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State of Minnesota

Printed Page No. **419**

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. **4746**

- 03/07/2024 Authored by Hassan, Noor, Hussein, Long and Xiong
The bill was read for the first time and referred to the Committee on Commerce Finance and Policy
- 03/18/2024 Adoption of Report: Amended and re-referred to the Committee on Judiciary Finance and Civil Law
- 04/08/2024 Adoption of Report: Re-referred to the Committee on Labor and Industry Finance and Policy
Pursuant to Joint Rule 2.03, re-referred to the Committee on Rules and Legislative Administration
- 04/11/2024 Adoption of Report: Re-referred to the Committee on Labor and Industry Finance and Policy
Joint Rule 2.03 has been waived for any subsequent committee action on this bill
- 05/09/2024 Adoption of Report: Amended and re-referred to the Committee on Ways and Means
- 05/13/2024 Adoption of Report: Placed on the General Register
Read for the Second Time

1.1 A bill for an act

1.2 relating to labor; regulating transportation network companies; providing a civil

1.3 cause of action; appropriating money; amending Minnesota Statutes 2022, section

1.4 65B.472; proposing coding for new law as Minnesota Statutes, chapter 181C.

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

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

1.7 **65B.472 TRANSPORTATION NETWORK FINANCIAL RESPONSIBILITY.**

1.8 Subdivision 1. **Definitions.** (a) Unless a different meaning is expressly made applicable,

1.9 the terms defined in paragraphs (b) through ~~(g)~~ (p) have the meanings given them for the

1.10 purposes of this ~~chapter~~ section.

1.11 (b) ~~A~~ "Digital network" means any online-enabled application, software, website, or

1.12 system offered or utilized by a transportation network company that enables the

1.13 prearrangement of rides with transportation network company drivers.

1.14 (c) "Disability and income loss benefits" has the meaning given in section 65B.44,

1.15 subdivision 3, subject to the weekly maximum amount and with a maximum time period

1.16 of 130 weeks after the injury.

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

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

1.19 4.

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

1.21 except that payment for rehabilitative services is only required when the services are

1.22 medically necessary.

2.1 (g) "Personal injury" means a physical injury or mental impairment arising out of a
2.2 physical injury in the course of a prearranged ride. A personal injury is only covered if the
2.3 injury occurs to a driver during P2 or P3, except as provided under subdivision 2, paragraph
2.4 (d). A personal injury claimant is subject to the requirements of 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 130 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 130 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 130 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 maintain insurance on behalf of, and at no cost to,
4.28 the driver that provides reimbursement for all loss suffered through personal injury arising
4.29 from the driver's work for the TNC that is not otherwise covered by the insurance required
4.30 under paragraphs (b) and (c). A driver shall not be charged by the TNC or have their
4.31 compensation lowered because of the insurance. The insurance coverage must be in the

5.1 amount of not less than \$1,000,000 per incident due to personal injury and include the
5.2 following types of coverage: medical expense benefits, disability and income loss benefits,
5.3 funeral and burial expenses, replacement services loss benefits, survivors economic loss
5.4 benefits, and survivors replacement services loss benefits. Insurance coverage under this
5.5 paragraph includes personal injury sustained while at the drop-off location immediately
5.6 following the conclusion of a prearranged ride.

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

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

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

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

5.20 (g) If an injury is covered by blanket accident and sickness insurance maintained by
5.21 more than one TNC, the insurer of the TNC against whom a claim is filed is entitled to
5.22 contribution for the pro rata share of coverage attributable to one or more other TNCs up
5.23 to the coverages and limits in paragraph (d).

5.24 (h) Notwithstanding any law to the contrary, amounts paid or payable under the coverages
5.25 required by section 65B.49, subdivisions 3a and 4a, shall be reduced by the total amount
5.26 of benefits paid or payable under insurance provided pursuant to paragraph (d).

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

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

6.1 ~~(f)~~ (k) Insurance required by this subdivision must satisfy the requirements of chapter
6.2 60A.

