



144456

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/14/2017	.	
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The Committee on Banking and Insurance (Brandes) recommended the following:

**Senate Amendment (with title amendment)**

Delete everything after the enacting clause  
and insert:

Section 1. Section 627.748, Florida Statutes, is created to  
read:

627.748 Transportation network companies.-

(1) DEFINITIONS.-As used in this section, the term:

(a) "Digital network" means any online-enabled technology  
application service, website, or system offered or used by a



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11 transportation network company which enables the prearrangement  
12 of rides with transportation network company drivers.

13 (b) "Prearranged ride" means the provision of  
14 transportation by a TNC driver to a rider, beginning when a TNC  
15 driver accepts a ride requested by a rider through a digital  
16 network controlled by a transportation network company,  
17 continuing while the TNC driver transports the rider, and ending  
18 when the last requesting rider departs from the TNC vehicle. The  
19 term does not include a taxicab, for-hire vehicle, or street  
20 hail service and does not include ridesharing as defined in s.  
21 341.031, carpool as defined s. 450.28, or any other type of  
22 service in which the driver receives a fee that does not exceed  
23 the driver's cost to provide the ride.

24 (c) "Rider" means an individual who uses a digital network  
25 to connect with a TNC driver in order to obtain a prearranged  
26 ride in the TNC driver's TNC vehicle between points chosen by  
27 the rider.

28 (d) "Street hail" means an immediate arrangement on a  
29 street with a driver by a person using any method other than a  
30 digital network to seek immediate transportation.

31 (e) "Transportation network company" or "TNC" means an  
32 entity operating in this state pursuant to this section using a  
33 digital network to connect a rider to a TNC driver, who provides  
34 prearranged rides. A TNC is not deemed to own, control, operate,  
35 direct, or manage the TNC vehicles or TNC drivers that connect  
36 to its digital network, except where agreed to by written  
37 contract, and is not a taxicab association or for-hire vehicle  
38 owner.

39 (f) "Transportation network company driver" or "TNC driver"



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40 means an individual who:

41 1. Receives connections to potential riders and related  
42 services from a transportation network company; and

43 2. In return for compensation, uses a TNC vehicle to offer  
44 or provide a prearranged ride to a rider upon connection through  
45 a digital network.

46 (g) "Transportation network company vehicle" or "TNC  
47 vehicle" means a vehicle that is not a taxicab, jitney,  
48 limousine, or for-hire vehicle as defined in s. 320.01(15) and  
49 that is:

50 1. Used by a TNC driver to offer or provide a prearranged  
51 ride; and

52 2. Owned, leased, or otherwise authorized to be used by the  
53 TNC driver.

54  
55 Notwithstanding any other provision of law, a vehicle that is  
56 let or rented to another for consideration may be used as a TNC  
57 vehicle.

58 (2) NOT OTHER CARRIERS.—A TNC or TNC driver is not a common  
59 carrier, contract carrier, or motor carrier and does not provide  
60 taxicab or for-hire vehicle service. In addition, a TNC driver  
61 is not required to register the vehicle that the TNC driver uses  
62 to provide prearranged rides as a commercial motor vehicle or a  
63 for-hire vehicle.

64 (3) AGENT.—A TNC must designate and maintain an agent for  
65 service of process in this state.

66 (4) FARE TRANSPARENCY.—If a fare is collected from a rider,  
67 the TNC must disclose to the rider the fare or fare calculation  
68 method on its website or within the online-enabled technology



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69 application service before the beginning of the prearranged  
70 ride. If the fare is not disclosed to the rider before the  
71 beginning of the prearranged ride, the rider must have the  
72 option to receive an estimated fare before the beginning of the  
73 prearranged ride.

74 (5) IDENTIFICATION OF TNC VEHICLES AND DRIVERS.—The TNC's  
75 digital network must display a photograph of the TNC driver and  
76 the license plate number of the TNC vehicle used for providing  
77 the prearranged ride before the rider enters the TNC driver's  
78 vehicle.

79 (6) ELECTRONIC RECEIPT.—Within a reasonable period after  
80 the completion of a ride, a TNC shall transmit an electronic  
81 receipt to the rider on behalf of the TNC driver which lists:

- 82 (a) The origin and destination of the ride;
- 83 (b) The total time and distance of the ride; and
- 84 (c) The total fare paid.

