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TRANSPORTATION NETWORK COMPANY LICENSE
Frequently Asked Questions (FAQs)
MS Code §63-15-39 to §63-15-43, §77-7-7, §83-11-101, and HB 1381

1. What is a Transportation Network Company (TNC)?

Transportation Network Company is defined by Mississippi Code §77-7-7 means a corporation, partnership, sole proprietorship, or other entity that is licensed under this act and operating in Mississippi that uses a digital network to connect transportation network company drivers who provide prearranged rides.

2. What is a Transportation Network company driver or driver (TNC driver)?

An individual or persons who use a Transportation Network Company's digital network to connect with a transportation network driver who provides prearranged rides to the rider in the driver's personal vehicle between points chosen by the rider.

3. What is not included in the definition of Transportation Network companies or Transportation Network company drivers under MS Code, Chapter 7, Title 77

- a. TNC or TNC drivers are not common carriers by motor vehicle, contract carriers by motor vehicle or restricted motor carriers.
- b. TNC or TNC drivers do not provide taxicab or limousine services.
- c. A TNC driver shall not be required to register the vehicle the driver uses to provide prearranged rides as a commercial vehicle.

4. Is an insurance license required to operate a transportation network company?

Yes, a license is required to operate a transportation network company in MS. If a TNC was operating before 7-1-16, they can continue operating until the department creates a license process and sets a registration deadline of Oct 1, 2016.

5. Is a designated responsible licensed person (DRLP) required for the license?

No. However the TNC shall maintain an agent for service of process in Mississippi. The agent for service of process is not required to hold an insurance license.

6. What is the license fee for a Transportation Network Company Business Entity license and how does the applicant submit an application for licensure?

The Transportation Network Company Business Entity license has a \$5000.00 license fee and the applicant should submit a paper application from the department's website.

7. When does a Transportation Network Company Business Entity license renew?

The Transportation Network Company Business Entity license is an annual license, expiring September 30.

8. What is the renewal fee and how do you renew the Transportation Network Company license?

The renewal fee is \$5,000.00, and the licensee should submit a paper renewal application and mail the completed renewal invoice to the department.

9. What is the authority of drivers of Transportation Network Company?

MS Code §77-7-5

10. When is a driver an independent contractor and not an employee of the Transportation Network Co?

The driver is an independent contractor when **all** of the following conditions are met:

The TNC does not prescribe specific hours where the TNC driver must be logged into the TNC digital platform;

The TNC imposes no restrictions on the TNC driver's ability to utilize digital platforms from other transportation network companies;

The TNC does not assign a TNC driver a particular territory in which to operate;

The TNC does not restrict a TNC driver from engaging in any other occupation or business; and

The TNC and TNC driver agree in writing that the driver is an independent contractor of the TNC.

11. What is the Transportation zero tolerance policy?

Zero tolerance policy addresses the use of drugs or alcohol while a TNC driver is providing prearranged rides OR logged into the TNC digital network but not providing prearranged rides. Policy notice is posted on website, along with procedures to report a complaint.

12. What is required for an individual to accept trip requests?

To accept trip requests through TNC digital platform as a TNC driver:

- a. Submit application to TNC
- b. TNC shall conduct (or third party conduct) a local & criminal background check that includes:
 - multistate/multijurisdictional criminal records locator or similar nationwide database and
 - US Department of Justice National Sex Offender Public Website, and
 - A driving record report

13. What is NOT acceptable for an individual to accept trip requests?

- a. Has more than 3 moving violations in the prior 3 year period or one of the following major violations in the prior 3 years
 - Attempting to evade the police
 - Reckless driving or
 - Driving on a suspended or revoked license
- b. Has been convicted within the past seven years of:
 - Any felony or
 - Misdemeanor driving under the influence, reckless driving, hit & run, or any other driving related offense or any misdemeanor violent offense or sexual offense
- c. Is a match in the US Dept of Justice national sex offender public website
- d. Does not possess a valid driver's license
- e. Does not possess proof of registration for the motor vehicle used to provide prearranged rides
- f. Does not possess proof of automobile liability insurance for the vehicle used to provide prearranged rides
- g. Is not at least 19 years of age

14. Can riders pay in cash?

No. The TNC has a policy prohibiting solicitation or acceptance of cash payments for fares.

