

CHAPTER 95B. TRANSPORTATION NETWORK COMPANIES

95B. TRANSPORTATION NETWORK COMPANIES

95B.01. Definitions. Subdivision 1. As used in this chapter, the following terms shall have the meaning ascribed to them:

- A. "Active on the TNC Dispatch System" means, but is not limited to: when the Transportation Network Company Driver is logged onto the Transportation Network Company (TNC) application dispatch system showing that the Transportation Network Company Driver is available to pick up Passengers; when a Passenger is in the vehicle; or when the Transportation Network Company Driver has accepted a ride request and is en route to provide transportation services to a Passenger.
- B. "Compensation" means remuneration or anything of economic value that is provided, promised, or donated primarily in exchange for services rendered. This includes, but is not limited to voluntary donations, fee-sharing between a taxicab or Transportation Network Company and a Transportation Network Company Driver, and Passenger, advertisement of a taxicab service company or Transportation Network Company services.
- C. "Digital Network" means any online-enabled application, website, or system offered or used by a Transportation Network Company that enables a Prearranged Ride with a Transportation Network Company Driver.
- D. "Licensing Official" means the City Clerk.
- E. "Licensee or Transportation Network Licensee" means the holder of, or a person that is required to hold, a TNC License issued pursuant to this chapter.
- F. "Operation of a Transportation Network Vehicle or Operating a Transportation Network Vehicle" means offering, making available, or using a Transportation Network Vehicle to provide a Transportation Network Service, including any time when a Transportation Network Company Driver is logged onto the TNC's internet-enabled application or digital platform showing that the Transportation Network Company Driver is available to

CHAPTER 95B. TRANSPORTATION NETWORK COMPANIES

pick up passengers; when a Passenger is in the vehicle; when the TNC's records show that the vehicle is en route; or when the Transportation Network Company Driver has accepted a Prearranged Ride and is in route to provide a Transportation Network Service to a Passenger.

- G. "Passenger" means an individual being transported for compensation in a Personal Vehicle.
- H. "Personal Vehicle" means a vehicle that is used by a Transportation Network Company Driver and is:
 - (1) Owned, leased, or otherwise authorized for use by the driver; and
 - (2) Not a taxicab, limousine, or similar for-hire vehicle.
- I. "Prearranged Ride" means transportation provided by a Transportation Network Company Driver to a Transportation Network Company Rider, beginning at the time a Driver accepts a ride requested by a Rider through a Digital Network controlled by a Transportation Network Company and ending at the time the last requesting Rider departs from the Driver's Personal Vehicle. The term does not include:
 - 1. A shared expense carpool or vanpool arrangement or service; or
 - 2. Transportation provided using a taxicab, limousine, or similar for-hire vehicle.
- J. "Rideshare" means the traveling of two or more persons by any mode of private passenger vehicle, including, but not limited to, carpooling, vanpooling, or bus pooling to any location incidental to another purpose of the driver for which compensation is neither accepted, collected, encouraged, promoted, or requested, and for which the primary purpose of the driver cannot be profit or revenue based.

CHAPTER 95B. TRANSPORTATION NETWORK COMPANIES

- K. “Solicit,” for purposes of this chapter, means an appeal by words or gestures for immediate patronage of a Transportation Network Vehicle by a Transportation Network Driver upon the public way attempting to direct people to a Transportation Network Vehicle that is parked, stopped, standing or moving upon the public way.
- L. “TNC” means a Transportation Network Company.
- M. “TNC License” means a license issued to a Transportation Network Company pursuant to this chapter.
- N. “Transportation Network Company” means a corporation, partnership, sole proprietorship, or other entity operating in this state that uses a Digital Network to connect a Transportation Network Company Rider to a Transportation Network Company Driver for a Prearranged Ride. A Transportation Network Company shall not be deemed to control, direct or manage the Personal Vehicles or Transportation Network Company Drivers that connect to its Digital Network, except where agreed to by written contract. The term does not include an entity arranging nonemergency medical transportation under a contract with the state or a managed care organization for individuals qualifying for Medicaid or Medicare.
- O. “Transportation Network Company Driver” means a for-hire driver affiliated with and accepting trips requested through the internet-based transportation application system of a licensed Transportation Network Company, while operating a personal, TNC endorsed vehicle. A TNC endorsed driver is someone who has been screened and approved by a Licensee, and who:
1. Receives connections to potential Transportation Network Company Riders and related services from a Transportation Network Company in exchange for payment of a fee to the company; and
 2. Uses a Personal Vehicle to offer or provide a Prearranged Ride to a Transportation Network Company Rider on connection with the rider through a Digital Network controlled by the Transportation Network Company in exchange for compensation or payment of a fee.

