

Effective 5/12/2015

Chapter 51
Transportation Network Company Registration Act

Part 1
Registration

13-51-101 Title.

This chapter is known as "Transportation Network Company Registration Act."

Enacted by Chapter 461, 2015 General Session

13-51-102 Definitions.

- (1) "Division" means the Division of Consumer Protection within the Department of Commerce.
- (2) "Prearranged ride" means a period of time that:
 - (a) begins when the transportation network driver has accepted a passenger's request for a ride through the transportation network company's software application; and
 - (b) ends when the passenger exits the transportation network driver's vehicle.
- (3) "Software application" means an Internet-connected software platform, including a mobile application, that a transportation network company uses to:
 - (a) connect a transportation network driver to a passenger; and
 - (b) process passenger requests.
- (4) "Transportation network company" means an entity that:
 - (a) uses a software application to connect a passenger to a transportation network driver providing transportation network services;
 - (b) is not:
 - (i) a taxicab, as defined in Section 53-3-102; or
 - (ii) a motor carrier, as defined in Section 72-9-102; and
 - (c) except in certain cases involving a motor vehicle with a level four or five automated driving system, as defined in Section 41-26-102.1, does not own, control, operate, or manage the vehicle used to provide the transportation network services.
- (5) "Transportation network driver" means:
 - (a) an individual who:
 - (i) pays a fee to a transportation network company, and, in exchange, receives a connection to a potential passenger from the transportation network company;
 - (ii) operates a motor vehicle that:
 - (A) the individual owns, leases, or is authorized to use; and
 - (B) the individual uses to provide transportation network services; and
 - (iii) receives, in exchange for providing a passenger a ride, compensation that exceeds the individual's cost to provide the ride; or
 - (b) a level four or five automated driving system, as defined in Section 41-26-102.1, when the automated driving system is operating the vehicle and used to provide a passenger a ride in exchange for compensation.
- (6) "Transportation network services" means, for a transportation network driver providing services through a transportation network company:
 - (a) providing a prearranged ride; or
 - (b) being engaged in a waiting period.

- (7) "Waiting period" means a period of time when:
- (a) a transportation network driver is logged into a transportation network company's software application; and
 - (b) the transportation network driver is not engaged in a prearranged ride.

Amended by Chapter 459, 2019 General Session

13-51-103 Exemptions -- Transportation network company and transportation network driver.

- (1) A transportation network company or a transportation network driver is not subject to the requirements applicable to:
- (a) a motor carrier, under Title 72, Chapter 9, Motor Carrier Safety Act;
 - (b) a common carrier, under Title 59, Chapter 12, Sales and Use Tax Act; or
 - (c) a taxicab, under Title 53, Chapter 3, Uniform Driver License Act.
- (2) A transportation network driver is:
- (a)
 - (i) an independent contractor of a transportation network company; and
 - (ii) not an employee of a transportation network company; or
 - (b) for a motor vehicle with a level four or five automated driving system as defined in Section 41-26-102.1, in driverless operation, an automated driving system if dispatched:
 - (i) at the direction of, on behalf of, or as an agent of a transportation network company; or
 - (ii) at the direction of, on behalf of, or as an agent of a third party pursuant to an agreement between the third party and a transportation network company, operated on behalf of and as an agent of the transportation network company.

Amended by Chapter 459, 2019 General Session

13-51-104 Licensure -- Division audits -- Fines.

- (1) A person may not operate a transportation network company without registering with the division under Subsection (2).
- (2) The division shall register a person to operate a transportation network company if:
- (a) the person:
 - (i) demonstrates to the division that the person meets the definition of a transportation network company under Section 13-51-102; and
 - (ii) pays a registration fee in an amount determined by the division in accordance with Section 63J-1-504; and
 - (b) the division determines that the person complies with the operating requirements for a transportation network company described in this chapter.
- (3) A transportation network company's registration under Subsection (2) is:
- (a) valid until one year after the day on which the transportation network company registers with the division; and
 - (b) renewable if the transportation network company meets the requirements of Subsection (2).
- (4) The division may audit the records of a transportation network company, including a random sample of the transportation network company's records related to transportation network drivers:
- (a) no more than twice per year;
 - (b) at a location agreed to by the division and the transportation network company; and
 - (c) notwithstanding Subsection (4)(a), at any time to investigate a complaint.

