



Senate

General Assembly

File No. 457

January Session, 2019

Senate Bill No. 989

Senate, April 4, 2019

The Committee on Labor and Public Employees reported through SEN. KUSHNER of the 24th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

***AN ACT CONCERNING BASIC LABOR STANDARDS FOR
TRANSPORTATION NETWORK COMPANY DRIVERS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2019*) (a) A transportation network
2 company shall pay each transportation network company driver not
3 less than seventy-five per cent of the money collected from each rider
4 for each prearranged ride completed, and shall not keep more than
5 twenty-five per cent of the total moneys collected for any
6 transportation network company driver on any day. As used in this
7 section, "prearranged ride", "rider", "transportation network company"
8 and "transportation network company driver" have the same meaning
9 as provided in section 13b-116 of the general statutes.

10 (b) A transportation network company shall not discriminate in any
11 manner against a transportation network company driver or group of
12 drivers on account of participation in discussions regarding,
13 organizing or advocating for, in any manner, better treatment by, or
14 working conditions with, the transportation network company.

15 (c) (1) If a transportation network company violates any provision of
 16 subsection (a) of this section, an affected transportation network
 17 company driver may recover, in a civil action, twice the amount owed
 18 to the driver by the transportation network company, and may also
 19 recover reasonable attorneys' fees and costs.

20 (2) If a transportation network company violates any provision of
 21 subsection (b) of this section, an affected transportation network
 22 company driver may recover, in a civil action, compensatory and
 23 punitive damages, and may also recover reasonable attorneys' fees and
 24 costs.

25 (d) Each transportation network company operating in this state
 26 shall, on a quarterly basis, report to the Commissioner of
 27 Transportation the total number of prearranged rides completed by its
 28 transportation network company drivers during the quarter, the total
 29 amount of money collected from riders for such rides and the total
 30 amount of money paid to its transportation network company drivers
 31 for such prearranged rides.

32 (e) The Labor Commissioner may enforce the provisions of this
 33 section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2019</i>	New section

LAB *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 20 \$	FY 21 \$
Labor Dept.	GF - Potential Cost	56,732	60,395
State Comptroller - Fringe Benefits ¹	GF - Potential Cost	23,368	24,877

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill, which establishes minimum compensation requirements for and prohibits discrimination by transportation network companies, results in a potential General Fund cost of \$80,100 in FY 20 and \$85,272 in FY 21 to the Department of Labor (DOL).

The bill allows the provisions of the bill to be enforced by the DOL. To the extent the DOL exercises its enforcement authority, there is a cost of \$80,100 in FY 20 and \$85,272 in FY 21 associated with the salary and fringe benefit costs of one Wage and Hour Investigator.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 41.19% of payroll in FY 20 and FY 21.

OLR Bill Analysis**SB 989*****AN ACT CONCERNING BASIC LABOR STANDARDS FOR TRANSPORTATION NETWORK COMPANY DRIVERS.*****SUMMARY**

This bill requires transportation network companies (TNCs, e.g., Uber and Lyft) to (1) pay each of their drivers at least 75% of the money collected from each of the driver's riders for a completed prearranged ride and (2) not keep more than 25% of the total moneys collected for any driver on any day. If a TNC violates these requirements, the bill allows an affected driver to bring a civil suit to recover up to twice the amount the TNC owes to the driver, plus reasonable attorneys' fees and costs.

The bill also prohibits TNCs from discriminating against a TNC driver or group of drivers for participating in discussions about organizing or advocating for better treatment by, or working conditions with, the TNC. If a TNC violates this prohibition, the bill allows an affected driver to bring a civil suit to recover compensatory and punitive damages, plus reasonable attorneys' fees and costs.

The bill requires each TNC to quarterly report to the transportation commissioner on the total (1) number of prearranged rides completed by its drivers during the quarter, (2) amount of money collected from those riders, and (3) amount of money paid to the drivers for those rides.

Lastly, the bill also allows the labor commissioner to enforce its provisions (but does not specify through what means he may do so).

EFFECTIVE DATE: July 1, 2019

DEFINITIONS

Under the bill, a “transportation network company” is a company, corporation, partnership, trust, association, sole proprietorship, or similar organization that operates in Connecticut and uses a digital network to connect TNC riders to TNC drivers to provide prearranged rides; it does not include a taxicab certificate holder or livery permit holder.

A “prearranged ride” is the transportation by a TNC driver of a TNC rider that (1) begins when the TNC driver accepts a request from the TNC rider through a digital network, (2) continues while the TNC driver transports the TNC rider, and (3) ends when the last TNC rider exits the TNC vehicle.

A “rider” is an individual or individuals who use a digital network to connect to a TNC driver and receive a prearranged ride between points the individual or individuals choose.

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable

Yea 9 Nay 5 (03/19/2019)