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State of Minnesota

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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
- 05/19/2024 Calendar for the Day, Amended
Bill was laid on the Table as Amended
Bill was taken from the Table as Amended
Read Third Time as Amended
Passed by the House as Amended and transmitted to the Senate to include Floor Amendments

1.1 A bill for an act

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

1.3 cause of action; modifying powers and duties of commissioner of human rights;

1.4 appropriating money; amending Minnesota Statutes 2022, section 65B.472;

1.5 Minnesota Statutes 2023 Supplement, section 363A.06, subdivision 1; proposing

1.6 coding for new law as Minnesota Statutes, chapter 181C.

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

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

1.9 **65B.472 TRANSPORTATION NETWORK FINANCIAL RESPONSIBILITY.**

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

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

1.12 purposes of this ~~chapter~~ section.

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

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

1.15 prearrangement of rides with transportation network company drivers.

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

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

1.18 of 130 weeks after the injury.

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

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

1.21 4.

2.1 (f) "Medical expense benefits" has the meaning given in section 65B.44, subdivision 2,
2.2 except that payment for rehabilitative services is only required when the services are
2.3 medically necessary.

2.4 (g) "Personal injury" means a physical injury or mental impairment arising out of a
2.5 physical injury in the course of a prearranged ride. A personal injury is only covered if the
2.6 injury occurs to a driver during P2 or P3, except as provided under subdivision 2, paragraph
2.7 (d). A personal injury claimant is subject to the requirements of section 65B.56.

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

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

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

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

2.20 (j) "Replacement services loss benefits" has the meaning given in section 65B.44,
2.21 subdivision 5, subject to the weekly maximum amount and with a maximum time period
2.22 of 130 weeks after the injury.

2.23 (k) "Survivors economic loss benefits" has the meaning given in section 65B.44,
2.24 subdivision 6, subject to the weekly maximum amount and with a maximum time period
2.25 of 130 weeks after death.

2.26 (l) "Survivors replacement services loss benefits" has the meaning given in section
2.27 65B.44, subdivision 7, subject to the weekly maximum amount and with a maximum time
2.28 period of 130 weeks after death.

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

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

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

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

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

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

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

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

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

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

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

4.1 (2) security for the payment of basic economic loss benefits where required by section
4.2 65B.44 pursuant to the priority requirements of section 65B.47. A transportation network
4.3 company and a ~~transportation network company~~ driver, during the period set forth in this
4.4 paragraph, are deemed to be in the business of transporting persons for purposes of section
4.5 65B.47, subdivision 1, and the insurance required under this subdivision shall be deemed
4.6 to cover the vehicle during the period set forth in this paragraph;

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

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

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

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

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

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

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

4.18 (2) security for the payment of basic economic loss benefits where required by section
4.19 65B.44 pursuant to the priority requirements of section 65B.47. A transportation network
4.20 company and a transportation network company driver, during the period set forth in this
4.21 paragraph, are deemed to be in the business of transporting persons for purposes of section
4.22 65B.47, subdivision 1, and the insurance required under this subdivision shall be deemed
4.23 to cover the vehicle during the period set forth in this paragraph;

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

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

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

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

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

4.30 (d) During P2 and P3, a TNC must maintain insurance on behalf of, and at no cost to,
4.31 the driver that provides reimbursement for all loss suffered through personal injury arising

5.1 from the driver's work for the TNC that is not otherwise covered by the insurance required
5.2 under paragraphs (b) and (c). The TNC may purchase the insurance coverage using a portion
5.3 of the fare or fee paid by the rider or riders. A driver shall not be charged by the TNC or
5.4 have their compensation lowered because of the insurance. The insurance coverage must
5.5 be in the amount of not less than \$1,000,000 per incident due to personal injury and include
5.6 the following types of coverage: medical expense benefits, disability and income loss
5.7 benefits, funeral and burial expenses, replacement services loss benefits, survivors economic
5.8 loss benefits, and survivors replacement services loss benefits. Insurance coverage under
5.9 this paragraph includes personal injury sustained while at the drop-off location immediately
5.10 following the conclusion of a prearranged ride.