- (5) The division may fine a transportation network company up to \$500 for each violation of this chapter.

Enacted by Chapter 461, 2015 General Session

13-51-105 Operating requirements.

- (1) A transportation network company shall maintain an agent for service of process in the state and shall notify the division of the name and address of the agent.
- (2) A transportation network company may collect, on behalf of a transportation network driver, a fare for a prearranged ride if the transportation network company:
- (a) posts the method for calculating the fare on the transportation network company's software application;
 - (b) provides a passenger the rate used to calculate the fare for a prearranged ride; and
 - (c) allows a passenger the option to obtain an estimated fare for a prearranged ride before the passenger enters a transportation network driver's vehicle.
- (3) For each prearranged ride, a transportation network company shall:
- (a) before a passenger enters a transportation network driver's vehicle, display on the transportation network company's software application a picture of the transportation network driver;
 - (b) shortly after the prearranged ride is complete, transmit an electronic receipt to the passenger that lists:
 - (i) the prearranged ride's origin and destination;
 - (ii) the prearranged ride's total time and distance; and
 - (iii) an itemization of the total fare the passenger paid, if any; and
 - (c) allow a passenger to notify a transportation network driver if a passenger has skis, a snowboard, other oversize luggage, or child restraint device.
- (4) A transportation network driver may not, while providing transportation network services:
- (a) provide a ride to an individual who requests the ride by a means other than a transportation network company's software application;
 - (b) solicit or accept cash payments from a passenger; or
 - (c) accept any means of payment other than payment through a transportation network company's software application.
- (5) A transportation network company shall maintain a record of:
- (a) all trips, for a minimum of five years after the day on which the trip occurred; and
 - (b) all information in a transportation network company's possession regarding a transportation network driver, for a minimum of five years after the day on which the transportation network driver last provided transportation network services using the transportation network company's software application.
- (6) A transportation network company shall adopt a policy that prohibits unlawful discrimination with respect to a passenger and shall:
- (a) provide a copy of the policy to each transportation network driver; or
 - (b) post the policy on the transportation network company's website.
- (7)
- (a) A transportation network driver shall accommodate:
 - (i) a service animal; or
 - (ii) an individual with a physical disability.
 - (b) A transportation network driver or transportation network company may not impose an additional charge to provide the accommodations described in Subsections (7)(a) and (8).

- (8) A transportation network company shall:
- (a) allow a passenger to request a prearranged ride in a wheelchair-accessible vehicle; and
 - (b) if a wheelchair-accessible vehicle is not available to a passenger who requests a wheelchair-accessible vehicle under Subsection (8)(a), direct the passenger to a transportation service that provides wheelchair-accessible service, if available.
- (9) A transportation network company shall disclose to a transportation network driver:
- (a) a description of the insurance coverage the transportation network company provides the transportation network driver while the transportation network driver is providing transportation network services, including the insurance coverage's liability limit;
 - (b) that the transportation network company's personal automobile insurance policy may not provide coverage to the transportation network driver during a waiting period or a prearranged ride;
 - (c) that if the vehicle the transportation network driver uses to provide transportation network services has a lien against the vehicle, the transportation network driver is required to notify the lienholder that the transportation network driver is using the vehicle to provide transportation network services; and
 - (d) that using a vehicle with a lien against the vehicle to provide transportation network services may violate the transportation network driver's contract with the lienholder.
- (10) A transportation network company and the transportation network company's insurer shall, for an incident that occurs while a transportation network driver is providing transportation network services:
- (a) cooperate with a liability insurer that insures the vehicle the transportation network driver uses to provide the transportation network services;
 - (b) provide, to the liability insurer, the precise date and time that an incident occurred, including the precise time when a driver logged in or out of the transportation network company's software application; and
 - (c) provide the information described in Subsection (10)(b) to a liability insurer no later than 10 business days after the day on which the liability insurer requests the information from the transportation network company.
- (11) If a transportation network company's insurer insures a vehicle with a lien against the vehicle, and the transportation network company's insurer covers a claim regarding the vehicle under comprehensive or collision coverage, the transportation network company shall direct the transportation network company's insurer to issue the payment for the claim:
- (a) directly to the person that is repairing the vehicle; or
 - (b) jointly to the owner of the vehicle and the primary lienholder.

Amended by Chapter 351, 2024 General Session

13-51-106 Transportation network driver drug or alcohol use policy.