85 (7) TRANSPORTATION NETWORK COMPANY AND TNC DRIVER INSURANCE  
86 REQUIREMENTS.—

87 (a) Beginning July 1, 2017, a TNC driver or a TNC on behalf  
88 of the TNC driver shall maintain primary automobile insurance  
89 that:

90 1. Recognizes that the TNC driver is a TNC driver or  
91 otherwise uses a vehicle to transport riders for compensation;  
92 and

93 2. Covers the TNC driver while the TNC driver is logged on  
94 to the digital network of the TNC or while the TNC driver is  
95 engaged in a prearranged ride.

96 (b) The following automobile insurance requirements apply  
97 while a participating TNC driver is logged on to the digital



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98 network but is not engaged in a prearranged ride:

99 1. Automobile insurance that provides:

100 a. A primary automobile liability coverage of at least  
101 \$50,000 for death and bodily injury per person, \$100,000 for  
102 death and bodily injury per incident, and \$25,000 for property  
103 damage;

104 b. Personal injury protection benefits that meet the  
105 minimum coverage amounts required under ss. 627.730-627.7405;  
106 and

107 c. Uninsured and underinsured vehicle coverage as required  
108 by s. 627.727.

109 2. The coverage requirements of this paragraph may be  
110 satisfied by any of the following:

111 a. Automobile insurance maintained by the TNC driver;

112 b. Automobile insurance maintained by the TNC; or

113 c. A combination of sub-subparagraphs a. and b.

114 (c) The following automobile insurance requirements apply  
115 while a TNC driver is engaged in a prearranged ride:

116 1. Automobile insurance that provides:

117 a. A primary automobile liability coverage of at least \$1  
118 million for death, bodily injury, and property damage;

119 b. Personal injury protection benefits that meet the  
120 minimum coverage amounts required of a limousine under ss.  
121 627.730-627.7405; and

122 c. Uninsured and underinsured vehicle coverage as required  
123 by s. 627.727.

124 2. The coverage requirements of this paragraph may be  
125 satisfied by any of the following:

126 a. Automobile insurance maintained by the TNC driver;



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127 b. Automobile insurance maintained by the TNC; or

128 c. A combination of sub-subparagraphs a. and b.

129 (d) If the TNC driver's insurance under paragraph (b) or  
130 paragraph (c) has lapsed or does not provide the required  
131 coverage, the insurance maintained by the TNC must provide the  
132 coverage required under this subsection, beginning with the  
133 first dollar of a claim, and have the duty to defend such claim.

134 (e) Coverage under an automobile insurance policy  
135 maintained by the TNC must not be dependent on a personal  
136 automobile insurer first denying a claim, and a personal  
137 automobile insurance policy is not required to first deny a  
138 claim.

139 (f) Insurance required under this subsection must be  
140 provided by an insurer authorized to do business in this state  
141 which is a member of the Florida Insurance Guaranty Association  
142 or an eligible surplus lines insurer that has a superior,  
143 excellent, exceptional, or equivalent financial strength rating  
144 by a rating agency acceptable to the Office of Insurance  
145 Regulation of the Financial Services Commission.

146 (g) Insurance satisfying the requirements under this  
147 subsection is deemed to satisfy the financial responsibility  
148 requirement for a motor vehicle under chapter 324 and the  
149 security required under s. 627.733 for any period when the TNC  
150 driver is logged onto the digital network or engaged in a  
151 prearranged ride.

152 (h) A TNC driver shall carry proof of coverage satisfying  
153 paragraphs (b) and (c) with him or her at all times during his  
154 or her use of a TNC vehicle in connection with a digital  
155 network. In the event of an accident, a TNC driver shall provide



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156 this insurance coverage information to any party directly  
157 involved in the accident or the party's designated  
158 representative, automobile insurers, and investigating police  
159 officers. Proof of financial responsibility may be presented  
160 through an electronic device, such as a digital phone  
161 application, under s. 316.646. Upon request, a TNC driver shall  
162 also disclose to any party directly involved in the accident or  
163 the party's designated representative, automobile insurers, and  
164 investigating police officers whether he or she was logged on to  
165 a digital network or was engaged in a prearranged ride at the  
166 time of the accident.