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

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

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

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

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

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

6.30 Subd. 4. **Automobile insurance provisions.** (a) Insurers that write automobile insurance
6.31 in Minnesota may exclude any and all coverage afforded under the owner's insurance policy
6.32 for any loss or injury that occurs ~~while a driver is logged on to a transportation network~~
6.33 ~~company's digital network or while a driver provides a prearranged ride~~ during P1, P2, and

7.1 P3. This right to exclude all coverage may apply to any coverage included in an automobile
7.2 insurance policy including, but not limited to:

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

7.4 (2) uninsured and underinsured motorist coverage;

7.5 (3) basic economic loss benefits as defined under section 65B.44;

7.6 (4) medical payments coverage;

7.7 (5) comprehensive physical damage coverage; and

7.8 (6) collision physical damage coverage.

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

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

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

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

7.28 (d) In a claims coverage investigation, transportation network companies and any insurer
7.29 potentially providing coverage under subdivision 2 shall cooperate to facilitate the exchange
7.30 of relevant information with directly involved parties and any insurer of the transportation
7.31 network company driver if applicable, including the precise times that a transportation
7.32 network company driver logged on and off of the transportation network company's digital

8.1 network in the 12-hour period immediately preceding and in the 12-hour period immediately
8.2 following the accident and disclose to one another a clear description of the coverage,
8.3 exclusions, and limits provided under any automobile insurance maintained under subdivision
8.4 2.

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

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

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

8.9 Subd. 2. **Deactivation.** "Deactivation" means a TNC blocking a driver's access to a
8.10 digital network, suspending a driver, or changing a driver's status from eligible to ineligible
8.11 to provide prearranged rides for a TNC for more than 12 hours, or more than 72 hours when
8.12 the TNC must investigate a claim against a driver. Deactivation does not include a driver's
8.13 loss of access to the digital network that is contingent on a driver's compliance with licensing,
8.14 insurance, or regulatory requirements or that can be resolved through unilateral action by
8.15 the driver. For the purposes of this chapter, "prearranged ride" has the meaning given in
8.16 section 65B.472, subdivision 1.

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

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

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

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

8.25 (3) "period 3" or "P3" means the time when a driver is transporting a rider from a pickup
8.26 location to a drop-off location.

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

8.29 Subd. 6. **Transportation network company.** "Transportation network company" or
8.30 "TNC" has the meaning given in section 65B.472, subdivision 1.

9.1 Subd. 7. **Transportation network company driver.** "Transportation network company
9.2 driver," "TNC driver," or "driver" has the meaning given in section 65B.472, subdivision
9.3 1.

9.4 Subd. 8. **Transportation network company rider.** "Transportation network company
9.5 rider," "TNC rider," or "rider" has the meaning given in section 65B.472, subdivision 1.

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

9.7 Subdivision 1. **Compensation notice.** (a) Upon initial or subsequent account activation,
9.8 and annually each year while a driver continues to maintain an account with the TNC, a
9.9 TNC must provide written notice of compensation, or a compensation policy, if any, to each
9.10 driver containing the following information:

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

9.12 (2) the frequency and manner of a driver's pay;

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

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

9.17 (b) Notice under this subdivision must be provided in written plain language and made
9.18 available in English, Amharic, Arabic, Hmong, Oromo, Somali, and Spanish. TNCs operating
9.19 in Minnesota must consider updating the languages in which they offer the notice each year.

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

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

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

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

9.28 (3) the estimated total compensation, before any gratuity.

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

10.1 (1) the date, pickup, and drop-off locations. In describing the pickup and drop-off
10.2 locations, the TNC shall describe the location by indicating the specific block in which the
10.3 pick-up and drop-off occurred;

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

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

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

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

10.10 (i) any applicable rate or rates of pay, any applicable price multiplier, or variable pricing
10.11 policy in effect;

10.12 (ii) any gratuity; and

10.13 (iii) an itemized list of all tolls, fees, or other pass-throughs from the rider charged to
10.14 the driver.

