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## **OLR Bill Analysis**

### **sSB 1448**

#### ***AN ACT CONCERNING TRANSPORTATION NETWORK COMPANIES AND DRIVERS.***

#### **SUMMARY**

This bill makes changes in laws on Transportation Network Companies (TNCs, e.g., Uber and Lyft), including (1) modifying registration and renewal fees, (2) establishing a new annual reporting requirement, and (3) creating certain requirements related to these companies' drivers.

By law, TNCs are business entities that operate in Connecticut and use a digital network (i.e. generally an online-enabled application, website, or system) to connect TNC riders to TNC drivers for prearranged rides. (They do not include taxicab certificate or livery permit holders.) TNC drivers are not TNC employees and use vehicles meeting certain requirements to provide these rides while connected to a digital network.

The bill replaces current law's \$5,000 initial state registration and annual renewal fees for TNCs with the following fees that vary based on the number of TNC drivers with an active account on a company's digital network at the time of registration or renewal:

1. \$5,000 for TNCs with less than 50 drivers,
2. \$10,000 for those with between 50 and 199 drivers, and
3. \$30,000 for those with at least 200 drivers.

As under current law, these fees are non-refundable and must be submitted with a TNC's registration or renewal form to the Department of Transportation (DOT).

Lastly, the bill makes various minor, technical, and conforming

changes.

EFFECTIVE DATE: October 1, 2025

## **ANNUAL REPORTING REQUIREMENT**

The bill requires registered TNCs, starting by January 1, 2026, to annually report to DOT the following information based on aggregate data from the prior year:

1. the average fare collected from TNC riders;
2. the total time TNC drivers spent giving prearranged rides (i.e. those starting when a driver accepts a ride request through the digital network and ending when the rider exits the vehicle); and
3. the total compensation paid to drivers for these rides.

## **DRIVER-RELATED REQUIREMENTS**

### ***Real-Time Messaging***

The bill requires TNCs to provide for real-time messaging, through their digital networks, between the company and its drivers who are using the network. It must be available in both English and Spanish.

### ***Weekly Summaries***

Under the bill, TNCs must give a weekly summary to each of their drivers about the prearranged rides they completed during the previous week. Specifically, the summary must include the (1) total amount of fares the TNC collected from the driver's prearranged rides, (2) total amount the driver earned, and (3) percentage of the total fares the driver earned.

### ***Retaliation***

The bill prohibits TNCs from taking, or threatening to take, retaliatory action against a TNC driver only because he or she filed a complaint with the company. It specifies that this includes suspending or banning the driver from accessing the TNC's digital network.

**Information for New Drivers**

Existing law requires TNCs to take certain actions before allowing a person to drive for the company, such as running a background check and sharing information about its insurance coverage for drivers. The bill additionally requires TNCs to give a prospective TNC driver, either electronically or in writing, the following information:

1. how to enroll in the state's Paid Family and Medical Leave Insurance Program and get related information from the Paid Family and Medical Leave Insurance Authority,
2. how drivers can qualify to give prearranged rides that start in a neighboring state, and
3. the company's deactivation process for its drivers.

Under the bill, "deactivation process" means a TNC's procedures for materially restricting a driver's access to its digital network. This includes blocking access, suspending a driver from the network, or changing a driver's status on the network to make them ineligible to provide prearranged rides.

**BACKGROUND*****Related Bill***

sSB 1487, reported favorably by the Labor and Public Employees Committee, also modifies TNC-related fees and requirements, among other things.

**COMMITTEE ACTION**

Transportation Committee

Joint Favorable Substitute

Yea    23    Nay    12    (03/19/2025)