CHAPTER 95B. TRANSPORTATION NETWORK COMPANIES

- P. “Transportation Network Company Representative” means the person that a Transportation Network Company has authorized to:
- (1) File applications, with the Licensing Official on behalf of the TNC;
 - (2) Receive and accept all correspondence and notices from the city pertaining to the TNC; and (3) forward any correspondence, notices and/or legal process received by the TNC and intended for a TNC endorsed driver of the TNC.
- Q. “Transportation Network Company Rider” means a Passenger who uses a Transportation Network Company’s Digital Network to connect with a Transportation Network Company Driver who provides a Prearranged Ride to the individual in the driver’s Personal Vehicle between points chosen by the individual.
- R. “Transportation Network Company Vehicle” means a vehicle that is used by a Transportation Network Company Driver and is:
1. Owned, leased, or otherwise authorized for use by the Transportation Network Company Driver; and
 2. Not a taxicab, limousine, or for hire vehicle while the vehicle is operating as a Transportation Network Company Vehicle.
- S. “Transportation Network Service” means a Prearranged Ride offered or provided for compensation using an internet-enabled application or digital platform to connect potential Passengers with Transportation Network Drivers. The term Transportation Network Service does not include a ridesharing arrangement as that term is defined in Minn. Stat. §169.011 subd. 65.

(4301, 5/15/17)

CHAPTER 95B. TRANSPORTATION NETWORK COMPANIES

95B.02. TNC License Required. Subdivision 1. No person shall operate a Transportation Network Company in the city without a TNC License issued pursuant to this chapter.

Subd. 2. No vehicle shall be used as a Transportation Network Vehicle in the city except by an approved Transportation Network Company Driver affiliated with a Transportation Network Company that holds a TNC License pursuant to this chapter. Said vehicle shall at all times be in compliance with this chapter when it is being used by a driver active on the TNC network.

Subd. 3. A Personal Vehicle operated by a Transportation Network Company Driver affiliated with a TNC not licensed by the city may come into the City to discharge passengers whose trip originated outside of the city.

95B.03. TNC License Fee and License Term. Subdivision 1. The annual fee for the issuance or renewal of a TNC license shall be as is listed in the license fee schedule. The license fee shall be paid as a precondition to issuance or renewal of the license.

Subd. 2. Except for the initial license period, a TNC License shall be issued or renewed for a one-year license term starting on January 1 of each year.

Subd. 3. A TNC License is non-transferable.

95B.04. TNC License Application. Subdivision 1. Application for the issuance or renewal of a TNC License shall be made in writing to the Licensing Official on a form provided by the Licensing Official and signed and sworn to by the applicant or, if the applicant is a corporation, limited liability company, or partnership, by its authorized agent. Each application, in addition to any other information that the Licensing Official may reasonably require in connection with issuance or renewal of a license, shall contain at a minimum the information required by this section.

Subd. 2. If the license applicant is an individual, the following information must be provided:

- A. The individual's full name, social security number, residence address, business address, business e-mail address and business telephone number; and,
- B. Proof that the applicant is at least 18 years of age.

