

SB740 Testimony.pdf

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Position: FAV

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February 25, 2026

RE: Support SB740 – Transportation Network Companies – Deactivation of Drivers

Chair Beidle and members of the Senate Finance Committee:

Empower offers its support to SB740 – legislation aimed at protecting Maryland’s hard-working drivers. Empower supports the goals of SB740 to provide deactivation protections for drivers who work for Transportation Network Companies (“TNCs”) given the control TNCs have over them.

By way of background, Empower is a software company that helps drivers who want to work for themselves, instead of TNCs. With Empower, drivers are neither employees nor contractors; they’re customers. Drivers set their own rates, get 100% of the fare, and pay the company a subscription fee in exchange for software and support services that help them run their own businesses. Drivers using Empower’s software are making thousands of dollars more per month working for themselves than they make working for TNCs, which pay them only about 50% of what TNCs charge riders. Drivers are able to charge riders less and still make considerably more money because they get 100% of the fare.

While the legislation – as drafted – modifies the definition of a TNC, a Transportation Network Operator, Partner and Driver, we appreciate the bill sponsor’s willingness to offer amendments to clarify the bill does not transform Maryland’s independent drivers using Empower’s software into Transportation Network Operators.

Therefore, we respectfully request a favorable report on the bill along with the adoption of the bill sponsor’s clarifying amendments.

SB740_FAV.pdf

Uploaded by: Donna Edwards

Position: FAV



MARYLAND STATE & D.C. AFL-CIO

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SB 740 – Transportation Network Companies – Deactivation of Operators

Senate Finance Committee

February 25, 2026

SUPPORT

Donna S. Edwards

Maryland State and DC AFL-CIO

Madame Chair and members of the Committee, thank you for the opportunity to submit testimony in support of SB 740. On behalf of our 700 affiliated unions, I offer the following comments.

SB 740 enhances transparency and fairness within our transportation network companies (TNCs) by requiring these companies to establish easy-to-understand deactivation policies and appeal processes for when they wish to restrict an operator.

TNC operators connect passengers to their destinations safely and efficiently, providing an essential service that many of our residents rely on for their everyday transportation needs. Under current law, when companies make deactivation decisions, operators face a lack of due process and a sudden loss of income with no ability to dispute the decision. Similar to a number of states including Colorado, Minnesota, Washington and Virginia, this legislation enacts a number of measures that address these concerns to prevent discrimination, enhance transparency, and create a fair and equitable misconduct procedure.

First, it requires TNCs to provide timely notice and justification for the deactivation of an operator while mandating a thorough investigation be conducted prior to deactivation. This ensures that there is a plausible reason for removal and prevents unjust actions due to unclear or unjustified claims. Second, this bill requires TNCs to establish an appeals process, allowing operators to challenge deactivations and argue their case to reinstate their ability to drive passengers. This process, which is required to be comprehensive, timely and easily accessible, provides operators with an opportunity to dispute deactivation and understand their rights within that process.

This legislation is a necessary step forward in strengthening protections for TNC operators while promoting fairness and transparency in the industry. For these reasons, we urge a favorable vote on SB 740.



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Written Testimony SB 740 - Transportation Network

Uploaded by: Matthew Girardi

Position: FAV



Statement of the Amalgamated Transit Union (ATU) Local 689

SB 740– Transportation Network Companies - Deactivation of Operators
February 25th, 2026

TO: The Honorable Pamela Beidle and Members of the Senate Finance Committee
FROM: Matthew Girardi, Political & Communications Director, ATU Local 689

ATU Local 689 supports SB 740 and urges the Senate Finance Committee to issue a favorable report. This bill is a necessary and fair measure for rideshare drivers in the state of Maryland and a hard won compromise between workers and rideshare companies.

At Local 689, we represent over 15,000 transit workers and retirees throughout the Washington DC Metro Area performing many skilled transportation crafts for the Washington Metropolitan Area Transit Authority (WMATA), MetroAccess, DASH, and MTA Commuter Bus among others. Our union helped turn low-wage, exploitative transit jobs into transit careers. We became an engine for the middle-class of this region.

Throughout the Union's history, we have had to fight tooth and nail to get fairness for our members. Be it a living wage, a secure retirement system, quality health insurance, or stable hours, Local 689 has been on the front lines of the fights to bring a decent quality of life to blue-collar workers. Indeed, when transit workers themselves began organizing, we were not given the same rights they have today. Transit workers were often intentionally isolated and not allowed to talk with each other. There wasn't transparency in pay. Firings were at will and hiring was discriminatory. There wasn't even a minimum wage. Sadly, we see this happening with TNCs now, with rideshare drivers being deactivated.

Today across the state of Maryland, rideshare drivers are in a precarious situation. While many effectively drive and work for Uber and Lyft, existing labor law does not protect them in the same way it does every other worker. Instead, drivers are subject to being "fired by the app" without notice, reason, or recourse.

