

HOUSE BILL NO. 1381

Introduced by

Representatives Ostlie, Cory, Grueneich, Hagert, Louser, D. Ruby, Satrom

Senators Conley, Klein, Larsen, Meyer

1 A BILL for an Act to create and enact a new section to chapter 39-34 of the North Dakota
2 Century Code, relating to classifying a transportation network company driver as an
3 independent contractor.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1.** A new section to chapter 39-34 of the North Dakota Century Code is created
6 and enacted as follows:

7 **Transportation network company driver - Independent contractor.**

8 1. As used in this section:

9 a. "Transportation network company" means a person that:

10 (1) Maintains a digital network to facilitate services by transportation network
11 company drivers to a person seeking those services; and

12 (2) Accepts requests from the public only through the organization's digital
13 network and not by telephone, facsimile, or in person at a retail location.

14 b. "Transportation network company driver" does not include a person transporting
15 freight, sealed or closed envelopes, boxes, parcels, or other similar sealed or
16 closed containers for compensation. The term means a person that:

17 (1) Enters a written agreement with a transportation network company to use
18 the transportation network company's digital network to connect with an
19 individual seeking services offered by the transportation network company
20 driver;

21 (2) Performs services for a person through a transportation network company's
22 digital network in exchange for compensation or payment; and

23 (3) Does not perform services at a physical business location operated by the
24 transportation network company in the state.

- 1 2. A transportation network company driver is an independent contractor and not an
2 employee of a transportation network company if the transportation network company:
3 a. Enters an agreement with the transportation network company driver that the
4 transportation network company driver is an independent contractor and not an
5 employee of the transportation network company.
6 b. Does not unilaterally prescribe specific hours during which the transportation
7 network company driver must be available to accept service requests submitted
8 through the transportation network company's digital network.
9 c. Does not prohibit the transportation network company driver from engaging in
10 outside employment or performing services through other transportation network
11 companies except while the transportation network company driver is engaged in
12 performing services through the transportation network company's digital
13 network.
14 d. May not terminate the contract of the transportation network company driver for a
15 driver's refusal to accept a specific transportation service or delivery service
16 request.
17 e. Does not prohibit the transportation network company driver from using a vehicle
18 with an internal combustion engine.