Subd. 3. If the license applicant is a corporation, the following information must be provided:

CHAPTER 95B. TRANSPORTATION NETWORK COMPANIES

- A. The corporate name, business address and telephone number of the applicant;
- B. The date and state of incorporation;
- C. The full names, titles, date of birth, addresses, e-mail addresses and telephone numbers of its corporate officers, and of those stockholders who own 25 percent or more of its voting shares, and of its authorized agent;
- D. Proof that all corporate officers are at least 18 years of age; and,
- E. Proof that the corporation is in good standing under the laws of the State of Minnesota.

Subd. 4. If the license applicant is a partnership or limited liability company, the following information must be provided:

- A. The name, business address or principal office address and telephone number of the applicant;
- B. The full names, date of birth, addresses, e-mail addresses and telephone numbers of the three members who own the highest percentage interests in such partnership or limited liability company;
- C. The general partner of a partnership;
- D. The managing member of a limited liability company;
- E. The applicant's authorized agent;
- F. Any other member who owns a 25 percent or more interest therein;
- G. The full name, address, e-mail address and telephone number of a person authorized to receive notices issued pursuant to this chapter; and,
- H. Proof that all persons, partners, managers, managing members and members, as applicable, are at least 18 years of age.

95B.05. TNC License – Qualifications for License. Subdivision 1. In order to qualify for a TNC License, whether upon initial application or upon application for renewal of a license, the applicant must be able to show the following:

CHAPTER 95B. TRANSPORTATION NETWORK COMPANIES

- A. An applicant shall be in compliance with all applicable city, State, and federal laws;
- B. With respect to any corporate or limited liability company applicant, the company shall be organized, registered, or qualified to do business under the laws of the State of Minnesota;
- C. The applicant shall be the true beneficial owner of the TNC to be licensed. The full legal names and addresses of all corporate officers and persons holding a 25 percent or greater beneficial interest in the business shall be provided on the application, along with a statement that no corporate officer has any felony convictions in the past five years, nor any gross misdemeanor or misdemeanor convictions involving the use of force, possession or sale of a controlled substance, prostitution, or indecent conduct. The Licensing Official may grant an exception to this provision upon evidence that the offense is not related to the operation of a TNC;
- D. The applicant's ability to provide lawful, safe, suitable and comfortable service and the applicant's ability to engage qualified Transportation Network Company drivers and eligible Transportation Network Company vehicles;
- E. The applicant's ability to maintain mandated insurance for the payment of personal injury, death, property damage, and other claims associated with the operation of a TNC; and,
- F. The applicant's financial ability to pay all judgments and awards which may be rendered for any cause arising out of the operation of a transportation network provider business.

Subd. 2. No applicant is eligible for a license if a TNC License held by the applicant, or by any officer or director of a corporate applicant or partner of a partnership applicant, has been revoked within the previous five years, or if the applicant, or any officer or director of a corporate applicant or partner in a partnership applicant, within the five years immediately preceding the date of his application, has been either convicted, or in custody, under parole or under any other noncustodial supervision resulting from a conviction in a court of any jurisdiction for the commission of any felony or its equivalent under federal or other jurisdictional law.

CHAPTER 95B. TRANSPORTATION NETWORK COMPANIES

95B.06. TNC License, Investigation, and Issuance. Upon receipt of an application for the issuance or renewal of a TNC License, the Licensing Official and the police chief may investigate the application for compliance with all applicable provisions of this chapter, including but not limited to, the applicant's compliance or ability to comply with the license qualification requirements specified in this chapter.

95B.07. TNC License; Insurance Required. Subdivision 1. Every Licensee and Transportation Network Company Driver shall comply with all applicable insurance requirements mandated by the State of Minnesota and city laws including an obligation to cover no-fault personal injury protection (PIP) where required by Minn. Stat. §65B.44 pursuant to the priority requirements of Minn. Stat. §65B.47. A Transportation Network Company and Transportation Network Company Driver, while logged into a Transportation Network Company's Digital Network, are deemed to be in the business of transportation persons for purposes of Minn. Stat. §65B.47, subd. 1, to the minimum required of a private passenger automobile in the State of Minnesota.

