider, 80
 10.28 percent of the cancellation fee; and

10.29 (iv) at minimum, compensation of \$5.00 for any transportation of a rider by a driver; or

11.1 (2) for each trip that starts outside of the seven-county metropolitan area, and subject to
11.2 an annual adjustment as provided under paragraph (f):

11.3 (i) \$..... per mile and \$..... per minute for any transportation of a rider by a driver;

11.4 (ii) an additional \$..... per mile and \$..... per minute for any transportation of a rider
11.5 by a driver in a vehicle operated under the requirements in sections 299A.11 to 299A.17,
11.6 if applicable;

11.7 (iii) if a cancellation occurs after the driver has already departed to pick up a rider, 80
11.8 percent of the cancellation fee; and

11.9 (iv) at minimum, compensation of \$5.00 for any transportation of a rider by a driver.

11.10 (b) A TNC must pay a driver the minimum compensation required under this section
11.11 over a reasonable earnings period not to exceed 14 calendar days. The minimum
11.12 compensation required under this section guarantees a driver a certain level of compensation
11.13 in an earnings period that cannot be reduced. Nothing in this section prevents a driver from
11.14 earning, or a TNC from paying, a higher level of compensation.

11.15 (c) Any gratuities received by a driver from a rider or riders are the property of the driver
11.16 and are not included as part of the minimum compensation required by this section. A TNC
11.17 must pay the applicable driver all gratuities received by the driver in an earnings period no
11.18 later than the driver's next scheduled payment.

11.19 (d) For each earnings period, a TNC shall compare a driver's earnings, excluding
11.20 gratuities, against the required minimum compensation for that driver during the earnings
11.21 period. If the driver's earnings, excluding gratuities, in the earnings period are less than the
11.22 required minimum compensation for that earnings period, the TNC shall include an additional
11.23 sum accounting for the difference in the driver's earnings and the minimum compensation
11.24 no later than during the next earnings period.

11.25 (e) A TNC that uses software or collection technology to collect fees or fares must pay
11.26 a driver the compensation earned by the driver, regardless of whether the fees or fares are
11.27 actually collected.

11.28 (f) Beginning January 1, 2026, and each January 1 thereafter, the minimum compensation
11.29 required under paragraph (a) must be adjusted annually by the same process as the statewide
11.30 minimum wage under section 177.24, subdivision 1.

12.1 Sec. 5. **[181C.04] DEACTIVATION.**

12.2 **Subdivision 1. Deactivation policy; requirements.** (a) A TNC must maintain a written
12.3 plain-language deactivation policy that provides the policies and procedures for the
12.4 suspension or termination of a driver's ability to receive connection to riders from the TNC.
12.5 Drivers must be provided a copy of the deactivation policy upon initial or subsequent account
12.6 activation and annually each year while the driver continues to maintain an account with
12.7 the TNC. The TNC must make the policies under this paragraph and any updates available
12.8 both online and in written form to the drivers at least 30 days before they are in effect.

12.9 (b) The deactivation policy must be provided in English, Amharic, Arabic, Hmong,
12.10 Oromo, Somali, and Spanish. TNCs operating in Minnesota must consider updating the
12.11 languages in which they offer the deactivation policy each year.

12.12 (c) Serious misconduct must be clearly defined in the TNC deactivation policy.

12.13 **Subd. 2. Prohibitions for deactivation.** A TNC must not deactivate a driver for:

12.14 (1) a violation not explicitly part of a TNC's written deactivation policy;

12.15 (2) a driver's ability to work a minimum number of hours;

12.16 (3) a driver's acceptance or rejection of a ride, as long as the acceptance or rejection is
12.17 not for a discriminatory purpose;

12.18 (4) a driver's good faith statement regarding compensation or working conditions made
12.19 publicly or privately; or

12.20 (5) a driver asserting their legal rights under any local, state, or federal law.

