

POLICY GUIDE

Regulation of Transportation Network Companies

January 2019



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Regulation of Transportation Network Companies: Policy Guide

Washington State Joint Transportation Committee | January 2019

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Introduction

This policy guide summarizes both local regulations for transportation network companies (TNCs) in Washington State as well as other states' TNC regulations. TNCs include companies that use a digital network or smartphone (app) to connect passengers to drivers to provide prearranged rides, most frequently in a personal car owned or leased by the driver. While Uber and Lyft are the dominant companies, other companies operate in Washington, including: CiRide, Moovn, ReachNow, and Wingz. Currently, in Washington, the State's role in regulating TNCs is limited to requirements for liability insurance for personal vehicles used for TNC rides, as well as a requirement for drivers to have a valid state driver's license. Starting in 2014 with Seattle, local governments and port districts have played a more active role in regulating TNCs and their drivers. This guide includes policies related to licensing, driver background checks, vehicle requirements, insurance, operational requirements, data reporting, and enforcement, among others.

In this policy guide, special attention is paid to existing frameworks, how they compare to other jurisdictions, and if and how existing regulations address the competitive challenges facing taxis and for-hire services. Because the business models, markets, and regulation of TNCs are dynamic, this guide focuses on current TNC regulations as of September 2018 and any known upcoming deliberations.

The objective of this survey of local regulations is to provide a shared understanding of current regulations from which to explore public policy questions and to develop recommended options regarding whether and how to improve the consistency, overall effectiveness, and competitive fairness of regulatory frameworks for TNCs. This study was guided by a Staff Work Group (see text box) that provided technical support and reviewed work products over time.

BACKGROUND

The past decade has been transformative for the mobility industry. From carsharing to electric vehicles, there has been a shift in how people can and want to move, driven largely by new technologies. Nowhere has this change been more rapid, pronounced, or disruptive than with the rise of on-demand ride-hailing and TNCs.

Uber officially launched in March 2009 as a timeshare limo service that could be ordered via an app; it was originally intended for a top-tier, luxury market. The platform later evolved into a mass market

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offering allowing drivers to use their personal vehicles. Uber Black (the original luxury service) is still offered on the app and requires commercial registration and insurance. It is treated as a limousine service and regulated differently than TNCs in many states, including Washington.

Lyft, meanwhile, began with a focus on sharing rides as a way for passengers to save money by traveling with others. Originally founded in 2007 as Zimride, it was targeted to college campuses but failed to gain sufficient market traction. Lyft launched in 2012 as a service of Zimride. In 2013, Zimride was sold to Enterprise Rent-A-Car, and Lyft continued as a stand-alone service.

During this time, TNC services were limited to major US markets: San Francisco, New York City, Chicago, and Los Angeles. Uber expanded internationally to Paris in 2011 and London in 2012. Lyft, meanwhile, focused on going deeper in the domestic US market, reaching 60 cities by 2014 (from Oklahoma City to Ann Arbor, Michigan).

In 2018, Lyft now reaches 95% of the entire US population, and collectively ride-hailing platforms have delivered billions of rides. The TNC market in the US doubled between 2009 and 2017, with nearly 10% of all Americans using the service at least monthly and TNC usership outpacing taxi ridership in several major markets. As of 2018, there are 1.5 million Lyft drivers and 750,000 Uber drivers in the US. Outside of the US, Uber operates in 60 countries; Lyft's first international expansion, to Canada, took place in 2017.

TNCs have transformed the mobility landscape in cities and helped many people gain access to transport in ways that were not possible at scale before; in the process, it has also surfaced new challenges and unknowns, not least for public policy makers and regulators.

Requesting and Riding in a TNC

Individuals wanting to use TNCs must first download the app on their smartphone. Creating an account requires users to enter a name, a valid email address, phone number, preferred language, and password, and to accept the terms and conditions and privacy statement. Once the phone number is confirmed via a text SMS, a payment method must be entered. Lyft, for example, accepts major credit cards, debit cards tied to checking accounts and prepaid cards. PayPal, Apple Pay, and Google Pay are also accepted.

To request a ride, a passenger opens the app and enters their destination and the type of service requested (several TNCs have multiple options to car pool and/or request certain vehicle types). Before the ride is confirmed, the price is shown along with the time remaining until the driver arrives, and the estimated amount of time it will take to reach the destination.

During the ride a passenger can share their live location with their contacts. After the ride, passengers are invited to rate their driver and have the option to tip them. Passengers are also rated by drivers.

In addition to transporting people, TNCs deliver meals, packages, and other goods. In many cities, goods are delivered by UberEats, Amazon Flex, and other on-demand platforms in personal vehicles.

TNC Niches

- Events – partnerships around sporting events and concerts
 - Mobility – city-subsidized first/last mile solutions and rideshare to transit (Mercer Island and Lyft and Uber, Pierce Transit and Lyft)
 - Medical rides (non-Medicaid)
-

REGULATORY LANDSCAPE

California, home to Uber and Lyft, was the first state to officially pass rules governing ride-hailing. As part of this, in September 2013 the California Public Utilities Commission (CPUC) also created and defined TNCs as a new category of transport provider. According to the CPUC, a TNC is “a company that uses an online-enabled platform to connect passengers with drivers using their personal, non-commercial vehicles.” With this, CPUC effectively provided a new avenue for regulation of an emerging space. It also set up a perhaps inevitable battle with taxis, as the two types of providers were regulated distinctly from one another.

Key differences between TNCs and taxis initially revolved around use of technology and ownership and/or responsibility for vehicles. TNCs could not exist without smartphone apps; taxis, meanwhile, have moved into the app space more recently. TNC vehicles can be owned or leased by private individuals; taxis are generally managed as part of a business entity or commercial fleet.

As with all forms of transportation, regulating TNCs is a balancing act between public safety, consumer protection, market dynamics, and broader goals around social equity and accessibility. Many TNC regulatory issues have been challenging for jurisdictions across-the-board; others (such as rural coverage) have been more varied. The primary regulatory concerns regarding TNCs to date include:

- Driver qualifications, including background and driving record checks
- Vehicle safety and operation
- Insurance
- Data sharing, for purposes of consumer protection and urban planning (e.g. traffic and congestion)
- Pricing, for purposes of consumer fairness/affordability, revenues for cities/states, and competitive advantage
- Accessibility, primarily focused on individuals with disabilities
- Violations and enforcement

Since CPUC’s pioneering efforts, most US states have passed some form of TNC-related regulation. The regulatory landscape remains dynamic; during this study, several jurisdictions have taken unprecedented steps - such as New York City’s decision to cap the number of TNC vehicles in August 2018 and establish a minimum wage for TNC drivers in December 2018 (see [TNC Report](#)).

State TNC Laws

Forty-nine states and the District of Columbia have laws governing TNCs. Oregon is the only state that currently has no statewide law. Four of the 49 states only require certain insurance coverage - Hawaii, Louisiana, Minnesota, and Washington, and most of these four are considering broader TNC legislation ([Appendix A. Summary of Key Regulation Areas by State](#)).

States with TNC laws generally focus on regulatory issues that transcend local transport dynamics, such as safety, insurance, rates, and fees. Particularly in the early years of TNC regulation, some states were influenced by template regulations proposed by TNCs themselves, which tended to pre-empt local authority beyond the issues listed above. As TNCs have continued to grow and be better understood by regulators, however, this approach has become less prevalent (see [Appendix B. Summary of Nationwide TNC Laws](#)).

REGULATORY AUTHORITY

Regulatory authority over TNCs varies by state. The most common regulator is the Division of Motor Vehicles. The agency this division falls under varies by state and may include the Department of Transportation, Department of Revenue, and others. Other common regulators include the Public Utilities Commission, the Secretary of State, and the Department of Public Safety.

PRE-EMPTION

Most states pre-empt local regulatory authority, but some have created carve-outs or exemptions to the state pre-emption. Examples of each are summarized below.

- Nevada and New York allow **carve-outs** for their larger cities. Vermont has a time limited population carve-out until 2022.
- Illinois and South Dakota's laws **set minimum regulations** that all governments must follow, but cities have authority to be more restrictive than these minimum standards.
- In states like Alabama, Alaska, and New York, local jurisdictions can **opt out of state regulation** by not allowing TNCs to operate in their city or town.
- Nebraska has **no state pre-emption**.
- Some states have **specific exceptions to state pre-emption**. For example, Kentucky allows the City of Louisville to determine their own driver requirements; Maryland allows cities collecting fees prior to January 2015 to continue doing so if they are higher than the current rate; and Alaska's municipalities can regulate TNCs' trade dress (logo, insignia, or other emblem identifying the TNC company that is visible from the exterior).

DRIVER REQUIREMENTS

Driving experience. Minimum age requirements for drivers range from 18 to 21 years of age, with some states requiring a minimum amount of driving experience ranging from zero to one year.

Background checks. Most states require a check of the driver's driving history, as well as a local and national criminal background check conducted by the TNC or a third party. Massachusetts requires a second name-based background check conducted by the state law enforcement agency. Massachusetts can require stricter checks if it is not satisfied with the TNC's submitted method. Montana does not have any background check requirements listed in their statute.

Disqualifying offenses. In most states, the intent of the background checks is to identify drivers with poor driving records or who have been convicted or pled guilty of driving related offenses, felony offenses, or offenses involving fraud. The number of years that a background check looks back varies. For example, Colorado uses a five-year look-back period, while Massachusetts has different time periods for different offenses; ranging from conditions met in the present, in a three to ten-year period, or indefinitely.

Commercial background checks are limited by the Fair Credit Reporting Act (FCRA) in how far back they can look for offenses, prohibiting checks that look back farther than seven years. Massachusetts looks back farther, using their state law enforcement agency checks.

Frequency of checks. There are differences in how often criminal background histories are required to be checked varying from once a year (e.g. Michigan) to every five years (e.g. Colorado). Some states only require a background check be conducted prior to becoming a TNC-affiliated driver.

Driving time. There are some states that put limits on the number of hours that a driver can operate a vehicle within a set amount of time. For example, Colorado does not allow TNC drivers to operate their vehicle for more than 12 consecutive hours and Massachusetts and New Mexico do not allow drivers to operate their vehicles for more than 12 hours in any 24-hour period. However, as drivers often drive for multiple services and platforms, enforcement is difficult.

VEHICLE REQUIREMENTS

Most states require basic vehicle inspections, except Connecticut which allows self-certification. Some states allow the TNC to conduct the inspection, while others require licensed mechanics. Inspection frequency varies by state, with most requiring an annual inspection. Most states require an inspection prior to operating as a TNC, while others require the inspection to be completed within the first 90 days of operating as a TNC-affiliated vehicle (e.g. Arkansas). Most states require that TNC-affiliated vehicles meet the state's motor vehicle safety and emissions requirements for private motor vehicles.

FEES

Whether and how fees are levied varies by state: many states don't mention fees at all, some states charge a flat fee to each TNC, while other states have implemented per trip fees. For example:

- Arkansas charges an annual \$15,000 TNC permit fee to each TNC company.
- Kentucky charges an annual TNC fee of \$250 and a \$30 annual license fee for TNC vehicles.
- New Jersey has an annual TNC permit fee of \$25,000, plus a \$0.50 per trip surcharge and a \$0.25 per *shared* trip surcharge.
- Massachusetts charges a per-trip assessment of \$0.20, half of which goes to a Transportation Infrastructure Enhancement Fund, the other half of which is distributed proportionately to each city and town based on number of trips originating there.
- South Carolina requires a local assessment fee of 1% of gross trip fares which is distributed to cities where rides originated, after the state covers expenses associated with collecting the fee.
- Colorado charges each TNC an annual fee of \$111,250.

Per trip or per vehicle fees allow the revenue to scale with growth and do not create a barrier to entry for smaller companies. They also allow government revenues to grow with increased enforcement and regulatory responsibilities alongside demand for TNC services.

OTHER REGULATORY AREAS

There are some clauses of note in certain state's laws. For example:

- Arkansas, as well as several other states, specifically prohibit TNCs from collecting cash fares.
- California and Indiana specifically prohibit TNC companies from disclosing passengers' personally identifiable information without knowingly consenting.

- Kentucky specifically prohibits cities and counties from levying taxes or fees, aside from an annual license fee, which cannot exceed \$30.
- As part of Georgia’s TNC regulation, they also pre-empted administration and regulation over taxi services and dispatchers.

Washington State Law

INSURANCE

Nationally, 49 states have passed some sort of specific TNC regulation. Of those, four states, including Washington, passed legislation that only addresses insurance requirements. Washington passed [SB 5550](#) in 2015. [Chapter 48.177 RCW Commercial Transportation Services](#) defines TNCs as commercial transportation services and outlines insurance coverage requirements.

There are different requirements between (A) when the driver is logged into the digital network and looking for the first or next ride to accept and (B) during a ride (Exhibit 1). A ride begins when a driver accepts a requested ride through use of a digital network or software application, continues while the driver transports the passenger, and ends when the passenger departs from the vehicle. When a driver is not using their vehicle to drive for the TNC, their private-passenger auto insurance policy is in effect.

Exhibit 1. Washington State Insurance Requirements for TNCs and TNC Drivers

PRIOR TO ACCEPTING A RIDE	DURING A RIDE
Liability Coverage	
<ul style="list-style-type: none"> ▪ \$50,000/person for bodily injury ▪ \$100,000/accident for bodily injury of all persons ▪ \$30,000 for damage to property 	<ul style="list-style-type: none"> ▪ Combined Single Limit coverage of \$1,000,000 dollars for death, personal injury, and property damage
Personal Injury Protection & Underinsured Motorist	
<ul style="list-style-type: none"> ▪ In line with existing motor vehicle insurance law that allows for the insured to reject the coverage options. 	<ul style="list-style-type: none"> ▪ Underinsured motorist coverage in the amount of \$1,000,000
Personal Injury Protection & Underinsured Motorist	
<ul style="list-style-type: none"> ▪ In line with existing motor vehicle insurance law that allows for the insured to reject the coverage options. 	

Note: For-hire vehicle operators are currently required under state law to obtain a surety bond or liability insurance policy with the following minimum coverage: \$100,000 per person, \$300,000 per accident, and \$25,000 for property damage (liability insurance) and \$25,000 for property damage (surety bond).

Source: Chapter 48.177 RCW and Chapter 46.72 RCW; accessed July 9, 2018.

TAXES

Most TNC-affiliated drivers are considered self-employed (i.e. running their own business via the TNC) and therefore are subject to Washington State business taxes. This is in addition to, and separate from, the business taxes that the TNC itself pays.

- **Business and Occupation (B&O) Tax** is a tax on a business' gross income and applies to a wide variety of business activities, including 'service and other business activities.' The 'service and other business activities' categorization covers any business activity not specifically named in statute.¹
- **Public Utility Tax** is a tax on a business's gross income, which in the case of a TNC is a driver's gross ride revenue. A driver either files under the Urban Transportation or Motor Transportation category, which have different rates and definitions.²

CLASSIFICATION	DEFINITION	RATE
Motor Transportation Business	A business that operates a motor vehicle that conveys people or property for hire. (excludes Urban Transportation Business and conveyance of logs)	1.926% (.01926)
Urban Transportation Business	A business that operates any vehicle to convey people or property for hire either: <ul style="list-style-type: none">▪ within one city's limits,▪ within five miles of one city's limits, or▪ within and between cities, whose city limits are less than five miles apart, or within five miles of those cities.	0.642% (.00642)

FOR-HIRE VEHICLES

State law regulating for-hire vehicles is outlined in [Chapter 46.72 RCW](#) (Transportation of Passengers in For-Hire Vehicles). State law has been silent on whether TNCs are specifically covered by this law.

Definition. For-hire vehicles are broadly defined under Chapter 46.72 to include "all vehicles used for transportation of passengers for compensation" with certain exclusions:

- Auto stages.
- School buses operating exclusively under a contract to a school district.
- Ride sharing vehicles, defined in [Chapter 46.74 RCW](#) as carpool or vanpools between home and places of employment, education, or other institutions. The current definition does not include TNCs in the exclusion.
- Limousine carriers.
- Vehicles used by nonprofit transportation providers for elderly or handicapped persons and attendants.

¹ [Chapter 82.04 RCW](#) and [Chapter 458-20-224 WAC](#)

² [Chapter 82.16.010 RCW](#)

- Vehicles used by auto transportation companies.
- Vehicles used to provide courtesy transportation at no charge to and from parking lots, hotels, and rental officers.
- Vehicles used by charter party carriers of passengers and excursion service carriers.

While the Utilities and Transportation Commission (UTC) regulates many for-hire vehicle categories (excluding taxi and for-hire vehicles), the Department of Licensing (DOL) generally regulates limousines that transport up to 14 persons.

Permit. For-hire operators are required to obtain a permit from the Director of Licensing, if they are regulated by cities or counties, in accordance with [Chapter 81.72 RCW](#). DOL waives the business permit fee (one-time charge of \$110) but requires the vehicle permit fee (\$55 annually).

Local regulatory powers. Cities, towns, counties, and port districts of the state may license, control, and regulate all for-hire transportation services that operate within their respective jurisdictions.³ This local regulatory power includes:

- **Regulating entry** into the business of providing for-hire vehicle transportation services;
- **Requiring a license** to be purchased as a condition to operate a for-hire vehicle and the right to revoke, cancel, or refuse to reissue a license for failure to comply with regulatory requirements;
- **Controlling the rates charged** for providing for-hire vehicle transportation service and the manner in which rates are calculated and collected, including the establishment of zones as the basis for rates;
- **Regulating routes and operations** of for-hire vehicles, including restricting airport access;
- Establishing **safety and equipment** requirements; and
- Any other requirements adopted to ensure safe and reliable for-hire vehicle transportation service.

Insurance. State law requires that every for-hire operator carry single limit insurance coverage of \$325,000 or split limit coverage with minimums of \$300,000 for all persons killed or injured by an act of negligence, \$100,000 for death or personal injury by one person, and \$25,000 for property damage to property of any person other than the insured.⁴

Joint regulations. Departments, cities, counties, or port districts may enter into cooperative agreements with other cities, towns, counties, or port districts to jointly regulate for-hire vehicles.

Fees. Any fees received by the State under the for-hire provisions must be deposited into the highway safety fund for use in carrying out licensing and regulatory activities of the for-hire provisions.