Subd. 2. A Transportation Network Company shall file with the Licensing Official documentation in the form of a certificate of insurance evidencing that the Transportation Network Company or the Transportation Network Company Driver has secured primary liability insurance coverage for each driver participating in the transportation network for incidents involving the Transportation Network Company Driver during a Prearranged Ride.

- A. A TNC and a TNC Driver shall comply with the requirements of Minn. Stat. ch. §65B.
- B. The responsibility is placed on a Transportation Network Company Driver to purchase insurance under subdivision 1. The Transportation Network Company shall verify that the Transportation Network Company Driver has purchased an insurance policy under subdivision 1, and shall have a policy in place providing coverage beginning with the first dollar of claims in any instance where the Transportation Network Company Driver's policy required under this section has lapsed or otherwise ceased to exist.
- C. An insurance policy required by this section may be placed with an insurer duly licensed to provide insurance in the state under Minn. Stat. §60A.07 or with a surplus lines insurer authorized under Minn. Stat. §60A.07 or §60A.196.
- D. In a claims coverage investigation, a Transportation Network Company shall cooperate with a liability insurer that also insures the Transportation Network Company Driver's Personal Vehicle, including the provision of relevant dates and times during which an incident occurred that involved the Transportation

CHAPTER 95B. TRANSPORTATION NETWORK COMPANIES

Network Company Driver while the Driver was logged into a Transportation Network Company's digital network.

- E. Nothing in this section modifies or abrogates any otherwise applicable insurance requirements set forth in Minn. Stat. §65B.49.
- F. The existence of the insurance required by this section shall be disclosed on the Transportation Network Company's website, and no contractual hold harmless required in the company's terms of service shall be used to evade the insurance requirements of this chapter.
- G. No TNC License shall be issued unless the applicant first provides proof of the insurance policies required in this section to the Licensing Official. An applicant may redact confidential information regarding premium paid for such policies.
- H. Any TNC driver shall provide to any authorized law enforcement officer or official city inspector, in addition to any applicable insurance, digital or physical proof of the insurance policies required by this section in the form of a certificate of insurance.

95B.08. Transportation Network Vehicles Ownership and Standards. Subdivision 1. No Licensee shall own, provide financing for the obtaining, leasing, or ownership of, or have a beneficial interest in Transportation Network Vehicles unless approved by the Licensing Official.

Subd. 2. In addition to all other applicable legal requirements, it shall be unlawful for any person to operate or cause to be operated any Transportation Network Vehicle unless such vehicle:

- A. Has a manufacturer's rated seating capacity of seven persons or less, including the Transportation Network Driver;
- B. Has at least four doors and meets applicable Federal Motor Vehicle Safety Standards for vehicles of its size, type and proposed use; and
- C. Is a sedan or light-duty vehicle, including a minivan, sport utility vehicle, pickup truck, hatchback or convertible.

Subd. 3. The Licensee and the TNC driver may be jointly cited if the Licensee permits the TNC driver to use a vehicle that does not meet the requirements for a Transportation Network Vehicle.

CHAPTER 95B. TRANSPORTATION NETWORK COMPANIES

95B.09. Transportation Network Vehicle Inspections. A Transportation Network Company shall solicit feedback on vehicle quality after each trip. The TNC must implement a policy of evaluating and investigating negative feedback received about the condition of a vehicle.

95B.10. Transportation Network Vehicles Distinctive Trade Dress. Subdivision 1. A Transportation Network Company vehicle shall display a consistent and distinctive signage or emblem at all times while the driver is active on the TNC's Digital Network. The distinctive signage or emblem shall be sufficiently large and color contrasted:

- A. As to be readable during daylight hours at a distance of at least 50 feet; and,
- B. Reflective, illuminated or otherwise patently visible so as to be seen in darkness, and to identify that a particular vehicle is associated with a particular Licensee.