To start, the Union notes that deactivation has severe consequences for drivers. Instead of being a "side-hustle", many deactivated drivers are instead heavily reliant on Uber and Lyft as their primary sources of income according to a recent survey by Asian Americans Advancing Justice and Rideshare Drivers United. To list a few of the major points of the report:

- Of surveyed drivers who were deactivated, they averaged working 44.5 hours per week for Uber and 37.7 hours per week for Lyft.
- 18% of drivers lost their car as a result of loss of income from deactivation
- 12% of drivers lost their homes as a result of loss of income from deactivation
- 28% of drivers had difficulty paying for healthcare as a result of loss of income from deactivation
- 24% of drivers had difficulty paying for their children's needs including childcare and education as a result of loss of income from deactivation.

Additionally, the Union notes that Uber and Lyft deactivation is far too common. Moreover, this has severe consequences and impacts Black, brown, and AAPI drivers disproportionately. From that same report, we saw:

- Altogether, 66% of surveyed drivers reported deactivation at some point either from Uber or Lyft.
- Over 69% of drivers of color experienced some form of deactivation, compared to 57% of white drivers.

- 45% of drivers believe they were deactivated directly as a result of some form of discrimination.
- 30% of drivers who were deactivated were not given any explanation for why they were locked out of the app.
- 40% of deactivated Uber drivers and 16% of deactivated Lyft drivers reported they were not provided enough information by the company on how to appeal their deactivation.
- Only 10% of drivers from each company were able to successfully appeal and reverse their deactivations.

However, we have come to an agreement with Uber that we believe is fair and allows rideshare to operate with fairness to the companies, workers, and riders alike. SB 740 is a fair compromise between gig workers and rideshare companies. This bill would simply require that there is a fair, clearly outlined, and accountable process for deactivation. Much like any other workplace where “just cause” is required to fire an employee, there should be clear standards around who gets to drive for rideshare companies and when. We need to have fair and standardized deactivation procedures. That is exactly what SB 740 does.

The Union thanks Senator Kramer for introducing this worthy measure and urges the committee to issue a favorable report.

MD SB740 FAVORABLE WITH AMENDMENTS.pdf

Uploaded by: Rob Garagiola

Position: FWA



Uber Technologies, Inc.
1725 3rd Street
San Francisco, CA 94158
uber.com

February 25, 2026

The Honorable Pamela Beidle, Chair
The Honorable Antonio Hayes, Vice Chair
Senate Finance Committee
Miller Senate Office Building, Annapolis, Maryland 21401

RE: SB 0740 – Transportation Network Companies – Deactivation of Operators – FAVORABLE WITH AMENDMENTS

Dear Chair Beidle, Vice Chair Hayes, and Members of the Senate Finance Committee,

On behalf of Uber, thank you for the opportunity to testify in support of SB 740. We extend our sincere appreciation to Senator Kramer for his collaborative efforts in working with us and his constituents to develop these meaningful amendments. While we are still awaiting the final review of the amendment language from the bill drafters, we are encouraged by the progress and suggest a Favorable with Amendments report.

The proposed legislation, as amended, outlines a balanced framework for the deactivation of Transportation Network Company (TNC) operators, promoting transparency, while maintaining high standards for passenger safety. As amended, the bill codifies the requirement for TNCs to maintain a written, plain-language deactivation policy available through the digital application. The bill ensures that deactivated operators have the opportunity to withdraw accrued earnings. The only exception is if there is a reasonable belief the earnings are connected to criminal or fraudulent conduct. It also ensures drivers always receive a notice of deactivation and the specific reasons for it at the time of the action, or within three days in cases of serious misconduct.

This legislation also reinforces Uber's commitment to safe transportation by ensuring that safety violations are handled with appropriate gravity. For instance, in general, customer reports must be submitted within 14 days of an incident if they will be the sole basis for deactivation – however, reports involving road safety, interpersonal safety, or violations of federal/state law can be considered regardless of when they are received.

We encourage a Favorable with Amendments report on SB 740.

Respectfully submitted,

LáVita Gardner
Manager, Public Policy

2-25-2026 FWA SB0740 TNC Operators.pdf

Uploaded by: Ronza Othman

Position: FWA



Live the life you want.

From: Ronza Othman, President
National Federation of the Blind of Maryland
15 Charles Plaza, #3002
Baltimore, MD 21201 president@nfbmd.org

To: Senate Committee on Finance

The members of the National Federation of the Blind of Maryland urge the Senate finance Committee to give a favorable report with amendment to SB0740. This bill would require transportation network companies to maintain deactivation policies and enact requirements relating to those policies and the steps to be taken relating to the deactivation of operators.

We understand the General Assembly's desire to protect transportation network operators from arbitrary and capricious deactivation and commend the bill's emphasis on transparent deactivation policies and procedures. The bill as written, however, is problematic to the extent that it creates loopholes that would prevent transportation network companies from deactivating transportation network operators who refuse service to the blind or people with disabilities, particularly those who use service animals, but also those who use long white canes and other mobility aids. For example, the bill says that a transportation network company's deactivation policies cannot provide for deactivation on the basis of "AN OPERATOR'S ACCEPTANCE OR REJECTION OF Any INDIVIDUAL OFFER, ANY TYPES OF OFFERS, OR ANY NUMBER OR PROPORTION OF OFFERS." This provision can be construed as prohibiting a transportation network company from deactivating a driver based on the driver's rejection of an offer from a person with a disability, with or without a service animal.