³ [Chapter 46.72.160 RCW](#)

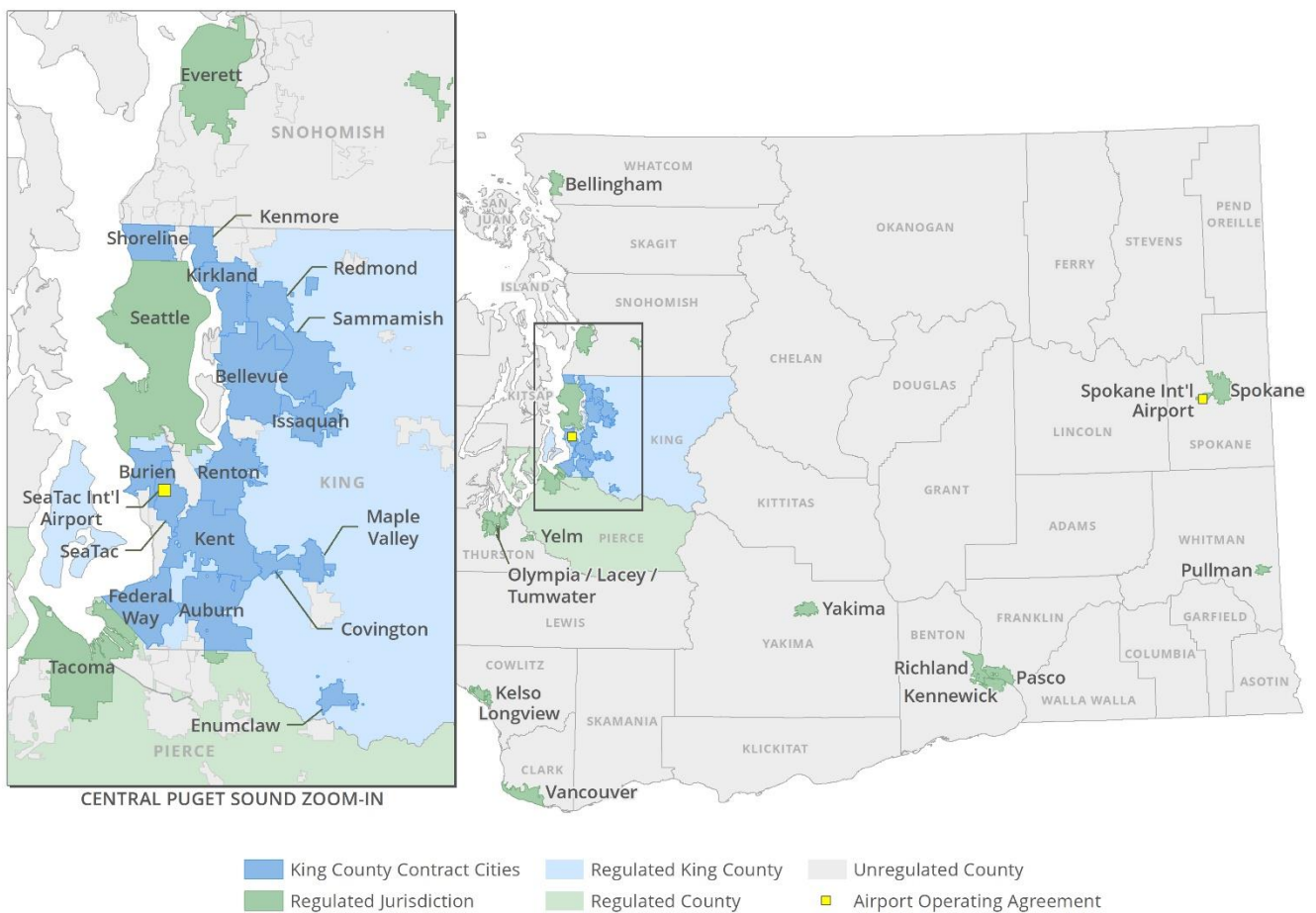
⁴ [Chapter 46.72.050 RCW](#), [Chapter 46.72.040 RCW](#).

Local Regulations

In the absence of clear statewide regulation on TNC operations, dozens of cities, two counties, and several airports outline TNC requirements for companies and drivers. These requirements range from a memorandum of understanding (MOU), such as in Spokane, to formal chapters in municipal code. There is also variation in the scope of existing municipal codes; chapters can be as simple as stating broad requirements with few details, such as in Vancouver and Kelso, or may include many nuances and sub-sections such as in Seattle and Tacoma. Exhibit 2. shows counties, cities, and airports that regulate TNCs through local ordinance or operating agreements.

In December of 2018, Spokane City Council passed an ordinance regarding for-hire vehicle regulations. The ordinance (Ordinance No. C35710) will enact a new chapter 10.34A of the Spokane Municipal Code that addresses transportation network companies. The proposed chapter can be found starting on page 220 of the [City Council agenda from December 10, 2018](#).

Exhibit 2. TNC Regulation in Washington State



Source: Local ordinance and operating agreements, 2018; BERK, 2018.

LOCAL REGULATION COMPONENTS

Many local ordinances and operating agreements follow a similar structure and scope which covers licensing and fees, background checks, vehicle and insurance requirements, operating requirements, and enforcement. Some ordinances and agreements also include nondiscrimination policies and outline varied auditing and penalty powers.

Licensing and Fees

Licensing processes and fees vary by jurisdiction. Cities can require any combination of a business license for the driver, a TNC regulatory license for the company, a vehicle license, and/or a driver's license.

Business Licenses. At the time of this review, business license regulations varied across the state. During the course of this study, requirements imposed by [EHB 2005](#), adopted in 2007 and codified in [Chapter 35.90 RCW](#), were being implemented statewide to standardize business license regulations across the state. By January 2019, cities are required to adopt draft model ordinance provisions. Key provisions of the model ordinance include:

- Cities and towns may only impose licensing requirements upon individuals or companies that engage in business within the city. For the transportation of passengers, most cities define “engaging in business” as the location of pickup. In interviews, a few jurisdictions also looked to include drivers that dropped off in the city or drivers that lived in the city.
- For businesses not located within city limits, there is a minimum threshold for business activity within city limits of \$2,000. Below this threshold, cities must either exempt businesses from the licensing requirements or require licenses at no cost to the business.

The model ordinance does not recommend a specific common business license fee.

TNC Regulatory License and Fees. Most cities charge the TNC a fee, described either as an administrative fee, application review fee, or TNC license fee. Fees range from \$200 to \$2,000 and are either a flat rate or based on the number of drivers operating in a city. Everett, Pasco, Richland, Longview, and Pullman all charge based on the number of drivers with fees ranging from \$300 to \$2,000. Seattle and King County charge per-trip fees of 14 cents and 23 cents, respectively.

Driver Requirements and Background Checks.

To operate as a TNC-affiliated driver, all cities require that a driver have proof of vehicle insurance, proof of motor vehicle registration, a valid driver's license, and be 21 years of age. There is some variation among cities regarding how long a driver must have been licensed to drive, with some cities requiring at least one year of experience (e.g. Vancouver, Yakima, and Longview). Yakima and Pasco also require that drivers have proof of Unified Business Identifier (UBI) tax registration number.

Most cities require a TNC or third-party background check of local, state, and national criminal records as well as publicly available national sex offender registries. Some cities reserve the right to further screen drivers after an application has been made, such as in Tacoma and Everett. Disqualifiers for drivers are fairly consistent and typically include felony convictions (e.g. assault, kidnapping, etc.), DUIs, or other drug related offenses. Driving record disqualifications include three or more moving violations in a twelve-month period and any major violations for reckless driving.

Background Checks. In the absence of state regulations, cities have different background check requirements for TNCs. None of the cities require fingerprinting, and instead run reports using name, date of birth, social security number, and driver’s license number; conduct a driver’s license validation; and review a driving history abstract. They consult a variety of sources as shown in Exhibit 3 and define disqualifying offenses in each ordinance.

Exhibit 3. Background Checks by Source

	Local Criminal Databases	State Criminal Databases	National Criminal Databases	State Sex Offender Registries	National Sex Offender Registries
Bellingham, Everett, King County Contract Cities, Lacey, Olympia, Tacoma, Tumwater, Yelm	✓	✓	✓	✓	✓
Kennewick, Pasco, Richland, Longview, Pullman	✓	✓	✓		✓
Spokane, Yakima			✓		✓

Note: Codes in King County and Tacoma do not specify which sex offender registry to check, but do not allow registered sex offenders to operate as for-hire drivers.

Source: Local city ordinances.

Vehicle Requirements

All cities require a vehicle inspection prior to operating as a TNC-affiliated vehicle, with the number of items to be checked ranging from 19-28. Some cities require that the inspection be done by a certified mechanic (e.g. Vancouver, Everett, and Yakima). Similarly, some cities have an age limit for vehicles, typically less than ten years old (e.g. Vancouver and Yakima), while others specify the type of car and number of doors (e.g. Everett). Some cities require that TNCs submit records of annual inspections (e.g. Spokane). Longview, which is close to the border with Oregon, accepts vehicle inspections conducted in Oregon or Washington. Everett accepts a Seattle or King County vehicle inspection in lieu of their 28-point inspection.

Insurance Requirements

All cities must adopt minimum insurance requirements as outlined in [Chapter 48.17 RCW](#). Vancouver is the only city that does not reference this law. It has the following requirements while a vehicle is operating as a TNC: \$100,000/person for bodily injury, \$300,000/accident for bodily injury of all persons, and \$25,000 for damage to property.

Operational Requirements

There is a fairly standard menu of options that cities choose from for operational requirements as shown in Exhibit 4.

Exhibit 4. Menu of Operational Requirements Found in Local TNC Regulations and Operating Agreements

Operational Requirement	Spokane	Vancouver	Everett	Yakima	Bellingham	Kennewick	Pasco	Richland	Longview	Pullman
Rates. Must disclose rates used or suggested compensation on its app and/or website.	x	x	x	x	x	x	x	x	x	x
Records. Maintain accurate and up-to-date records of all drivers providing services through the Platform.	x			x		x	x	x	x	x
Method of Soliciting Rides. TNC drivers shall not solicit or accept street hails.	x		x	x	x	x	x	x	x	x
Driver Information. The TNC's software application must display driver name and photo.	x		x	x	x	x	x	x	x	x
Vehicle information. The TNC's software application must display the make, model, and license plate of vehicle.	x		x	x		x	x	x	x	x
Company identification. Must be marked to associate vehicle with TNC by viewing front or rear.			x				x			
Vehicle Ownership. May only operate driver's personal vehicle.			x							
Vehicle Condition. Must be in sanitary and safe condition for transportation of passengers.				x						
Third-party operation. No third party can operate a TNC vehicle while driver is logged in to the network of affiliated TNC.				x						
Receipts. Must be provided if requested, can be electronic.	x		x			x	x	x	x	x
Driver Training. Must establish a driver-training program to ensure safe operation of vehicle before offering service.	x									
Customer Service. Must maintain a website that provides a customer service telephone number and website.	x									
Accessibility/Nondiscrimination.	x									
Zero Tolerance drug/alcohol policy.	x		x	x	x	x	x	x	x	x
Maintain local registered agent.	x		x	x	x	x	x	x	x	x

Source: Local city ordinances.

Data Sharing and Audits

City ordinances typically outline audit frequency, how many records can be audited, and how long TNCs need to maintain records.

- Five cities allow audits of records twice a year and of up to 20 drivers. The frequency with which other cities can audit records varies from one time per year to four times per year. Outside of Seattle and King County all cities are limited to auditing no more than 20 driver records per year.
- Most cities reserve the right to inspect any record to investigate specific complaints.
- Most cities require TNCs to maintain records for one year. Everett has a six-year records retention requirement.

Enforcement

Cities differ in which department is responsible for licensing and administrative enforcement, including:

- Finance Department
- City Manager
- Licensing Office
- Police Department
- City Clerk

Cities that may not specifically call out TNCs in their municipal code may still have for-hire regulations that could apply to TNCs and TNC drivers. For example, Walla Walla regulates for-hire vehicles without specifically naming TNCs, but the code's language is broad such that it may potentially apply to TNCs. Other cities without taxi or for-hire regulations generally still maintain business license regulations, which may apply to TNCs and TNC drivers.

Appendix D. Summary of Local TNC Requirements outlines the existing local TNC ordinances in Washington State, excluding cities using regional approaches and airports, which are described in more detail below.

Similarities between Ordinances and Operating Agreements across Jurisdictions

- **Bellingham, Kennewick, Lacey, Longview, Olympia, Pasco, Pullman, Richland, Tumwater, Yakima, and Yelm** all have substantially similar ordinances.
- **Kennewick, Pasco, and Richland** are almost identical except for business license fees and enforcement authority. Pasco also has slightly different driver's license requirements, the number of items listed in the vehicle inspection, and requirements on the visibility of the TNC logo on a vehicle.
- **Longview and Pullman** are almost identical, except for enforcement authority and the allowance that vehicle inspections in Longview may be passed in Washington or Oregon.
- **Vancouver and Kelso** are almost identical and provide broad guidance on vehicle safety and maintenance, driver background and training, and insurance requirements for TNCs and drivers. The details of these municipal codes are described further in their administrative rules.
- Through December 31, 2018 **Spokane** allowed TNCs to operate in their city through Memoranda of Understanding. The requirements for TNCs contained in the MOUs are substantially similar to regulations in Bellingham, Kennewick, Lacey, Longview, Olympia, Pasco, Pullman, Richland, Tumwater, Yakima, and Yelm. The City passed an ordinance in December of 2018 that will regulate TNCs in the future. See text box on page 11.

REGIONAL APPROACHES

Jurisdictions in King, Pierce, and Thurston counties have adopted regional regulatory frameworks to create seamless regulation of TNCs across geographically proximate locations. Each approach is based on interlocal agreements that designate one jurisdiction to provide central administrative services, such as issuing business and operating licenses, and take the lead on enforcing any rules.

King County and City of Seattle

King County and the City of Seattle partner to regulate the for-hire industry, including TNCs, in King County through a cooperative agreement. Under that agreement, a division of labor exists where King County historically has conducted all for-hire driver licensing (on behalf of both the County and the City) and the City historically has conducted all for-hire vehicle-related licensing (on behalf of both the City and County). In late 2014, King County and Seattle implemented new regulations that included licensing TNCs, drivers, and vehicles. Since TNC drivers were closely associated with their respective vehicles, the licensing of drivers and vehicles was consolidated into a combined license application process conducted by King County (on behalf of both the County and the City), with vehicle inspections supported via a central database and an approval process for certified mechanics created and maintained by the City. Regulations in King County and Seattle are generally and intentionally aligned, and require the following for TNC drivers, vehicles, and companies:

- **TNC Drivers** must obtain and annually renew a for-hire driver's permit issued by King County, which requires an annual criminal background check and driving history/DMV report review, successful completion of driver training and testing (for initial license), a valid Washington State Driver's License, and payment of relevant fees. These application components are assembled and submitted by a TNC on behalf of a driver. Drivers self-certify to the TNC that they are mentally and physically able to perform the duties of a for-hire driver, and an acknowledgement is provided in the driver application materials submitted to King County.

In addition, a TNC driver is required to hold a City of Seattle business license and may also be required to have a business license in any other city the driver intends to conduct business.

- **TNC Vehicles** must receive an annual vehicle endorsement from King County. Vehicle endorsements require successful completion of an annual vehicle safety inspection by a City-approved third-party mechanic, and proof of vehicle registration (County-required). Vehicle safety inspection results are entered into an online portal by the mechanics following an inspection. Vehicle information and vehicle registration information are assembled and submitted by a TNC on behalf of a driver, along with the driver's for-hire permit application or separately if the driver is adding or replacing a vehicle.
- **TNCs** must obtain a TNC license. King County coordinates the TNC licensing process for the County and City. TNCs must pay a per trip TNC licensing fee that varies based on trip origin. If the trip originates within Seattle, the City TNC fee applies; if the trip originates in unincorporated King County or one of 16 contract cities, the County TNC fee applies. TNC fees help pay for licensing of the company, drivers, and vehicles, and related regulatory and enforcement activity. In addition to the per trip TNC license fee, a business license may be required in each city in which a TNC operates.

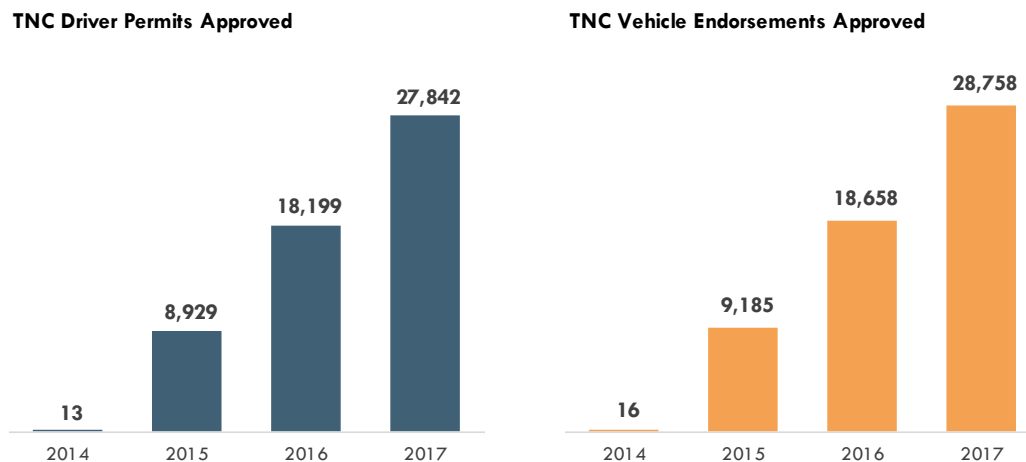
King County also has an interlocal agreement with 16 other King County cities and the Port of Seattle, including the Seattle-Tacoma International Airport. As part of that agreement, the participating cities adopt [King County Code Title 6.64 – Business Licenses and Regulations](#) in substantially similar form or by reference and King County provides TNC licensing services on their behalf, using the partnership with the City of Seattle for vehicle licensing.

The cities contracting with King County include:

- Auburn
- Bellevue
- Burien
- Covington
- Enumclaw
- Federal Way
- Issaquah
- Kenmore
- Kent
- Kirkland
- Maple Valley
- Redmond
- Renton
- Sammamish
- SeaTac
- Shoreline

Every year since 2014, King County and Seattle have seen an increase in both approved driver permits and vehicle endorsements. Exhibit 5 shows the number of driver permits and vehicle endorsements approved each year, whether the driver or vehicle is approved to operate in King County only, Seattle only, or both. The number of Uber and Lyft trips occurring each day in Seattle also increased during this time by 235% from about 27,250 trips a day in 2015 to 91,250 trips a day in 2018.⁵

Exhibit 5. Annual TNC Driver Permits and Vehicle Endorsements Approved (2014-2017)



Source: King County, 2017. "Annual Report: Taxi, For-hire Vehicle & Transportation Network Company Regulation in King County"; BERK, 2018.

King County & Seattle Regulations

TNC regulations included in King County Code Chapter 6.64 and Seattle Municipal Code Chapter 6.310 are summarized below. The regulations are nearly identical with small differences for fees and business licenses.

- King County's TNC regulations are outlined in [King County Code Chapter 6.64 – Business Licenses and Regulations](#). Chapter 64 covers for-hire transportation defined as taxicabs, for-hires, and TNCs. The regulations were created to mirror regulations in Seattle, which was the first jurisdiction in Washington State to regulate TNCs, beginning in 2014.

⁵ Gutman, David. 2018. "How popular are Uber and Lyft in Seattle? Ridership numbers kept secret until recently give us a clue." *The Seattle Times*. November 5. <https://www.seattletimes.com/seattle-news/transportation/how-popular-are-uber-and-lyft-in-seattle-ridership-numbers-kept-secret-until-recently-give-us-a-clue/>.

- Seattle’s TNC regulations are outlined in [Seattle Municipal Code Chapter 6.310 – Taxicabs and For-hire Vehicles](#). The code covers licensing of taxicabs, for-hires, and TNCs. The stated purpose of these regulations is to increase safety, reliability, cost-effectiveness, and the economic viability and stability of privately-operated for-hire vehicle and taxicab services within the city.

Licensing Authority

King County’s Records and Licensing Services Division Director is responsible for licensing TNC companies, drivers, and vehicles who wish to operate in the following areas:⁶

- All of unincorporated King County.
- The Port of Seattle, including Sea-Tac Airport (which requires additional Port authorization).
- Seattle and the 16 cities listed above (See **Appendix C. Jurisdictions Adopting King County Code** for all cities except Seattle).