15. Can a TNC discriminate against riders or potential riders?

No. The TNC drivers shall comply with all laws regarding nondiscrimination against riders or potential riders.

16. Is the fee higher if I have a physical disability?

No, a TNC shall not impose additional charges for providing services to persons with physical disabilities because of those disabilities.

17. What is the departments audit requirement for TNC records?

- a. Audit not more than annually
- b. Visually inspect a sample up to 50 TNC drivers
TNC shall try not to share these same TNC drivers during consecutive reporting periods
- c. If not in compliance after initial review, the Commissioner may conduct a supplement audit of additional TNC driver records.
- d. The audit/examination expenses are paid by the TNC being reviewed
- e. The documents, materials or other information are confidential by law and not subject to MS Public Records Act.
- f. Commissioner may share confidential & privilege documents, materials, or other information with other state, federal, international regulatory agencies and with state, federal, international law enforcement authorities provided the recipient agrees to maintaining confidentiality and privileged status.

18. Can the records reviewed if there is a complaint against a TNC or TNC driver?

Yes. In response to a specific complaint, the Commissioner can inspect records held by the TNC necessary to investigate and resolve the complaint.

19. What are things a county, municipality or other local entity NOT able to do?

- a. Impose a tax or require a license for a TNC, TNC driver or vehicle used relate to providing prearranged rides.
- b. Require a TNC or TNC driver to obtain a business license or other similar authorization to operate within the jurisdiction
- c. Subject a TNC or TNC driver to any type of rate, entry, operational or other requirements
- d. Impose requirements with respect to special markings or identification (except for TNC website shall display a picture of TNC driver and license plate number) if own or operate an airport
- e. Impose requirements for equipment, if own or operate an airport.

20. What can a county, municipality or local entity do that owns or operates an airport?

- a. The county, municipality or local entity may adopt reasonable regulations relating to the duties and responsibilities on airport property of a TNC or TNC driver.
- b. Has the ability to impose reasonable fees and vehicle tracking requirements on a TNC or affiliated NIC drivers (excluding imposing other fees, taxes, registrations, licensing or special insurance requirements on TNC drivers).

21. What are the training requirements for Transportation Network Company drivers?

There are no training requirements under House Bill 1381. However, the TNC may require training for their drivers to ensure they are compliant with the license requirements in HB 1381.

22. Is the transportation network driver required to have insurance?

The transportation network driver or transportation network company on the driver's behalf shall maintain primary automobile insurance that recognizes that the driver is a transportation network company driver. The insurance covers the driver while the driver is logged on to the transportation network company's digital network or while the driver is engaged in a prearranged ride.

23. What is the insurance requirement for the TNC driver who is logged into the TNC digital network, is available to receive transportation requests, but not engaged in a prearranged ride?

The required primary automobile liability insurance is \$50,000 for death and bodily injury per person, \$100,000 for death and bodily injury per incident, and \$25,000 for property damage and uninsured motorist (§83-11-101).

24. What is the insurance requirement for TNC driver who is engaged in a prearranged ride?

A TNC driver must be covered by automobile insurance that provides at least One million dollars for death, bodily injury and property damage and uninsured motorist (§83-11-101).

25. Who pays for the insurance coverage requirements when logged into the TNC digital network, is available or not available to receive transportation requests?

- a. Automobile insurance maintained by transportation network company driver or
- b. Automobile insurance maintained by transportation network company (TNC) or
- c. Combination of both TNC driver and TNC.

26. How long is the TNC license period and when does it expire?

Licenses issued shall authorize the applicant to operate within the State of Mississippi, and shall be effective on the date of issue for a period beginning on October 1 through September 30 of the following year (the "License Period"). The license fee shall not be prorated in the event an applicant holds the license for only a portion of the License Period. License applications and renewals will be processed by paper, only. The license issued shall expire on September 30 unless properly renewed by obtaining a license for the subsequent License Period. License renewal notices will be mailed approximately 60 days prior to the license expiration.