167 (i) If a TNC's insurer makes a payment for a claim covered  
168 under comprehensive coverage or collision coverage, the TNC  
169 shall cause its insurer to issue the payment directly to the  
170 business repairing the vehicle or jointly to the owner of the  
171 vehicle and the primary lienholder on the covered vehicle.

172 (8) TRANSPORTATION NETWORK COMPANY AND INSURER; DISCLOSURE;  
173 EXCLUSIONS.-

174 (a) Before a TNC driver is allowed to accept a request for  
175 a prearranged ride on the digital network, the TNC must disclose  
176 in writing to the TNC driver:

177 1. The insurance coverage, including the types of coverage  
178 and the limits for each coverage, which the TNC provides while  
179 the TNC driver uses a TNC vehicle in connection with the TNC's  
180 digital network.

181 2. That the TNC driver's own automobile insurance policy  
182 might not provide any coverage while the TNC driver is logged on  
183 to the digital network or is engaged in a prearranged ride,  
184 depending on the terms of the TNC driver's own automobile



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185 insurance policy.

186 3. That the provision of rides for compensation which are  
187 not prearranged rides subjects the driver to the coverage  
188 requirements imposed under s. 324.032(1) and that failure to  
189 meet such coverage requirements subjects the TNC driver to  
190 penalties provided in s. 324.221, up to and including a  
191 misdemeanor of the second degree.

192 (b)1. An insurer that provides an automobile liability  
193 insurance policy under part XI of chapter 627 may exclude any  
194 and all coverage afforded under the policy issued to an owner or  
195 operator of a TNC vehicle for any loss or injury that occurs  
196 while a TNC driver is logged on to a digital network or while a  
197 TNC driver provides a prearranged ride. Exclusions imposed under  
198 this subsection are limited to coverage while a TNC driver is  
199 logged on to a digital network or while a TNC driver provides a  
200 prearranged ride. This right to exclude all coverage may apply  
201 to any coverage included in an automobile insurance policy,  
202 including, but not limited to:

203 a. Liability coverage for bodily injury and property  
204 damage;

205 b. Uninsured and underinsured motorist coverage;

206 c. Medical payments coverage;

207 d. Comprehensive physical damage coverage;

208 e. Collision physical damage coverage; and

209 f. Personal injury protection.

210 2. The exclusions described in subparagraph 1. apply  
211 notwithstanding any requirement under chapter 324. These  
212 exclusions do not affect or diminish coverage otherwise  
213 available for permissive drivers or resident relatives under the





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214 personal automobile insurance policy of the TNC driver or owner  
215 of the TNC vehicle who are not occupying the TNC vehicle at the  
216 time of loss. This section does not require that a personal  
217 automobile insurance policy provide coverage while the TNC  
218 driver is logged on to a digital network, while the TNC driver  
219 is engaged in a prearranged ride, or while the TNC driver  
220 otherwise uses a vehicle to transport riders for compensation.

221 3. This section must not be construed to require an insurer  
222 to use any particular policy language or reference to this  
223 section in order to exclude any and all coverage for any loss or  
224 injury that occurs while a TNC driver is logged on to a digital  
225 network or while a TNC driver provides a prearranged ride.

226 4. This section does not preclude an insurer from providing  
227 primary or excess coverage for the TNC driver's vehicle by  
228 contract or endorsement.

229 (c)1. An automobile insurer that excludes the coverage  
230 described in subparagraph (b)1. does not have a duty to defend  
231 or indemnify any claim expressly excluded thereunder. This  
232 section does not invalidate or limit an exclusion contained in a  
233 policy, including a policy in use or approved for use in this  
234 state before July 1, 2017, which excludes coverage for vehicles  
235 used to carry persons or property for a charge or available for  
236 hire by the public.

237 2. An automobile insurer that defends or indemnifies a  
238 claim against a TNC driver which is excluded under the terms of  
239 its policy has a right of contribution against other insurers  
240 that provide automobile insurance to the same TNC driver in  
241 satisfaction of the coverage requirements of subsection (7) at  
242 the time of loss.