Unfortunately, transportation network companies have an abysmal record of respecting the rights of passengers with disabilities, particularly those who use guide dogs or other service animals and those who use long white canes and other mobility aids. Indeed, both the Maryland Attorney General and the United States Department of justice are currently considering or taking action against transportation networks for repeatedly violating the rights of passengers with disabilities, particularly those who use service animals. We therefore insist that the bill be amended to make clear that an operator can be immediately deactivated for discriminating against a passenger who is blind or has a disability based on that passenger's blindness, disability, or use of a service animal. This could be done, for example, by defining refusal to transport a passenger with a disability as "egregious misconduct" and by removing or modifying the language quoted above.

For these reasons, we ask for a favorable report conditional on the above amendments on SB0740. For questions, please contact me at President@nfbmd.org or at 443-426-4110.

National Federation of the Blind of Maryland

Ronza Othman, *President NFBMD* | 15 Charles Plaza, #3002, Baltimore, MD 21201 | 443-426-4110 | www.nfbmd.org

SB740_FinalReprint

Uploaded by: Senator Kramer

Position: FWA

SENATE BILL 740

C5
SB 747/25 – FIN

6lr1425
CF HB 480

By: **Senator Kramer**
Introduced and read first time: February 6, 2026
Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Transportation Network Companies – Deactivation of Operators**

3 FOR the purpose of ~~altering the definitions of “transportation network company” and~~
4 ~~“transportation network operator” for purposes of provisions of law regarding~~
5 ~~transportation network companies~~; requiring a transportation network company to
6 maintain a deactivation policy that provides the policies and procedures for the
7 deactivation of operators; prohibiting a transportation network company from
8 deactivating an operator ~~unless the deactivation is consistent with the company’s~~
9 ~~deactivation policy~~ for certain violations; requiring a transportation network company to
10 allow an operator whose account is deactivated to withdraw certain earnings under certain
11 circumstances; requiring a transportation network company to provide notice
12 and certain information to ~~the transportation network company’s operators and any~~
operator who is deactivated; and generally relating to the deactivation of
transportation network company operators.

13 BY repealing and reenacting, without amendments,
14 Article – Public Utilities
15 Section 10–101(a), ~~(l), (m), and (n)~~ and 10–401(a) and (c)
16 Annotated Code of Maryland
17 (2025 Replacement Volume and 2025 Supplement)

18 ~~BY repealing and reenacting, with amendments,~~
19 ~~Article – Public Utilities~~
20 ~~Section 10–101(l) and (m) and 10–401~~
21 ~~Annotated Code of Maryland~~
22 ~~(2025 Replacement Volume and 2025 Supplement)~~

23 BY adding to
24 Article – Public Utilities
25 Section 10–410
26 Annotated Code of Maryland
27 (2025 Replacement Volume and 2025 Supplement)

2 REPRINT OF SENATE BILL 740 as amended by SB0740/563021/1 02/24/26 at 9:30 AM

1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
2 That the Laws of Maryland read as follows:

3 **Article – Public Utilities**

4 10–101.

5 (a) In this title the following words have the meanings indicated.

(l) “Transportation network company” means a company that operates in the State using a digital network to connect passengers to transportation network operators or transportation network partners for transportation network services.

(m) “Transportation network operator”, “transportation network partner”, or “transportation network driver” means an individual who:

(1) has been issued a transportation network operator’s license, or is otherwise authorized, by the Commission to provide transportation network services;

(2) receives, through a transportation network company’s digital network application, a connection to a potential passenger to transport the passenger between points chosen by the passenger in exchange for the payment of a fee to the transportation network company; and

(3) uses a motor vehicle that is owned, leased, or otherwise authorized for use by the individual and is approved for use in providing transportation network services by the Commission.

(n) (1) “Transportation network services” means the activities of an operator during:

(i) transportation network coverage period one, during which the operator is logged onto and ready to accept a prearranged ride request made through a transportation network company’s digital network application;

(ii) transportation network coverage period two, during which the operator accepts a ride request from a passenger that is prearranged through a transportation network company’s digital network application, and is traveling to a predetermined location to pick up the passenger; and

(iii) transportation network coverage period three, during which the operator transports the passenger and continuing until the passenger departs the motor vehicle.

(2) “Transportation network services” does not include:

(i) providing taxicab services, sedan services, or limousine services;

(ii) any shared expense carpool arrangement or service or other type of arrangement or service in which a driver receives a fee that does not exceed the driver’s costs associated with providing a ride; or

(iii) transportation services that a nonprofit organization provides through the use of a volunteer driver and the volunteer driver’s personal vehicle.

10–401.

(a) In this subtitle the following words have the meanings indicated.