Subd. 2. Acceptable forms of distinctive signage include, but are not limited to, symbols or signs on vehicle doors, roofs, or grilles. Magnetic or other removable distinctive signage is acceptable. Digital decals are acceptable. Licensees shall file an illustration of their distinctive trade dress with the Licensing Official.

95B.11. Transportation Network Vehicles – Commercial Advertisements Prohibited. No commercial advertisements or lighting, not installed by the original equipment manufacturer, shall be displayed on the exterior of any transportation network vehicle unless it is a component of the approved trade dress.

95B.12. Transportation Network Company Driver Requirements. Subdivision 1. No Licensee shall engage any person as a Transportation Network Driver unless the person:

- A. Possesses a valid driver's license.
- B. Is a minimum of 18 years old.
- C. Is not under sentence or has been discharged from sentence for a felony conviction within the previous five years for the following offenses: Murder (Minn. Stat. §§609.185 to 609.195), manslaughter (§§609.20 to 609.205), criminal vehicular homicide and injury (§609.21), assault I—III (§§609.221 to 609.223), criminal sexual conduct (§§609.342 to 609.3451), indecent conduct (§617.23, subd. 2 or 3); or any violation of

CHAPTER 95B. TRANSPORTATION NETWORK COMPANIES

the controlled substance law (§ 152 et al) which is punishable by a maximum sentence of 15 years or more; as allowed under Minn. Stat. §364.09.

- D. Is not under sentence or has been discharged from sentence for any felony conviction within the previous five years, or under sentence or has been discharged from sentence for any non-traffic gross misdemeanor or non-traffic misdemeanor conviction within the previous three years. The license inspector may grant, pursuant to Minn. Stat. §364.03, an exception to this clause upon evidence that either the offense is not related to the occupation of TNC driver, or upon evidence of rehabilitation.
- E. Shall have a driving record meeting the following standards:
 - (1) Not be under sentence or have been discharged from sentence within the previous five years for any of the following offenses involving injury or death; not be under sentence or have been discharged from sentence within the previous three years for any of the following offenses not involving injury or death:
 - (a) Leaving the scene of an accident under Minn. Stat. §609.21, or §169.09, or similar law of another state of Minnesota law as amended;
 - (b) Driving while impaired under Minn. Stat. §169A.20, subd. 1, or similar law of another state of Minnesota law as amended;
 - (c) Misdemeanor reckless or careless driving under Minn. Stat. §169.13, or similar law of another state; or
 - (d) Refusal to submit to a chemical test under Minn. Stat. §169A.20, subd. 2.
 - (2) No license revocation within the previous year, as defined by Minn. Stat. §169A.03, subd. 21.
 - (3) For initial TNC endorsement: No more than four moving violations within the last three years, and no more than two moving violations in the last year.

CHAPTER 95B. TRANSPORTATION NETWORK COMPANIES

- (4) To maintain existing TNC endorsement: No more than four moving violations within the last three years and no more than three moving violations in the last three years. A moving violation means, for this subsection, a violation of a traffic regulation but does not include a parking violation, vehicle equipment violation, or warning citation.

- F. Has at least one year's driving experience as a licensed driver, meeting the standards of this subsection. Such prior driving experience shall be verified by the TNC prior to endorsement as a TNC driver.

- G. Has a demonstrated knowledge of the provisions of this chapter relating to the conduct of TNC Endorsed Drivers.

- H. Shall not have a physical or mental disability that would prevent the TNC driver from safely operating a TNC vehicle and performing the normal duties of a TNC Endorsed Driver.

- I. Has not had a taxicab or commercial driver's license suspended, revoked, or involuntarily non-renewed by a city or state within the five years immediately preceding their application to be a driver.