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243 (d) In a claims coverage investigation, a TNC shall  
244 immediately provide, upon request by a directly involved party  
245 or any insurer of the TNC driver, if applicable, the precise  
246 times that the TNC driver logged on and off the digital network  
247 in the 12-hour period immediately preceding and in the 12-hour  
248 period immediately following the accident. An insurer providing  
249 coverage under subsection (7) shall disclose, upon request by  
250 any other insurer involved in the particular claim, the  
251 applicable coverages, exclusions, and limits provided under any  
252 automobile insurance maintained in order to satisfy the  
253 requirements of subsection (7).

254 (9) LIMITATION ON TRANSPORTATION NETWORK COMPANIES.—A TNC  
255 driver is an independent contractor and not an employee of the  
256 TNC if all of the following conditions are met:

257 (a) The TNC does not unilaterally prescribe specific hours  
258 during which the TNC driver must be logged on to the TNC's  
259 digital network.

260 (b) The TNC does not prohibit the TNC driver from using  
261 digital networks from other TNCs.

262 (c) The TNC does not restrict the TNC driver from engaging  
263 in any other occupation or business.

264 (d) The TNC and TNC driver agree in writing that the TNC  
265 driver is an independent contractor with respect to the TNC.

266 (10) ZERO TOLERANCE FOR DRUG OR ALCOHOL USE.—

267 (a) The TNC shall implement a zero-tolerance policy  
268 regarding a TNC driver's activities while accessing the TNC's  
269 digital network. The zero-tolerance policy must address the use  
270 of drugs or alcohol while a TNC driver is providing a  
271 prearranged ride or is logged on to the digital network.



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272 (b) The TNC shall provide notice of this policy on its  
273 website, as well as procedures to report a complaint about a TNC  
274 driver who a rider reasonably suspects was under the influence  
275 of drugs or alcohol during the course of the ride.

276 (c) Upon receipt of a rider's complaint alleging a  
277 violation of the zero-tolerance policy, the TNC shall suspend a  
278 TNC driver's ability to accept any ride request through the  
279 TNC's digital network as soon as possible and shall conduct an  
280 investigation into the reported incident. The suspension must  
281 last the duration of the investigation.

282 (11) TRANSPORTATION NETWORK COMPANY DRIVER REQUIREMENTS.-

283 (a) Before an individual is authorized to accept a ride  
284 request through a digital network:

285 1. The individual must submit an application to the TNC  
286 which includes information regarding his or her address, age,  
287 driver license, motor vehicle registration, and other  
288 information required by the TNC;

289 2. The TNC must conduct, or have a third party conduct, a  
290 local and national criminal background check that includes:

291 a. A search of the Multi-State/Multi-Jurisdiction Criminal  
292 Records Locator or other similar commercial nationwide database  
293 with validation of any records through primary source search;  
294 and

295 b. A search of the National Sex Offender Public Website  
296 maintained by the United States Department of Justice; and

297 3. The TNC must obtain and review, or have a third party  
298 obtain and review, a driving history research report for the  
299 applicant.

300 (b) The TNC shall conduct the background check required



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301 under paragraph (a) for a TNC driver every 3 years.

302 (c) The TNC may not authorize an individual to act as a TNC  
303 driver on its digital network if the driving history research  
304 report conducted when the individual first seeks access to the  
305 digital network reveals that the individual has had more than  
306 three moving violations in the prior 3-year period.

307 (d) The TNC may not authorize an individual to act as a TNC  
308 driver on its digital network if the background check conducted  
309 when the individual first seeks access to the digital network or  
310 any subsequent background check required under paragraph (b)  
311 reveals that the individual:

312 1. Has been convicted, within the past 5 years, of:

313 a. A felony;

314 b. A misdemeanor for driving under the influence of drugs  
315 or alcohol, for reckless driving, for hit and run, or for  
316 fleeing or attempting to elude a law enforcement officer; or

317 c. A misdemeanor for a violent offense or sexual battery,  
318 or a crime of lewdness or indecent exposure under chapter 800;

319 2. Has been convicted, within the past 3 years, of driving  
320 with a suspended or revoked license;

321 3. Is a match in the National Sex Offender Public Website  
322 maintained by the United States Department of Justice;

323 4. Does not possess a valid driver license; or

324 5. Does not possess proof of registration for the motor  
325 vehicle used to provide prearranged rides.