(c) “Operator” means a transportation network operator, transportation network partner, or transportation network driver.

10–410.

(A) IN THIS SECTION, “DEACTIVATE” OR “DEACTIVATION” MEANS AN ACTION BY A TRANSPORTATION NETWORK COMPANY TO PERMANENTLY CHANGE AN OPERATOR’S ACCOUNT STATUS FROM ELIGIBLE TO PROVIDE TRANSPORTATION NETWORK SERVICES TO INELIGIBLE TO PROVIDE TRANSPORTATION NETWORK SERVICES.

(B) THIS SECTION DOES NOT APPLY TO AN OPERATOR’S LOSS OF ACCESS TO A TRANSPORTATION NETWORK COMPANY’S DIGITAL NETWORK APPLICATION IF THE LOSS OF ACCESS:

(1) IS CONTINGENT ON AN OPERATOR’S COMPLIANCE WITH A LICENSE, INSURANCE, OR A REGULATORY REQUIREMENT;

(2) WAS IMPLEMENTED BY THE TRANSPORTATION NETWORK COMPANY FOR A LEGITIMATE FINANCIAL, BUSINESS, OR ECONOMIC REASON AND NOT RELATED TO THE OPERATOR’S CONDUCT;

(3) IS ABLE TO BE RESOLVED THROUGH UNILATERAL ACTION BY THE OPERATOR;
OR

(4) IS THE RESULT OF ACCESS RESTRICTIONS DUE TO INCLEMENT WEATHER OR NETWORK OUTAGES.

(C) A TRANSPORTATION NETWORK COMPANY SHALL:

(1) MAINTAIN A WRITTEN PLAIN-LANGUAGE DEACTIVATION POLICY THAT PROVIDES FOR THE POLICIES AND PROCEDURES FOR THE DEACTIVATION OF OPERATORS; AND

(2) MAKE THE DEACTIVATION POLICY AVAILABLE ONLINE THROUGH THE TRANSPORTATION NETWORK COMPANY’S DIGITAL NETWORK APPLICATION.

(D) THE DEACTIVATION POLICY SHALL:

(1) STATE THAT THE DEACTIVATION POLICY IS ENFORCEABLE AS A TERM OF THE TRANSPORTATION NETWORK COMPANY’S CONTRACT WITH THE OPERATOR;

(2) INCLUDE A DEFINITION OF “SERIOUS MISCONDUCT” AND EXAMPLES OF CONDUCT THAT CONSTITUTES SERIOUS MISCONDUCT;

(3) PROVIDE THE OPERATOR WITH A REASONABLE UNDERSTANDING OF WHAT MAY CONSTITUTE A VIOLATION THAT WARRANTS DEACTIVATION UNDER THE DEACTIVATION POLICY;

(4) DESCRIBE THE PROCEDURES FOR NOTIFYING AN OPERATOR OF A DEACTIVATION AND THE REASON FOR THE DEACTIVATION;

(5) DESCRIBE OBJECTIVE PROCEDURES AND ELIGIBILITY CRITERIA FOR THE RECONSIDERATION OF A DEACTIVATION DECISION AND THE PROCESS, CONSISTENT WITH SUBSECTION (I) OF THIS SECTION, FOR AN OPERATOR TO REQUEST A DEACTIVATION APPEAL WITH THE TRANSPORTATION NETWORK COMPANY; AND

(6) BE SPECIFIC ENOUGH FOR AN OPERATOR TO UNDERSTAND WHAT CONSTITUTES A VIOLATION OF THE POLICY AND HOW TO AVOID VIOLATING THE POLICY.

(E) A TRANSPORTATION NETWORK COMPANY MAY NOT DEACTIVATE AN OPERATOR FOR A VIOLATION NOT REASONABLY UNDERSTOOD TO BE PART OF THE TRANSPORTATION NETWORK COMPANY’S DEACTIVATION POLICY.

(F) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A TRANSPORTATION NETWORK COMPANY MAY NOT RELY SOLELY ON A PASSENGER REPORT AS THE BASIS FOR A DEACTIVATION.

(2) A TRANSPORTATION NETWORK COMPANY MAY RELY SOLELY ON A PASSENGER REPORT AS THE BASIS FOR A DEACTIVATION IF:

(I) THE REPORT WAS SUBMITTED WITHIN 14 DAYS AFTER THE DATE OF THE

ALLEGED INCIDENT; OR

(II) 1. THE REPORT INVOLVES AN ALLEGED VIOLATION OF A FEDERAL OR STATE LAW;

2. THE REPORT INVOLVES AN ALLEGED VIOLATION OF THE TRANSPORTATION NETWORK COMPANY'S NONDISCRIMINATION POLICY;

3. THE REPORT INVOLVES AN ALLEGED ACT OF FRAUD UNDER TITLE 8 OF THE CRIMINAL LAW ARTICLE OR AS DEFINED IN THE TRANSPORTATION NETWORK COMPANY'S CONTRACT WITH THE OPERATOR, INCLUDING:

A. DELIBERATELY INCREASING THE TIME OR DISTANCE OF A PASSENGER TRIP OR ACCEPTING A PASSENGER TRIP WITHOUT THE INTENTION OF COMPLETING THE TRIP;

B. USING ANOTHER OPERATOR'S ACCOUNT OR CREATING A FAKE OR DUPLICATE ACCOUNT ON A TRANSPORTATION NETWORK COMPANY'S DIGITAL NETWORK APPLICATION;

C. INTENTIONALLY REQUESTING OR ACCEPTING FRAUDULENT OR FALSIFIED PASSENGER TRIPS; OR

D. INTENTIONALLY DISRUPTING OR MANIPULATING THE NORMAL FUNCTIONING OF A TRANSPORTATION NETWORK COMPANY'S DIGITAL NETWORK APPLICATION, INCLUDING MANIPULATING THE SETTINGS ON A PHONE TO PREVENT THE PROPER FUNCTIONING OF A TRANSPORTATION NETWORK COMPANY'S DIGITAL NETWORK APPLICATION; OR

4. THE REPORT INVOLVES OPERATOR OR PERSONAL SAFETY.

(G) A TRANSPORTATION NETWORK COMPANY SHALL ALLOW AN OPERATOR WHOSE ACCOUNT IS DEACTIVATED TO WITHDRAW EARNINGS THAT ACCRUED BEFORE THE DEACTIVATION UNLESS:

(1) THE TRANSPORTATION NETWORK COMPANY REASONABLY BELIEVES THAT A PORTION OF THE EARNINGS ARE CONNECTED TO CRIMINAL OR FRAUDULENT CONDUCT; OR

(2) THE WITHDRAWAL WOULD VIOLATE A FEDERAL OR STATE LAW.

(H) (1) A TRANSPORTATION NETWORK COMPANY SHALL PROVIDE AN OPERATOR WITH WRITTEN NOTICE OF A DEACTIVATION:

(I) ON THE DATE THE DEACTIVATION BECOMES EFFECTIVE; OR

(II) FOR SERIOUS MISCONDUCT, WITHIN 3 DAYS AFTER THE DEACTIVATION.

(2) A WRITTEN NOTICE OF DEACTIVATION SHALL INCLUDE:

(I) THE REASON FOR THE DEACTIVATION;

(II) INFORMATION ON AN OPERATOR'S RIGHT TO APPEAL THE DEACTIVATION; AND

(III) INSTRUCTIONS FOR AN OPERATOR TO APPEAL THE DEACTIVATION.

(I) (1) A DEACTIVATION POLICY SHALL INCLUDE AN APPEALS PROCESS FOR AN OPERATOR TO APPEAL A DEACTIVATION.

(2) AN OPERATOR WHO IS DEACTIVATED BY A TRANSPORTATION NETWORK COMPANY HAS THE RIGHT TO APPEAL THE DEACTIVATION BEGINNING ON THE DATE THE OPERATOR RECEIVES NOTICE OF THE DEACTIVATION.

(3) AN APPEALS PROCESS SHALL PROVIDE AN OPERATOR WITH:

(I) AT LEAST 30 DAYS FROM THE DATE OF THE NOTICE OF DEACTIVATION TO APPEAL THE DEACTIVATION; AND

(II) AN OPPORTUNITY TO PROVIDE THE TRANSPORTATION NETWORK COMPANY OR THIRD PARTY, AS APPROPRIATE, WITH INFORMATION TO SUPPORT THE APPEAL.

(4) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, A TRANSPORTATION NETWORK COMPANY SHALL REVIEW AND MAKE A FINAL DECISION ON AN APPEAL OF A DEACTIVATION WITHIN 15 DAYS AFTER RECEIPT OF THE APPEAL AND ANY INFORMATION THE OPERATOR PROVIDES TO SUPPORT THE APPEAL.

(II) A TRANSPORTATION NETWORK COMPANY OR AN OPERATOR MAY REQUEST AN ADDITIONAL 15 DAYS TO REVIEW AND MAKE A FINAL DECISION ON AN APPEAL OF DEACTIVATION OR PROVIDE INFORMATION TO SUPPORT THE APPEAL, AS APPROPRIATE.

(5) A TRANSPORTATION NETWORK COMPANY MAY USE A THIRD PARTY TO ASSIST IN THE APPEALS PROCESS.

(6) A TRANSPORTATION NETWORK COMPANY SHALL CONSIDER ALL INFORMATION PROVIDED BY THE OPERATOR DURING THE APPEALS PROCESS.

(7) FOR AN APPEALED DEACTIVATION TO BE UPHELD UNDER THE APPEALS PROCESS A TRANSPORTATION NETWORK COMPANY OR A THIRD PARTY MUST DETERMINE THAT UNDER THE TOTALITY OF THE CIRCUMSTANCES THERE IS EVIDENCE TO FIND THAT IT IS MORE LIKELY THAN NOT THAT A VIOLATION OF THE DEACTIVATION POLICY HAS OCCURRED.