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

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

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

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

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

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

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

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

6.4 ~~(f)~~ (k) Insurance required by this subdivision must satisfy the requirements of chapter
6.5 60A.

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

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

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

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

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

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

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

- 7.7 (1) liability coverage for bodily injury and property damage;
- 7.8 (2) uninsured and underinsured motorist coverage;
- 7.9 (3) basic economic loss benefits as defined under section 65B.44;
- 7.10 (4) medical payments coverage;
- 7.11 (5) comprehensive physical damage coverage; and
- 7.12 (6) collision physical damage coverage.

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

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

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

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

8.1 (d) In a claims coverage investigation, transportation network companies and any insurer
8.2 potentially providing coverage under subdivision 2 shall cooperate to facilitate the exchange
8.3 of relevant information with directly involved parties and any insurer of the transportation
8.4 network company driver if applicable, including the precise times that a transportation
8.5 network company driver logged on and off of the transportation network company's digital
8.6 network in the 12-hour period immediately preceding and in the 12-hour period immediately
8.7 following the accident and disclose to one another a clear description of the coverage,
8.8 exclusions, and limits provided under any automobile insurance maintained under subdivision
8.9 2.

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

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

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

8.14 Subd. 2. **Deactivation.** "Deactivation" means a TNC blocking a driver's access to a
8.15 digital network, suspending a driver, or changing a driver's status from eligible to ineligible
8.16 to provide prearranged rides for a TNC for more than 24 hours, or more than 72 hours when
8.17 the TNC must investigate a claim against a driver. Deactivation does not include a driver's
8.18 loss of access to the digital network that is contingent on a driver's compliance with licensing,
8.19 insurance, or regulatory requirements or that can be resolved through unilateral action by
8.20 the driver. For the purposes of this chapter, "prearranged ride" has the meaning given in
8.21 section 65B.472, subdivision 1.

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

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

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

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

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

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

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

9.5 Subd. 7. **Transportation network company driver.** "Transportation network company
9.6 driver," "TNC driver," or "driver" has the meaning given in section 65B.472, subdivision
9.7 1.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

10.16 (ii) any gratuity; and

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

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

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

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

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

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

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

11.1 Sec. 4. [181C.03] MINIMUM COMPENSATION.

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

11.5 (1) \$1.28 per mile and \$0.31 per minute for any transportation of a rider by a driver;

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

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

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

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

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

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

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

11.30 (f) The commissioner of labor and industry must annually adjust the amounts in paragraph
11.31 (a), clauses (1) to (4), based on the 12-month change in the consumer price index for all
11.32 urban consumers.

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

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

12.3 Subdivision 1. **Deactivation policy; requirements.** (a) A TNC must maintain a written
12.4 plain-language deactivation policy that provides the policies and procedures for deactivation.
12.5 The TNC must make the deactivation policy available online, through the TNC's digital
12.6 platform. Updates or changes to the policy must be provided to drivers at least 48 hours
12.7 before they go into effect.

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

12.11 (c) The deactivation policy must:

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

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

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

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

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

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

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

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

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

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

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

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

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

13.7 (1) the reason for deactivation;

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

13.9 (3) what day the deactivation started on;

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

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

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

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

13.21 Subd. 4. **Driver advocacy organizations.** (a) A TNC must contract with: (1) an
13.22 organization to provide sexual assault prevention training; and (2) a driver's advocacy
13.23 organization to provide services to drivers under this section. Each group identified in the
13.24 notice must be an independent, not-for-profit organization operating without excessive
13.25 influence from the TNC. The TNC must not have any control or influence over the day-to-day
13.26 operations of the organization or the organization's staff or management or have control or
13.27 influence over who receives assistance on specific cases or how assistance is provided in a
13.28 case. The organization must have been established and operating in Minnesota continuously
13.29 for at least two years and be capable of providing culturally competent driver representation
13.30 services, outreach, and education.

