



## TRANSPORTATION NETWORK COMPANIES AT A GLANCE

**Statutes:** Chapter 2402, Occupations Code

**Rules:** Title 16 T.A.C. Chapter 95

**Practice Act?** No

**Title Act?** No

**Inspections?** No

**Number of Licensees:** 21 (FY 24)

**Webpage:** [www.tdlr.texas.gov/tnc](http://www.tdlr.texas.gov/tnc)

### Overview:

Transportation network companies (TNCs) – also known as rideshare or ride-hailing companies – enable a passenger to pre-arrange a ride through their digital network in exchange for compensation. Drivers receive a fee for this service that is more than the cost of providing the ride. TNCs do not include street-hail taxicabs, limousines, shared expense carpool/vanpool arrangements, or a ride service where the fee received does not exceed the cost of providing the ride.

Statewide regulation of TNCs began in Texas after the enactment of House Bill 100 (85th Legislature). The bill created a consistent regulatory framework in Texas for TNCs and was signed into law by Governor Greg Abbott on May 29, 2017. TDLR began accepting TNC permit applications in December 2017.

### Drivers

TNC drivers do not need a permit or license from TDLR, but each TNC must confirm that drivers using the company's network are at least 18 years old and in accordance with state law requirements.

### Background Checks and Driving Records

A TNC must perform background checks on all drivers authorized to use their network. This check includes at minimum:

- Local, state, and national criminal background checks that include a commercial multistate and multijurisdictional criminal records locator or similar national database; and
- Background checks that include the national sex offender public website maintained by the U.S. Department of Justice or a successor agency.

In addition, a TNC must obtain and review each driver's driving record. Each driver's background check must be conducted at least annually.

### Insurance

A TNC driver or a TNC on the driver's behalf must maintain primary automobile insurance while the driver is logged on to the TNC's digital network and while engaged in a prearranged ride. The requirements for insurance may be satisfied by the TNC's insurance, the TNC driver's insurance or a combination of both. See Chapter 1954, Texas Insurance Code for a full list of insurance requirements.

### Accessibility

TNCs must provide a passenger the opportunity to indicate whether the passenger requires a wheelchair-accessible vehicle. If a wheelchair-accessible vehicle cannot be provided, a TNC must direct the passenger to an alternate provider of wheelchair-accessible service.

For a period of two years, beginning not later than the 90th day after the date the TNC is issued a permit, the TNC must develop an Accessibility Pilot Program (pilot program). The pilot program must be offered in one of the four largest markets in which the TNC operates to: (1) offer services to disabled persons, including those using a fixed-frame wheelchair; and (2) ensure the necessary referrals to alternate providers of wheelchair-accessible services are made without unreasonably delaying the requested ride service.

Within 100 days after a TNC begins the pilot program, it must submit a report to TDLR demonstrating compliance with the pilot program. This report is known as the Disability

Compliance Report. Once the pilot program is finished, the TNC must submit a report on the findings, known as the Accessibility Pilot Program Report, to each legislative standing committee with primary jurisdiction over transportation issues. This second report is due no later than the 75th day after the pilot program ends. Specific details and rule requirements for both reports can be found in the TNC Administrative Rules.

### Consumer Complaints

Consumers should direct issues or complaints about a driver directly to the transportation network company, including any complaints regarding a driver who may be intoxicated while logged in to the company's network.

Consumer complaints about a transportation network company operating in Texas should be sent to TDLR at: <https://www.tdlr.texas.gov/Complaints>.

### Advisory Board? No

Permit	Fee
Original Application Fee	\$10,500
Renewal Fee	\$7,500
Permit Amendment Fee	\$25