



1 "Department" means the department of transportation.

2 "Digital network" means any online-enabled technology  
3 application service, website, or system offered or utilized by a  
4 transportation network company that enables the prearrangement  
5 of rides with transportation network company drivers.

6 "Director" means the director of transportation.

7 "Prearranged ride" has the same meaning as in section 431:  
8 10C-701.

9 "Transportation network company" means an entity that uses  
10 a digital network or software application service to connect  
11 passengers to transportation network company drivers; provided  
12 that the entity:

13 (1) Does not control, direct, or manage the transportation  
14 network company vehicles or transportation network  
15 company drivers that connect to its digital network,  
16 except where agreed to by written contract; and

17 (2) Is not a taxicab association or a for-hire vehicle  
18 owner.

19 "Transportation network company driver" has the same  
20 meaning as in section 431:10C-701.



1 "Transportation network company rider" or "rider" means an  
2 individual or person who uses a transportation network company's  
3 digital network to connect with a transportation network company  
4 driver who provides prearranged rides to the rider in a  
5 transportation network company vehicle between destination  
6 points chosen by the rider.

7 "Transportation network company vehicle" means a vehicle  
8 that is:

- 9 (1) Used by a transportation network company driver to  
10 provide a prearranged ride;  
11 (2) Owned, leased, or otherwise authorized for use by the  
12 transportation network company driver; and  
13 (3) Not operating as a taxicab, limousine, or other for-  
14 hire vehicle.

15 § -2 **Director of transportation; authority.** The  
16 director shall have full authority to:

- 17 (1) Enforce this chapter and any rules relating to  
18 transportation network companies and transportation  
19 network drivers;



1 (2) Investigate the actions of any person or organization  
2 acting in the capacity of a transportation network  
3 company driver; and

4 (3) Inspect the records of a transportation network  
5 company to verify that the company complies with the  
6 requirements of this chapter.

7 § -3 Relation to other laws; commercial vehicle; for  
8 hire vehicle; registration; exemption. Solely for the purposes  
9 of this chapter, neither a transportation network company nor a  
10 transportation network company driver shall be deemed to be a  
11 common carrier by motor vehicle, a contract carrier by motor  
12 vehicle, a motor carrier as defined in section 271-4, a taxicab,  
13 or a for-hire vehicle service. No transportation network  
14 company driver shall be required to register a transportation  
15 network company vehicle as a commercial or for-hire vehicle.

16 § -4 Transportation network company; permit; required.

17 (a) No person shall operate a transportation network company in  
18 the State without first having obtained a permit from the  
19 director, the application for which shall be in a form and  
20 content to be determined by the director; provided that any  
21 transportation network company operating in the State before the



1 effective date of this chapter may continue operating until the  
2 director has established a permitting process and sets a  
3 registration deadline.

4 (b) The director shall issue a permit to each applicant  
5 that satisfies the requirements for a transportation network  
6 company as set forth by the director and shall collect an annual  
7 permit fee of \$ from the applicant prior to the  
8 issuance of a permit.

9 § -5 **Fare transparency.** (a) If a fare is collected  
10 from a rider, the transportation network company shall disclose  
11 the fare or fare calculation method to the rider on its website  
12 or within the online-enabled technology application service  
13 before the beginning of the prearranged ride. If the fare is  
14 not disclosed to the rider before the beginning of the  
15 prearranged ride, the rider shall have the option to receive an  
16 estimated fare before the beginning of the prearranged ride.

17 (b) The director shall have full authority to implement  
18 this section.

19 § -6 **Agent for service.** Any transportation network  
20 company that operates in the State shall maintain an agent for  
21 service of process in the State.