- (1) A transportation network company shall implement a policy that:
- (a) provides that a transportation network driver may not use a drug or alcohol or be under the influence of a drug or alcohol while providing transportation network services;
 - (b) is posted on the transportation network company's website or software application; and
 - (c) provides procedures for a passenger to report to the transportation network company a transportation network driver who the passenger suspects violated the policy.
- (2) If a transportation network company receives a complaint about a transportation network driver under Subsection (1)(c), the transportation network company shall:
- (a) suspend the transportation network company driver; and

- (b) conduct an investigation into the transportation network company driver and the conduct alleged in the complaint.
- (3) A transportation network company shall maintain records related to a complaint or investigation under this section for a minimum of two years after the day on which the transportation network company receives the complaint.

Enacted by Chapter 461, 2015 General Session

Effective until 7/1/2024

13-51-107 Driver requirements.

- (1) Before a transportation network company allows an individual to use the transportation network company's software application as a transportation network driver, the transportation network company shall:
 - (a) require the individual to submit to the transportation network company:
 - (i) the individual's name, address, and age;
 - (ii) a copy of the individual's driver license, including the driver license number; and
 - (iii) proof that the vehicle that the individual will use to provide transportation network services is registered with the Division of Motor Vehicles;
 - (b) require the individual to consent to a criminal background check of the individual by the transportation network company or the transportation network company's designee; and
 - (c) obtain and review a report that lists the individual's driving history.
- (2) A transportation company may not allow an individual to provide transportation network services as a transportation network driver if the individual:
 - (a) has committed more than three moving violations in the three years before the day on which the individual applies to become a transportation network driver;
 - (b) has been convicted, in the seven years before the day on which the individual applies to become a transportation network driver, of:
 - (i) driving under the influence of alcohol or drugs;
 - (ii) fraud;
 - (iii) a sexual offense;
 - (iv) a felony involving a motor vehicle;
 - (v) a crime involving property damage;
 - (vi) a crime involving theft;
 - (vii) a crime of violence; or
 - (viii) an act of terror;
 - (c) is required to register as a sex offender in accordance with Title 77, Chapter 41, Sex and Kidnap Offender Registry;
 - (d) does not have a valid Utah driver license; or
 - (e) is not at least 18 years of age.
- (3)
 - (a) A transportation network company shall prohibit a transportation network driver from accepting a request for a prearranged ride if the motor vehicle that the transportation network driver uses to provide transportation network services fails to comply with:
 - (i) equipment standards described in Section 41-6a-1601; and
 - (ii) emission requirements adopted by a county under Section 41-6a-1642.
 - (b)
 - (i) If upon visual inspection, a defect relating to the equipment standards described in Section 41-6a-1601 can be reasonably identified, an airport operator may perform a safety

inspection of a transportation network driver's vehicle operating within the airport to ensure compliance with equipment standards described in Section 41-6a-1601.

- (ii) An airport operator shall conduct all inspections under this Subsection (3) in such a manner to minimize impact to the transportation network driver's and transportation network company vehicle's availability to provide prearranged rides.
- (4) A transportation network driver, while providing transportation network services, shall carry proof, in physical or electronic form, that the transportation network driver is covered by insurance that satisfies the requirements of Section 13-51-108.

Amended by Chapter 276, 2020 General Session

Amended by Chapter 377, 2020 General Session

Effective 7/1/2024

13-51-107 Driver requirements.

- (1) Before a transportation network company allows an individual to use the transportation network company's software application as a transportation network driver, the transportation network company shall:
 - (a) require the individual to submit to the transportation network company:
 - (i) the individual's name, address, and age;
 - (ii) a copy of the individual's driver license, including the driver license number; and
 - (iii) proof that the vehicle that the individual will use to provide transportation network services is registered with the Division of Motor Vehicles;
 - (b) require the individual to consent to a criminal background check of the individual by the transportation network company or the transportation network company's designee; and
 - (c) obtain and review a report that lists the individual's driving history.
- (2) A transportation company may not allow an individual to provide transportation network services as a transportation network driver if the individual:
 - (a) has committed more than three moving violations in the three years before the day on which the individual applies to become a transportation network driver;
 - (b) has been convicted, in the seven years before the day on which the individual applies to become a transportation network driver, of:
 - (i) driving under the influence of alcohol or drugs;
 - (ii) fraud;
 - (iii) a sexual offense;
 - (iv) a felony involving a motor vehicle;
 - (v) a crime involving property damage;
 - (vi) a crime involving theft;
 - (vii) a crime of violence; or
 - (viii) an act of terror;
 - (c) is required to register as a sex offender, kidnap offender, or child abuse offender in accordance with Title 77, Chapter 41, Sex, Kidnap, and Child Abuse Offender Registry;
 - (d) does not have a valid Utah driver license; or
 - (e) is not at least 18 years old.
- (3)
 - (a) A transportation network company shall prohibit a transportation network driver from accepting a request for a prearranged ride if the motor vehicle that the transportation network driver uses to provide transportation network services fails to comply with:
 - (i) equipment standards described in Section 41-6a-1601; and