Subd. 2. All Licensees shall perform a criminal history record check pursuant to the procedures outlined in Minn. Stat. §299C.67 on each Transportation Network Company Driver applicant before endorsing such applicant. All Licensees shall also obtain and review each Transportation Network Company Driver applicant's driving record in all states where the applicant driver has held a driver's license in the past five years before endorsing such driver. At the time of application, all Transportation Network Company Drivers must also provide valid authorization for the Licensing Official to perform a criminal history check of the driver applicant. The authorization must be ongoing, and remain valid and in force at all times the driver is endorsed by the TNC.

Subd. 3. Not more than one year after the initial date of endorsement of a driver, and annually thereafter, each Licensee shall verify that the driver is still eligible to be a Transportation Network Company Driver by verifying that the driver meets all of the requirements specified in this section, including the driving and criminal background check requirements, and shall keep records of such verification for a period of three years and shall allow such records to be reviewed by law enforcement personnel and the Licensing Official upon request.

CHAPTER 95B. TRANSPORTATION NETWORK COMPANIES

Subd. 4. If a Licensee knowingly allows an ineligible driver access to its Digital Network, or fails to annually ascertain the eligibility of each driver such Licensee allows access, the Licensee shall be liable for the violation of this section and shall also be jointly responsible with the ineligible driver for any violation of this chapter by the ineligible driver.

95B.13. Transportation Network Company Driver; Intoxicating Substance Policy. All Licensees shall include on its website or mobile application a notice or information on the Licensee's zero-tolerance policy for intoxicating substances and the methods to report a Transportation Network Company Driver whom the rider reasonably suspects was under the influence of drugs or alcohol during the ride. The website and mobile application shall include means to report the zero-tolerance complaint to the TNC.

95B.14. Driver Identification Card. The Licensee shall issue an identification card to TNC Endorsed Drivers. Such identification card shall have the first name of the driver and a photograph attached to the identification card. Any Transportation Network Company Driver shall wear the identification card at all times while operating a Transportation Network Vehicle and are Active on the TNC Dispatch System, or this card may be electronically displayed to the passengers mobile device during a TNC ride.

95B.15. Operating Regulations. Subdivision 1. In addition to all other applicable requirements provided by law, it shall be unlawful for any person:

- A. To Operate a Transportation Network Vehicle while under the influence of alcoholic beverages or controlled substances, other than medication prescribed by a physician, provided that such prescribed medication does not warn that the user not operate machinery while taking the medication;
- B. To Operate, or cause to be operated, a Transportation Network Vehicle in any area where the operation of such vehicle is prohibited by an applicable law;
- C. To Operate a Transportation Network Vehicle within the city while not in possession of a valid driver's license; or
- D. To transport or cause to be transported more than six Passengers on any given ride in a vehicle, or to exceed the designed capacity of the vehicle.

Subd. 2. No Transportation Network Driver shall pick up or discharge a Passenger on:

CHAPTER 95B. TRANSPORTATION NETWORK COMPANIES

- A. Designated taxicab stands;
- B. No stopping or standing zones; or
- C. Other restricted areas as outlined in this chapter or state law.

Subd. 3. No person may possess an open beverage alcohol container while such person is operating or being transported by a Transportation Network Vehicle, nor may any person transport, carry, possess or have any beverage alcohol while being transported by a Transportation Network Vehicle, except in the original package with the seal unbroken.

Subd. 4. No Licensee or Transportation Network Driver shall solicit potential passengers. Transportation Network Vehicles may only be used to provide Transportation Network Services requested via an internet-based transportation application system.

Subd. 5. No Transportation Network Driver shall accept or respond to passengers' or potential passengers' requests for service via traditional street hail, including hand gestures and verbal statements.

Subd. 6. No Transportation Network Vehicle shall be unlawfully parked on any public way for a time longer than is reasonably necessary to accept Passengers in answer to a Prearranged Ride and no Passenger shall be accepted except as provided in subdivision 4.

Subd. 7. The internet-enabled application or digital platform used by a Licensee to connect drivers and passengers shall display for a Passenger:

- A. The Identification card of the Transportation Network Driver; and
- B. A picture or description of the Transportation Network Vehicle the driver is approved to use, including the make, model, and license plate number of the vehicle.