Seattle’s Finance and Administrative Services (FAS) Director is responsible for providing a vehicle safety inspection database, processes for approving ASE certified mechanics and application dispatch systems, collecting quarterly data reports and fees from TNCs, and issuing Seattle business licenses for TNCs and affiliated drivers.

TNC Business, Operational Requirements, and Fees

TNCs operating in King County and/or Seattle must have a TNC regulatory license and the appropriate city business license. TNCs must apply for a TNC license annually, and as part of the application must include the business name and address, the business entity, trade dress, evidence of required insurance, and documentation of dispatch rate structure. If the TNC intends to become an approved provider of training or testing they must submit their training and testing material for approval. The companies providing criminal background reports and driving records to TNCs must also be submitted for approval. At initial application and annually thereafter, the TNC must obtain approval of their application dispatch system.

The King County Records and Licensing Services Division Director has mandatory and discretionary authority to deny any new or renewal TNC licenses. TNC licenses are denied if a TNC is determined to have provided unqualified drivers access to their dispatch system; if the TNC fails to submit required insurance evidence; if the TNC submits an application with incomplete information or omissions of material fact or information determined to be classified as a misstatement; or if the rate structure is not transparent. TNC licenses may be denied for failure to pay outstanding penalties against the company or if the company has failed within five years of the date of application to meet any of the TNC operating requirements ([King County Code Chapter 6.64 – Business Licenses and Regulations](#)).

TNC Operational Requirements

TNCs have operational requirements that must be met to operate in Seattle and/or King County. An overview of the key provisions follows. See the relevant codes for the full list of requirements.

⁶ King County, <https://www.kingcounty.gov/depts/records-licensing/licensing/taxi-for-hire-transportation-networks.aspx>

- TNCs must have a valid TNC license.
- TNCs must have a valid business license for the cities in which they operate.
- TNC must certify that affiliated vehicles meet insurance standards and maintain the TNC trade dress while active on the application dispatch system.
- TNCs must provide passengers with a picture of the driver and the vehicle license plate number prior to trip initiation.
- TNCs must maintain a nondiscrimination policy that complies with applicable federal, state, and local laws that prohibit discrimination.
- TNCs must allow passengers to indicate the need for a wheelchair accessible vehicle and connect passengers to an accessible vehicle service.
- TNCs must maintain a lost-and-found system.
- TNCs must keep and maintain records for two years, submit data on a quarterly basis, and allow the City or County to carry out audits and inspections.
- TNCs must pay a 10 cent per ride surcharge to offset operational costs associated with wheelchair accessible services. The surcharge is deposited into a City or County Wheelchair Accessible Services Fund, based on the trip origin.⁷
- TNCs must pay a per ride fee, submitted quarterly, to cover the cost of enforcement and regulation of TNC licensing, vehicle endorsement, and driver licensing.
 - **In King County**, TNCs must pay a fee of 23 cents per ride for all trips originating in Unincorporated King County and municipalities that contract with King County for for-hire regulatory services, including licensing TNCs.
 - **In Seattle**, TNCs must pay a fee of 14 cents per ride for all trips originating in Seattle.

Seattle Business License Fee

In Seattle, TNCs and TNC drivers need a Seattle business license. The annual cost of a Seattle business license is based on annual Seattle taxable revenue and ranges from a low of \$55 for businesses making less than \$20,000 to a high of \$2,000 for businesses making over \$5,000,000 (pro-rated business licenses are available after July 1).

TNC Driver Requirements

To be licensed in King County, TNC drivers are required to obtain a for-hire driver's license and vehicle endorsement through King County. All TNC for-hire driver applications must be submitted by the TNC (not the driver). The application submitted to the King County Records and Licensing Services Division must include documentation that drivers and vehicles meet the for-hire license requirements (see next page).

⁷ <https://www.seattle.gov/business-regulations/taxis-for-hires-and-tncs/transportation-network-companies/tnc-companies>

Prior to issuing a TNC driver permit, King County issues a temporary permit (authorization to drive pending approval and issuance of a for-hire driver's permit) for applicants that have:

- Filed a complete application and successfully met the application requirements to the satisfaction of the TNC, including:
 - Passed a criminal background check and driver history report reviewed by the TNC.
 - Completed driver training and passed an exam approved by King County (see Driver Testing and Training below).
 - Successfully completed a vehicle safety inspection.

The temporary permit is valid for 60 days and effective upon receipt of the driver's completed application submitted by the TNC.

The King County Records and Licensing Services Division issues the annual for-hire driver permit and vehicle endorsement decal once the application is reviewed and approved. The review includes an analysis of submitted background checks and driving records, driver license, vehicle safety inspection validation, and vehicle registration documentation.

For-hire driver's license qualifications

Drivers must:

- Be at least 21 years of age.
- Possess a valid Washington state driver's license. Active military and full-time matriculated student applicants may be authorized to drive with an out-of-state driver's license.
- Self-certify physical and mental fitness to drive (with director authority to require medical doctor certification if deemed necessary).
- Meet one-time testing and training requirements (see below).
- Pass a criminal background check and driving history/abstract review.
- Have a TNC vehicle endorsement for their vehicle and must allow King County and/Seattle to inspect vehicles upon request.
- Carry proof of affiliation with a licensed TNC whenever active on the network.
- Not operate unaffiliated with a TNC to transport passengers and must accept trips exclusively via the application dispatch system.
- Only accept payments made electronically through the TNC application dispatch system.
- **If operating in Seattle**, drivers must hold a valid Seattle business license.
- **In Seattle**, drivers must immediately notify the TNC and the Seattle Police Department if they are the victim of a crime.

Driver Testing and Training

Before receiving an initial TNC driver permit, drivers must complete driver's training and pass an examination.

Training. Drivers are required to complete driver's education and testing. The training must include completion of the National Safety Council's Defensive Driving Course and at least one additional driver training program approved by King County on behalf of the County and Seattle FAS. TNCs either provide or help pay for driver training programs.

Examination. Drivers must pass an examination administered online by King County, or by an approved TNC or third-party vendor. The examination must test the following:

- Driver-Passenger relations.
- Knowledge of requirements and laws for operating a TNC vehicle.
- Ability to understand oral and written directions in English.
- Knowledge of vehicle safety requirements.
- Knowledge of the geography of Seattle, King County, and the surrounding region.
- TNC vehicle endorsement and driver regulations.
- Knowledge of local public and tourist destinations and attractions.
- Knowledge of risk factors for crimes against drivers.
- Emergency procedures.
- Personal safety equipment.

Criminal Background Checks

All TNC drivers are required to undergo a criminal background check at initial application and annually to renew their permit. TNCs must review the background checks to ensure applicants are suitable and meet the background standards, submit the results as part of the for-hire driver license application, and maintain records of them.

The background checks may be conducted one of two ways: 1) by fingerprinting the driver, with prints forwarded to the FBI or Washington State Patrol for investigation or 2) without fingerprinting by a third-party vendor approved by King County on behalf of King County and the director of Seattle FAS.

Third-party background check companies that contract with TNCs to provide criminal background checks and driving history reports must be approved by King County and Seattle.

TNCs are required to report criminal offenses by drivers that have bearing on the driver's fitness to operate a TNC vehicle.

The background check must include a check of local, state, and national databases (including the national sex offender database) and review at least five years of history. Disqualifying offenses include, but are not limited to: offenses involving a vehicle, such as hit-and-run or driving under the influence; being registered as a sex offender; and felonies, such as assault, fraud, or kidnapping.

Driving History/Abstract Review

In addition to a criminal background check, TNCs must provide a driving record report as part of the for-hire driver license application. TNCs obtain driving records from third-party vendors approved by King County on behalf of the County and Seattle FAS. TNCs are required to review the driving record checks to ensure applicants are suitable and meet the driver standards, submit the results as part of the for-hire driver license application, and maintain records of them.

TNC Vehicle Requirements

Endorsement

All TNC vehicles must submit an application for a TNC vehicle endorsement to King County as part of the driver/vehicle application process. King County processes applications for vehicle endorsements as part of the TNC driver permit process. As with a TNC for-hire driver's permit, vehicle endorsement applications are submitted by the TNC. The application must include:

- Evidence the vehicle is insured.
- Evidence of for-hire driver's license.
- Proof the vehicle has passed the uniform vehicle safety inspection.
- Proof that the vehicle model year is no more than 10 years old (Seattle only).
- A copy of the actual vehicle registration.

The TNC is responsible for requiring that vehicles pass inspection and for maintaining records of vehicle inspection.

In King County, TNC vehicles are defined as passenger vehicles, and require the driver to be the registered owner. This requirement did not anticipate drivers who may not be the registered owner of a vehicle but have access as a spouse or dependent, short term rental vehicles, or company owned/fleet vehicles. ReachNow, for example, has a ride-hailing service that uses the same fleet vehicles that ReachNow members can reserve to drive themselves. The County is working to address this limitation by removing the requirement that the driver be the registered owner.

Insurance

TNCs are required to maintain commercial insurance coverage that at a minimum meets the requirements of [Chapter 48.177.010 RCW](#) and [Chapter 46.72.050 RCW](#) (surety bond). Insurance requirements are described in more detail in the Washington State Law, **Insurance** section.

Additionally:

- Policies must name King County and the City of Seattle as an additional insured, based on where they are licensed to operate.
- King County and Seattle require minimum underinsured motorist insurance of \$100,000 per person and \$300,000 per accident.
- Policies must be from an admitted carrier with an AM Best Rating of not less than B VII or show evidence that an exemption has been met allowing for use of a surplus line insurer with an AM Best Rating of not less than B+ VII.

- Driver contracts are required to include specific language and acknowledgement per [Chapter 48.177.010 RCW](#).
- TNC drivers are responsible for maintaining personal vehicle liability insurance meeting minimum state law liability insurance requirements including notifying their carrier that they are driving commercially.

Data Reporting

All TNCs are required to maintain, and **retain for two years**, accurate and complete records, and to **submit quarterly** electronic data reports for all requested trips in Seattle and King County. This data includes:

- Total number of rides provided by each TNC.
- Percentage or number of rides picked up in each ZIP code.
- Pickup and drop-off ZIP codes of each ride.
- Percentage by ZIP code of rides that are requested but not provided.
- Number of collisions, including the name of the affiliated driver, vehicle identification, collision fault, injuries, and estimated damage.
- Number of requested rides for an accessible vehicle.
- Reports of crimes against drivers.
- Records of passenger complaints.
- Any other data identified by King County or Seattle to ensure compliance.

King County and Seattle Regulations in Practice

In practice, the TNCs do the initial work required of a TNC driver by collecting application materials, reviewing the materials, and submitting application packets to King County for candidates deemed suitable by the TNC. The TNC takes the following steps before submitting application packets electronically for a for-hire driver's permit and vehicle endorsement:

- Collect a driver's required application information.
- Run, review, and pay for a driving history report and criminal background check report.
- Provide and pay for online driver training and testing.
- Require proof of completing the National Safety Council's Defensive Driving Course (4-hour DDC) – this must be completed within the first 60 days of the initial application only.
- Collect proof of an annual vehicle safety inspection and insurance.

King County reviews all application materials before making a licensing decision.

To highlight similarities and differences among regulations of taxi, for-hire vehicles and TNCs, a comparison of the Seattle regulations is provided in Exhibit 6.

Exhibit 6. City of Seattle and King County Regulations for Taxis, For-Hire Vehicles, and TNCs

	TAXIS	FOR-HIRE VEHICLES	TNCs
Association (Organization affiliation)	<ul style="list-style-type: none"> Must be licensed and affiliated with a single licensed taxi association. 	<ul style="list-style-type: none"> Must be licensed and affiliated with a single for-hire company. 	<ul style="list-style-type: none"> Must be licensed and affiliated with a TNC. TNC drivers and vehicles may affiliate with multiple TNCs and operate simultaneously on those TNCs.
Vehicle Marking	<ul style="list-style-type: none"> Vehicles must be painted one solid color with signs or lettering that include the words taxi, cab, or taxicab. Must meet taxi association’s approved color scheme. May use vehicle lighted top light. 	<ul style="list-style-type: none"> Vehicles must be painted more than one color. Must be clearly marked as “flat rate” and cannot be marked with the words “taxi,” “cab,” or “taxicab.” May not use vehicle top lights. 	<ul style="list-style-type: none"> Maintain TNC trade dress while active on TNC dispatch system. May not use vehicle top lights.
Rates/Fares	<ul style="list-style-type: none"> City and County set rates for fares, per mile or per minute, recorded by taxi meter. Taxis may operate on an approved application dispatch system (smartphone “app”). If trip is provided through the app, taxi meter is not engaged. Application dispatch systems are subject to the same requirements, including fare transparency, as those used by TNCs., and include the same rate flexibility. 	<ul style="list-style-type: none"> Charge a flat rate per trip, rather than metered fare. No meter inside the vehicle. Rates are filed annually. Rate books are required to be in the vehicle. For-hire vehicles may operate on an approved application dispatch system. If trip is provided through the app, rate book does not apply. Application dispatch systems are subject to the same requirements, including fare transparency, as those used by TNCs., and include the same rate flexibility. 	<ul style="list-style-type: none"> Must provide written documentation or demonstration on the application showing rate structure transparently to a rider prior to confirming a ride. Total fare or fare range must be displayed before confirming a ride Rate by distance or time must be clearly displayed before confirming ride on the app Application dispatch system must be reviewed and approved at initial company application and annually. Rates may fluctuate as long as they are transparent to the rider prior to accepting the ride.

	TAXIS	FOR-HIRE VEHICLES	TNCS
Taximeter	<ul style="list-style-type: none"> Must be equipped with a taximeter and receipt-issuing mobile data terminal or receipt-issuing application dispatch system. 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A
Business License	<ul style="list-style-type: none"> Seattle business license required for taxi associations and drivers, renewed annually. 	<ul style="list-style-type: none"> Seattle business license required for drivers, renewed annually. 	<ul style="list-style-type: none"> Seattle business license required for company and driver, renewed annually.
Association/Company Regulatory License	<ul style="list-style-type: none"> Association license and fee (City and County) 	<ul style="list-style-type: none"> Company fee (County only) 	<ul style="list-style-type: none"> TNC license (City and County)
Driver License	<ul style="list-style-type: none"> Valid Washington driver's license required (exceptions for students and active military). For-hire driver's license required. The City contracts with King County for taxi, for-hire, and TNC driver licensing. 		
Vehicle License	<ul style="list-style-type: none"> Vehicles must operate under medallion system with established caps that limit the number of medallions issued. 	<ul style="list-style-type: none"> Vehicles must have TNC Vehicle Endorsement. No cap on the number of vehicles. 	
Payment Options	<ul style="list-style-type: none"> Cash, credit card, taxi scrip, contract/account. 		<ul style="list-style-type: none"> Application dispatch system only (electronic only).
Ride requests	<ul style="list-style-type: none"> Can use dispatch system, be hailed from the street, or pre-arranged via an app. 		<ul style="list-style-type: none"> Must use online-enabled TNC app or platform to connect passengers with drivers.
Criminal Background Checks	<ul style="list-style-type: none"> Required of drivers and vehicle owners. Background checks may either be 1) conducted with fingerprints forwarded to the FBI and Washington State Patrol (WSP) or 2) conducted by an approved third-party vendor. 		<ul style="list-style-type: none"> Required of drivers. Background checks may either be 1) conducted with fingerprints forwarded to the FBI and WSP or 2) conducted by an approved third-party vendor.
Driver Record Checks	<ul style="list-style-type: none"> Required at initial application and annually. May be provided by Washington State Department of Licensing (driver abstract) or by an approved third-party vendor. 		
Driver Training and Testing	<ul style="list-style-type: none"> Drivers must complete driver's training and pass an examination administered by King County or by an approved taxi association, for-hire vehicle company, TNC, or third-party vendor. 		

	TAXIS	FOR-HIRE VEHICLES	TNCS
Insurance Requirements	<ul style="list-style-type: none"> Minimum bodily injury liability limits: at least \$100,000 per person, \$300,000 per accident, \$25,000 property damage. 		<ul style="list-style-type: none"> Insurance minimums per Chapter 48.177 RCW. Prior to accepting ride: minimum limits of at least \$50,000 per person, \$100,000 per accident, and \$30,000 for property damage. During ride: combined single limit coverage of \$1,000,000 and underinsured motorist coverage in the amount of \$1,000,000.
	<ul style="list-style-type: none"> Uninsured motorist limits: \$100,000 per person, \$300,000 per accident. (For TNCS, only applies while active on TNC dispatch system.) 		
Vehicle Requirements	<ul style="list-style-type: none"> Pass uniform vehicle safety inspection by a City-approved mechanic. <10 years old (Seattle only; currently no age restriction for County.) 		
	<ul style="list-style-type: none"> Equipped with monitored silent alarm system and a monitored GPS. 	<ul style="list-style-type: none"> TNC vehicle endorsement, renewed annually. 	
Data Reporting	<ul style="list-style-type: none"> Taxi associations, for-hire vehicle companies, and TNCS must maintain and retain records for two years, submit quarterly electronic data reports for all requested trips in the City and County. 		
Wheelchair Accessibility	<ul style="list-style-type: none"> Must pay 10 cents per trip to City or County Wheelchair Accessible Services Fund. Used to offset higher operational costs of wheelchair accessible taxi ("WAT") services for owners and operators. 		
Alcohol/Drug Use	<ul style="list-style-type: none"> Zero-tolerance policy. 		
Antidiscrimination	<ul style="list-style-type: none"> Discriminatory charges, rebates, or reduced fares (except by contract) are not allowed. Drivers cannot discriminate against passengers or potential passengers based on geographic endpoints of the ride, race, color, national origin, religious belief/affiliation, sex, disability, age, or sexual orientation/identity. 		<ul style="list-style-type: none"> Rating platform may not be based on unlawful discrimination. Drivers cannot discriminate against passengers or potential passengers based on geographic endpoints of the ride, race, color, national origin, religious belief/affiliation, sex, disability, age, or sexual orientation/identity.

Sources: King County Code 6.64; 2014 City Ordinance 124524; Seattle Municipal Code 6.310; City of Seattle Department of Finance and Administrative Services [Taxicab Information Overview](#); [For-Hire Vehicle Information Overview](#), accessed December 2018.

Tacoma and Unincorporated Pierce County

The declared purpose of Tacoma's for-hire regulation is to provide for the safe, fair, and efficient operation of for-hire vehicles. The City considers for-hire vehicles part of its transportation system and regulates them to ensure public safety, provision of a public good, and to promote convenience for the public. Tacoma's Municipal Code [Chapter 6B.220 For-Hire Regulations](#) is summarized below.

Pierce County accepts City of Tacoma licensing for TNCs, drivers, and vehicles wanting to operate in unincorporated Pierce County, as outlined in Pierce County Code [Chapter 5.26 For-Hire Transportation](#).

Licenses and Fees

TNCs are required to have a TNC license and Tacoma business license to operate in the city. TNC drivers are required to maintain a for-hire driver's license, for-hire vehicle license, and current City business license while operating within the city limits.