6 ~~(l) "Transportation network company" means [a company that operates in the~~
7 ~~State using a digital network to connect passengers to transportation network operators or~~
8 ~~transportation network partners for transportation network services] AN ORGANIZATION,~~
9 ~~INCLUDING A CORPORATION, PARTNERSHIP, OR SOLE PROPRIETOR, THAT USES AN~~
10 ~~ONLINE-ENABLED APPLICATION, PLATFORM, OR DIGITAL DISPATCH SYSTEM TO:~~

11 ~~(1) CONNECT PASSENGERS AND CUSTOMERS WITH TRANSPORTATION-~~
12 ~~NETWORK DRIVERS;~~

13 ~~(2) PRESENT OFFERS TO TRANSPORTATION NETWORK DRIVERS~~
14 ~~THROUGH A DIGITAL LABOR PLATFORM; OR-~~

15 ~~(3) FACILITATE THE PROVISION OF TRANSPORTATION SERVICES FOR~~
16 ~~COMPENSATION BY TRANSPORTATION NETWORK DRIVERS.~~

17 ~~(m) "Transportation network operator", "transportation network partner", or~~
18 ~~"transportation network driver" means an individual who:~~

19 ~~(1) has been issued a transportation network operator's license, or is~~
20 ~~otherwise authorized, by the Commission to provide transportation network services;~~

21 ~~(2) [receives, through a transportation network company's digital network~~
22 ~~application, a connection to a potential passenger to transport the passenger between~~
23 ~~points chosen by the passenger in exchange for the payment of a fee to the transportation~~
24 ~~network company] PROVIDES TRANSPORTATION TO PASSENGERS OR CUSTOMERS;~~

25 ~~(i) THROUGH A TRANSPORTATION NETWORK COMPANY'S~~
26 ~~PLATFORM; AND-~~

27 ~~(ii) BETWEEN POINTS CHOSEN BY THE PASSENGER OR~~
28 ~~CUSTOMER IN EXCHANGE FOR PAYMENT;~~

29 ~~1. OF A FEE TO THE TRANSPORTATION NETWORK~~
30 ~~COMPANY; AND-~~

3 REPRINT OF SENATE BILL 740 as amended by SB0740/563021/1 02/24/26 at 9:30 AM

1 ~~2. FOR THE OPERATOR'S SERVICE MADE THROUGH OR~~
2 ~~BY THE TRANSPORTATION NETWORK COMPANY; and~~

3 ~~(2) uses a motor vehicle that is owned, leased, or otherwise authorized for~~
4 ~~use by the individual and is approved BY THE COMMISSION AND THE TRANSPORTATION~~
5 ~~NETWORK COMPANY for use in providing transportation network services [by the~~
6 ~~Commission].~~

7 ~~10-401.~~

8 (a) ~~In this subtitle the following words have the meanings indicated.~~

9 (b) ~~(1) "EGREGIOUS MISCONDUCT" MEANS AN ACTION OR A BEHAVIOR~~
10 ~~BY AN OPERATOR THAT:~~

11 ~~(I) POSES AN IMMEDIATE THREAT TO THE PHYSICAL SAFETY OF~~
12 ~~A PASSENGER OR CUSTOMER, ANOTHER PERSON, OR AN ANIMAL; OR~~

13 ~~(II) INTENTIONALLY CAUSES IMMEDIATE AND IRREPARABLE~~
14 ~~ECONOMIC HARM TO A PASSENGER OR CUSTOMER, ANOTHER PERSON, OR THE~~
15 ~~TRANSPORTATION NETWORK COMPANY.~~

16 ~~(2) "EGREGIOUS MISCONDUCT" INCLUDES:~~

17 ~~(i) 1. THREE OR MORE NONCRIMINAL MOVING VIOLATIONS~~
18 ~~WITHIN A 3-YEAR PERIOD; OR~~

19 ~~2. THREE OR MORE AT-FAULT TRAFFIC COLLISIONS IN A~~
20 ~~3-YEAR PERIOD; AND~~

21 ~~(H) ANY CONDUCT THAT THE COMMISSION DEFINES BY~~
22 ~~REGULATION AS EGREGIOUS MISCONDUCT.~~

23 ~~(3) "EGREGIOUS MISCONDUCT", EXCEPT AS PROVIDED IN~~
24 ~~PARAGRAPH (2) OF THIS SUBSECTION, DOES NOT INCLUDE CONDUCT RELATED TO~~
25 ~~NONCRIMINAL MOVING VIOLATIONS OR TRAFFIC COLLISIONS.~~

26 ~~(C) "Insurance Commissioner" means the Insurance Commissioner of the~~
27 ~~Maryland Insurance Administration.~~

28 ~~(D) "MOVING VIOLATION" HAS THE MEANING STATED IN § 11-136.1 OF THE~~
29 ~~TRANSPORTATION ARTICLE.~~

4 REPRINT OF SENATE BILL 740 as amended by SB0740/563021/1 02/24/26 at 9:30 AM

1 ~~[(c)] (E)~~ "Operator" means a transportation network operator, transportation
2 network partner, or transportation network driver.