Subd. 8. Licensees shall clearly disclose, on the Licensee's on-line enabled application or digital platform and website, that the Licensee is a Transportation Network Company. Additionally, the disclosure shall state that each Licensee is required to maintain insurance policies as specified in section 95B.07.

Subd. 9. Licensees shall provide proof of insurance documents required in section 95B.07 to each Transportation Network Driver before the driver begins providing service and for as long as the driver remains available to provide service.

CHAPTER 95B. TRANSPORTATION NETWORK COMPANIES

Subd. 10. Licensees shall have an affirmative duty to respond to requests for service and shall be responsible for the actions of any of its employees, Transportation Network Drivers, or other person that reports to, or acts as an agent of, the Licensee, for any failure to respond to a request for service from an orderly Passenger.

Subd. 11. A Transportation Network Driver shall at all times carry in the TNC vehicle proof of the insurance policies required in section 95B.07.

Subd. 12. Any terms or conditions in the agreement between the Licensee and the Passenger that would act as a waiver of the Licensee's liability to the Passenger, or to the public, are declared to be contrary to public policy, null, void and unenforceable.

Subd. 13. TNC drivers may not:

- A. Provide false information to or refuse to obey or to comply with any lawful order or direction of the Licensing Official or any police officer, or traffic-control officer, nor shall any Licensee use profane language or otherwise interfere with such officials while in the performance of their duties;
- B. Take a circuitous route to a destination, or any route other than the most direct route, without the express consent of the Passenger;
- C. Drop a Passenger at a location other than the location requested unless prohibited by law; or
- D. Refuse to convey an orderly Passenger after accepting dispatch to convey that Passenger.

Subd. 14. No TNC Licensee shall disable, eliminate or otherwise prevent access to the TNC mobile application by the Licensing Official or designee for purposes of enforcing this chapter.

Subd. 15. No TNC Licensee shall notify TNC drivers that a potential customer is or may be a Licensing Official or designee, or in any way otherwise interfere with or obstruct enforcement of this chapter by the Licensing Official.

95B.16. Services Charges and Fare Rates. Subdivision 1. Compensation for service

CHAPTER 95B. TRANSPORTATION NETWORK COMPANIES

may be charged based on distance travelled and/or time elapsed during service, or a prearranged fare presented and agreed to by the Passenger.

Subd. 2. If the rates are based on distance travelled and/or time elapsed during service, the rates must be posted by the TNC in the application or website. If the rates vary from the posted rate, the TNC application must require that the Passenger positively acknowledge on the application device used to summon the TNC driver that they agree to the rate structure being charged for the trip requested.

Subd. 3. Upon completion of a Prearranged Ride, a TNC shall transmit to the Passenger an electronic receipt, either by electronic mail or via text message. The message shall document:

- A. The point of origin and destination of the ride;
- B. The total distance and duration of the ride, if the fare is based on distance travelled and/or time elapsed during the ride;
- C. The total fare paid including the base fare and any additional charges; and,
- D. The driver's first name and a means to submit a customer service complaint or inquiry to the TNC.

95B.17. Records and Reports. Subdivision 1. Every Licensee shall keep accurate books and records of account of the Licensee's operations for a minimum of three years. Such records shall be submitted for inspection upon the request of the Licensing Official.

Subd. 2. Records requested by the Licensing Official pursuant to this or any other section within this chapter may be submitted electronically so long as:

- A. The records are submitted in an electronic format approved by the Licensing Official;
- B. The records are either:
 - (1) Time-stamped or otherwise authenticated in such a manner that they are not susceptible to manipulation occurring after the records request is issued; or
 - (2) Accompanied by a certification from the Licensee's designated records custodian in the form of an affidavit attesting that the

CHAPTER 95B. TRANSPORTATION NETWORK COMPANIES

documents have not been altered subsequent to the request;
and,

- C. The records are transmitted to the Licensing Official within 72 hours of the time of the request.