- **TNC License.** To operate in Tacoma, each company needs a TNC license, which costs \$15,000 per year and can be paid in quarterly installments. The City has the ability to change the fee as well as impose additional fees to cover continuing administrative and regulatory costs related to for-hire drivers and vehicles operating in Tacoma. Currently the \$15,000 fee is based on the number of drivers operating in the city.
- **City of Tacoma Business License.** Each TNC and driver is required to have a business license to operate in Tacoma. TNCs pay their business license fee based on gross income:
 - \$25 if under \$12,000
 - \$90 if \$12,000 - \$250,000
 - \$250 if over \$250,000

TNCs and Tacoma recently collaborated to streamline the process for drivers. In a driver's first year, TNCs submit new driver information to Tacoma's Tax and License Division on behalf of the driver, with a \$25 administrative fee. Within five days the City sends drivers a welcome letter with information about renewing next year's business license. Renewal fees are based on the gross income amounts above.

- **For-hire Vehicle License.** Each vehicle owner must file a for-hire vehicle license application with the City at no cost to the driver. A letter from the TNC is required indicating that the driver is authorized to affiliate with the TNC and that all for-hire vehicle requirements have been met. The vehicle license must be renewed each year and expires on December 31.
- **For-hire Driver License.** Each TNC driver must have a for-hire driver license that is renewed every two years. TNC drivers are not required to have a for-hire driver identification card or for-hire vehicle endorsement, as long as the TNC application dispatch system provides a picture of the driver and vehicle prior to the ride being accepted.

- **Accessible Services Fund/Per-trip fees.** Tacoma charges a 10 cent per trip fee for all rides originating in the city that do not meet the criteria of an accessible for-hire vehicle.⁸ Fees are paid quarterly by the TNC and help fund additional accessible for-hire vehicles.

Driver Requirements

- 21 years of age or older.
- Self-certify their physical and mental fitness for acting as a for-hire driver.
- United States citizen or be authorized to work in the United States.
- Valid Washington State driver's license (with exemptions for students, military, or part time residents).
- Complete an online defensive driving course and an online City of Tacoma exam that covers knowledge of:
 - The for-hire chapter requirements.
 - Vehicle safety requirements.
 - Risk factors for crimes against for-hire drivers, emergency procedures, and for-hire equipment for the for-hire driver's personal safety.
 - The geography of City of Tacoma, Pierce County and surrounding areas, and local public and tourist destinations and attractions.
- Pass a full criminal background check through Washington State Patrol and Federal Bureau of Investigation criminal databases or through a Director-approved third-party vendor, with a check conducted each year.
 - Approved vendors at a minimum must: include local, state, and national databases; access at least seven years of database history; and demonstrate competency in providing accurate information.
 - Proof of a criminal background check does not preclude the City from conducting a separate background check on the applicant.
- Never had a for-hire driver's, or driver's license suspended, revoked, or denied and documentation that the applicants driving abstract from DOL was reviewed.

Operational Requirements

- **Time limits.** TNC drivers cannot engage in commercial activity for more than 12 hours in any 24-hour period.
- **Street hails.** A TNC affiliated driver cannot transport a passenger hailing from the street or solicit trips from the street.

⁸ A vehicle designated or modified to transport passengers in wheelchairs or other mobility devices where passengers can board the vehicle via a ramp or lift.

- **Accessibility.** A TNC affiliated driver cannot refuse to transport a wheelchair that can be folded and placed in the passenger, driver, or trunk compartment or a service animal used to assist persons with disabilities, groceries, packages, or luggage, when accompanied by a passenger.
- **Discrimination.** A TNC affiliated driver cannot discriminate against passengers or potential passengers on the basis of race, color, national origin, ancestry, religious belief or affiliation, sex, disability, age, sexual orientation, marital status, gender identity, familial status, or military status.
- **Zero Tolerance Drug and Alcohol Policy.**

Vehicle Requirements

- Less than 10 years in age.
- Approved mechanic has issued a valid certificate of safety and a uniform vehicle safety inspection was performed within the last license year.
- Consumer information must be displayed in the application.
- Rates are displayed in an application dispatch service, and the company website explains the rate structure and is transparent to the rider prior to accepting the ride.

Insurance Requirements

Each TNC vehicle must have liability insurance meeting state law requirements, [Chapter 48.177 RCW Commercial Transportation Services](#).

Enforcement and Penalties

The Director of Tacoma’s Finance Department has supervision over the TNC regulations and laws are enforced by the City’s Chief of Police.

- Any license can be revoked or suspended for violating the for-hire regulations.
- TNCs must submit an annual list of affiliated drivers operating in the city or consent to an audit of records.
- For-hire vehicle licenses can be suspended for up to five days when three or more Class A violations are found and a penalty issued to a TNC or for-hire driver. Class A violations include:
 - Driving without a valid for-hire driver’s license or knowingly allowing an affiliated driver to drive without a valid for-hire driver’s license.
 - Driving without a valid for-hire vehicle endorsement or knowingly allowing an affiliated driver to drive without a for-hire vehicle endorsement.
 - Driving without valid insurance or knowingly allowing an affiliated driver to drive without valid insurance.
 - Operating a for-hire vehicle with a revoked or suspended for-hire vehicle or driver’s license or allowing an affiliated for-hire driver to operate a vehicle with a revoked or suspended license.
 - Using a for-hire vehicle during a crime or knowingly allowing an affiliated for-hire vehicle to be used in a crime.

- Class A violations can be charged a penalty of \$500 and Class B violations can be charged a penalty of \$75. Class B violations are related to for-hire vehicle and driver standards, including:
 - Vehicle equipment not up to safety standards.
 - Allowing vehicle insurance to lapse.
 - Not maintaining a clean vehicle with working interior lights.

Cities in Thurston County

The Thurston County cities of Lacey, Olympia, Tumwater and Yelm jointly regulate TNCs through an [interlocal agreement](#). The agreement designates authority and responsibility for licensing, auditing, and collecting TNC license fees to the City of Olympia on behalf of participating cities. As part of the interlocal agreement, each of the cities adopted nearly identical ordinances regarding the administration and enforcement of TNCs and TNC drivers. A summary of each city's ordinances is in the table below. Areas where the ordinances differ are:

- **Reciprocity.** Lacey and Tumwater specifically state that administration and enforcement can be delegated to another jurisdiction when their ordinances are substantially similar, and that in those cases a TNC license will be recognized by those partner jurisdictions. Olympia and Yelm do not include these provisions.
- **Business licenses** are required in each city that a TNC company or driver wants to operate in, regardless of TNC license reciprocity. The fees in each city differ.
- **Enforcement authority** is different in each city.

Exhibit 7. Ordinance Details of Thurston County Cities

	LACEY	OLYMPIA	TUMWATER	YELM
Ordinance	Chapter 5.26 Transportation Network Companies	Chapter 5.11 Transportation Network Companies	Chapter 5.07 Transportation Network Company Services	Chapter 5.18 Transportation Network Companies
Business License and Fees	Lacey business license renewed annually at a cost of \$25 (TNC + Driver).	Olympia business license renewed annually at a cost of \$30 (TNC + Driver).	Tumwater business license at a cost of \$50 + \$19 processing fee, renewed annually at a cost of \$20 + \$11 processing fee (TNC + Driver).	Yelm business license at a cost of \$35, renewed annually at a cost of \$25 (TNC + Driver).
TNC License	<ul style="list-style-type: none"> TNC license renewed annually at a cost of \$1,000. Issued by Olympia and recognized by other jurisdictions participating in the interlocal agreement. A TNC license may be revoked, suspended, or denied for: failure to meet or maintain any of the requirements for obtaining a TNC license; a materially false statement contained in the application; or any violation of the relevant ordinance. 			
TNC requirements	<ul style="list-style-type: none"> Certify drivers meet insurance requirements. Maintain driver records. Conduct criminal background checks of drivers and maintain records for two years. Maintain a registered Agent in WA. 			
Driver Requirements	<ul style="list-style-type: none"> Self-certify no known physical or mental infirmity. 21 years of age. WA driver's license. No more than 3 moving violations/year in 3 years prior to becoming TNC driver. Passed a criminal background check. Proof of vehicle registration and liability insurance. 			
Background Checks	<ul style="list-style-type: none"> TNC shall obtain and review a criminal background check for drivers. History of no less than five years and maximum of seven years. Local, state, and national criminal history databases and national and state sex offender registries. Disqualifiers: sex offender, driving under the influence, felony fraud, sexual offenses, felony property damage or theft, acts of violence/terror, reckless driving or negligent driving, and use of motor vehicle to commit felony. TNC must conduct background checks and maintain records for two years. 			

	LACEY	OLYMPIA	TUMWATER	YELM
Vehicle Inspection and maintenance	<ul style="list-style-type: none"> ▪ Vehicle must be <10 years old. ▪ Annual 21-pt inspection (TNC or third-party). ▪ Maintain inspection records for at least 3 years. 			
Insurance requirements	As required by state law Chapter 48.177 RCW .			
Audit	<ul style="list-style-type: none"> ▪ No more than 2x/year and not more than 20 randomly selected TNC drivers. ▪ Must produce records to allow investigation of specific complaints regarding compliance. 			
Operational Requirements	<ul style="list-style-type: none"> ▪ Can only pick up passengers arranging transportation through TNC's digital network. ▪ Display trade dress while in service. ▪ TNC network must display name and photo of TNC driver as well as applicable rates being charged. ▪ Zero tolerance policy on use of drugs or alcohol. 			
Accessibility – Nondiscrimination	<ul style="list-style-type: none"> ▪ TNC must adopt nondiscrimination policy. ▪ Drivers must comply with applicable laws on nondiscrimination. ▪ Comply with laws on service animals. ▪ No additional charges for providing services to persons with physical disabilities. 			
Enforcement	<p>Director of Finance for the City of Lacey has administrative authority to implement and enforce, which does not limit Olympia Police Department's authority to enforce laws.</p>	<p>Director of the City of Olympia's Administrative Services Department has administrative authority to implement and enforce, which does not limit Olympia Police Department's authority to enforce laws.</p>	<p>The Director of Tumwater's Finance Department has the authority to implement and enforce the ordinance, which does not limit the Tumwater Police Department's authority to enforce laws.</p>	<p>The Yelm City Clerk has the authority to implement and enforce the ordinance, which does not limit Yelm Police Department's authority to enforce laws.</p>

	LACEY	OLYMPIA	TUMWATER	YELM
Reciprocity	<ul style="list-style-type: none"> Can delegate administration and enforcement to partner jurisdiction. Partner jurisdiction must have ordinances that are substantially the same. TNC license is recognized from other jurisdictions. 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> Can delegate administration and enforcement to partner jurisdiction. Partner jurisdiction must have ordinances that are substantially the same. TNC license is recognized from other jurisdictions. 	<ul style="list-style-type: none"> N/A
Penalty	<ul style="list-style-type: none"> TNC license may be revoked for violating the ordinance, failing to notify the city of a driver violation, or for failing to remedy a driver's violation. TNC operating without a TNC license or a driver picking up passengers without a current contract with a licensed TNC are both subject to a civil infraction and fees. <ul style="list-style-type: none"> First offense: \$50 Second offense: \$125 Third and subsequent offenses: \$250 A TNC providing false information or a driver picking up a passenger without a Lacey business license... <p>...is a misdemeanor carrying a fine NTE \$1,000 and/or be imprisonment NTE 90 days. Second and subsequent days carry a fine NTE \$5,000 and/or imprisonment NTE 364 days.</p>	<ul style="list-style-type: none"> TNC operating without a TNC license or a driver picking up passengers without a current contract with a licensed TNC are both subject to a civil infraction and fees. <ul style="list-style-type: none"> First offense: \$50 Second offense: \$125 Third and subsequent offenses: \$250 A TNC providing false information or a driver picking up a passenger without an Olympia business license... <p>...is a misdemeanor carrying a fine NTE \$1,000 and/or be imprisonment NTE 90 days. Second and subsequent days carry a fine NTE \$5,000 and/or imprisonment NTE 364 days.</p>	<ul style="list-style-type: none"> TNC operating without a TNC license or a driver picking up passengers without a current contract with a licensed TNC are both subject to a civil infraction and fees. <ul style="list-style-type: none"> Class 4: \$25 Class 3: \$50 Class 2: \$125 Class 1: \$250 A TNC providing false information or a driver picking up a passenger without a Tumwater business license... <p>...is a misdemeanor carrying a fine NTE \$1,000 and/or be imprisonment NTE 90 days. Second and subsequent days carry a fine NTE \$5,000 and/or imprisonment NTE 364 days.</p>	<ul style="list-style-type: none"> TNC operating without a TNC license or a driver picking up passengers without a current contract with a licensed TNC are both subject to a civil infraction and fees. <ul style="list-style-type: none"> First offense: \$50 Second offense: \$125 Third offense: \$250 A TNC providing false information or a driver picking up a passenger without an Yelm business license... <p>...is a misdemeanor carrying a fine NTE \$1,000 and/or be imprisonment NTE 90 days. Second and subsequent days carry a fine NTE \$5,000 and/or imprisonment NTE 364 days.</p>

Source: Lacey Municipal Code [Chapter 5.26 Transportation Network Companies](#), Olympia Municipal Code [Chapter 5.11 Transportation Network Companies](#), Tumwater Municipal Code [Chapter 5.07 Transportation Network Company Services](#), Yelm Municipal Code [Chapter 5.18 Transportation Network Companies](#), accessed August 2018. BERK 2018.

AIRPORTS

Many TNC regulations nationwide have exemptions for airports. In Washington, at least two airports have existing operating rules and fees for TNCs.

Sea-Tac International Airport

The Port of Seattle regulates taxis, for-hires, and TNCs that operate at Sea-Tac International Airport and maintains an ILA with King County for licensing and enforcement. All operators at Sea-Tac Airport must have a current agreement on file and follow the ground transportation rules and instructions in addition to King County regulations. For TNC pick-up activity, the Port contracts with TNC companies, not individual TNC drivers. The TNC companies are then responsible for contractual relationships with drivers. Currently, three TNCs operate at the airport: Lyft, Uber, and Wingz.

Fees

To operate at the airport, TNCs pay an activation fee based on the average number of monthly outbound trips over the first six months of operation.

- 10,000 or more trips: \$100,000
- 5,000 – 10,000 trips: \$50,000
- 1,000 – 5,000 trips: \$25,000
- Less than 1,000 trips: \$10,000

TNCs also pay a per-vehicle trip fee of \$6/pick-up. Any underreported per-trip fees will be paid upon discovery along with interest and late charges.

These fees are for the use of airport facilities and access to the airport passenger market. The fee can be passed on to customers if it is *not* referred to as a tax, is not implied that the port requires the payment be made by the customer, and the disclosure to the customer is not misleading. Additional fines may be imposed on the TNC or its drivers for violations of the agreement.

Reporting

Each month, the TNC must electronically submit the number of inbound and outbound trips to and from the airport that were made in the previous month as well as the following data:

- Reporting period dates
- Time of each trip
- Trip ID
- Driver ID
- Vehicle ID
- Lat/Long
- Event type - entry/exit/pickup/drop-off
- License Plate
- Vehicle make, model, and year

Records and Audit

The Port has the right to audit any records relevant to the operating agreement. If an audit finds a discrepancy in fees paid of more than 2%, the TNC will pay the cost of the audit with interest.

Environmental Requirements

TNCs must meet equivalent environmental standards to those of taxi and for-hire vehicles. Equivalence is measured using a formula that considers airport pick up and drop-offs as well as miles per gallon. The metric is required to be less than 10.82 pounds of carbon dioxide per trip. TNCs can achieve this environmental standard through three methods: 1) high vehicle miles per gallon, 2) deadhead trip reduction, and/or 3) pooling of unrelated passengers in vehicles.

If a TNC fails to meet the metric the per-trip fee will be increased on the following schedule.

- 1st nonconsecutive quarter of noncompliance: 2x fee multiplier.
- 2nd consecutive quarter of noncompliance: 3x multiplier.
- 3rd consecutive quarter of noncompliance: 4x multiplier.

Insurance Requirements

TNCs must comply with Port insurance requirements.

- **TNC commercial liability.** \$1 million per occurrence.
- **TNC vehicle insurance.** \$1 million per accident.

Other Requirements

- TNC drivers must be neat, clean, and courteous.
- The Port has the right to inspect drivers and vehicles at any time for compliance with standards in the operating agreement.
- TNC companies or drivers may not discriminate based on race, color, national origin, or sex.

Spokane International Airport

The City and County of Spokane jointly own Spokane International Airport, whose operating authority is the Spokane Airport Board, consisting of seven appointees from two governmental bodies. The airport is funded through airport-generated revenue and grants.

The Airport regulates TNCs through operating agreements. Currently, Lyft and Uber operate at the airport. The agreements outline operating, vehicle, and insurance requirements as well as prohibited activities, fees and charges, compliance, and enforcement.

Operating Fees

TNCs pay a \$250 application fee to cover the costs of administration and processing of a new operating agreement. In addition, the airport charges a per trip fee of \$1.00 for both drop-offs and pickups at the airport. The airport uses a geo-fence to track TNC trips.

Reporting

The TNC must provide monthly trip reports and payment. Any discrepancy between the application-based commercial ground transportation system and the monthly report submitted by the TNC is collected the following month.

Audits

The airport reserves the right to audit and verify the number of pickups and drop-offs happening on their premises. If an audit reveals a discrepancy greater than 5%, the TNC must pay the cost of the audit.

Operating Requirements

TNC must:

- Maintain a website with customer service telephone number and email address.
- Maintain a registered agent in Spokane.
- Maintain up-to-date records on drivers and vehicles including background checks, vehicle registration, and copies of vehicle inspections.
- Provide electronic receipts of trips.
- Establish a driver-training program to ensure safe operation of vehicle.
- Have a zero-tolerance drug and alcohol policy.
- Conduct an annual criminal background check of drivers, checking local, state, and national criminal history databases, state motor vehicle records, and public database of state and federal sex offenders. Any person convicted in the last seven years of a disqualifying crime shall not be permitted to drive.
- Drivers can only accept rides booked through the digital platform.

Vehicle Requirements

Vehicles used by TNC drivers must be in good operating order and kept clean inside and out. In addition, the vehicles must be street legal and have a uniform safety inspection conducted annually.

Insurance Requirements

TNCs must comply with insurance requirements.

- **TNC commercial liability.** Minimum of \$1 million per occurrence and \$2 million in aggregate.
- **TNC auto liability.** Minimum of \$1 million per accident.

Prohibited Activities

While on airport premises, TNC affiliated drivers cannot:

- Solicit passengers on airport property.
- Accept curbside hails.
- Leave vehicles unattended.
- Fail to provide information or provide false information to Airport personnel.
- Display an altered waybill.
- Occupy non-commercial lots.
- Stop on airport roads except to pick up a passenger or when waiting in approved parking stalls.
- Use, possess, or be under the influence of any legal or illegal drug.
- Fail to comply with posted speed limits and traffic control signs.
- Double park.
- Engage in criminal activity.

Other Requirements

- TNC companies or drivers must comply with federal nondiscrimination laws.
- Airport has the right to inspect drivers and vehicles for compliance with operating agreement.
- The Airport has the right to review and approve any electronic medium used for identification or advertising.