12.21 **Subd. 3. Written notice.** Except in cases of serious misconduct under subdivision 1,
12.22 paragraph (c), the TNC must provide written notice of deactivation three business days
12.23 before deactivation occurs. In cases of serious misconduct, the TNC must provide the driver
12.24 with written notice within three business days following deactivation. A written notice must
12.25 include:

12.26 (1) the reason for deactivation;

12.27 (2) anticipated length of the deactivation;

12.28 (3) when the deactivation will go into effect;

12.29 (4) an explanation of whether or not the deactivation can be reversed and clear steps for
12.30 the driver to take to reverse a deactivation;

13.1 (5) instructions for a driver to challenge the deactivation and information on their rights
13.2 under the appeals process provided under paragraph (f); and

13.3 (6) a notice that the driver has a right to assistance and information on how to contact a
13.4 driver advocacy group to assist in the deactivation appeal process, including the telephone
13.5 number and website information for one or more driver advocacy groups.

13.6 Subd. 4. **Driver advocacy organizations.** A driver advocacy group identified in the
13.7 notice must be an independent organization operating without influence from the TNC, and
13.8 a TNC may not have any control or influence over the day-to-day operations of the
13.9 organization's staff or management.

13.10 Subd. 5. **Request for appeal.** (a) The deactivation policy must provide the driver with
13.11 an immediate opportunity to appeal the deactivation upon receipt of the written notice and
13.12 an opportunity to provide information to support the request. An appeal process must provide
13.13 the driver with no less than 30 days to appeal the deactivation, allow the driver to have an
13.14 advocate or attorney present, and allow for an initial meeting no later than seven days after
13.15 the deactivation, unless the driver requests or agrees to a later date.

13.16 (b) A decision on the appeal must not take more than 15 days from the receipt of the
13.17 requested appeal and information to support the request. A TNC may use a third party to
13.18 assist with appeals.

13.19 (c) Except for allegations of serious misconduct under subdivision 1, paragraph (c), if
13.20 a decision on the appeal is not made within the time provided in this subdivision, unless the
13.21 driver requests or agrees to a continuance the alleged violation must be dismissed and cannot
13.22 form the basis of any further deactivation or other sanction.

13.23 (d) If the basis of a deactivation is an allegation of serious misconduct, the TNC must:

13.24 (1)(i) make a decision within 15 days from the receipt of the requested appeal and after
13.25 information to support the request has been provided, or (ii) provide the driver with a written
13.26 notice describing the reason the TNC is unable to provide a timely decision on the appeal;
13.27 and

13.28 (2) issue a decision on the appeal within 30 days of the request for the appeal when the
13.29 notice in item (i) has been provided or dismiss the allegation if the TNC fails to issue a
13.30 decision within this time period.

13.31 (e) The TNC must consider any information presented by the driver under the appeal
13.32 process. For a deactivation to be upheld, there must be evidence under the totality of the
13.33 circumstances to find that it is more likely than not that a rule violation subjecting the driver

14.1 to deactivation has occurred. A traffic ticket or other traffic or criminal charge alone is not
14.2 conclusive of a rule violation unless there has been a conviction.

14.3 (f) This section does not affect deactivations for economic reasons that are not targeted
14.4 at a particular driver or drivers.

14.5 (g) When a deactivation occurs due to a technical issue, the driver must be provided
14.6 reasonable compensation for the period of time the driver was not able to accept rides
14.7 through the TNC. For the purposes of this paragraph, "reasonable compensation" means
14.8 compensation for each day the driver was deactivated using the driver's daily average in
14.9 earnings from the TNC for the 90 days prior to the deactivation.

14.10 Subd. 6. **Prior deactivations.** (a) Consistent with the deactivation policy created under
14.11 this section, a driver who was deactivated after January 1, 2021, but before August 1, 2024,
14.12 may request an appeal of the deactivation under this section, if the driver provides notice
14.13 of the appeal within 90 days of the date of enactment and the deactivation was not due to
14.14 serious misconduct under subdivision 1, paragraph (c).