1           §   -7   Transportation network company vehicles;  
2   certification.   (a)   No vehicle may be used by a transportation  
3   network company unless the company has certified, for each  
4   vehicle:  
5           (1)   The vehicle identification number;  
6           (2)   The registered owner's full legal name;  
7           (3)   Proof of registration for the motor vehicle in the  
8                name of the driver;  
9           (4)   The license plate number and expiration date;  
10          (5)   Proof of current vehicle safety inspection and date of  
11                the annual inspection for the motor vehicle; and  
12          (6)   Proof of insurance.  
13          (b)   A company shall ensure that the driver has renewed the  
14   vehicle's annual registration and passed the annual safety  
15   inspection.   The company shall suspend a driver's access to its  
16   digital network or software application service upon discovery  
17   of a driver's failure to renew the vehicle's annual registration  
18   or vehicle safety inspection.   Access to its digital network or  
19   software application service may be restored upon the driver's  
20   submission of documents confirming the renewal of the vehicle's  
21   annual registration and passing the annual safety inspection.



1 (c) No vehicle may be recertified unless all outstanding  
2 penalties assessed against the driver operating the vehicle  
3 being recertified are paid in full to the director.

4 (d) A transportation network company shall suspend the  
5 private transportation driver's access to its digital network or  
6 dispatch system upon discovery of a private transportation  
7 driver's failure to timely renew the annual registration or pass  
8 the annual motor vehicle safety inspection.

9 (e) The director shall have full authority to implement  
10 this section.

11 **§ -8 Identification of transportation network company**  
12 **vehicles and drivers.** During a prearranged ride, a  
13 transportation network company's digital network shall display a  
14 picture of the transportation network company driver and the  
15 license plate number of the transportation network company  
16 vehicle.

17 **§ -9 Electronic receipt.** Following the completion of a  
18 trip, the transportation network company shall transmit an  
19 electronic receipt on behalf of the transportation network  
20 company driver that shall include the following information:



1 (1) The origin and destination or destinations of the  
2 trip;

3 (2) The total time and distance of the trip; and

4 (3) The total fare paid.

5 **§ -10 Disclosure; limitations; insurance requirements.**

6 The requirements of section 431:10C-703 shall apply to  
7 transportation network companies and transportation network  
8 company drivers.

9 **§ -11 Transportation network company driver**

10 **requirements.** (a) Prior to allowing an individual to act as a  
11 transportation network company driver and accept a request for a  
12 prearranged ride through a transportation network company's  
13 digital network:

14 (1) The individual shall submit an application to the  
15 transportation network company and shall include the  
16 following information:

17 (A) The individual's address;

18 (B) The individual's age;

19 (C) A copy of the individual's valid driver's  
20 license;





- 1 (D) A copy of the applicable motor vehicle  
2 registration;
- 3 (E) A copy of the applicable motor vehicle insurance;  
4 and
- 5 (F) Other information deemed necessary by the  
6 transportation network company;
- 7 (2) The transportation network company shall each year  
8 conduct, or have a third-party commercial background  
9 check company conduct, national and local criminal  
10 background checks for each applicant and for each  
11 driver. The criminal background check shall include a  
12 review of:
- 13 (A) A multi-state and multi-jurisdictional criminal  
14 records locator or other similar commercial  
15 nationwide database with validation (primary  
16 source search); and
- 17 (B) The United States Department of Justice national  
18 sex offender public website; and
- 19 (3) The transportation network company shall obtain and  
20 review, or have a third-party entity obtain and



1 review, a driving history research report for the  
2 individual.