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

13.32 (1) deactivation appeals;

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

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

14.5 (c) To be eligible under this subdivision, a driver's advocacy organization must meet
14.6 the requirements under sections 16B.981 and 16B.991. If the requirements are not met, this
14.7 subdivision does not apply.

14.8 (d) A director of the driver's advocacy organization contracted under this subdivision
14.9 cannot have been convicted of fraud or been the recipient of an adverse administrative action
14.10 related to a finding that the organization committed fraud.

14.11 (e) The TNC must use 25 percent of the funds expended under this subdivision for sexual
14.12 assault prevention training purposes.

14.13 (f) A board member or an employee of the driver's advocacy organization contracted
14.14 under this subdivision is prohibited from donating to a state legislator.

14.15 **Subd. 5. Request for appeal.** (a) The deactivation policy must provide the driver with
14.16 an opportunity to appeal the deactivation upon receipt of the notice and an opportunity to
14.17 provide information to support the request. An appeal process must provide the driver with
14.18 no less than 30 days from the date the notice was provided to the driver to appeal the
14.19 deactivation and allow the driver to have the support of an advocate or attorney.

14.20 (b) Unless the TNC or the driver requests an additional 15 days, a TNC must review
14.21 and make a final decision on the appeal within 15 days from the receipt of the requested
14.22 appeal and information to support the request. A TNC may use a third party to assist with
14.23 appeals.

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

14.28 (d) This section does not apply to deactivations for economic reasons or during a public
14.29 state of emergency that are not targeted at a particular driver or drivers.

14.30 (e) When an unintentional deactivation of an individual driver occurs due to a purely
14.31 technical issue and is not caused by any action or fault of the driver, the driver, upon request,
14.32 must be provided reasonable compensation for the period of time the driver was not able
14.33 to accept rides through the TNC capped at a maximum of 21 days. For the purposes of this

15.1 paragraph, "reasonable compensation" means compensation for each day the driver was
15.2 deactivated using the driver's daily average in earnings from the TNC for the 90 days prior
15.3 to the deactivation.

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

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

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

15.12 (a) Except as provided under section 181C.06, the commissioner of labor and industry
15.13 has exclusive enforcement authority and may issue an order under section 177.27, subdivision
15.14 4, requiring a TNC to comply with sections 181C.02 and 181C.03 under section 177.27,
15.15 subdivision 4.

15.16 (b) A provision in a contract between a TNC and a driver that violates this chapter is
15.17 void and unenforceable. Unless a valid arbitration agreement exists under section 181C.08,
15.18 a driver may bring an action in district court seeking injunctive relief and any applicable
15.19 remedies available under the contract if a provision of a contract between a TNC and a
15.20 driver violates this chapter.

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

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

15.26 (a) A TNC must not discriminate against a TNC driver or a qualified applicant to become
15.27 a driver, due to race, national origin, color, creed, religion, sex, disability, sexual orientation,
15.28 marital status, or gender identity as provided under section 363A.11. Nothing in this section
15.29 prohibits providing a reasonable accommodation to a person with a disability, for religious
15.30 reasons, due to pregnancy, or to remedy previous discriminatory behavior.

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

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

16.2 Subdivision 1. Construction. Notwithstanding any law to the contrary, nothing in this
16.3 chapter prohibits collective bargaining or shall be construed to determine whether a TNC
16.4 driver is an employee.

16.5 Subd. 2. Work stoppage exceptions. In the event of a general work stoppage and
16.6 notwithstanding any collective bargaining agreement, transportation services must continue
16.7 for students with disabilities, students of area learning centers, transient students, students
16.8 experiencing homelessness, and students served by the child protection or foster care system
16.9 in accordance with the right to free and appropriate public education.

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

16.11 (a) A TNC must provide a driver with the option to opt out of arbitration. Upon a driver's
16.12 written election to pursue remedies through arbitration, the driver must not seek remedies
16.13 through district court based on the same alleged violation.