- (ii) emission requirements adopted by a county under Section 41-6a-1642.
- (b)
 - (i) If upon visual inspection, a defect relating to the equipment standards described in Section 41-6a-1601 can be reasonably identified, an airport operator may perform a safety inspection of a transportation network driver's vehicle operating within the airport to ensure compliance with equipment standards described in Section 41-6a-1601.
 - (ii) An airport operator shall conduct all inspections under this Subsection (3) in such a manner to minimize impact to the transportation network driver's and transportation network company vehicle's availability to provide prearranged rides.
- (4) A transportation network driver, while providing transportation network services, shall carry proof, in physical or electronic form, that the transportation network driver is covered by insurance that satisfies the requirements of Section 13-51-108.

Amended by Chapter 234, 2024 General Session

13-51-108 Insurance.

- (1) A transportation network company or a transportation network driver shall maintain insurance that covers, on a primary basis, a transportation network driver's use of a vehicle during a prearranged ride and that includes:
 - (a) an acknowledgment that the transportation network driver is using the vehicle in connection with a transportation network company during a prearranged ride or that the transportation network driver is otherwise using the vehicle for a commercial purpose;
 - (b) liability coverage for a minimum amount of \$1,000,000 per occurrence;
 - (c) personal injury protection to the extent required under Sections 31A-22-306 through 31A-22-309;
 - (d) uninsured motorist coverage where required by Section 31A-22-305; and
 - (e) underinsured motorist coverage where required by Section 31A-22-305.3.
- (2) A transportation network company or a transportation network driver shall maintain insurance that covers, on a primary basis, a transportation network driver's use of a vehicle during a waiting period and that includes:
 - (a) an acknowledgment that the transportation network driver is using the vehicle in connection with a transportation network company during a waiting period or that the transportation network driver is otherwise using the vehicle for a commercial purpose;
 - (b) liability coverage in a minimum amount, per occurrence, of:
 - (i) \$50,000 to any one individual;
 - (ii) \$100,000 to all individuals; and
 - (iii) \$30,000 for property damage;
 - (c) personal injury protection to the extent required under Sections 31A-22-306 through 31A-22-309;
 - (d) uninsured motorist coverage where required by Section 31A-22-305; and
 - (e) underinsured motorist coverage where required by Section 31A-22-305.3.
- (3) A transportation network company and a transportation network driver may satisfy the requirements of Subsections (1) and (2) by:
 - (a) the transportation network driver purchasing coverage that complies with Subsections (1) and (2);
 - (b) the transportation network company purchasing, on the transportation network driver's behalf, coverage that complies with Subsections (1) and (2); or
 - (c) a combination of Subsections (3)(a) and (b).