14.15 (b) By September 1, 2024, a TNC must provide notice of a right to appeal a deactivation
14.16 and a copy of the deactivation policy to all drivers deactivated after January 1, 2021. A
14.17 TNC must contact a deactivated driver using the following means, in the order listed:

14.18 (1) emailing notice to the last known email address;

14.19 (2) texting notice to the last known cell phone number;

14.20 (3) mailing written notice to the last known home address; and

14.21 (4) calling the last known phone number of the deactivated driver.

14.22 A TNC is not required to use all the contact methods in clauses (1) to (4) if the deactivated
14.23 driver confirms receipt of the notice. A TNC is not required to contact a previously
14.24 deactivated driver who is no longer deactivated.

14.25 (c) A deactivated driver notified under paragraph (d) has 90 days to appeal a deactivation.
14.26 If a driver appeals a deactivation, the procedures provided in this section apply, except that
14.27 the TNC may take up to 30 days to conduct an initial meeting and may take up to 45 days
14.28 to issue a final decision.

14.29 **EFFECTIVE DATE.** This section is effective August 1, 2024, and applies to
14.30 deactivations that occur on or after that date except as provided in subdivision 6, paragraph
14.31 (a).

15.1 Sec. 6. **[181C.05] PRIVATE CIVIL ACTION; ENFORCEMENT.**

15.2 (a) As provided under section 181.171, a driver or a driver's beneficiary may bring a
15.3 civil action seeking redress for violations of paragraph (d) and sections 181C.02, 181C.03,
15.4 and 181C.04 directly to district court. An action brought under this section must be
15.5 commenced within two years.

15.6 (b) The commissioner may issue an order under section 177.27, subdivision 4, requiring
15.7 an employer to comply with sections 181C.02 and 181C.03 under section 177.27, subdivision
15.8 4.

15.9 (c) As provided under section 181.1721, and in addition to enforcement by the department
15.10 under paragraph (a), the attorney general may enforce sections 181C.02 and 181C.03 under
15.11 section 181.1721.

15.12 (d) A TNC must not retaliate against or discipline a driver for (1) raising a complaint
15.13 under this chapter, or (2) pursuing enactment or enforcement of this chapter. A TNC must
15.14 not give less favorable or more favorable rides to a driver for making public or private
15.15 comments supporting or opposing working conditions or compensation at a TNC.

15.16 Sec. 7. **[181C.06] DISCRIMINATION PROHIBITED.**

15.17 (a) A TNC may not discriminate against a TNC driver or a qualified applicant to become
15.18 a driver, due to race, national origin, color, creed, religion, sex, disability, sexual orientation,
15.19 marital status, or gender identity. Nothing in this section prohibits providing a reasonable
15.20 accommodation to a person with a disability, for religious reasons, due to pregnancy, or to
15.21 remedy previous discriminatory behavior.

15.22 (b) A TNC driver injured by a violation of this section is entitled to the remedies under
15.23 sections 363A.28 to 363A.35.

15.24 Sec. 8. **[181C.07] COLLECTIVE BARGAINING.**

15.25 Notwithstanding any law to the contrary, nothing in this chapter prohibits collective
15.26 bargaining.

15.27 Sec. 9. **[181C.08] FORCED ARBITRATION PROHIBITED.**

15.28 The rights and remedies established in this chapter are not required to be pursued through
15.29 arbitration and shall only be pursued through arbitration at the election of the driver. Contracts
15.30 that have already been executed must have an addendum provided to each driver that includes
15.31 a copy of this chapter and notice that a driver may elect to pursue the remedies provided in

16.1 this chapter, rather than through arbitration. For cases that go to arbitration, the rights and
16.2 damages that drivers are entitled to in an arbitration proceeding shall be as provided in this
16.3 chapter.

16.4 Sec. 10. **[181C.09] REVOCATION OF LICENSE.**

16.5 A local unit of government may refuse to issue a license or may revoke a license and
16.6 right to operate issued to a TNC by the local unit of government for a TNC's failure to
16.7 comply with the requirements of this chapter.