16.14 (b) The rights and remedies established in this chapter must be the governing law in an
16.15 arbitration between a driver operating in Minnesota and a TNC. The application of the rights
16.16 and remedies available under chapter 181C cannot be waived by a driver prior to or at the
16.17 initiation of an arbitration between a driver and a TNC. To the extent possible, a TNC shall
16.18 use Minnesota as the venue for arbitration with a Minnesota driver. If an arbitration cannot
16.19 take place in the state of Minnesota, the driver must be allowed to appear via phone or other
16.20 electronic means and apply the rights and remedies available under chapter 181C. Arbitrators
16.21 must be jointly selected by the TNC and the driver using the roster of qualified neutrals
16.22 provided by the Minnesota supreme court for alternative dispute resolution. Consistent with
16.23 the rules and guidelines provided by the American Arbitrators Association, if the parties
16.24 are unable to agree on an arbitrator through the joint selection process, the case manager
16.25 may administratively appoint the arbitrator or arbitrators.

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

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

16.30 A local unit of government may refuse to issue a license or may revoke a license and
16.31 right to operate issued to a TNC by the local unit of government for a TNC's failure to
16.32 comply with the requirements of this chapter. Notwithstanding section 13.39, the

17.1 commissioner of labor and industry may provide data collected related to a compliance
17.2 order issued under section 177.27, subdivision 4, to a local unit of government for purposes
17.3 of a revocation under this section.

17.4 Sec. 11. [181C.10] STATEWIDE REGULATIONS.

17.5 Notwithstanding any other provision of law and except as provided in section 181C.09
17.6 no local governmental unit of this state may enact or enforce any ordinance, local law, or
17.7 regulation that: (1) regulates any matter relating to transportation network companies or
17.8 transportation network company drivers addressed in section 65B.472 or chapter 181C; or
17.9 (2) requires the provision of data related to section 65B.472 or chapter 181C.

17.10 **EFFECTIVE DATE.** This section is effective the day following final enactment. An
17.11 ordinance, local law, or regulation existing on that date that is prohibited under this section
17.12 is void and unenforceable as of that date.

17.13 Sec. 12. Minnesota Statutes 2023 Supplement, section 363A.06, subdivision 1, is amended
17.14 to read:

17.15 Subdivision 1. **Formulation of policies.** (a) The commissioner shall formulate policies
17.16 to effectuate the purposes of this chapter and shall do the following:

17.17 (1) exercise leadership under the direction of the governor in the development of human
17.18 rights policies and programs, and make recommendations to the governor and the legislature
17.19 for their consideration and implementation;

17.20 (2) establish and maintain a principal office in St. Paul, and any other necessary branch
17.21 offices at any location within the state;

17.22 (3) meet and function at any place within the state;

17.23 (4) employ attorneys, clerks, and other employees and agents as the commissioner may
17.24 deem necessary and prescribe their duties;

17.25 (5) to the extent permitted by federal law and regulation, utilize the records of the
17.26 Department of Employment and Economic Development of the state when necessary to
17.27 effectuate the purposes of this chapter;

17.28 (6) obtain upon request and utilize the services of all state governmental departments
17.29 and agencies;

17.30 (7) adopt suitable rules for effectuating the purposes of this chapter;

18.1 (8) issue complaints, receive and investigate charges alleging unfair discriminatory
18.2 practices, and determine whether or not probable cause exists for hearing;

18.3 (9) subpoena witnesses, administer oaths, take testimony, and require the production for
18.4 examination of any books or papers relative to any matter under investigation or in question
18.5 as the commissioner deems appropriate to carry out the purposes of this chapter;

18.6 (10) attempt, by means of education, conference, conciliation, and persuasion to eliminate
18.7 unfair discriminatory practices as being contrary to the public policy of the state;

18.8 (11) develop and conduct programs of formal and informal education designed to
18.9 eliminate discrimination and intergroup conflict by use of educational techniques and
18.10 programs the commissioner deems necessary;

18.11 (12) make a written report of the activities of the commissioner to the governor each
18.12 year;

18.13 (13) accept gifts, bequests, grants, or other payments public and private to help finance
18.14 the activities of the department;

18.15 (14) create such local and statewide advisory committees as will in the commissioner's
18.16 judgment aid in effectuating the purposes of the Department of Human Rights;