3 (b) The transportation network company shall not permit an  
4 individual to act as a transportation network company driver on  
5 its digital network who:

6 (1) Has more than three moving violations within the prior  
7 three years, or one of the following major violations  
8 in the past three years:

9 (A) Attempting to evade police;

10 (B) Reckless driving; or

11 (C) Driving on a suspended or revoked license;

12 (2) Within the past seven years has been:

13 (A) Convicted of any felony; or

14 (B) Convicted of any misdemeanor relating to driving,  
15 violent, or sexual offenses;

16 (3) Is registered on the United States Department of  
17 Justice national sex offender public website or any  
18 publicly accessible state sex offender registry;

19 (4) Does not possess a valid driver's license;



- 1 (5) Does not possess proof of a current and valid  
2 registration for the motor vehicle or vehicles used to  
3 provide prearranged rides;
- 4 (6) Does not possess proof of valid motor vehicle  
5 insurance for the transportation network company  
6 vehicle; or
- 7 (7) Is not at least nineteen years of age.
- 8 (c) A transportation network company driver shall be  
9 considered an independent contractor, and not an employee of a  
10 transportation network company, if all of the following  
11 conditions are met:
- 12 (1) The transportation network company does not prescribe  
13 the specific hours during which the transportation  
14 network company driver is required to be logged in to  
15 the transportation network company's digital network;
- 16 (2) The transportation network company does not impose any  
17 restrictions upon the transportation network company  
18 driver's ability to use other transportation network  
19 companies' digital networks;



1 (3) The transportation network company does not restrict a  
2 transportation network company driver from engaging in  
3 any other occupation or business; and

4 (4) The transportation network company and the  
5 transportation network company driver agree in writing  
6 that the transportation network company driver is an  
7 independent contractor.

8 (d) A transportation network company shall not control,  
9 direct, or manage the transportation network company vehicles or  
10 transportation network company drivers that connect to its  
11 digital network, unless a written contract expressly provides  
12 otherwise.

13 § -12 Unlawful operation; revocation or suspension of  
14 registration; suits by persons injured. (a) The director may  
15 revoke or suspend the registration of a transportation network  
16 company upon determining that the company has:

17 (1) Engaged in unfair or deceptive business practices  
18 prohibited by section 480-2;

19 (2) Engaged in any dishonest, fraudulent, or deceitful  
20 act;



1 (3) Misrepresented any material fact in obtaining  
2 registration; or

3 (4) Violated any of the provisions of this chapter.

4 (b) Any person who is injured by any unfair or deceptive  
5 act or practice prohibited by section 480-2 or by any provision  
6 of this chapter may bring proceedings to enjoin the unlawful  
7 practices and shall be awarded reasonable attorney's fees  
8 together with the costs of suit.

9 (c) The director shall have full authority to implement  
10 this section.

11 § -13 **Non-discrimination; accessibility.** (a) The  
12 transportation network company shall adopt a policy of non-  
13 discrimination on the basis of destination, race, color,  
14 national origin, religious belief or affiliation, sex,  
15 disability, age, sexual orientation, or gender identity with  
16 respect to riders and potential riders and shall notify the  
17 transportation network company drivers of the policy.

18 (b) In addition to any policy established pursuant to  
19 subsection (a), transportation network company drivers shall  
20 comply with all applicable laws regarding nondiscrimination  
21 against riders or potential riders on the basis of destination,



1 race, color, national origin, religious belief or affiliation,  
2 sex, disability, age, sexual orientation, or gender identity.

3 (c) Transportation network company drivers shall comply  
4 with all applicable laws to accommodate service animals.

5 For purposes of this subsection, "service animal" has the  
6 same meaning as in section 347-2.5.

7 (d) A transportation network company shall not impose  
8 additional charges for providing services to persons with  
9 physical disabilities.

10 **§ -14 Audit procedures; confidentiality of records. (a)**

11 Not more than annually, the department may visually inspect a  
12 sample of records maintained by a transportation network company  
13 for the sole purpose of verifying that a transportation network  
14 company complies with this chapter. The sample shall be chosen  
15 randomly by the department in a manner agreeable to both  
16 parties. The audit shall take place at a mutually agreed  
17 location in the State. Any record furnished to the department  
18 shall exclude information that would tend to identify specific  
19 transportation network company drivers or riders.