- (4) An insurer may offer to a transportation network driver a personal automobile liability insurance policy, or an amendment or endorsement to a personal automobile liability policy, that:
 - (a) covers a private passenger motor vehicle while used to provide transportation network services; and
 - (b) satisfies the coverage requirements described in Subsection (1) or (2).
- (5) Nothing in this section requires a personal automobile insurance policy to provide coverage while a driver is providing transportation network services.
- (6) If a transportation network company does not purchase a policy that complies with Subsections (1) and (2) on behalf of a transportation network driver, the transportation network company shall verify that the driver has purchased a policy that complies with Subsections (1) and (2).
- (7) An insurance policy that a transportation network company or a transportation network driver maintains under Subsection (1) or (2):
 - (a) satisfies the security requirements of Section 41-12a-301; and
 - (b) may be placed with:
 - (i) an insurer that is certified under Section 31A-4-103; or
 - (ii) a surplus lines insurer eligible under Section 31A-15-103.
- (8) An insurer that provides coverage for a transportation network driver explicitly for the transportation network driver's transportation network services under Subsection (1) or (2) shall have the duty to defend a liability claim arising from an occurrence while the transportation network driver is providing transportation network services.
- (9) If insurance a transportation network driver maintains under Subsection (1) or (2) lapses or ceases to exist, a transportation network company shall provide coverage complying with Subsection (1) or (2) beginning with the first dollar of a claim.
- (10)
 - (a) An insurance policy that a transportation network company or transportation network driver maintains under Subsection (1) or (2) may not provide that coverage is dependent on a transportation network driver's personal automobile insurance policy first denying a claim.
 - (b) Subsection (10)(a) does not apply to coverage a transportation network company provides under Subsection (9) in the event a transportation network driver's coverage under Subsection (1) or (2) lapses or ceases to exist.
- (11) A personal automobile insurer:
 - (a) notwithstanding Section 31A-22-302, may offer a personal automobile liability policy that excludes coverage for a loss that arises from the use of the insured vehicle to provide transportation network services; and
 - (b) does not have the duty to defend or indemnify a loss if an exclusion described in Subsection (11)(a) excludes coverage according to the policy's terms.

Amended by Chapter 138, 2016 General Session

Amended by Chapter 359, 2016 General Session

13-51-109 Preemption clause.

- (1) Except as provided in Subsection (2), this chapter supersedes any regulation of a municipality, county, or local government regarding a transportation network company, a transportation network driver, or transportation network services.
- (2) This chapter does not supersede a municipal, county, or local government regulation regarding a transportation network driver providing transportation network services at an airport.

Enacted by Chapter 461, 2015 General Session

Part 2

Transportation Network Vehicle Recovery Fund

13-51-201 Transportation Network Vehicle Recovery Fund -- Creation -- Report to the Legislature.

- (1) As used in this part, "fund" means the Transportation Network Vehicle Recovery Fund created in Subsection (2).
- (2) There is created an expendable special revenue fund called the "Transportation Network Vehicle Recovery Fund."
- (3) The fund consists of:
 - (a) money deposited in the fund before July 1, 2018; and
 - (b) interest earned on the money in the fund.
- (4) The division may allocate resources necessary to administer the fund.
- (5) The division shall use money from the fund to cover the division's cost to administer this part.
- (6) The fund is not insurance as defined in Section 31A-1-301.

Amended by Chapter 111, 2018 General Session

13-51-203 Payment of a claim from the fund.

- (1) A person that holds a lien on a vehicle used by a transportation network driver to provide transportation network services may submit a claim to the division for payment from the fund for physical damage to the vehicle.
- (2) The division shall pay a claim for payment from the fund to a person that holds a lien on a vehicle described in Subsection (1) for physical damage to the vehicle if:
 - (a) the physical damage to the vehicle occurred during a waiting period or a prearranged ride;
 - (b) the lien complies with Section 41-1a-601;
 - (c) the person required the transportation network driver, by contract, to maintain insurance coverage for physical damage to the vehicle;
 - (d) the insurance coverage described in Subsection (2)(c):
 - (i) names the person as the loss payee;
 - (ii) was in effect at the time the physical damage occurred; and
 - (iii) denied coverage to the person as the loss payee on the sole basis that the transportation network driver used the vehicle to provide transportation network services in the state; and
 - (e) the division determines, no earlier than 10 days after the day on which the person makes the claim, that:
 - (i) no other insurance is available from the relevant transportation network company; and
 - (ii) the fund has enough money to cover the cost of the claim.
- (3) If the division grants a claim to a person for a lien on a transportation network driver's vehicle under Subsection (2), the fund shall pay the person the lesser of, as estimated by the division:
 - (a) the cost to repair the vehicle;
 - (b) the actual cash value of the vehicle less any salvage costs; or
 - (c) the amount of money in the fund.
- (4) The division may not accept or pay a claim under this section after the balance of the fund is zero.

Amended by Chapter 111, 2018 General Session

13-51-204 State not liable.

The state, a state agency, or a political subdivision is not liable for:

- (1) the granting or denial of a claim under Section 13-51-203;
- (2) a claim made against the fund; or
- (3) a failure of the fund to pay an amount that the division orders paid from the fund.

Enacted by Chapter 359, 2016 General Session