Appendix A. Summary of Key Regulation Areas by State

SUMMARY OF KEY AREAS BY STATE

STATE STATUTE/CODE	STATE LAW	STATE PRE-EMPTION	PRIMARY REGULATORY AUTHORITY	CRIMINAL BACKGROUND CHECK TYPE
Alabama Alabama Act 2018-127 Code of Alabama Section 32-7C	✓	Yes (partial – can opt out)	Public Service Commission	TNC or third-party check
Alaska Alaska Statute 28.23	✓	Yes (specific exceptions)	Department of Administration, Division of Motor Vehicles	Third-party check
Arizona Arizona Revised Statutes Title 28 Chapter 30 Article 3	✓	Yes	Department of Transportation	TNC or third-party check
Arkansas Arkansas Code Title 23 Subtitle 1 Chapter 13 Subchapter 7	✓	Yes	Department of Transportation	TNC or third-party check
California Public Utilities Code Division 2 Chapter 8 Article 7	✓	Yes	Public Utilities Commission	TNC or third-party check
Colorado C.R.S. 40-10.1-600	✓	Yes	Public Utilities Commission	TNC or third-party check
Connecticut General Statutes of Connecticut Title 13b-116-121	✓	Yes	Commissioner of Transportation	TNC or third-party check
Delaware Delaware Code Title 2 Chapter 19	✓	Yes	Department of Transportation	TNC or third-party check
Florida Florida Statute 627.748	✓	Yes	Department of Financial Services	TNC or third-party check
Georgia Chapter 40-1-190 OCGA Chapter 40-5-39 OCGA	✓	Yes	Department of Public Safety	Third-party check
Hawaii HI Rev Stat § 431:10C-703	Insurance Only	Yes	Department of Commerce and Consumer Affairs	Not Applicable
Idaho Chapter 49-37 Idaho Statutes	✓	Yes	Department of Motor Vehicles	Third-party check

STATE STATUTE/CODE	STATE LAW	STATE PRE-EMPTION	PRIMARY REGULATORY AUTHORITY	CRIMINAL BACKGROUND CHECK TYPE
Illinois Chapter 625 Illinois Compiled Statutes 57/1-35	✓	No (sets minimum regulation for state)	Secretary of State	TNC or third-party check
Indiana IC 8-2.1-19.1	✓	Yes	Department of Transportation	TNC or third-party check
Iowa 2016 Iowa Code Title VIII Chapter 321N	✓	Yes	Department of Transportation	TNC or third-party check
Kansas Chapter 8-27 Kansas Statutes Annotated	✓	Yes	Division of Vehicles of the Department of Revenue	TNC or third-party check
Kentucky Kentucky Revised Statutes Chapter 281.630-656	✓	Yes (specific exceptions)	Department of Vehicle Regulation	TNC check
Louisiana Louisiana Revised Statutes Section 45, Chapter 201	Insurance only	Yes	Secretary of State	Not Applicable
Maine Maine Revised Statutes Title 24-A, Chapter 93 Maine Revised Statutes, Title 29-A, Chapter 13	✓	Yes	Secretary of State	TNC or third-party check
Maryland General Assembly of Maryland Revised Statutes, Public Utility Article 10	✓	Yes (specific exceptions)	Public Utilities Commission Public Service Commission	TNC or third-party check
Massachusetts 220 Code of Massachusetts Regulations Section 274	✓	Yes	Department of Public Utilities	Multi-tiered check through TNC/third-party and state
Michigan Michigan Compiled Laws Section 257.21	✓	Yes	Department of Licensing and Regulatory Affairs	Third-party check
Minnesota Minnesota Revised Statutes Chapter 65B Section 472	Insurance Only	No	Department of Commerce	Not Applicable

STATE STATUTE/CODE	STATE LAW	STATE PRE-EMPTION	PRIMARY REGULATORY AUTHORITY	CRIMINAL BACKGROUND CHECK TYPE
Mississippi Mississippi Code Annotated, Title 77, Chapter 8	✓	Yes	Department of Insurance	TNC or third-party check
Missouri Missouri Revised Statutes, Chapter 387, Section 400-440 Missouri Revised Statutes, Chapter 379, Section 1700-1708	✓	Yes	Department of Revenue	TNC or third-party check
Montana Montana Code Annotated, Title 69, Chapter 12	✓	Yes	Public Service Commission (Utilities)	None listed
Nebraska Nebraska Revised Statutes, Chapter 75, Section 300	✓	No	Public Service Commission	TNC check
Nevada Nevada Revised Statutes, Chapter 706A	✓	Yes (carveout)	Transportation Authority	Third-party check
New Hampshire New Hampshire Revised Statutes, Chapter 376A	✓	Yes	Department of Safety	TNC or third-party check
New Jersey New Jersey Statutes, Title 39, Chapter 5H	✓	Yes	Motor Vehicle Commission	TNC check
New Mexico New Mexico Statutes, Chapter 65, Article 7	✓	Yes	Public Regulation Commission	TNC check
New York New York General Municipal Law Article 182 New York Tax Law Article 29-B New York Insurance Law Article 3455	✓	Yes (can opt out and carveout for NYC)	Department of Motor Vehicles	Third-party check
North Carolina North Carolina General Statutes, Article 10A	✓	Yes	Department of Transportation, Division of Motor Vehicles	Third-party check

STATE STATUTE/CODE	STATE LAW	STATE PRE-EMPTION	PRIMARY REGULATORY AUTHORITY	CRIMINAL BACKGROUND CHECK TYPE
North Dakota North Dakota Century Code Title 39, Chapter 34	✓	Yes	Department of Transportation	Third-party check
Ohio Ohio Revised Codes 3942 Ohio Revised Codes 4925	✓	Yes	Public Utilities Commission	TNC check
Oklahoma Title 47-1010	✓	Yes	Corporation Commission	Third-party check
Oregon	⊘	Not Applicable	Not Applicable	Not Applicable
Pennsylvania Pennsylvania Statutes, Title 66, Section 5, Chapter 24	✓	Yes	Public Utility Commission	Third-party check
Rhode Island Rhode Island Statutes Title 39, Chapter 14.2	✓	Yes	Division of Public Utilities and Carriers	Third-party check
South Carolina South Carolina Code Section 58-23-1600	✓	Yes	Public Utility Commission	Third-party check
South Dakota South Dakota Codified Laws Chapter 32-40	✓	No (sets minimum regulation for state but does pre-empt on insurance)	Department of Revenue, Motor Vehicle Division	TNC check
Tennessee Tennessee Annotated Code Title 65, Chapter 15, Part 3	✓	Yes	Public Utility Commission	Third-party check
Texas Texas Code Title 14, Subtitle C, Chapter 2402 Texas Code Title 10, Subtitle C, Chapter 1954	✓	Yes	Department of Licensing and Regulation	TNC or third-party check
Utah Utah Code Title 13, Chapter 51	✓	Yes	Department of Commerce, Division of Consumer Protection	TNC or third-party check

STATE STATUTE/CODE	STATE LAW	STATE PRE-EMPTION	PRIMARY REGULATORY AUTHORITY	CRIMINAL BACKGROUND CHECK TYPE
Vermont Vermont Senate Proposal H-0143	✓	Yes (time-limited population carveout)	Commissioner of Motor Vehicles	TNC or third-party check
Virginia Virginia Law Title 46,2 Subtitle V, Chapter 20, Article 15	✓	Yes	Agency of Transportation, Department of Motor Vehicles	TNC check
Washington, D.C. Code of the District of Columbia Title 50, Chapter 3, Subchapter 1, Section 29	✓	Not Applicable	Department of For-Hire Vehicles	TNC or third-party check
West Virginia West Virginia Code Chapter 17-29	✓	Yes	Department of Transportation, Division of Motor Vehicles	TNC or third-party check
Wisconsin Wisconsin Statute Chapter 440.40	✓	Yes	Department of Safety and Professional Services	TNC or third-party check
Wyoming Wyoming Statute 31-20	✓	Yes	Department of Transportation	TNC or third-party check

Appendix B. Summary of Nationwide TNC Laws

ALABAMA

Reference	<ul style="list-style-type: none">▪ Alabama Legislative Act No. 2018-1 27.▪ Code of Alabama Section 32-7C (insurance)
Regulatory Agency	<ul style="list-style-type: none">▪ Alabama Public Service Commission
Pre-Emption	<ul style="list-style-type: none">▪ Yes (may opt out). TNCs, drivers, and vehicles will be governed exclusively by state law but municipalities may prohibit TNCs from providing rides originating within their corporate limits.▪ Counties, municipalities, special districts, and airports are prohibited from imposing taxes or business licenses on TNCs or drivers.▪ Airports and cruise terminals can enter into operating agreements with TNCs as long as they are not inconsistent with the requirements of the TNC Act. Operating agreements may include pickup fees.
Driver Requirements	<ul style="list-style-type: none">▪ Must be at least 19 years of age▪ Driver's license
Background Check	<ul style="list-style-type: none">▪ Before accepting trip requests, the TNC or a third party must conduct a local and national criminal background check for each driver, including a review of a multistate/multijurisdictional criminal records locator, the national sex offender public website, and a driving history report.
Vehicle Requirements	<ul style="list-style-type: none">▪ Before a vehicle can be used to provide TNC services and annually thereafter, it must pass a uniform inspection by a certified mechanic▪ < 15 years old (on June 30th of the fifteenth year following the manufacturer's model year)
Taxes and Fees	<ul style="list-style-type: none">▪ A local assessment fee equal to 1% of the gross trip fare must be collected on each trip and remitted to the Public Service Commission, which distributes a portion of the fee to the municipality or county where a ride originated.

ALASKA

Reference	<ul style="list-style-type: none">▪ Alaska Statute 28.23
Regulatory Agency	<ul style="list-style-type: none">▪ Department of Administration, Division of Motor Vehicles
Pre-Emption	<ul style="list-style-type: none">▪ Partial. A municipality may pass an ordinance with requirements for trade dress and/or that is substantially similar to the state ordinance
Driver Requirements	<ul style="list-style-type: none">▪ At least 21 years of age
Background Check	<ul style="list-style-type: none">▪ Commercial background check accepted (multi-state, multi-jurisdictional criminal records; national sex offender public website; driving history report)
Vehicle Requirements	<ul style="list-style-type: none">▪ Uniform safety inspection▪ <12 years of age
Taxes and Fees	<ul style="list-style-type: none">▪ None identified

ARIZONA

Reference	<ul style="list-style-type: none">▪ Arizona Revised Statutes Title 28 Chapter 30 Article 3
Regulatory Agency	<ul style="list-style-type: none">▪ Department of Transportation
Pre-Emption	<ul style="list-style-type: none">▪ Yes
Driver Requirements	<ul style="list-style-type: none">▪ At least 19 years of age
Background Check	<ul style="list-style-type: none">▪ TNC or third-party local and national criminal background check, sex offender registry check, and driving history report prior to accepting trips through a digital network or software application
Vehicle Requirements	<ul style="list-style-type: none">▪ Meet state vehicle safety and emissions standards▪ Annual brake and tire inspection by qualified third-party
Taxes and Fees	<ul style="list-style-type: none">▪ \$1,000 TNC application fee every three years

ARKANSAS

Reference

- [Arkansas Code Title 23 Subtitle 1 Chapter 13 Subchapter 7](#)

Regulatory Agency

- Department of Transportation

Pre-Emption

- Yes

Driver Requirements

- At least 19 years of age

Background Check

- TNC or third-party background check
- Obtain and review driving history

Vehicle Requirements

- Uniform safety inspection by certified mechanic within 90 days of beginning service

Taxes and Fees

- \$15,000 annual TNC permit fee

CALIFORNIA

Reference	<ul style="list-style-type: none">▪ Public Utilities Code Division 2 Chapter 8 Article 7
Regulatory Agency	<ul style="list-style-type: none">▪ Public Utilities Commission
Pre-Emption	<ul style="list-style-type: none">▪ Yes
Driver Requirements	<ul style="list-style-type: none">▪ At least 21 years of age▪ One year of non-professional driving history
Background Check	<ul style="list-style-type: none">▪ TNC or third-party local and national criminal background check and sex offender public web site check prior to operating as a driver
Vehicle Requirements	<ul style="list-style-type: none">▪ Street legal, maximum seating capacity of seven passengers, including the driver▪ Uniform safety inspection
Taxes and Fees	<ul style="list-style-type: none">▪ \$1,000 TNC permit▪ \$100 annual renewal

COLORADO

Reference	<ul style="list-style-type: none">▪ C.R.S. 40-10.1-600
Regulatory Agency	<ul style="list-style-type: none">▪ Colorado Public Utilities Commission
Pre-Emption	<ul style="list-style-type: none">▪ Yes
Driver Requirements	<ul style="list-style-type: none">▪ At least 21 years of age▪ Cannot drive more than 12 consecutive hours
Background Check	<ul style="list-style-type: none">▪ TNC or third-party criminal history record check and driving history report every five years
Vehicle Requirements	<ul style="list-style-type: none">▪ Pass uniform safety inspection every year
Taxes and Fees	<ul style="list-style-type: none">▪ \$111,250 annual TNC permit fee▪ All fees deposited into a Transportation Network Company Fund, to cover costs related to permitting TNCs

CONNECTICUT

Reference	<ul style="list-style-type: none">▪ General Statutes of Connecticut Title 13b-116-121
Regulatory Agency	<ul style="list-style-type: none">▪ Commissioner of Transportation
Pre-Emption	<ul style="list-style-type: none">▪ No
Driver Requirements	<ul style="list-style-type: none">▪ At least 19 years of age▪ No driver may use a digital network service or provide prearranged rides for more than 14 consecutive hours, or 16 hours within a 24-hour period
Background Check	<ul style="list-style-type: none">▪ TNC or third-party criminal background check or FBI fingerprint national criminal history check and state police bureau state criminal history check prior to operating, and at least once every three years▪ Driver must report new offenses to the TNC
Vehicle Requirements	<ul style="list-style-type: none">▪ <12 model years old▪ Designed to carry less than eight passengers▪ Before operating as a TNC, and every two years after self-certify equipment in good working order
Taxes and Fees	<ul style="list-style-type: none">▪ \$5,000 annual TNC registration fee

DELAWARE

Reference	<ul style="list-style-type: none">▪ Delaware Code Title 2 Chapter 19
Regulatory Agency	<ul style="list-style-type: none">▪ Department of Transportation
Pre-Emption	<ul style="list-style-type: none">▪ Yes
Driver Requirements	<ul style="list-style-type: none">▪ At least 18 years of age
Background Check	<ul style="list-style-type: none">▪ TNC or third-party local and national criminal background check before allowed to drive▪ Annual driving history review
Vehicle Requirements	<ul style="list-style-type: none">▪ Delaware registered vehicles must pass annual uniform safety inspection, verified by valid vehicle registration▪ Vehicle with over 10,000 miles that is registered in another state, has passed an annual vehicle safety inspection authorized by a state government agency within the past 90 days.
Taxes and Fees	<ul style="list-style-type: none">▪ \$5,000 TNC Permit annual fee

FLORIDA

Reference	<ul style="list-style-type: none">▪ Florida Statute 627.748
Regulatory Agency	<ul style="list-style-type: none">▪ Department of Financial Services
Pre-Emption	<ul style="list-style-type: none">▪ Yes▪ Prohibits: imposing taxes and fees, requirements, or business licenses at the local level▪ Airports and seaports are allowed to charge reasonable pickup fees consistent with taxicab pickup fees
Driver Requirements	<ul style="list-style-type: none">▪ Valid driver's license
Background Check	<ul style="list-style-type: none">▪ TNC or third-party background check and driving history review before accepting a ride request and every three years
Vehicle Requirements	<ul style="list-style-type: none">▪ Motor Vehicle Registration
Taxes and Fees	<ul style="list-style-type: none">▪ None

GEORGIA

Reference	<ul style="list-style-type: none">▪ Chapter 40-1-190 Official Code of Georgia Annotated▪ Chapter 40-5-39 Official Code of Georgia Annotated
Regulatory Agency	<ul style="list-style-type: none">▪ Department of Public Safety
Pre-Emption	<ul style="list-style-type: none">▪ Yes, for administration and regulation▪ Airports can regulate TNCs in a way consistent with the process for limousine carriers, including setting fees, but must accept the state for-hire license endorsement and private background check certification▪ Statute pre-empts administration and regulation over taxi services and dispatchers
Driver Requirements	<ul style="list-style-type: none">▪ At least 18 years of age
Background Check	<ul style="list-style-type: none">▪ For-hire license endorsement or private background check certification prior to operating a motor vehicle for hire, including multi-state, multi-jurisdictional criminal records locator; a search of the national sex offender registry database; and the review of a driving history research report.▪ Private background check certification must be renewed every five years
Vehicle Requirements	<ul style="list-style-type: none">▪ Vehicle must meet uniform safety standards and any suspected of being in violation can be inspected by a law enforcement officer
Taxes and Fees	<ul style="list-style-type: none">▪ Master license fee based on number of vehicles, ranging from \$1,500 (one to five vehicles) - \$30,000 (over 1,001 vehicles)

HAWAII

Reference	<ul style="list-style-type: none">▪ HI Rev Stat § 431:10C-703
Regulatory Agency	<ul style="list-style-type: none">▪ Department of Commerce and Consumer Affairs
Pre-Emption	<ul style="list-style-type: none">▪ Yes
Driver Requirements	<ul style="list-style-type: none">▪ Not Applicable, insurance law only
Background Check	<ul style="list-style-type: none">▪ Not Applicable, insurance law only
Vehicle Requirements	<ul style="list-style-type: none">▪ Not Applicable, insurance law only
Taxes and Fees	<ul style="list-style-type: none">▪ Not Applicable, insurance law only

IDAHO

Reference	<ul style="list-style-type: none">▪ Chapter 49-37 Idaho Statutes
Regulatory Agency	<ul style="list-style-type: none">▪ Department of Motor Vehicles
Pre-Emption	<ul style="list-style-type: none">▪ Yes▪ Specifically pre-empts local entities from imposing a tax or requiring a license for a TNC, TNC driver, or vehicle used by a TNC driver; or subjecting a TNC to a local entity's rate, entry, operational, or other requirements.
Driver Requirements	<ul style="list-style-type: none">▪ At least 19 years of age
Background Check	<ul style="list-style-type: none">▪ Third-party background check and driver history review conducted prior to operating on digital platform
Vehicle Requirements	<ul style="list-style-type: none">▪ Proof of motor vehicle registration
Taxes and Fees	<ul style="list-style-type: none">▪ None

ILLINOIS

Reference	<ul style="list-style-type: none">▪ Chapter 625 Illinois Compiled Statutes 57/1-35
Regulatory Agency	<ul style="list-style-type: none">▪ Department of Vehicle Services, Secretary of State
Pre-Emption	<ul style="list-style-type: none">▪ No jurisdiction can regulate in a less restrictive manner (due to be repealed on June 1, 2020)
Driver Requirements	<ul style="list-style-type: none">▪ At least 19 years of age
Background Check	<ul style="list-style-type: none">▪ TNC or third-party background check prior to operating on the digital platform
Vehicle Requirements	<ul style="list-style-type: none">▪ Safety and emissions requirements required of private motor vehicles in the state
Taxes and Fees	<ul style="list-style-type: none">▪ None

INDIANA

Reference	<ul style="list-style-type: none">▪ IC 8-2.1-19.1
Regulatory Agency	<ul style="list-style-type: none">▪ Department of Transportation
Pre-Emption	<ul style="list-style-type: none">▪ Yes
Driver Requirements	<ul style="list-style-type: none">▪ At least 19 years of age
Background Check	<ul style="list-style-type: none">▪ TNC or third-party background check and driver record review prior to operating as a driver
Vehicle Requirements	<ul style="list-style-type: none">▪ Must meet applicable laws and regulations concerning personal vehicle equipment
Taxes and Fees	<ul style="list-style-type: none">▪ None

IOWA

Reference	<ul style="list-style-type: none">▪ 2016 Iowa Code Title VIII Chapter 321N
Regulatory Agency	<ul style="list-style-type: none">▪ Department of Transportation
Pre-Emption	<ul style="list-style-type: none">▪ Yes▪ Allow commercial service airports to regulate and collect fees
Driver Requirements	<ul style="list-style-type: none">▪ At least 19 years of age
Background Check	<ul style="list-style-type: none">▪ TNC or third-party background check prior to acting as a TNC driver▪ Obtain and review driving history research report
Vehicle Requirements	<ul style="list-style-type: none">▪ Be a personal vehicle▪ Comply with state motor vehicle equipment requirements
Taxes and Fees	<ul style="list-style-type: none">▪ \$5,000 annual TNC permit fee deposited into the Road Use Tax Fund▪ The Road Use Tax Fund is dedicated to the state department of transportation, county governments, and city governments for highway-related uses and is distributed using a percentage formula to: primary roads, secondary roads, farm-to-market roads, and street construction.

