



New Jersey Motor Vehicle Commission

STATE OF NEW JERSEY

Transportation Network Company Safety and Regulatory Act (“Act”) Frequently Asked Questions (“FAQs”)

Transportation Network Companies

What is a TNC?

A TNC is a corporation, partnership, sole proprietorship, or other entity that is registered as a business in the State or operates in the State, and uses a digital network to connect a rider to a driver to provide a prearranged ride.

What is a prearranged ride?

A prearranged ride is the provision of transportation by a TNC driver to a TNC rider, beginning when a driver accepts a ride requested by a rider through a digital network controlled by a TNC, continuing while the driver transports a requesting rider, and ending when the last requesting rider departs from the driver's personal vehicle.

A prearranged ride shall not include transportation provided using an autocab, taxi, limousine, autobus, jitney, motor bus, or other for-hire vehicle, and is not considered ridesharing.

Can existing TNCs operate in New Jersey without a State permit?

Any TNC registered as a business in the State or operating in the State prior to May 1, 2017, may continue to operate in the State until the Motor Vehicle Commission (“Commission”) issues a written decision regarding the TNC's permit application, provided that the TNC has conducted a driving record check of each driver that logs on to the TNC's digital network as a driver and provides to the Commission proof of insurance required pursuant to N.J.S.A. 39:5H-10. However, a TNC registered as a business in the State or operating in the State prior to May 1, 2017, is required to apply to the Commission for a permit within 30 days after the Commission begins accepting permit applications.

Are TNCs required to obtain a New Jersey permit if only picking up or dropping off riders in the State of New Jersey?

Yes. TNCs are required to obtain a permit even if only dropping off or picking up riders in the State of New Jersey. N.J.S.A. 39:5A-1 et seq.

How does a company obtain a TNC permit?

TNCs are required to obtain a permit to operate in the State through the Commission's Business Licensing Services Bureau. TNCs already registered as a business in the State or operating in the State prior to May 1, 2017 may continue to operate in the State under the conditions noted above (see Can existing TNCs operate in New Jersey without a State permit?), but application must be made to the Commission for a permit within 30 days after the Commission begins accepting permit applications. TNCs not registered as a business in the State or operating in the State prior to May 1, 2017 shall not operate in the State prior to obtaining a permit from the Commission. The permit application must be accompanied by a fee of \$25,000 and a surety bond or letter of credit to be accepted for processing.

How long is a TNC permit valid?

TNC permits are valid for one year from the date of issuance.

How much is the TNC permit fee?

The initial and annual renewal fee is \$25,000. The applicant should submit an electronic application which can be found on the MVC website at <http://www.nj.gov/mvc>.

Are there insurance requirements for a TNC or TNC driver?

- *Yes. A TNC driver, TNC, or any combination of the two shall maintain primary automobile insurance that recognizes that the driver is a TNC driver, or otherwise uses a personal vehicle to provide prearranged rides, and covers the driver: (1) while the driver is logged on to the TNC's digital network but is not providing a prearranged ride; or (2) while the driver is providing a prearranged ride.*
- *When a driver is logged on to the TNC's digital network and is available to receive a prearranged ride request, but is not providing a prearranged ride, the minimum limits of coverage required are: primary automobile liability insurance in the amount of at least \$50,000 for death or bodily injury per person, \$100,000 for death or bodily injury per incident, and \$25,000 for property damage, along with primary personal injury protection benefits pursuant to N.J.S.A. 39:6A-4, and uninsured and underinsured motorist coverage to the extent required pursuant to N.J.S.A. 17:28-1.1.*
- *When a driver is providing a prearranged ride, the minimum limits of coverage required are: Primary automobile liability insurance in an amount of at least \$1,500,000 for death, bodily injury, and property damage, primary automobile insurance for medical payments benefits in an amount of at least \$10,000 per person per incident, which shall only apply to and provide coverage for the benefit of the TNC driver, and uninsured and underinsured motorist coverage in an amount of at least \$1,500,000. Additional insurance requirements may be found at N.J.S.A. 39:5H-10.*

- *A TNC driver shall carry proof of insurance as required by the Act at all times while using a personal vehicle in connection with a TNC's digital network. In the event of an accident, a TNC driver shall, upon request, provide insurance coverage information to the directly interested parties, automobile insurers or investigating law enforcement officers. The insurance coverage information may be displayed or provided in either paper or electronic form as provided in [N.J.S.A.39:3-29](#). A TNC driver shall, upon request, disclose to the directly interested parties, automobile insurers or investigating law enforcement officers whether the driver was logged on to a digital network as a driver or whether the driver was providing a prearranged ride at the time of the accident.*

Are TNCs required to have a non-discrimination policy?

- *Yes. TNCs are required to adopt a policy of non-discrimination with respect to riders and potential riders on the basis of destination, race, color, national origin, religious belief or affiliation, sex, disability, age, sexual orientation or genderidentity.*
- *Drivers are required to comply with all applicable laws regarding non-discrimination as well as laws relating to the accommodation of service animals.*

Are TNCs required to provide their drivers with information related to accessibility compliance?

- *Yes, TNCs are required to provide drivers with accessibility compliance information for persons with disabilities, including information about accommodating a rider with a disability.*

Do TNCs provide services to persons with physical disabilities?

Yes. A TNC is prohibited from charging an additional fee for accommodation of a person with a physical disability because of that person's disability, although there may be certain physical disabilities that certain TNC drivers are unable to accommodate in their vehicles. If a TNC does not provide access to wheelchair accessible personal vehicles, the TNC shall provide on its website or digital network the contact information of providers of wheelchair accessible transportation services available in the State, if those services are available in the State.

What is the purpose of the Act?