3 ~~(F)~~ "OPERATOR ADVOCACY ORGANIZATION" MEANS A
4 MEMBERSHIP-BASED, MEMBER-LED NONPROFIT OR LABOR ORGANIZATION THAT:

5 (1) HAS OPERATED IN THE STATE FOR AT LEAST 2 YEARS WITH THE
6 PRINCIPAL PURPOSE OF SUPPORTING OPERATORS;

7 (2) HAS NOT PREVIOUSLY AND DOES NOT CURRENTLY RECEIVE
8 FUNDING, DIRECTLY OR INDIRECTLY, FROM A TRANSPORTATION NETWORK
9 COMPANY;

10 (3) IS NOT EXCESSIVELY INFLUENCED OR CONTROLLED BY A
11 TRANSPORTATION NETWORK COMPANY; AND

12 (4) HAS NOT PREVIOUSLY AND IS NOT CURRENTLY AFFILIATED WITH
13 ANY OTHER ENTITY;

14 (I) THAT RECEIVES FUNDING, DIRECTLY OR INDIRECTLY,
15 FROM ANY ENTITY CONTROLLED BY A TRANSPORTATION NETWORK COMPANY; OR

16 (H) THAT IS, DIRECTLY OR INDIRECTLY, EXCESSIVELY
17 INFLUENCED OR CONTROLLED BY A TRANSPORTATION NETWORK COMPANY.

18 ~~10-410.~~

19 (A) (1) IN THIS SECTION, "DEACTIVATE" OR "DEACTIVATION" MEANS AN
20 ACTION BY A TRANSPORTATION NETWORK COMPANY THAT RESTRICTS AN
21 OPERATOR'S ACCESS TO THE COMPANY'S DIGITAL NETWORK FOR 48 HOURS OR
22 MORE.

23 (2) "DEACTIVATE" OR "DEACTIVATION" INCLUDES:

24 (I) BLOCKING AN OPERATOR'S ACCESS TO A DIGITAL
25 NETWORK;

26 (II) SUSPENDING AN OPERATOR; AND

27 (III) CHANGING AN OPERATOR'S STATUS FROM ELIGIBLE TO
28 INELIGIBLE TO PROVIDE TRANSPORTATION NETWORK SERVICES FOR 48 HOURS OR
29 MORE.

5 REPRINT OF SENATE BILL 740 as amended by SB0740/563021/1 02/24/26 at 9:30 AM

1 ~~(b) (1) A TRANSPORTATION NETWORK COMPANY SHALL:~~

2 ~~(i) MAINTAIN A WRITTEN POLICY THAT PROVIDES THE~~
3 ~~POLICIES AND PROCEDURES FOR THE DEACTIVATION OF OPERATORS; AND~~

4 ~~(ii) MAKE THE DEACTIVATION POLICY AVAILABLE:~~

5 ~~1. ON THE TRANSPORTATION NETWORK COMPANY'S~~
6 ~~WEBSITE AND THROUGH THE TRANSPORTATION NETWORK COMPANY'S DIGITAL~~
7 ~~NETWORK APPLICATION;~~

8 ~~2. IN ENGLISH AND OTHER LANGUAGES THE~~
9 ~~TRANSPORTATION NETWORK COMPANY KNOWS OR HAS REASON TO KNOW ARE~~
10 ~~SPOKEN BY THE TRANSPORTATION NETWORK COMPANY'S OPERATORS; AND~~

11 ~~3. FOR AT LEAST 3 YEARS AFTER THE LAST DAY THAT~~
12 ~~THE POLICY IS IN EFFECT.~~

13 ~~(2) ANY UPDATE OR CHANGE TO THE DEACTIVATION POLICY SHALL~~
14 ~~BE PROVIDED TO THE TRANSPORTATION NETWORK COMPANY'S OPERATORS AT~~
15 ~~LEAST 72 HOURS BEFORE THE UPDATE OR CHANGE TAKES EFFECT.~~

16 ~~(c) (1) THE DEACTIVATION POLICY SHALL BE SPECIFIC ENOUGH FOR AN~~
17 ~~OPERATOR TO UNDERSTAND WHAT CONSTITUTES A VIOLATION OF THE POLICY AND~~
18 ~~HOW TO AVOID VIOLATING THE POLICY.~~

19 ~~(2) (i) THE DEACTIVATION POLICY SHALL BE REASONABLY~~
20 ~~RELATED TO THE SAFE AND EFFICIENT OPERATION OF THE TRANSPORTATION~~
21 ~~NETWORK COMPANY.~~

22 ~~(ii) THE DEACTIVATION POLICY MAY NOT INCLUDE A POLICY~~
23 ~~THAT WOULD RESULT IN A DEACTIVATION BASED ON:~~

24 ~~1. AN OPERATOR'S AVAILABILITY TO WORK, INCLUDING~~
25 ~~THE NUMBER OF HOURS THE OPERATOR IS AVAILABLE TO WORK;~~

26 ~~2. AN OPERATOR'S ACCEPTANCE OR REJECTION OF ANY~~
27 ~~INDIVIDUAL OFFER, ANY TYPES OF OFFERS, OR ANY NUMBER OR PROPORTION OF~~
28 ~~OFFERS;~~