326 (e) No more often than once every 2 years, the Department  
327 of Financial Services shall direct a TNC to submit to the  
328 department an agreed-upon procedures report prepared by an  
329 independent certified public accountant for the sole purpose of



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330 verifying that the TNC is in compliance with this subsection.  
331 The report must be prepared in accordance with applicable  
332 attestation standards established by the American Institute of  
333 Certified Public Accountants. The TNC shall bear all costs  
334 associated with the preparation and submission of the report.  
335 (f) Upon receipt of the report pursuant to paragraph (e),  
336 the Department of Financial Services may impose a fine of up to  
337 \$250 for each violation of this subsection identified in the  
338 report and \$500 for each repeat violation. The department may  
339 also direct a TNC to address any noncompliance with this  
340 subsection identified in the report within a timeframe  
341 prescribed by the department. The department may, pursuant to  
342 the Florida Rules of Civil Procedure, seek injunctive relief  
343 against a TNC that fails to comply with the department's  
344 direction under this paragraph and that poses an imminent threat  
345 to public safety as a result of such noncompliance. For purposes  
346 of this subsection, a repeat violation occurs when two  
347 consecutive reports prepared for a TNC reveal noncompliance with  
348 the same requirement.  
349 (g) Unless otherwise explicitly provided, this subsection  
350 does not extinguish any claim otherwise available under common  
351 law or any other statute.  
352 (12) PROHIBITED CONDUCT.—  
353 (a) A TNC driver may not accept a ride for compensation  
354 other than by a rider arranged through a digital network.  
355 (b) A TNC driver may not solicit or accept street hails.  
356 (13) NONDISCRIMINATION; ACCESSIBILITY.—  
357 (a) A TNC shall adopt a policy of nondiscrimination with  
358 respect to riders and potential riders and shall notify TNC



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359 drivers of such policy.

360 (b) A TNC driver shall comply with the TNC's  
361 nondiscrimination policy.

362 (c) A TNC driver shall comply with all applicable laws  
363 regarding nondiscrimination against riders and potential riders.

364 (d) A TNC driver shall comply with all applicable laws  
365 relating to accommodation of service animals.

366 (e) A TNC may not impose additional charges for providing  
367 services to a person who has a physical disability because of  
368 the person's disability.

369 (f) A TNC that contracts with a governmental entity to  
370 provide paratransit services must comply with all applicable  
371 state and federal laws related to individuals with disabilities.

372 (g) A TNC shall reevaluate any decision to remove a TNC  
373 driver's authorization to access its digital network due to a  
374 low quality rating by riders if the TNC driver alleges that the  
375 low quality rating was because of a characteristic identified in  
376 the company's nondiscrimination policy and there is a plausible  
377 basis for such allegation.

378 (14) RECORDS.—A TNC shall maintain the following records:

379 (a) Individual ride records for at least 1 year after the  
380 date on which each ride is provided; and

381 (b) Individual records of TNC drivers for at least 1 year  
382 after the date on which the TNC driver's relationship with the  
383 TNC ends.

384 (15) PREEMPTION.—

385 (a) It is the intent of the Legislature to provide for  
386 uniformity of laws governing TNCs, TNC drivers, and TNC vehicles  
387 throughout the state. TNCs, TNC drivers, and TNC vehicles are



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388 governed exclusively by state law, including in any locality or  
389 other jurisdiction that enacted a law or created rules governing  
390 TNCs, TNC drivers, or TNC vehicles before July 1, 2017. A  
391 county, municipality, special district, airport authority, port  
392 authority, or other local governmental entity or subdivision may  
393 not:

394 1. Impose a tax on, or require a license for, a TNC, a TNC  
395 driver, or a TNC vehicle if such tax or license relates to  
396 providing prearranged rides;

397 2. Subject a TNC, a TNC driver, or a TNC vehicle to any  
398 rate, entry, operation, or other requirement of the county,  
399 municipality, special district, airport authority, port  
400 authority, or other local governmental entity or subdivision; or

401 3. Require a TNC or a TNC driver to obtain a business  
402 license or any other type of similar authorization to operate  
403 within the local governmental entity's jurisdiction.