KANSAS

Reference	<ul style="list-style-type: none">▪ Chapter 8-27 Kansas Statutes Annotated
Regulatory Agency	<ul style="list-style-type: none">▪ Division of Vehicles of the Department of Revenue
Pre-Emption	<ul style="list-style-type: none">▪ Yes
Driver Requirements	<ul style="list-style-type: none">▪ At least 19 years of age▪ Valid driver's license
Background Check	<ul style="list-style-type: none">▪ TNC or third-party conducted criminal background check, sex offender registry check, and driver history review prior to acting as a driver on the digital network
Vehicle Requirements	<ul style="list-style-type: none">▪ Personal vehicle must meet the state's private personal vehicle equipment requirements
Taxes and Fees	<ul style="list-style-type: none">▪ None

KENTUCKY

Reference

- [Kentucky Revised Statutes Chapter 281.630-656](#)

Regulatory Agency

- Transportation Cabinet, Department of Vehicle Regulation

Pre-Emption

- “First class” cities are vested with power to “prescribe the qualifications with respect to the health, vision, sobriety, intelligence, ability, moral character, and experience” of drivers
 - As of 2015, Kentucky has one first class city, Louisville
- Other cities and counties may not impose taxes or fees, except for an annual license fee not to exceed \$30

Driver Requirements

- Complete a defensive driving course

Background Check

- Every three years, TNC-conducted nationwide criminal background check

Vehicle Requirements

- Uniform safety inspection
- Pre-trip and prearranged ride insurance

Taxes and Fees

- \$250 annual certificate for TNC
- \$30 annual license fee per TNC vehicle
- Cities and counties prohibited from levying other taxes and fees, except for an annual license fee not to exceed \$30

LOUISIANA

Reference	<ul style="list-style-type: none">▪ Louisiana Revised Statutes Section 45, Chapter 201
Regulatory Agency	<ul style="list-style-type: none">▪ Secretary of State
Pre-Emption	<ul style="list-style-type: none">▪ Yes, with an exception allowing local jurisdictions to enforce the state law
Driver Requirements	<ul style="list-style-type: none">▪ Not Applicable, insurance law only
Background Check	<ul style="list-style-type: none">▪ Not Applicable, insurance law only
Vehicle Requirements	<ul style="list-style-type: none">▪ Not Applicable, insurance law only
Taxes and Fees	<ul style="list-style-type: none">▪ Not Applicable, insurance law only

MAINE

Reference	<ul style="list-style-type: none">▪ Maine Revised Statutes Title 24-A, Chapter 93▪ Maine Revised Statutes, Title 29-A, Chapter 13, Subchapter 4
Regulatory Agency	<ul style="list-style-type: none">▪ Secretary of State
Pre-Emption	<ul style="list-style-type: none">▪ Yes▪ A municipality or other political subdivision may not adopt an ordinance, regulation or procedure governing the operations of or impose a tax or fee on or require a license for a TNC, driver, or motor vehicle used by a TNC driver
Driver Requirements	<ul style="list-style-type: none">▪ At least 19 years of age
Background Check	<ul style="list-style-type: none">▪ Before allowing a driver to accept a prearranged ride request, conduct a TNC or third-party local and national commercial background check, including a check of the national sex offender registry database and state sex offender registry database in the state that issues the individual's driver's license; and a review of the driving history report for the individual.
Vehicle Requirements	<ul style="list-style-type: none">▪ TNCs must require that vehicles meet safety and emissions standards of the state in which they are registered
Taxes and Fees	<ul style="list-style-type: none">▪ \$10,000 annual TNC permit fee

MARYLAND

Reference	<ul style="list-style-type: none">▪ General Assembly of Maryland Revised Statutes, Public Utility Article Section 10-400▪ Code of Maryland Regulations, Title 20, Section 95
Regulatory Agency	<ul style="list-style-type: none">▪ Public Utilities Commission▪ Public Service Commission
Pre-Emption	<ul style="list-style-type: none">▪ Yes▪ Counties and municipal corporations with an existing TNC assessment prior to January 2015 may continue collecting these assessments, taxes, or fees.
Driver Requirements	<ul style="list-style-type: none">▪ At least 18 years of age▪ At least six months of licensed driving experience
Background Check	<ul style="list-style-type: none">▪ Third-party national criminal history records check, including multi-state, multi-jurisdiction criminal records database search, search of the Sex Offender Registry, search of the U.S. Department of Justice National Sex Offender Public Web site, and a driving history report
Vehicle Requirements	<ul style="list-style-type: none">▪ Insurance “while an operator is providing transportation network services”▪ Uniform safety inspection for used vehicles (5,000 miles or more on odometer)▪ Not exceeding 12 model years age
Taxes and Fees	<ul style="list-style-type: none">▪ Except in counties and municipal corporations that imposed a fee prior to January 2015, other counties and municipalities can impose a \$0.25 per trip fee assessment▪ Any revenue from the per trip fee must be used for transportation purposes

MASSACHUSETTS

Reference	<ul style="list-style-type: none">▪ 220 Code of Massachusetts Regulations Section 274▪ Massachusetts General Laws Chapter 159A1/2
Regulatory Agency	<ul style="list-style-type: none">▪ Department of Public Utilities
Pre-Emption	<ul style="list-style-type: none">▪ Yes
Driver Requirements	<ul style="list-style-type: none">▪ At least 21 years of age▪ Maximum 12 hours of service in a 24-hour period
Background Check	<ul style="list-style-type: none">▪ No fingerprinting required▪ Multi-tiered screening process through TNC/third-party and State▪ State search allows a longer look back than seven years allowed by Fair Credit Reporting Act (FCRA)▪ Background check includes: Department of Criminal Justice Information Systems, Sex Offender Registry Board, Warrant Management System, Registry of Motor Vehicles, and other sources
Vehicle Requirements	<ul style="list-style-type: none">▪ Annual uniform safety inspection▪ Insurance while providing transportation network services▪ Vehicle is registered in Massachusetts
Taxes and Fees	<ul style="list-style-type: none">▪ \$0.20 per trip assessment: 50% to a Transportation Infrastructure Enhancement Fund and 50% distributed proportionately to each city and town based on number of trips

MICHIGAN

Reference	<ul style="list-style-type: none">▪ Michigan Compiled Laws Section 257.21
Regulatory Agency	<ul style="list-style-type: none">▪ Department of Licensing and Regulatory Affairs
Pre-Emption	<ul style="list-style-type: none">▪ Yes
Driver Requirements	<ul style="list-style-type: none">▪ At least 19 years of age
Background Check	<ul style="list-style-type: none">▪ Annual third-party criminal background check with a search of multi-state or multi-jurisdictional criminal records and the national sex offender registry database▪ Annually obtain and review driving history research report
Vehicle Requirements	<ul style="list-style-type: none">▪ Uniform vehicle safety inspection prior to operating on the digital network and annually thereafter
Taxes and Fees	<ul style="list-style-type: none">▪ TNC registration application fee: \$25 if 10 or fewer vehicles registered; \$50 if 11-25 vehicles registered; \$100 if more than 25 vehicles registered▪ TNC registration fee: \$100 for first vehicle and \$50 for vehicles 2-9; \$550 for 10 vehicles; \$1,000 for 11-25 vehicles; \$2,500 for 26-100 vehicles; \$5,000 for 101-500 vehicles; \$10,000 for 501-1,000 vehicles; \$30,000 for more than 1,000 vehicles

MINNESOTA

Reference	<ul style="list-style-type: none">▪ Minnesota Revised Statutes Chapter 65B Section 472
Regulatory Agency	<ul style="list-style-type: none">▪ Department of Commerce
Pre-Emption	<ul style="list-style-type: none">▪ No; pre-emption bill currently advancing through State House and Senate
Driver Requirements	<ul style="list-style-type: none">▪ Not set by the State
Background Check	<ul style="list-style-type: none">▪ Not set by the State
Vehicle Requirements	<ul style="list-style-type: none">▪ Pre-trip and prearranged ride insurance
Taxes and Fees	<ul style="list-style-type: none">▪ Not set by the State

MISSISSIPPI

Reference	<ul style="list-style-type: none">▪ Mississippi Code Annotated, Title 77, Chapter 8
Regulatory Agency	<ul style="list-style-type: none">▪ Department of Insurance
Pre-Emption	<ul style="list-style-type: none">▪ Yes▪ Except counties, municipalities, or other local entities that own or operate an airport may “adopt reasonable regulations relating to the duties and responsibilities on airport property,” including reasonable fees
Driver Requirements	<ul style="list-style-type: none">▪ At least 19 years of age
Background Check	<ul style="list-style-type: none">▪ Before allowing a driver to accept trip requests, conduct or have a third-party conduct a local and national criminal background check (primary source search) and search of Department of Justice National Sex Offender Public Website▪ TNC or third-party review of driving history research report
Vehicle Requirements	<ul style="list-style-type: none">▪ Not required to register as commercial vehicle
Taxes and Fees	<ul style="list-style-type: none">▪ \$5,000 TNC annual license fee

MISSOURI

Reference

- [Missouri Revised Statutes, Chapter 387, Section 400-440](#)
- [Missouri Revised Statutes, Chapter 379, Section 1700-1708 \(insurance\)](#)

Regulatory Agency

- Department of Revenue
- Department of Insurance, Financial Institutions, and Professional Registration (insurance)

Pre-Emption

- Yes (with exceptions)
- Home Rule cities with more than 400,000 inhabitants, located in two counties (Kansas City and St. Louis) can inspect up to ten records that TNCs are required to maintain. These cities can charge up to \$5,000 to cover the cost of reviewing the records.
- Exception for an airport which may charge reasonable fees not assessed on a per-passenger basis, and may establish operating procedures

Driver Requirements

- At least 19 years of age

Background Check

- Before allowing an individual to accept trip requests through a digital network, conduct a TNC or third-party local and national criminal background check, including a primary source search, Department of Justice National Sex Offender public website search, and driving history research report

Vehicle Requirements

- Motor vehicles used to transport passengers must submit to a biennial inspection of their mechanisms and equipment and obtain a certificate of inspection and approval from an authorized inspection station

Taxes and Fees

- \$5,000 annual license fee for TNCs
- Per-driver and per-vehicle fees explicitly prohibited

MONTANA

Reference	<ul style="list-style-type: none">▪ Montana Code Annotated, Title 69, Chapter 12
Regulatory Agency	<ul style="list-style-type: none">▪ Public Service Commission – limited authority after TNC-related repeals
Pre-Emption	<ul style="list-style-type: none">▪ Yes
Driver Requirements	<ul style="list-style-type: none">▪ None
Background Check	<ul style="list-style-type: none">▪ None
Vehicle Requirements	<ul style="list-style-type: none">▪ None
Taxes and Fees	<ul style="list-style-type: none">▪ \$500 TNC fee for certificate of compliance

NEBRASKA

Reference	<ul style="list-style-type: none">▪ Nebraska Revised Statutes, Chapter 75, Section 325
Regulatory Agency	<ul style="list-style-type: none">▪ Public Service Commission
Pre-Emption	<ul style="list-style-type: none">▪ No
Driver Requirements	<ul style="list-style-type: none">▪ At least 21 years of age▪ Completion of TNC driver training course
Background Check	<ul style="list-style-type: none">▪ TNC check of national criminal history background prior to acting as a driver
Vehicle Requirements	<ul style="list-style-type: none">▪ Annual vehicle safety check by TNC or certified mechanic
Taxes and Fees	<ul style="list-style-type: none">▪ \$25,000 TNC fee or \$80 per driver-operated vehicle

NEVADA

Reference	<ul style="list-style-type: none">▪ Nevada Revised Statutes, Chapter 706A
Regulatory Agency	<ul style="list-style-type: none">▪ Transportation Authority
Pre-Emption	<ul style="list-style-type: none">▪ Yes, with exceptions for airports, and local business licenses
Driver Requirements	<ul style="list-style-type: none">▪ At least 19 years of age
Background Check	<ul style="list-style-type: none">▪ Third-party criminal background check, every three years▪ Annual driving history
Vehicle Requirements	<ul style="list-style-type: none">▪ Annual vehicle inspection by TNC▪ Regular state-mandated vehicle insurance
Taxes and Fees	<ul style="list-style-type: none">▪ Annual TNC permit fee based on TNC's in-state gross operating revenue

NEW HAMPSHIRE

Reference	<ul style="list-style-type: none">▪ New Hampshire Revised Statutes, Chapter 376A
Regulatory Agency	<ul style="list-style-type: none">▪ Department of Safety
Pre-Emption	<ul style="list-style-type: none">▪ Yes
Driver Requirements	<ul style="list-style-type: none">▪ At least 19 years of age
Background Check	<ul style="list-style-type: none">▪ Before allowing an individual to accept trip requests through a digital platform TNC or third-party must conduct a primary source search and search of Department of Justice National Sex Offender Public Website
Vehicle Requirements	<ul style="list-style-type: none">▪ TNC shall ensure that the TNC driver's personal vehicle meets New Hampshire's vehicle safety requirements for private motor vehicles
Taxes and Fees	<ul style="list-style-type: none">▪ \$500 annual TNC permit fee

NEW JERSEY

Reference	<ul style="list-style-type: none">▪ New Jersey Statutes, Title 39, Chapter 5H
Regulatory Agency	<ul style="list-style-type: none">▪ Motor Vehicle Commission▪ Division of Consumer Affairs in the Department of Law and Public Safety
Pre-Emption	<ul style="list-style-type: none">▪ Yes
Driver Requirements	<ul style="list-style-type: none">▪ At least 21 years of age
Background Check	<ul style="list-style-type: none">▪ TNCs must propose a background check including at least a multi-state and multi-jurisdiction criminal records locator or similar nationwide database search, and search of the Department of Justice's National Sex Offender Public Website, subject to approval of the Attorney General. If the Attorney General does not approve the proposed method, the Division of State Police will conduct a criminal history record background check of drivers, including using fingerprinting.▪ Driving record check▪ Social Security Number trace, for at least seven years prior to the driver's application date
Vehicle Requirements	<ul style="list-style-type: none">▪ Must meet motor vehicle inspection requirements prior to operating on the digital network▪ A driver must maintain a valid inspection certificate of approval for the personal vehicle used to provide prearranged rides
Taxes and Fees	<ul style="list-style-type: none">▪ \$25,000 annual TNC permit fee▪ \$0.50 per ride surcharge, \$0.25 per shared ride surcharge

NEW MEXICO

Reference	<ul style="list-style-type: none">▪ New Mexico Statutes, Chapter 65, Article 7
Regulatory Agency	<ul style="list-style-type: none">▪ Public Regulation Commission
Pre-Emption	<ul style="list-style-type: none">▪ Yes, with exception for airports with more than one million enplanements
Driver Requirements	<ul style="list-style-type: none">▪ At least 21 years of age▪ Maximum 12 hours of prearranged rides in 24-hour period
Background Check	<ul style="list-style-type: none">▪ Before allowing a driver to accept prearranged ride requests through a TNC digital network, the TNC must obtain a local and national criminal background check including: multi-state or multi-jurisdiction criminal records locator or similar commercial nationwide database search, and a search of the national sex offender registry▪ TNC shall obtain and review a driving history research report
Vehicle Requirements	<ul style="list-style-type: none">▪ Annual vehicle inspection by TNC, or by requirement of TNC
Taxes and Fees	<ul style="list-style-type: none">▪ \$10,000 annual TNC permit fee▪ Funds used for administration of TNC-related activities

NEW YORK

Reference	<ul style="list-style-type: none">▪ New York General Municipal Law Article 182▪ New York Tax Law Article 29-B▪ New York Insurance Law Article 3455
Regulatory Agency	<ul style="list-style-type: none">▪ Department of Motor Vehicles
Pre-Emption	<ul style="list-style-type: none">▪ Yes, with opt-out option and carveout for New York City▪ Local governments can “opt-out” of the state legislation, meaning that they can prohibit TNCs from picking up passengers in their jurisdiction.▪ Airports and cities with population over one million are not covered by state legislation.
Driver Requirements	<ul style="list-style-type: none">▪ At least 19 years of age▪ New York State driver’s license
Background Check	<ul style="list-style-type: none">▪ A third-party criminal background check, including a search of the New York state sex offender registry and the Department of Justice National Sex Offender Public Website, and a driving history research report▪ TNC must participate in the New York License Event Notification Services (LENS)▪ All applicant information must be reviewed and held for six years
Vehicle Requirements	<ul style="list-style-type: none">▪ Pre-trip and prearranged ride insurance
Taxes and Fees	<ul style="list-style-type: none">▪ 4% state assessment fee on gross trip fares originating anywhere in the state outside of cities with more than one million people located in the metropolitan commuter transportation district, and terminating anywhere in the state▪ \$100,000 TNC initial application fee, and \$60,000 annual renewal fee

NORTH CAROLINA

Reference	<ul style="list-style-type: none">▪ North Carolina General Statutes, Article 10A
Regulatory Agency	<ul style="list-style-type: none">▪ Department of Transportation, Division of Motor Vehicles
Pre-Emption	<ul style="list-style-type: none">▪ Yes, with exception for airport operators<ul style="list-style-type: none">▪ Airport operators may charge reasonable fees and make TNC regulations regarding monitoring and compliance and staging
Driver Requirements	<ul style="list-style-type: none">▪ At least 19 years of age
Background Check	<ul style="list-style-type: none">▪ Third-party local and national criminal background check, including a multi-state/multi-jurisdiction criminal records locator or other primary source search, a search of the national sex offender registry, and a driving history research report<ul style="list-style-type: none">▪ Drivers are disqualified for certain driving crimes within seven years▪ TNCs must ensure drivers meet requirements every five years
Vehicle Requirements	<ul style="list-style-type: none">▪ Pre-trip and prearranged ride insurance▪ Annual safety inspections<ul style="list-style-type: none">▪ Division may specify alternative inspections that are acceptable as equivalent to Division inspections
Taxes and Fees	<ul style="list-style-type: none">▪ \$5,000 TNC application fee, renewed annually

NORTH DAKOTA

Reference

- [North Dakota Century Code Title 39, Chapter 34](#)