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

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

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

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

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

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

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

10.25 (a) Minimum compensation of a TNC driver under this paragraph must be adjusted
10.26 annually as provided under paragraph (f) and must be paid in a per minute, per mile format,
10.27 as follows:

10.28 (1) \$1.27 per mile and \$0.49 per minute for any transportation of a rider by a driver;

11.1 (2) if applicable, an additional \$0.91 per mile for any transportation of a rider by a driver
11.2 in a vehicle that is subject to the requirements in sections 299A.11 to 299A.17, regardless
11.3 of whether a wheelchair securement device is used;

11.4 (3) if a trip request is canceled by a rider or a TNC after the driver has already departed
11.5 to pick up a rider, 80 percent of any cancellation fee paid by the rider; and

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

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

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

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

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

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

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

11.29 Subdivision 1. **Deactivation policy; requirements.** (a) A TNC must maintain a written
11.30 plain-language deactivation policy that provides the policies and procedures for deactivation.
11.31 The TNC must make the deactivation policy available online and through the TNC's digital
11.32 platform. Updates or changes to the policy must be provided to drivers at least 48 hours
11.33 before the update or change goes into effect.

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

12.4 (c) The deactivation policy must:

12.5 (1) state that the deactivation policy is enforceable as a term of the TNC's contract with
12.6 a driver;

12.7 (2) provide drivers with a reasonable understanding of the circumstances that constitute
12.8 a violation that may warrant deactivation under the deactivation policy and indicate the
12.9 consequences known, including the specific number of days or range of days for a
12.10 deactivation if applicable;

12.11 (3) describe fair and reasonable procedures for notifying a driver of a deactivation and
12.12 the reason for the deactivation;

12.13 (4) describe fair, objective, and reasonable procedures and eligibility criteria for the
12.14 reconsideration of a deactivation decision and the process by which a driver may request a
12.15 deactivation appeal with the TNC, consistent with subdivision 5; and

12.16 (5) be specific enough for a driver to understand what constitutes a violation of the policy
12.17 and how to avoid violating the policy.

12.18 (d) Serious misconduct must be clearly defined in the TNC deactivation policy.

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

12.20 (1) a violation not reasonably understood as part of a TNC's written deactivation policy;

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

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

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

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

12.27 Subd. 3. **Written notice and warning.** (a) The TNC must provide notice at the time of
12.28 the deactivation or, for deactivations based on serious misconduct, notice within three days
12.29 of the deactivation. A written notice must include:

12.30 (1) the reason for deactivation;

12.31 (2) anticipated length of the deactivation, if known;

13.1 (3) the day the deactivation started;

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

13.4 (5) instructions for a driver to challenge the deactivation and information on their rights
13.5 under the appeals process provided under subdivision 5; and

13.6 (6) a notice that the driver has a right to assistance and information on how to contact a
13.7 driver advocacy group as provided in subdivision 4 to assist in the deactivation appeal
13.8 process, including the telephone number and website information for one or more driver
13.9 advocacy groups.

13.10 (b) The TNC must provide a warning to a driver if the driver's behavior could result in
13.11 a future deactivation. A TNC does not need to provide a warning for behavior that constitutes
13.12 serious misconduct.

13.13 **Subd. 4. Driver advocacy organizations.** (a) A TNC must contract with a driver's
13.14 advocacy organization to provide services to drivers under this section. A driver advocacy
13.15 group identified in the notice must be an independent, not-for-profit organization operating
13.16 without excessive influence from the TNC. The TNC must not have any control or influence
13.17 over the day-to-day operations of the advocacy organization or the organization's staff or
13.18 management or have control or influence over who receives assistance on specific cases or
13.19 how assistance is provided in a case. The organization must have been established and
13.20 operating in Minnesota continuously for at least two years and be capable of providing
13.21 culturally competent driver representation services, outreach, and education.

13.22 (b) The driver advocacy groups must provide, at no cost to the drivers, assistance with:

13.23 (1) deactivation appeals;

13.24 (2) education and outreach to drivers regarding the drivers' rights and remedies available
13.25 to them under the law; and

13.26 (3) other technical or legal assistance on issues related to providing services for the TNC
13.27 and riders.

13.28 **Subd. 5. Request for appeal.** (a) The deactivation policy must provide the driver with
13.29 an opportunity to appeal the deactivation upon receipt of the notice and an opportunity to
13.30 provide information to support the request. An appeal process must provide the driver with
13.31 no less than 30 days to appeal the deactivation and allow the driver to have the support of
13.32 an advocate or attorney.

