

# TNC Driver

# FAQ

## What you need to know to legally drive for a Transportation Network Company in Michigan

### What is a Transportation Network Company? (257.2102l)

A Transportation Network Company (TNC) uses a digital network to link TNC drivers with TNC riders. This definition does not include a taxi service, rides through a transportation broker, ridesharing arrangements or services using fixed routes at regular intervals.

### What is a TNC driver? (257.2102n)

A TNC driver:

- Uses their personal vehicle
- Is paid by a TNC to provide transportation to TNC riders
- Is connected to potential riders via digital network



insurance and have the minimum required limits of 20/40/10 (\$20,000 for bodily injury/\$40,000 per incident for bodily injury/\$10,000 for property damage). Talk to your independent agent about the right limits for you.

A TNC must notify, in writing to the TNC driver, the insurance coverage, including type and limits, that the TNC provides to the driver when the driver uses his/her personal vehicle as part of the TNC's digital network. This notice also must state that the TNC driver's personal auto insurance may not provide coverage to the TNC driver when he/she is logged into the TNC's digital network or when the driver is transporting a TNC rider.

A TNC driver must carry proof of insurance at all times during the use of his/her personal vehicle as a TNC driver. If there is an accident, a TNC driver must give to all interested parties, auto insurers and the investigating police force the following information:

- Insurance coverage information
- Whether driver was logged into the TNC's digital network or engaged in transporting a TNC rider at the time of the accident

A TNC driver is not required to register their personal vehicle as a commercial or for-hire vehicle. 257.2127(2)

### TNC Driver Qualifications (257.2107)

TNC drivers must:

- Pass local and national criminal background checks
- Possess a valid operator's license
- Possess proof of registration for the personal vehicle to be used for the TNC
- Possess proof of auto insurance for the personal vehicle to be used for the TNC
- Be at least 19 years old

- Not have more than four moving violations or one major violation (reckless driving, evading police, driving on a suspended or revoked license) in the 3-year period prior to application. Please note: TNCs are required to obtain and review driving records of potential TNC drivers.
- Not have a felony conviction within five years before the date of application for driving under the influence of drugs or alcohol, fraud, sexual offense, or theft. For a complete list go to 257.2107 2b.

- Not be listed on the national sex offender registry database

A TNC driver is required to have his/her vehicle inspected annually by a licensed mechanic if the vehicle to be used is five years or older. The TNC driver must supply to the TNC a report showing what was inspected (brakes, steering, headlights, etc.) For a complete list go to 257.2109. ■

### What auto insurance will a TNC driver need? (257.2123)

As of March 21, 2017, a TNC driver (or the TNC on the TNC driver's behalf) must maintain primary auto insurance on the TNC driver's personal vehicle while the TNC driver is logged onto the TNC's digital network or engaged in transporting a TNC rider.

Necessary insurance requirements are broken down into two phases:

- During the time the TNC driver is logged into the TNC's digital network and is available to receive ride requests but has not engaged in a ride: 50/100/25 (\$50,000 for bodily injury/\$100,000 per incident for bodily injury/\$25,000 for property damage)
- During the time the TNC driver is transporting a TNC rider: A combined single limit of \$1,000,000 for bodily injury and property damage

Of course, when the TNC driver is not logged into the digital network nor transporting riders for the TNC, he/she must maintain their own personal auto

### TNC Driver Signage (257.2111)

A TNC driver must display consistent and distinctive signage in their vehicles. There are laws on what the signage must look like:

- Must be large, color contrasted and readable in daylight from at least 50 yards away
- Must be reflective
- Must identify what TNC the driver is connected to



View entire ACT: <http://bit.ly/MI-TNC-2017>



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