404 (b) This subsection does not prohibit an airport or seaport  
405 from charging reasonable pickup fees consistent with any pickup  
406 fees charged to taxicab companies at that airport or seaport for  
407 their use of the airport's or seaport's facilities or prohibit  
408 the airport or seaport from designating locations for staging,  
409 pickup, and other similar operations at the airport or seaport.

410 Section 2. This act shall take effect July 1, 2017.

411 ===== T I T L E A M E N D M E N T =====

412 And the title is amended as follows:

413 Delete everything before the enacting clause  
414 and insert:

415 A bill to be entitled

416 An act relating to transportation network companies;



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417 creating s. 627.748, F.S.; defining terms; providing  
418 for construction; providing that a transportation  
419 network company (TNC) driver is not required to  
420 register certain vehicles as commercial motor vehicles  
421 or for-hire vehicles; requiring a TNC to designate and  
422 maintain an agent for service of process in this  
423 state; providing fare requirements; providing  
424 requirements for a TNC's digital network; providing  
425 for an electronic receipt, subject to certain  
426 requirements; providing automobile insurance  
427 requirements for a TNC and a TNC driver; providing  
428 requirements for specified proof of coverage for a TNC  
429 driver under certain circumstances; providing certain  
430 disclosure requirements for a TNC driver in the event  
431 of an accident; requiring a TNC to cause its insurer  
432 to issue certain payments directly to certain parties;  
433 requiring a TNC to make specified disclosures in  
434 writing to TNC drivers under certain circumstances;  
435 authorizing specified insurers to exclude certain  
436 coverage, subject to certain limitations; providing  
437 that the right to exclude coverage applies to any  
438 coverage included in an automobile insurance policy;  
439 providing applicability; providing for construction;  
440 providing that specified automobile insurers have a  
441 right of contribution against other insurers that  
442 provide automobile insurance to the same TNC drivers  
443 in satisfaction of certain coverage requirements under  
444 certain circumstances; requiring a TNC to provide  
445 specified information upon request by certain parties





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446 during a claims coverage investigation; requiring  
447 certain insurers to disclose specified information  
448 upon request by any other insurer involved in the  
449 particular claim; providing that TNC drivers are  
450 independent contractors if specified conditions are  
451 met; requiring a TNC to implement a zero-tolerance  
452 policy for drug or alcohol use, subject to certain  
453 requirements; providing TNC driver requirements;  
454 requiring a TNC to conduct a certain background check  
455 for a TNC driver after a specified period; requiring  
456 the Department of Financial Services to direct a TNC  
457 to submit to the department an agreed-upon procedures  
458 report prepared by a certified public accountant,  
459 subject to certain restrictions and requirements;  
460 authorizing the department to impose specified fines  
461 for violations and repeat violations identified in the  
462 report; authorizing the department to direct a TNC to  
463 address noncompliance identified in the report within  
464 a timeframe prescribed by the department; authorizing  
465 injunctive relief under certain circumstances;  
466 specifying when a repeat violation occurs; providing  
467 applicability; prohibiting a TNC driver from accepting  
468 certain rides or soliciting or accepting street hails;  
469 requiring a TNC to adopt a policy of nondiscrimination  
470 with respect to riders and potential riders and to  
471 notify TNC drivers of such policy; requiring TNC  
472 drivers to comply with the nondiscrimination policy  
473 and certain applicable laws regarding  
474 nondiscrimination and accommodation of service



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475 animals; prohibiting a TNC from imposing additional  
476 charges for providing services to persons who have  
477 physical disabilities; requiring a TNC that contracts  
478 with a governmental entity to provide paratransit  
479 services to comply with certain state and federal  
480 laws; requiring a TNC to reevaluate a decision to  
481 remove a TNC driver's authorization to access its  
482 digital network in certain instances; requiring a TNC  
483 to maintain specified records; providing legislative  
484 intent; specifying that TNCs, TNC drivers, and TNC  
485 vehicles are governed exclusively by state law;  
486 prohibiting local governmental entities and  
487 subdivisions from taking specified actions; providing  
488 applicability; providing an effective date.