Subd. 3. Audit procedures and confidentiality of records

- A. For the sole purpose of verifying that a TNC is in compliance with the requirements of this chapter and no more than annually, the Licensing Official shall have the right to visually inspect a sample of records that the TNC is required to maintain. The sample shall be chosen randomly by the Licensing Official in a manner agreeable to both parties. The audit shall take place at a mutually agreed location. Any record furnished to the Licensing Official may exclude information that would tend to identify specific drivers or riders.
- B. In response to a specific complaint against any TNC Driver or TNC, the Licensing Official is authorized to inspect records held by the TNC that are necessary to investigate and resolve the complaint. The TNC and agency shall endeavor to have the inspection take place at a mutually agreed location. Any record furnished to the Licensing Official may exclude information that would tend to identify specific drivers or riders, unless the identity of a driver or rider is relevant to the complaint.
- C. Any records inspected by the Licensing Official under this chapter are designated as confidential, and are not subject to disclosure to a third party by the Licensing Official except as may be required by applicable law. If the Licensing Official receives a request for TNC records under the Minnesota Government Data Practices Act, the Licensing Official must notify the TNC of the request prior to release to give the TNC an opportunity to seek protection of such records in accordance with applicable law. Nothing in this Section shall be construed as limiting the applicability of any exemptions under the Minnesota Government Data Practices Act.

Subd. 4. The Licensee must provide upon the request of the Licensing Official, police chief, or their designees, factual information regarding the Licensee's drivers and vehicles so as to determine whether or not a particular TNC driver was Active on the TNC Dispatch System application, en route to a passenger location, or engaged with a Passenger at a specific time and date. Such information shall be provided within 24 hours of the request

CHAPTER 95B. TRANSPORTATION NETWORK COMPANIES

unless otherwise required by the Licensing Official.

95B.18. Violations and Penalties. Subdivision 1. The Licensing Official may seek all applicable penalties, including but not limited to fines, license conditions, license suspension, denial, and license revocation in addition to restitution or other equitable relief against any Licensee that violates this chapter or any rules or regulations adopted pursuant to this chapter. Each day that any violation shall continue may be deemed a separate and distinct offense. In determining whether to multiply violations for each day they continue, the Council may consider the ongoing duration of the violation after the Licensee could reasonably have been expected to be aware of the violation.

Subd. 2. Before any condition, suspension, revocation, or fine is imposed, or equitable relief is ordered, the Licensee shall be notified of the specific charges against them and of their right to a hearing before the Common Council.

Subd. 3. Any person whose Transportation Network Company license is revoked or denied under this chapter shall be ineligible to receive another Transportation Network Company license for a period of five years following revocation or denial.

Subd. 4. In addition to the powers authorized in this section, the Common Council may suspend, revoke, or non-renew a TNC license in accordance with other applicable sections of the Rochester Code of Ordinances, Minnesota Statutes, or federal laws and rules.

95B.19. Enforcement, Rules and Regulations. Subdivision 1. Upon request, a driver shall display to law enforcement personnel or the Licensing Official, or other person authorized to enforce this chapter, a physical or electronic record of a ride in progress sufficient to establish that it was a Prearranged Ride. To the extent that trip records are contained on electronic devices, drivers are not required to relinquish custody of the devices in order to make the required display.

Subd. 2. If a Passenger files a complaint against a Licensee or driver with the City, in addition to all other powers and remedies provided under this chapter, the Licensing Official or authorized staff shall have the right to inspect the Licensee's records as necessary to investigate and resolve the complaint to the same extent the Licensing Official and law enforcement personnel are permitted to inspect all other public passenger vehicles.

CHAPTER 95B. TRANSPORTATION NETWORK COMPANIES

Subd. 3. The Licensing Official is authorized to enforce this chapter, and to adopt rules and regulations for the proper administration and enforcement of this chapter.

(4274, 1/4/17; 4301, 5/15/17)