20 (b) In response to a specific complaint against any  
21 transportation network company driver or transportation network



1 company, the department may inspect records held by the  
2 transportation network company that are necessary to investigate  
3 and resolve the complaint. The department and transportation  
4 network company shall conduct the inspection at a mutually  
5 agreed upon location in the State. Any record furnished to the  
6 department shall exclude information that would tend to identify  
7 specific transportation network company drivers or riders,  
8 unless the identity of a transportation network company driver  
9 or rider is relevant to the complaint.

10 (c) Any records inspected by the department under this  
11 section shall be confidential, are not subject to disclosure to  
12 a third party by the department without the prior written  
13 consent of the transportation network company, and shall be  
14 exempt from disclosure under chapter 92F. Nothing in this  
15 section shall be construed as limiting the applicability of any  
16 other exemptions under chapter 92F.

17 **§ -15 Complaints; investigation and examination.** (a)  
18 Any person having reason to believe that this chapter or the  
19 rules adopted pursuant thereto have been violated, or that the  
20 registration of a transportation network company under this  
21 chapter should be suspended or revoked, may file a written



1 complaint with the director setting forth the details of the  
2 alleged violation or the grounds for suspension or revocation.

3 (b) The director shall have full authority to conduct  
4 investigations, examinations, and hearings of any violations or  
5 complaints arising from the operations of transportation network  
6 companies or a specific complaint against a transportation  
7 network company driver. The director may:

8 (1) Direct, subpoena, or order the attendance of, and  
9 examine under oath, all persons whose testimony may be  
10 required about the operations of a transportation  
11 network company or complaint against a driver;

12 (2) Direct, subpoena, or order the production of books,  
13 accounts, files, and other documents the director  
14 deems relevant to the inquiry;

15 (3) Interview the officers, directors, employees, drivers,  
16 independent contractors, agents, and customers of the  
17 company subject to this chapter; and

18 (4) Hold hearings.

19 (c) To carry out the purposes of this section, the  
20 director shall have full authority to:





1 (1) Retain attorneys, accountants, or other professionals  
2 and specialists, who may be exempt from chapter 76, as  
3 examiners, auditors, or investigators to conduct or  
4 assist in the conduct of examinations or  
5 investigations; and

6 (2) Use, hire, contract, or employ publicly or privately  
7 available analytical systems, methods, or software to  
8 examine or investigate the company or person subject  
9 to this chapter.

10 (d) The director shall have full authority to charge an  
11 examination or investigation fee, as established by rule, based  
12 upon the cost per hour per examiner for all transportation  
13 network companies and persons subject to this chapter who are  
14 examined or investigated by the director.

15 (e) Unless otherwise provided by chapter 92F, the  
16 government records of any investigation or examination arising  
17 from a complaint of a violation of this chapter shall be made  
18 public only after a hearing.

19 § -16 Uniform statewide regulation. (a) This chapter  
20 shall apply uniformly throughout the State and in all political  
21 subdivisions of the State.



1 (b) This chapter shall supersede any ordinance or other  
2 rule adopted by a political subdivision that specifically  
3 governs transportation network companies, transportation network  
4 company drivers, or transportation network company vehicles,  
5 including those adopted before the effective date of this  
6 chapter."

7 SECTION 3. Act 236, Session Laws of Hawaii 2016, is  
8 amended by amending section 6 to read as follows:

9 "SECTION 6. This Act shall take effect upon its approval;  
10 provided that section 2 of this Act shall take effect on  
11 September 1, 2016 [~~provided further that this Act shall be  
12 repealed on September 1, 2021~~]."

13 SECTION 4. Statutory material to be repealed is bracketed  
14 and stricken.

15 SECTION 5. This Act shall take effect on July 1, 2050.



**Report Title:**

Transportation Network Companies; Regulation; Permitting

**Description:**

Establishes requirements and permitting procedures for transportation network companies operating in the State. Makes permanent insurance requirements for transportation network companies and transportation network drivers. Effective 7/1/2050. (HD1)

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