This Act regulates Transportation Network Companies ("TNCs") and establishes safety and insurance requirements for TNCs that conduct business in New Jersey.

- *The State may not impose a tax or fee applicable only to TNC companies or drivers, other than the initial and annual permit fee; provided that a TNC or driver shall be subject to a tax or fee that applies generally to all businesses or residents of the State.*

- *No county or municipality may impose a tax or fee applicable only to TNC companies or TNC drivers; provided that a TNC or driver shall be subject to a tax or fee that applies generally to all businesses or residents of the county or municipality.*
- *No county or municipality shall require a TNC or TNC driver ("driver") to obtain a license or permit to provide prearranged rides in that county or municipality. No county or municipality shall require a driver to obtain a license or permit for the driver's personal vehicle for use in providing prearranged rides in that county or municipality.*
- *The Act does not alter, supersede or prohibit a financial access agreement between a TNC and a city of the first class with an international airport terminal, provided the TNC complies with all other provisions of the Act.*

What public safety and operating requirements apply to TNCs and its drivers?

- *A TNC is required to conduct a criminal background check for each driver prior to allowing the driver to log on to the TNC's digital network as a driver or to provide a prearranged ride as a driver.*
- *A TNC is required to conduct a driving record check of each driver before allowing the driver to log on to the TNC's digital network as a driver or to provide a prearranged ride.*
- *A TNC is required to ensure that each driver's personal vehicle to be used to provide prearranged rides meets the State's motor vehicle inspection requirements, and that each driver maintains a valid inspection certificate of approval for the personal vehicle used to provide prearranged rides.*
- *A TNC shall provide to a TNC rider ("rider") on its website or digital network a picture of the TNC driver that is to provide the prearranged ride and the license plate number of the driver's vehicle prior to the rider entering the driver's personal vehicle.*
- *The Act requires that if a fare is collected from a rider, the TNC shall disclose to the rider on its website or digital network the fare or method by which the TNC calculates fares.*
- *A TNC shall provide riders with the applicable rates being charged by a TNC driver and the option to receive an estimated fare prior to the rider entering the driver's personal vehicle.*
- *A TNC shall, within 48 hours following completion of a prearranged ride, provide a TNC rider with an electronic receipt which shall include the points of origin and destination of the prearranged ride, the total time and distance of the prearranged ride, and an itemization of the total fare paid.*

Does the Act cap the number of TNC drivers or the total number of TNC vehicles?

No, there is no cap on the number of TNC drivers or vehicles.

DRIVERS

Are TNC drivers required to obtain a special permit or license endorsement from the MVC?

No. TNC drivers do not need a special permit or license endorsement from the MVC. However, drivers must be approved by a permitted TNC to drive for that company in accordance with the law.

Am I required to register my in-state or out-of-state vehicle in New Jersey to provide TNC services here?

No. TNC vehicles registered in another state are not required to be registered in New Jersey to provide services in New Jersey. This includes vehicles registered for private and rental use.

What type of identifying marker is required to be displayed on my vehicle?

A TNC shall create an identifying marker which shall be submitted to the Commission for recording, issued to every TNC driver, and displayed on the driver's personal vehicle when the driver logs on to the TNC's digital network as a driver or provides a prearranged ride.

"Identifying Marker" (aka, trade dress) means a logo, insignia or emblem attached to or visible from the exterior of a TNC driver's vehicle that identifies the TNC with which the TNC driver's vehicle is affiliated.

Can I use my vehicle as a TNC vehicle if it has for-hire plates (i.e. auto cab, taxi, limousine, autobus, jitney or motor bus)?

No. Only vehicles registered for personal use qualify to be used as TNC driver vehicles.

What electronic information must a TNC driver maintain regarding a prearranged ride?

A driver is required to maintain electronic information while using a TNC's digital network that will allow any law enforcement officer, or other city, State or federal official, to confirm certain information for that driver including:

- *The driver's identity and a color photo;*
- *The make and model of the driver's personal vehicle;*
- *The license plate number of the driver's personal vehicle; and*
- *An electronic record of the prearranged ride that is underway, if any.*

Each TNC driver must be able to produce this information upon the lawful request of any law enforcement officer, or other city, State, or federal official.

Can I work for more than one TNC?

The Act does not prevent a driver from working for more than one TNC. However, you are required to follow the requirements set forth by each TNC, and to display the proper identifying marker when you log on to the TNC's digital network as a driver or provide a prearranged ride.

RIDERS

Are TNC drivers required to undergo background checks?

Every TNC driver is required to undergo a background check prior to operating as a TNC driver. TNCs are also required to review the driving record for all TNC drivers before authorizing them to operate.

How do I recognize a legitimate TNC driver?

All TNC drivers should have an identifying marker displayed on their vehicles to indicate for which TNC they drive. Riders should confirm that the driver and vehicle match what is displayed on the TNC's digital network.

Can I hail a TNC vehicle on the street, or walk up to a known TNC vehicle and ask for a ride?

No. A TNC driver may only transport a passenger for compensation when the ride is initiated and prearranged through the TNC's digital network.

How do I file a complaint against a TNC driver?

Consumers may direct issues or complaints about a driver to the TNC with which the driver is affiliated. If your complaint relates to a safety issue which poses an immediate threat, contact local law enforcement authorities. For all other complaints, you may submit a complaint by mail, facsimile or email to the addresses below:

*Mail: New Jersey Office of the Attorney General
Division of Consumer Affairs
Consumer Service Center – Office of Consumer Protection
124 Halsey Street, 3rd Floor
PO Box 45025
Newark, New Jersey 07101*

*Fax: (973) 273-8035
Email: askconsumeraffairs@dca.state.nj.us
Telephone: (973) 504-6200*