14.1 (b) A TNC must review and rule on the appeal within 15 days from the receipt of the
14.2 requested appeal and information to support the request. A TNC may use a third party to
14.3 assist with appeals.

14.4 (c) The TNC must consider any information presented by the driver under the appeal
14.5 process. For a deactivation to be upheld, there must be evidence under the totality of the
14.6 circumstances to find that it is more likely than not that a rule violation subjecting the driver
14.7 to deactivation has occurred.

14.8 (d) This section does not affect deactivations for economic reasons or during a public
14.9 state of emergency that are not targeted at a particular driver or drivers.

14.10 (e) When an unintentional deactivation of an individual driver occurs due to a purely
14.11 technical issue and is not caused by any action or fault of the driver, the driver, upon request,
14.12 must be provided reasonable compensation for the period of time the driver was not able
14.13 to accept rides through the TNC capped at a maximum of 21 days. For the purposes of this
14.14 paragraph, "reasonable compensation" means compensation for each day the driver was
14.15 deactivated using the driver's daily average in earnings from the TNC for the 90 days prior
14.16 to the deactivation.

14.17 Subd. 6. **Prior deactivations.** Consistent with the deactivation policy created under this
14.18 section, a driver who was deactivated after January 1, 2021, but before November 1, 2024,
14.19 and who has not been reinstated may request an appeal of the deactivation under this section,
14.20 if the driver provides notice of the appeal within 90 days of the date of enactment. The TNC
14.21 may take up to 90 days to issue a final decision.

14.22 **EFFECTIVE DATE.** This section is effective November 1, 2024, and applies to
14.23 deactivations that occur on or after that date except as provided in subdivision 6.

14.24 Sec. 6. **[181C.05] ENFORCEMENT.**

14.25 (a) The commissioner may issue an order under section 177.27, subdivision 4, requiring
14.26 a TNC to comply with sections 181C.02 and 181C.03 under section 177.27, subdivision 4.

14.27 (b) A contract provision already in or added to the contract between a TNC and a driver
14.28 that violates this chapter is void and unenforceable. A driver may bring an action in district
14.29 court if a provision of a contract between a TNC and a driver violates this chapter.

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

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

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

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

15.9 Sec. 8. **[181C.07] COLLECTIVE BARGAINING; EMPLOYMENT STATUS.**

15.10 Notwithstanding any law to the contrary, nothing in this chapter prohibits collective
15.11 bargaining or must be construed to alter whether a TNC is an employer of a TNC driver or
15.12 whether a TNC driver is an employee.

15.13 Sec. 9. **[181C.08] ARBITRATION; REQUIREMENTS.**

15.14 (a) A TNC must provide a driver with the option to opt out of arbitration.

15.15 (b) The rights and remedies established in this chapter must be the governing law in an
15.16 arbitration between a driver operating in Minnesota and a TNC. The application of the rights
15.17 and remedies available under chapter 181C cannot be waived by a driver prior to or at the
15.18 initiation of an arbitration between a driver and a TNC. Arbitration with a Minnesota driver
15.19 should use Minnesota as the venue, but an arbitration that cannot take place in the state of
15.20 Minnesota must allow the driver to appear via phone or other electronic means and apply
15.21 the rights and remedies available under chapter 181C. Arbitrators must be jointly selected
15.22 using the list provided by the Minnesota Supreme Court for alternative dispute resolution.
15.23 Consistent with the rules and guidelines provided by the American Arbitrators Association,
15.24 if the parties are unable to agree on an arbitrator through this selection process, the case
15.25 manager may administratively appoint the arbitrator or arbitrators.

15.26 (c) Contracts that have already been executed must have an addendum provided to each
15.27 driver that includes a copy of this chapter and notice that a driver may elect to pursue the
15.28 remedies provided in this chapter.

16.1 Sec. 10. [181C.09] REVOCATION OF LICENSE.

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

16.5 Sec. 11. APPROPRIATION.

16.6 \$173,000 in fiscal year 2025 is appropriated from the general fund to the commissioner
16.7 of labor and industry for the purposes of enforcement, education, and outreach of Minnesota
16.8 Statutes, sections 181C.02 and 181C.03. Beginning in fiscal year 2026, the base amount is
16.9 \$123,000 each fiscal year.