Regulatory Agency

- Department of Transportation

Pre-Emption

- Yes

Driver Requirements

- At least 21 years of age
- Valid driver's license

Background Check

- Before permitting an individual to act as a TNC driver, the TNC or a third-party must conduct a local and national criminal background check of multi-state/multi-jurisdiction criminal records locator or other commercial nationwide database search, a search of the national sex offender registry database, and a driving history
 - Driver is disqualified for driving violations and crimes in past seven years

Vehicle Requirements

- None

Taxes and Fees

- None

OHIO

Reference	<ul style="list-style-type: none">▪ Ohio Revised Codes 4925▪ Ohio Revised Codes 3942 (Insurance)
Regulatory Agency	<ul style="list-style-type: none">▪ Public Utilities Commission
Pre-Emption	<ul style="list-style-type: none">▪ Yes, except for public-use airports, which may adopt reasonable standards, regulations, procedures, and fees
Driver Requirements	<ul style="list-style-type: none">▪ At least 19 years of age▪ Valid driver's license
Background Check	<ul style="list-style-type: none">▪ Prior to authorizing a person to act as a TNC driver, TNC must conduct a background check, including multi-state/multi-jurisdiction criminal records database search, a search of the national sex offender public web site, and a driving history▪ Driver is disqualified for certain driving violations or crimes in past seven years
Vehicle Requirements	<ul style="list-style-type: none">▪ Motor vehicle registration required
Taxes and Fees	<ul style="list-style-type: none">▪ \$5,000 annual TNC permit fee

OKLAHOMA

Reference	<ul style="list-style-type: none">▪ Oklahoma Statutes 47-1010
Regulatory Agency	<ul style="list-style-type: none">▪ Oklahoma Corporation Commission
Pre-Emption	<ul style="list-style-type: none">▪ Yes▪ No political subdivision of the state may impose a tax on, or require a license for, a TNC or a TNC driver for the provision of prearranged rides or subject a TNC to the political subdivision's rate requirement, entry requirement, operational requirement or other requirements.
Driver Requirements	<ul style="list-style-type: none">▪ At least 19 years of age▪ Valid driver's license and proof of vehicle registration
Background Check	<ul style="list-style-type: none">▪ Third-party background check, including a search of the multi-state/multi-jurisdictional criminal records locator or other primary source search, and driving history▪ Driver is disqualified for certain driving violations crimes in past seven years▪ TNCs must implement "a procedure for periodic information updates [...] and rechecks of each TNC driver"
Vehicle Requirements	<ul style="list-style-type: none">▪ Vehicles must meet Oklahoma private motor vehicle equipment standards▪ Vehicle may not have manufacturer designed seating of more than 15 persons including the driver
Taxes and Fees	<ul style="list-style-type: none">▪ \$5,000 annual TNC permit fee

PENNSYLVANIA

Reference

- [Pennsylvania Statutes, Title 66, Section 5, Chapter 24](#)

Regulatory Agency

- Public Utility Commission

Pre-Emption

- Yes

Driver Requirements

- At least 21 years of age

Background Check

- Third-party criminal background check, including a review of the national sex offender public website, and driving history review
- Driver disqualified for certain offenses in the seven-year history period, and certain other offenses and moving violations in the three-year history period

Vehicle Requirements

- Pre-trip and prearranged ride insurance
- Seatbelts available for every passenger
- Annual inspection from an inspection station approved by the Department of Transportation

Taxes and Fees

- None

RHODE ISLAND

Reference	<ul style="list-style-type: none">▪ Rhode Island Statutes Title 39, Chapter 14.2
Regulatory Agency	<ul style="list-style-type: none">▪ Division of Public Utilities and Carriers
Pre-Emption	<ul style="list-style-type: none">▪ Yes▪ Except state airports, which may “establish reasonable regulations governing TNC operations offering TNC services on airport proper through proper amendment of the corporation’s ground transportation rules or by entering into operating agreements with TNCs.”
Driver Requirements	<ul style="list-style-type: none">▪ At least 19 years of age
Background Check	<ul style="list-style-type: none">▪ Prior to permitting an individual to accept trip requests, TNC or third-party must conduct a background check, including multi-state/multi-jurisdictional background check or other primary source search, including the national sex offender public website and driving history report▪ Driver is disqualified for certain moving violations in the three-year driving history, and certain crimes in the seven-year history
Vehicle Requirements	<ul style="list-style-type: none">▪ No older than 15 model years old, and designed to hold no more than seven individuals including the driver▪ Passes state inspection standards for private motor vehicles▪ Passes TNC sanitary/acceptability standards
Taxes and Fees	<ul style="list-style-type: none">▪ \$5,000 annual TNC permit if fewer than 50 active TNC drivers; \$10,000 if at least 50 but fewer than 200 active TNC drivers; \$30,000 if TNC at least 200 active TNC drivers

SOUTH CAROLINA

Reference	<ul style="list-style-type: none">▪ South Carolina Code of Laws Title 58, Chapter 23
Regulatory Agency	<ul style="list-style-type: none">▪ Public Utility Commission▪ Transportation Department of the Office of Regulatory Staff (ORS)
Pre-Emption	<ul style="list-style-type: none">▪ Yes, excepting airports which may adopt regulations relating to payment of reasonable fees to operate at the airport and staging
Driver Requirements	<ul style="list-style-type: none">▪ At least 21 years of age
Background Check	<ul style="list-style-type: none">▪ Third-party criminal background check, including multi-state/multi-jurisdictional or other primary source search, a search of the national sex offender registry, and driving history search▪ Driver is disqualified for certain driving violations and crimes in the 10-year history period▪ Qualifications to be reviewed annually
Vehicle Requirements	<ul style="list-style-type: none">▪ Inspection by certified mechanic licensed in the state within 30 days of first providing TNC services, and annually thereafter
Taxes and Fees	<ul style="list-style-type: none">▪ TNC permit requiring a local assessment fee of 1% of gross trip fares; fees remaining after ORS expenses are covered are distributed to cities where rides originated

SOUTH DAKOTA

Reference	<ul style="list-style-type: none">▪ South Dakota Codified Laws Chapter 32-40
Regulatory Agency	<ul style="list-style-type: none">▪ Department of Revenue, Motor Vehicle Division
Pre-Emption	<ul style="list-style-type: none">▪ No▪ “Nothing in this chapter may be construed to limit further regulation of a transportation network company enacted by a municipality or county. However, no municipality or county may enact further regulations relating to the insurance requirements provided in this chapter.”
Driver Requirements	<ul style="list-style-type: none">▪ Driver’s license and proof of vehicle registration
Background Check	<ul style="list-style-type: none">▪ Before allowing a person to act as a driver on the TNC digital network, TNC or third-party must conduct local and national criminal background check, a search of the national sex offender registry, and obtain and review a “copy of the person’s driving record”
Vehicle Requirements	<ul style="list-style-type: none">▪ Driver vehicles must comply with vehicle equipment laws
Taxes and Fees	<ul style="list-style-type: none">▪ None

TENNESSEE

Reference

- [Tennessee Annotated Code Title 65, Chapter 15, Part 3](#)

Regulatory Agency

- Public Utility Commission

Pre-Emption

- Yes, except for airports, which may “adopt reasonable standards, regulations, procedures, and fees for conducting transportation network services”

Driver Requirements

- At least 19 years of age

Background Check

- TNC or third-party local and national criminal background check including a multistate criminal records locator or other similar commercial nationwide database with validation, a search of the national sex offender registry, and motor vehicle records for driver
- Driver is disqualified for certain moving violations in the three-year history, and certain driving and other crimes in the seven-year history

Vehicle Requirements

- Motor vehicle must be registered

Taxes and Fees

- None

TEXAS

Reference	<ul style="list-style-type: none">▪ Texas Code Title 14, Subtitle C, Chapter 2402▪ Texas Code Title 10, Subtitle C, Chapter 1954▪ Texas Administrative Code Chapter 95
Regulatory Agency	<ul style="list-style-type: none">▪ Department of Licensing and Regulation
Pre-Emption	<ul style="list-style-type: none">▪ Yes, except for airports, which may “impose regulations, including a reasonable fee” on TNCs providing service to or from the airport<ul style="list-style-type: none">▪ Municipalities may contract with a TNC for coordination of large events
Driver Requirements	<ul style="list-style-type: none">▪ At least 18 years of age
Background Check	<ul style="list-style-type: none">▪ Before permitting an individual to log in as a driver on the company’s digital network, the TNC or third-party must conduct a background check, including multi-state/multi-jurisdiction criminal records locator, a search of the national sex offender public website, and driving record▪ Driver is disqualified for certain moving violations or offenses in the three-year history, and certain crimes in the seven-year history
Vehicle Requirements	<ul style="list-style-type: none">▪ Has four doors, and a maximum capacity of eight people, including driver
Taxes and Fees	<ul style="list-style-type: none">▪ TNC permit fee “in the amount determined by department rule to cover the costs of administrating this chapter”▪ Costs to administer detailed in administrative code, with a \$10,500 original application fee, \$7,000 annual renewal fee, \$25 permit amendment fee, \$25 address change fee, and \$25 name change fee

UTAH

Reference	<ul style="list-style-type: none">▪ Utah Code Title 13, Chapter 51
Regulatory Agency	<ul style="list-style-type: none">▪ Department of Commerce, Division of Consumer Protection
Pre-Emption	<ul style="list-style-type: none">▪ Yes, except that municipal, county, or local governments may regulate TNC services at an airport
Driver Requirements	<ul style="list-style-type: none">▪ At least 19 years of age▪ Valid Utah driver's license
Background Check	<ul style="list-style-type: none">▪ Before allowing a driver to use the TNCs software application, the TNC must conduct a criminal background check and obtain and review a report of driving history▪ Driver is disqualified for certain moving violations in the three-year history, and certain crimes in the seven-year history
Vehicle Requirements	<ul style="list-style-type: none">▪ Vehicle must be registered with the Division of Motor Vehicles▪ Vehicle must meet equipment standards and emission requirements adopted by a county
Taxes and Fees	<ul style="list-style-type: none">▪ \$5,000 annual TNC permit fee, with revenues used to cover costs to administer chapter

VERMONT

Reference	<ul style="list-style-type: none">▪ Vermont Senate Proposal H-0143* *as of this report state law was not yet on the books
Regulatory Agency	<ul style="list-style-type: none">▪ Commissioner of Motor Vehicles
Pre-Emption	<ul style="list-style-type: none">▪ Yes▪ “A municipality shall not adopt an ordinance, resolution, or bylaw regulating transportation network companies that is inconsistent with the requirements of this chapter,” excepting regulations adopted by a municipality with a population of more than 35,000 residents (to be repealed on July 1, 2022)
Driver Requirements	<ul style="list-style-type: none">▪ None
Background Check	<ul style="list-style-type: none">▪ Before acting as a driver on the network and annually thereafter, an entity accredited by the National Association of Professional Background Screeners must conduct a background check including criminal record search from the Vermont Crime Information Center, a motor vehicle check, and a search of the Vermont and national sex offender registries▪ Driver is disqualified for certain offenses in the seven-year history period, and certain other offenses and violations in the three-year history period
Vehicle Requirements	<ul style="list-style-type: none">▪ Meet state vehicle inspection standards
Taxes and Fees	<ul style="list-style-type: none">▪ None

VIRGINIA

Reference	<ul style="list-style-type: none">▪ Virginia Law Title 46,2 Subtitle V, Chapter 20, Article 15
Regulatory Agency	<ul style="list-style-type: none">▪ Agency of Transportation, Department of Motor Vehicles (DMV)
Pre-Emption	<ul style="list-style-type: none">▪ Yes
Driver Requirements	<ul style="list-style-type: none">▪ At least 21 years of age
Background Check	<ul style="list-style-type: none">▪ Background check before operating as a TNC partner and every two years, including multi-state/multi-jurisdiction criminal records database search, a search of the sex offender and crimes against minors registry, by a person accredited by the National Association of Professional Background Screeners▪ Before operating as a TNC partner and once annually, obtain and review a driving history research report
Vehicle Requirements	<ul style="list-style-type: none">▪ Seating capacity of no more than eight, including driver▪ Not been issued a certificate of title branding the vehicle as salvage, nonrepairable, or rebuilt▪ Valid annual Virginia safety inspection
Taxes and Fees	<ul style="list-style-type: none">▪ \$100,000 TNC permit fee or \$20 surcharge for each TNC partner's driver transcript obtained from DMV

WASHINGTON, D.C.

Reference	<ul style="list-style-type: none">▪ Code of the District of Columbia Title 50, Chapter 3, Subchapter 1, Section 29
Regulatory Agency	<ul style="list-style-type: none">▪ Department of For-Hire Vehicles
Pre-Emption	<ul style="list-style-type: none">▪ Not applicable
Driver Requirements	<ul style="list-style-type: none">▪ At least 21 years of age▪ Driver's license issued by the District of Columbia, Maryland, or Virginia
Background Check	<ul style="list-style-type: none">▪ Before approving a registration application, the TNC or a third-party must conduct a local and national criminal background check, a search of the national sex offender database background check and a full driving record check. Thereafter, the checks should be conducted every three years▪ Driver is disqualified for certain offenses in the three-year history period, and certain other offenses in the seven-year history period
Vehicle Requirements	<ul style="list-style-type: none">▪ Safety inspection within 90 days of beginning service▪ Has at least four doors▪ Is not more than 10 model year of age at entry into service and no more than 12 model years of age while in service▪ Pre-trip and prearranged ride insurance
Taxes and Fees	<ul style="list-style-type: none">▪ \$25,000 initial (2 years) TNC permit fee; \$1,000 renewal (2 years)▪ 1% of gross revenue

WEST VIRGINIA

Reference	<ul style="list-style-type: none">▪ West Virginia Code Chapter 17-29
Regulatory Agency	<ul style="list-style-type: none">▪ Department of Transportation, Division of Motor Vehicles
Pre-Emption	<ul style="list-style-type: none">▪ Yes
Driver Requirements	<ul style="list-style-type: none">▪ At least 19 years of age
Background Check	<ul style="list-style-type: none">▪ Before allowing an individual to accept trip requests through a TNC digital platform, the TNC or a third-party must check of multi-state and multi-jurisdictional criminal records, national sex offender registry, and driving history research report
Vehicle Requirements	<ul style="list-style-type: none">▪ Must meet state inspection requirements for a private motor vehicle
Taxes and Fees	<ul style="list-style-type: none">▪ \$1,000 annual TNC permit fee deposited into the Motor Vehicle Fees Fund

WISCONSIN

Reference	<ul style="list-style-type: none">▪ Wisconsin Statute Chapter 440.40
Regulatory Agency	<ul style="list-style-type: none">▪ Department of Safety and Professional Services
Pre-Emption	<ul style="list-style-type: none">▪ Yes
Driver Requirements	<ul style="list-style-type: none">▪ At least 19 years of age
Background Check	<ul style="list-style-type: none">▪ Before allowing an individual to be a participating driver for a TNC, the TNC or third-party must conduct a background check of multi-state and multi-jurisdictional criminal records and national sex offender registry database and obtain and review a driving history research report
Vehicle Requirements	<ul style="list-style-type: none">▪ Must satisfy all state vehicle safety and emissions standards for private motor vehicles
Taxes and Fees	<ul style="list-style-type: none">▪ \$5,000 annual TNC license fee

WYOMING

Reference	<ul style="list-style-type: none">▪ Wyoming Statute 31-20
Regulatory Agency	<ul style="list-style-type: none">▪ Department of Transportation
Pre-Emption	<ul style="list-style-type: none">▪ Yes
Driver Requirements	<ul style="list-style-type: none">▪ None
Background Check	<ul style="list-style-type: none">▪ Before allowing an individual to act as a driver, the TNC or third-party shall conduct a background check of multi-state or multi-jurisdictional criminal records or other similar nationwide check and search of Department of Justice national public sex offender website and driving history check
Vehicle Requirements	<ul style="list-style-type: none">▪ None
Taxes and Fees	<ul style="list-style-type: none">▪ None

Appendix C. Jurisdictions Adopting King County Code

JURISDICTION	RELEVANT MUNICIPAL CODE	ADOPTS KING COUNTY CODE?	CITY POWERS MAINTAINED
Auburn	5.20.230 Taxicab businesses	Adopt King County Code 6.64 by reference	
Bellevue	Chapter 5.16 For Hire Vehicles	Adopt King County Code 6.64 by reference	Enforcement
Burien	Chapter 5.55 Taxicabs and For-Hire Vehicles	Adopt King County Code 6.64 by reference	
Covington	N/A	Interlocal agreement with King County	
Enumclaw	Chapter 5.72 Taxicabs	Adopt King County Code 6.64 by reference	
Federal Way	Chapter 12.45 Taxicabs	Adopt King County Code 6.64 by reference	
Issaquah	Chapter 5.44 Taxis – Businesses and Drivers	Adopt King County Code 6.64 by reference	Issue notices of violation and court citations for violations of City ordinance
Kenmore	N/A	Interlocal agreement with King County	
Kent	Chapter 5.03 Taxicabs, Vehicles For Hire, and Transportation Network Companies	Adopt King County Code 6.64 by reference	City business license required
Kirkland	Chapter 7.44 Taxicabs and For-Hire Vehicles	Adopt King County Code 6.64 by reference, with exclusions and modifications in Sections 7.44.020 through 7.44.030	
Maple Valley	Chapter 5.15 Taxicabs	Adopt King County Code 6.64 by reference	
Redmond	Chapter 5.16 Taxicabs	Adopt King County Code 6.64 by reference	City business license required per RMC 5.04
Renton	N/A	Interlocal agreement with King County	
Sammamish	Chapter 6.05 Taxis – Businesses and Drivers	Adopt King County Code 6.64 by reference	Issue notices of violation and court citations for violations of City ordinance
SeaTac	Chapter 5.15 For-Hire Regulations	Adopt King County Code 6.64 by reference	Violation of these regulations is a violation of City ordinance and subject to a fine
Shoreline	Chapter 5.07.700 Taxis – Businesses and Drivers	Adopt King County Code 6.64 by reference	

Appendix D. Summary of Local TNC Requirements

Spokane (population 220,100)

Operated through MOUs through the end of 2018 the contents of which are described below.

Licenses/Fees

- TNC administrative fee: \$25,000

Driver Requirements

- 21 years of age with valid driver's license
- Proof of motor vehicle registration and current automobile liability insurance

Background Checks

- National criminal background check, including: national sex offender database; no less than seven years
- Disqualifiers: driving under the influence, fraud, use of a motor vehicle to commit a felony, a crime involving property damage, and/or theft, or conviction at any time for sexual offenses, acts of violence, or acts of terror
- Review driving history and disqualify those with: more than three moving violations or major moving violations in three-year period prior to check
- TNC must maintain driver criminal background records for two years and provide up to five operators each quarter within 15 business days of written request.

In December of 2018, Spokane City Council passed an ordinance regarding for-hire vehicle regulations. Ordinance No. C35710 will enact a new chapter 10.34A of the Spokane Municipal Code that addresses transportation network companies. The proposed chapter can be found starting on page 220 of the [City Council agenda from December 10, 2018](#).

