

**Subject** Transportation network company assessment

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## Overview

This bill imposes a per-ride fee on transportation network companies (TNCs)—the term used in statutes for ride hailing services such as Uber and Lyft. It also creates some reporting requirements for TNCs. (Other motor carrier regulations are not otherwise extended to TNCs.)

## Summary

Section	Description
1	<b>Motor carrier.</b> Establishes that TNCs are not motor carriers in the chapter of statutes that sets motor carrier regulations.
2	<b>Small vehicle passenger service.</b> Establishes that for-hire transportation provided by TNCs is not included as “small vehicle passenger service” in the chapter of statutes that sets motor carrier regulations.
3	<b>Passenger transportation; exemptions.</b> Exempts TNC vehicles (i.e., a vehicle used in the transportation service performed by a transportation network company) from hours-of-service regulations.
4	<b>[Adds § 221.845] Transportation network companies; assessment.</b> Sets a fee and reporting requirements for transportation network companies.  <b>Subd. 1. Definitions.</b> Defines terms, including by reference to various terminology for TNCs in current law.  <b>Subd. 2. Transportation network company account; appropriation.</b> Establishes an account for a portion of revenue from the fee being imposed in this section. Creates a statutory appropriation of the revenue to the Minnesota Department of Transportation (MnDOT) for administrative costs.

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**Subd. 3. Assessment.** Imposes an assessment on each ride prearranged with a TNC through an app-based platform. The assessment rate is:

- two percent of the fare charged; or
- 1.5 percent of the fare for shared rides as well as for rides that use a zero-emission vehicle.

This subdivision is effective January 1, 2024.

**Subd. 4. TNC reporting and remittance.** Requires TNCs to submit monthly reports to MnDOT as well as revenue from the assessment. Specifies reporting content. Effective February 1, 2024.

**Subd. 5. Distribution of funds.** Allocates assessment revenue:

- first, to the account used for agency administrative costs;
- from the remainder:
  - 60 percent to the Highway User Tax Distribution (HUTD) Fund;
  - 36 percent to the metropolitan area transit account; and
  - four percent to the greater Minnesota transit account.

**Subd. 6. Information.** Directs MnDOT to maintain a website with information about TNC operations and the assessment.



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