18.17 (15) develop such programs as will aid in determining the compliance throughout the
18.18 state with the provisions of this chapter, and in the furtherance of such duties, conduct
18.19 research and study discriminatory practices based upon race, color, creed, religion, national
18.20 origin, sex, gender identity, age, disability, marital status, status with regard to public
18.21 assistance, familial status, sexual orientation, or other factors and develop accurate data on
18.22 the nature and extent of discrimination and other matters as they may affect housing,
18.23 employment, public accommodations, schools, and other areas of public life;

18.24 (16) develop and disseminate technical assistance to persons subject to the provisions
18.25 of this chapter, and to agencies and officers of governmental and private agencies;

18.26 (17) provide staff services to such advisory committees as may be created in aid of the
18.27 functions of the Department of Human Rights;

18.28 (18) make grants in aid to the extent that appropriations are made available for that
18.29 purpose in aid of carrying out duties and responsibilities;

18.30 (19) cooperate and consult with the commissioner of labor and industry regarding the
18.31 investigation of violations of, and resolution of complaints regarding section 363A.08,
18.32 subdivision 7, or 181C.06; and

19.1 (20) analyze civil rights trends pursuant to this chapter, including information compiled
19.2 from community organizations that work directly with historically marginalized communities,
19.3 and prepare a report each biennium that recommends policy and system changes to reduce
19.4 and prevent further civil rights incidents across Minnesota. The report shall be provided to
19.5 the chairs and ranking minority members of the house of representatives and senate
19.6 committees with jurisdiction over the Department of Human Rights. This report must also
19.7 be posted on the Department of Human Rights' public website and shared with community
19.8 organizations that work with historically marginalized communities. Notwithstanding the
19.9 forgoing or any other provision of law, the Department of Human Rights shall not, directly
19.10 or indirectly, maintain in any collection or database any incidents of protected speech, nor
19.11 shall the department, directly or indirectly, offer any reward for the reporting of any incidents
19.12 of protected speech. As used herein, "protected speech" shall include any exercise of the
19.13 right of freedom of speech or of the press, the right to assemble or petition, or the right of
19.14 association, guaranteed by the United States Constitution or the Minnesota Constitution.

19.15 In performing these duties, the commissioner shall give priority to those duties in clauses
19.16 (8), (9), and (10) and to the duties in section 363A.36.

19.17 (b) All gifts, bequests, grants, or other payments, public and private, accepted under
19.18 paragraph (a), clause (13), must be deposited in the state treasury and credited to a special
19.19 account. Money in the account is appropriated to the commissioner of human rights to help
19.20 finance activities of the department.

19.21 Sec. 13. **ENACTMENT PROHIBITED.**

19.22 Sections 1 to 12 and 17 become effective on the date indicated unless the commissioner
19.23 of public safety determines that enactment will increase drunk driving rates due to reduced
19.24 usage of transportation network companies.

19.25 Sec. 14. **ENACTMENT PROHIBITED.**

19.26 Sections 1 to 12 and 17 become effective on the date indicated unless the commissioner
19.27 of human services determines that enactment will reduce mobility for individuals with
19.28 disabilities.

19.29 Sec. 15. **ENACTMENT PROHIBITED.**

19.30 Sections 1 to 12 and 17 become effective on the date indicated unless the commissioners
19.31 of health and employment and economic development determine that enactment will reduce

20.1 the ability for those without personal vehicles to access basic needs like health care, groceries,
20.2 or employment.

20.3 Sec. 16. **ENACTMENT PROHIBITED.**

20.4 Sections 1 to 12 and 17 become effective on the date indicated unless the commissioner
20.5 of education determines that enactment will reduce access to schools and education for
20.6 children.

20.7 Sec. 17. **APPROPRIATION.**

20.8 \$173,000 in fiscal year 2025 is appropriated from the general fund to the commissioner
20.9 of labor and industry for the purposes of enforcement, education, and outreach of Minnesota
20.10 Statutes, sections 181C.02 and 181C.03. Beginning in fiscal year 2026, the base amount is
20.11 \$123,000 each fiscal year.