Vehicle Requirements

- Street legal coupes, sedans, or light-duty vehicles
- 19-pt inspection
- TNC must provide reports of annual inspections upon request by City

Insurance Requirements: Chapter 48.177 RCW

- Name TNC as insured and include an endorsement covering the City as an additional insured

Operational Requirements

- **Rates.** Must disclose rates used or suggested compensation on app and/or website.
- **Records.** Maintain accurate and up-to date records of all drivers providing services through the platform.
- **Method of Soliciting Rides.** TNC drivers shall neither solicit nor accept street hails.
- **Driver Information.** TNC software application must display driver name and photo.
- **Vehicle information.** TNC software application must display the vehicle make, model, and license plate.
- **Receipts.** Must be provided if requested, can be electronic.
- **Driver Training.** Must establish a driver-training program to ensure safe operation of vehicle.
- **Customer Service.** Must maintain a website that provides a customer service telephone number and website.
- **Accessibility/Nondiscrimination.** No one can be excluded on the basis of age, sex, race, color, religion, creed, marital status, familial status, sexual orientation including gender expression or gender identity, national origin, honorably discharged veteran or military status, the presence of any sensory, mental or physical disability, or use of a service animal by a person with disabilities.
- **Zero Tolerance drug/alcohol policy.**
- **Maintain Spokane, WA registered agent.**

Data Sharing/Audits

- City may audit five driver records each quarter
- City may request records at any time to investigate a specific complaint

Vancouver (population 183,500)

[Chapter 5.76 Taxi & Transportation Network Company Code](#)
[VMC 5.76 Administrative Rules](#)

Licenses/Fees

- Annual application review fee: \$200
- TNC must submit affidavit indicating compliance with ordinance
- Business license required unless business generates less than \$12,000 in gross receipts per year within city
- Fee: \$125 + \$50 per employee and no more than \$20,000 total

Driver Requirements

- 21 years of age with valid driver's license (for at least one year)
- Proof of motor vehicle registration and current automobile liability insurance
- Defensive driving training required

Background Checks

- Cannot be convicted of one or more disqualifying crimes during the five years prior to driving
- Disqualifiers: driving under the influence, reckless or negligent driving, hit and run or leaving scene of injury accident, fatal accident, assault or violent crime, gun-related violation, sexual offense, resisting or evading arrest or eluding law enforcement, felony, theft robbery or burglary
- Cannot be a sex offender (no time limit)

Vehicle Requirements

- <10 years old
- Annual standard inspection by ASE certified mechanic

Insurance Requirements

While operating in the city as a TNC:

- \$100,000/person for bodily injury
- \$300,000/accident for bodily injury of all persons
- \$25,000 for damage to property

Operational Requirements

- **Rates.** Must disclose estimated cost of ride prior to initiating ride.
- **Company Identification** Vehicle must be clearly marked to allow individuals to associate the vehicle with the affiliated TNC.

Data Sharing/Audits

- All matters in affidavit are subject to audit

Enforcement: City manager has primary authority

Penalties

- False affidavit: \$10,000
- Operating without special license (company): \$10,000 for each violation
- Driver operating without Vancouver licensed TNC affiliation: \$1,000 for each violation
- Driver operating without Vancouver business license: \$1,000 per violation

Everett (population 111,200)

[5.68 For-Hire Vehicles](#)

Licenses/Fees

- For-hire license renewed annually: \$500 1-10 drivers; \$1,000 11+ drivers
- TNC must submit affidavit indicating compliance with ordinance
- Business license required for TNC and TNC driver: \$80

Driver Requirements

- 21 years of age with valid driver's license for one year immediately preceding
- Proof of motor vehicle registration and current automobile liability insurance
- May only operate in affiliation with TNC

Background Checks

- Obtain criminal background check; no less than seven years
- Local, state, and national criminal background check plus national and state sex offender registry check
- Disqualifiers: driving under the influence, reckless or negligent driving, hit and run, assault or violent offense, harassment, gun-related violation, sexual offense, resisting arrest, felony, crime involving fraud, crime involving theft, registered sex offender; may not have committed three or more moving violations during any 12-month period during previous three years.

Vehicle Requirements

- Four doors, two into passenger area
- Safety inspection annually by ASE certified mechanic.
- Accept inspections from King County/Seattle or 28-pt inspection

Insurance Requirements: Chapter 48.177 RCW

Operational Requirements

- **Method of solicitation.** Can neither accept nor solicit street hails.
- **Vehicle.** May only operate driver's personal vehicle.
- **Rates.** Must disclose estimated costs of ride up-front.
- **Receipts.** Must be provided if requested, can be electronic.
- **Driver Information.** TNC software application must display driver name and photo
- **Vehicle information.** TNC software application must display the vehicle make, model, and license plate.
- **Company Identification.** Vehicle must be marked to allow government official or passenger to associate vehicle with a TNC by viewing front or rear of vehicle.
- **Zero Tolerance drug/alcohol policy.**
- **Maintain WA registered agent.**

Data Sharing/Audits

- No more than twice per license year unless City determines a reason for additional audits
- City may audit no more than 20 drivers
- TNC must provide records related to active investigations of violations of TNC regulation
- TNC must maintain records for six years

Enforcement: City Clerk

Penalties:

- First violation in 12-month period is a class 1 civil infraction
- Violation is considered public nuisance and City may use action in county superior court
- City may pursue any remedy or relief it deems appropriate beyond provisions in chapter

Yakima (population 94,190)

[Chapter 5.79 Transportation Network Company](#)

Licenses/Fees

- TNC License renewed annually: \$1,000
- TNC must submit affidavit indicating compliance with ordinance
- WA UBI number and Yakima business license: \$42.90 - \$1,285.20 based on number of employees

Driver Requirements

- 21 years of age with valid WA driver's license for one year (exemptions for military and students)
- Self-certify physical and mental fitness
- Proof of vehicle registration and auto liability insurance
- Must report within 48 hours any restriction, suspension, or revocation of driver's license or vehicle registration, or any changes in health or medical condition

Background Checks

- Background check conducted annually; seven years of history
- Multi-state/multi-jurisdiction criminal records or similar commercial nationwide database with validation and DOH national sex offender public website
- Disqualifiers: one infraction for negligent driving, three+ moving violations in a 12-month period during prior three years, habitual traffic offender (46.65), criminal conviction of any violent offense, serious violent offense, most serious offense, sexual offense, cyberstalking, harassment, stalking, any offense under RCW 9A.36, or driving under the influence, reckless driving, hit and run, or any other driving-related crime within the RCW 46.61.500 through .540
- TNC must maintain driver criminal background records for two years

Vehicle Requirements

- <10 years old
- Annual 21-pt inspection by ASE certified mechanic
- Maintain inspection records for at least three years

Insurance Requirements: Chapter 48.177 RCW

Operational Requirements

- **Rates.** Displayed in app prior to entering vehicle.
- **Records.** All trips made by all drivers for no less than one year from the date each trip was provided.
- **Method of Soliciting Rides.** TNC drivers shall neither solicit nor accept street hails.
- **Driver Information.** TNC software application must display driver name and photo.
- **Vehicle information.** TNC software application must display the vehicle make, model, and license plate.
- **Vehicle.** Shall not operate unless vehicle equipment is in sanitary and safe condition for transportation of passengers.
- **Vehicle Occupancy.** No nonpaying passengers (except those with a paying adult) can ride in a TNC occupied by a paying passenger, and a driver may not pick up additional passengers in a vehicle occupied by paying passenger without consent of paying passenger.
- **Third-party operation.** No third-party can operate a TNC vehicle while driver is logged in to the network of affiliated TNC.
- **Zero Tolerance drug/alcohol policy.**

- **Discrimination.** No TNC driver shall discriminate against passengers or potential passengers on the basis of race, color, national origin or ancestry, religious belief or affiliation, sex, disability, age, sexual orientation, marital status, gender identity, familial status or honorably discharged veteran or military service.
- **Maintain WA registered agent.**

Data Sharing/Audits

- No more than once per license year City may audit no more than 20 drivers operating in the city and City reserves right to audit all records if discrepancy found
- Takes place at City Hall
- TNC must provide records related to active investigations of violations of TNC regulation

Enforcement: Office of Code Administration

Penalties.

- License can be revoked by City Manager for failure to meet requirements of chapter, materially false statements in application, any violation of chapter by TNC. Can be appealed to City Council.
- Violations of ordinance are misdemeanors, carry a penalty not to exceed \$1,000 or imprisonment not to exceed 90 days

Bellingham (population 88,500)

[Chapter 6.55 Transportation Network Company Services](#)

Licenses/Fees

- TNC license: \$1,000/year
- TNC must submit affidavit indicating compliance with ordinance
- TNC and drivers must have business registration: \$40 (Bellingham) + \$19 application fee (WA)

Driver Requirements

- 21 years of age with valid driver's license
- Proof of motor vehicle registration and current automobile liability insurance
- TNC must keep a record of TNC drivers

Background Checks

- TNC or third-party conducted annually; no less than seven years
- Local, state, and national criminal background check plus national and state sex offender registry check
- Disqualifiers: sex offender or anyone convicted in the last seven years of driving under the influence, fraud, sexual offenses, property damage or theft, acts of violence/terror, or motor vehicle use to commit a felony cannot be a driver
- TNC must keep records for two years

Vehicle Requirements

- Annual 19-pt inspection

Insurance Requirements: Chapter 48.177 RCW

Operational Requirements

- **Method of Soliciting Rides.** TNC drivers shall neither solicit nor accept street hails.
- **Driver Information.** Display in the app the name and photograph TNC driver, as well as vehicle make, model, and license plate number.
- **Rates.** Displayed in app prior to entering vehicle and option for estimated fare.
- **Zero Tolerance drug/alcohol policy.**
- **Maintain WA registered agent.**

Data Sharing/Audits

- No more than twice per license year City may audit no more than 20 drivers operating in the city
- Takes place at City Hall
- TNC must provide records related to active investigations of violations of TNC regulation

Enforcement: Director of Finance Department

Penalties.

- License can be revoked for good cause, including materially false statement or any violation of ordinance
- Violations of ordinance are misdemeanors, carry a penalty not to exceed \$1,000 or imprisonment not to exceed 90 days

Kennewick (population 81,850)

[Chapter 6.44 - Taxicab and Transportation Network Company Code](#)

Licenses/Fees

TNC License Application Review Fee:

- \$300 <10 drivers
- \$700 11-40 drivers
- \$2,000 >40 drivers

Business License: \$55/year

Driver Requirements

- 21 years of age with valid driver's license
- Proof of motor vehicle registration and current automobile liability insurance
- TNC must keep a record of TNC drivers

Background Checks

- TNC or third-party conducted annually; no less than seven years
- Local, state, and national criminal background check plus national and state sex offender registry check
- Disqualifiers: sex offender or anyone convicted in the last seven years of driving under the influence, fraud, sexual offenses, property damage or theft, acts of violence/terror, or motor vehicle use to commit a felony cannot be a driver
- TNC must keep records for two years

Vehicle Requirements

- 21-point vehicle inspection/annually
- TNC must keep a record of all vehicle inspections

Insurance Requirements: Chapter 48.177 RCW

Operational Requirements

- **Rates.** Displayed in app prior to entering vehicle.
- **Records.** All trips made by all drivers for no less than one year from the date each trip was provided.
- **Driver Information.** Display in the app the name and photograph TNC driver.
- **Marking of Vehicles.** Display in the app the vehicle make, model, and license plate number.
- **Method of Soliciting Rides.** TNC drivers shall neither solicit nor accept street hails.
- **Receipts.** Must be provided at time of payment and contain driver name, charges, and date of payment.
- **Zero Tolerance drug/alcohol policy.**
- **Maintain WA registered agent.**

Data Sharing/Audits

- No more than twice per license year City may audit 20 percent of drivers not to exceed 20 drivers that have operated in past 30 days
- TNC must provide records related to active investigations of violations of TNC regulation

Enforcement: Chief of Kennewick Police Department or designee

Pasco (population 73,590)

[Chapter 5.45A Taxicab and Transportation Network Company Licensing](#)

Licenses/Fees

TNC License Application Review Fee:

- \$300 <10 drivers
- \$700 11-40 drivers
- \$2,000 >40 drivers

Business License: \$40/year

Driver Requirements

- 21 years of age with valid Washington driver's license
- Proof of UBI
- Proof of current automobile liability insurance
- TNC must keep a record of TNC drivers for one year after relationship with TNC ends

Background Checks

- TNC or third-party conducted annually; no less than seven years
- Local, state, and national criminal background check plus national and state sex offender registry check
- Disqualifiers: sex offender or anyone convicted in the last seven years of driving under the influence, fraud, sexual offenses, property damage or theft, acts of violence/terror, or motor vehicle use to commit a felony cannot be a driver
- TNC must keep records for two years

Vehicle Requirements

- 19-point vehicle inspection/annually
- TNC must keep a record of all vehicle inspections

Insurance Requirements: Chapter 48.177 RCW

Operational Requirements

- **Rates.** Displayed in app prior to entering vehicle and option for estimated fare.
- **Records.** All trips made by all drivers for no less than one year from the date each trip was provided.
- **Driver Information.** Display in the app the name and photograph TNC driver.
- **Marking of Vehicles.** Display a logo visible from outside vehicle. Display in app the vehicle make, model, and license plate number.
- **Method of Soliciting Rides.** TNC drivers shall neither solicit nor accept street hails.
- **Receipts.** Must be provided at time of payment and contain driver name, charges, and date of payment.
- **Zero Tolerance drug/alcohol policy.**
- **Maintain WA registered agent.**

Data Sharing/Audits

- No more than twice per license year City may audit 20 percent of drivers not to exceed 20 drivers that have operated in past 30 days
- TNC must provide records related to active investigations of violations of TNC regulation

Enforcement: City Clerk of City of Pasco or designee

Richland (population 55,320)

[Chapter 5.22 Taxicab and Transportation Network Companies](#)

Licenses/Fees

TNC License Application Review Fee:

- \$300 <10 drivers
- \$700 11-40 drivers
- \$2,000 >40 drivers

Business License: \$40/year + \$12/FTE in excess of two FTE

Driver Requirements

- 21 years of age with valid driver's license
- Proof of motor vehicle registration and current automobile liability insurance
- TNC must keep a record of all TNC drivers

Background Checks

- TNC or third-party conducted annually; no less than seven years
- Local, state, and national criminal background check plus national and state sex offender registry check
- Disqualifiers: sex offender or anyone convicted in the last seven years of driving under the influence, fraud, sexual offenses, property damage or theft, acts of violence/terror, or motor vehicle use to commit a felony cannot be a driver
- TNC must keep records for two years

Vehicle Requirements

- 21-point vehicle inspection/annually
- TNC must keep a record of all vehicle inspections

Insurance Requirements: Chapter 48.177 RCW

Operational Requirements

- **Rates.** Displayed in app prior to entering vehicle.
- **Records.** All trips made by all drivers for no less than one year from the date each trip was provided.
- **Driver Information.** Display in the app the name and photograph TNC driver.
- **Marking of Vehicles.** Display in the app the vehicle make, model, and license plate number.
- **Method of Soliciting Rides.** TNC drivers shall neither solicit nor accept street hails.
- **Receipts.** Must be provided at time of payment and contain driver name, charges, and date of payment.
- **Zero Tolerance drug/alcohol policy.**
- **Maintain WA registered agent.**

Data Sharing/Audits

- No more than twice per license year City may audit 20 percent of drivers not to exceed 20 drivers that have operated in past 30 days
- TNC must provide records related to active investigations of violations of TNC regulation

Enforcement: City of Richland Finance Director or designee

Longview (population 37,710)

[Chapter 5.82 Taxi and Transportation Network Company Code](#)

Licenses/Fees

Transportation License renewed annually:

- \$300 <10 drivers
- \$700 11-40 drivers
- \$2,000 >40 drivers

Driver Requirements

- 21 years of age with valid driver's license continuously licensed for previous one-year period
- Proof of motor vehicle registration
- Proof of current automobile liability insurance
- TNC must maintain records for all drivers

Background Checks

- TNC or third-party conducted and must have certification from National Association of Background Screeners
- Local, state, and national criminal background check plus national sex offender registry check
- Disqualifiers: Sex offender or anyone involved in driving under the influence, felony fraud, sexual offenses, acts of violence/terror, or motor vehicle use to commit a felony

Vehicle Requirements

- 19-point vehicle inspection annually
- TNC must keep a record of all vehicle inspections
- Inspection may be passed in Oregon or Washington

Insurance Requirements: Chapter 48.177 RCW

Operational Requirements

- **Rates.** Displayed in app prior to entering vehicle
- **Records.** All trips made by all drivers for no less than one year from the date each trip was provided.
- **Driver Information.** Display in the app the name and photograph TNC driver.
- **Marking of Vehicles.** Display in the app the vehicle make, model, and license plate number.
- **Method of Soliciting Rides.** TNC drivers shall neither solicit nor accept street hails.
- **Receipts.** Must be provided at time of payment and contain driver name, charges, and date of payment.
- **Zero Tolerance drug/alcohol policy.**
- **Maintain WA registered agent.**

Data Sharing/Audits

- No more than twice per license year City may audit 20 percent of drivers not to exceed 20 drivers that have operated in past 180 days
- TNC must provide records related to active investigations of violations of TNC regulation

Enforcement: City Manager

Penalties.

- License can be revoked for good cause, including materially false statement or any violation of ordinance
- Violations of ordinance are misdemeanors, carry a penalty not to exceed \$1,000 or imprisonment not to exceed 90 days

Pullman (population 33,730)

[Chapter 6.94 Taxicab and Transportation Network Company Licenses](#)

Licenses/Fees

Transportation License renewed annually:

- \$300 <10 drivers
- \$700 11-40 drivers
- \$2,000 >40 drivers

Driver Requirements

- 21 years of age with valid driver's license continuously licensed for previous one-year period
- Proof of motor vehicle registration
- Proof of current automobile liability insurance
- TNC must maintain records for all drivers

Background Checks

- TNC or third-party conducted and must have certification from National Association of Background Screeners
- Local, state, and national criminal background check + national sex offender registry check
- Disqualifiers: Sex offender or anyone involved in driving under the influence, felony fraud, sexual offenses, acts of violence/terror, or motor vehicle use to commit a felony

Vehicle Requirements

- 19-point vehicle inspection annually
- TNC must keep a record of all vehicle inspections

Insurance Requirements: Chapter 48.177 RCW

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- **Zero Tolerance drug/alcohol policy.**
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Data Sharing/Audits

- No more than twice per license year City may audit 20 percent of drivers not to exceed 20 drivers that have operated in past 180 days
- TNC must provide records related to active investigations of violations of TNC regulation

Enforcement: Chief of Pullman Police

Penalties.

- License can be revoked for good cause, including materially false statement or any violation of ordinance
- Violations of ordinance are misdemeanors, carry a penalty not to exceed \$1,000 or imprisonment not to exceed 90 days

Kelso (population 12,080)

[Chapter 5.60 Taxicabs](#)

Licenses/Fees

- Annual application review fee set by City Council
- Finance director or designee may issue if affidavit of compliance is submitted
- Business license required for TNC drivers: \$50

Driver Requirements

- Driver training required (detailed in administrative rules)

Background Checks

- Driver background check required (detailed in administrative rules)

Vehicle Requirements

- Vehicle safety and maintenance required (detailed in administrative rules)

Insurance Requirements

- Insurance required (detailed in administrative rules)

Operational Requirements

(If any, they are detailed in administrative rules)

Data Sharing/Audits

- All matters in affidavit are subject to audit

Enforcement: City council has primary authority

Penalties

- False affidavit: \$10,000
- Operating without special license (company): \$10,000 for each violation
- Driver operating without Kelso special-licensed TNC: \$1,000 for each violation
- Driver operating without Kelso business license: \$1,000 per violation