29 ~~3. AN OPERATOR'S CANCELLATION OF AN OFFER WITH~~
30 ~~CAUSE;~~

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1 ~~4. AN OPERATOR CONTACTING THE TRANSPORTATION~~
 2 ~~NETWORK COMPANY;~~

3 ~~5. STATEMENTS BY AN OPERATOR REGARDING THE~~
 4 ~~TERMS AND CONDITIONS OF THE WORK THAT ARE MADE TO CUSTOMERS, OTHER~~
 5 ~~OPERATORS, OTHER TRANSPORTATION NETWORK COMPANIES, THE MEDIA, PUBLIC~~
 6 ~~OFFICIALS, OR THE GENERAL PUBLIC;~~

7 ~~6. A QUANTITATIVE METRIC DERIVED FROM~~
 8 ~~AGGREGATE CUSTOMER RATINGS OF AN OPERATOR'S PERFORMANCE;~~

9 ~~7. AN OPERATOR ASSERTING THE OPERATOR'S LEGAL~~
 10 ~~RIGHTS, WHETHER IN COURT OR THROUGH PROCEDURES PROVIDED BY ANY LOCAL,~~
 11 ~~STATE, OR FEDERAL AGENCY; OR~~

12 ~~8. EXCEPT IN THE CASE OF EGREGIOUS MISCONDUCT OR~~
 13 ~~WHERE DEACTIVATION IS OTHERWISE REQUIRED BY LAW, THE RESULTS OF A~~
 14 ~~BACKGROUND CHECK, CONSUMER REPORT, DRIVING RECORD, OR RECORD OF~~
 15 ~~TRAFFIC VIOLATIONS.~~

16 ~~(3) THE COMMISSION MAY ADOPT REGULATIONS:~~

17 ~~(1) ESTABLISHING THE FORM AND DESCRIPTION OF THE~~
 18 ~~DEACTIVATION POLICY, THE MANNER IN WHICH THE DEACTIVATION POLICY IS~~
 19 ~~DISTRIBUTED, AND THE LANGUAGES THE DEACTIVATION POLICY MUST BE~~
 20 ~~PROVIDED IN; AND~~

21 ~~(H) DEFINING REASONABLENESS OF A DEACTIVATION POLICY.~~

22 ~~(D) (1) EXCEPT AS PROVIDED IN SUBSECTIONS (F) AND (G) OF THIS~~
 23 ~~SECTION, BEFORE DEACTIVATING AN OPERATOR, A TRANSPORTATION NETWORK~~
 24 ~~COMPANY SHALL:~~

25 ~~(1) CONDUCT A FAIR AND OBJECTIVE INVESTIGATION; AND~~

26 ~~(H) DEMONSTRATE BY A PREPONDERANCE OF THE EVIDENCE~~
 27 ~~THAT THE ALLEGED VIOLATION OF THE DEACTIVATION POLICY OCCURRED;~~

28 ~~(2) A TRANSPORTATION NETWORK COMPANY MAY NOT DEACTIVATE~~
 29 ~~AN OPERATOR UNLESS THE INVESTIGATION IS THOROUGH ENOUGH TO JUSTIFY THE~~
 30 ~~DEACTIVATION.~~

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1 ~~(3) IF AN OPERATOR DOES NOT PARTICIPATE IN AN INVESTIGATION~~
2 ~~CONDUCTED UNDER THIS SUBSECTION OR PROVIDE RELEVANT INFORMATION, A~~
3 ~~TRANSPORTATION NETWORK COMPANY MAY COMPLETE THE INVESTIGATION BASED~~
4 ~~ON AVAILABLE SOURCES OF INFORMATION.~~

5 ~~(E) (1) A TRANSPORTATION NETWORK COMPANY MAY NOT DEACTIVATE~~
6 ~~AN OPERATOR:~~

7 ~~(I) FOR AN UNWARRANTED REASON OR A REASON THAT IS~~
8 ~~INCONSISTENT WITH THE COMPANY'S DEACTIVATION POLICY; OR~~

9 ~~(H) IF THE DEACTIVATION IS INTENDED TO OR RESULTS IN~~
10 ~~DISCRIMINATION OR A DISCRIMINATORY ACT.~~

11 ~~(2) A TRANSPORTATION NETWORK COMPANY SHALL APPLY THE~~
12 ~~DEACTIVATION POLICY AND PENALTIES FOR VIOLATING THE POLICY IN A~~
13 ~~CONSISTENT MANNER.~~

14 ~~(3) THE PENALTY OF DEACTIVATION MUST:~~

15 ~~(I) BE REASONABLY RELATED TO A VIOLATION OF THE~~
16 ~~TRANSPORTATION NETWORK COMPANY'S DEACTIVATION POLICY; AND~~

17 ~~(H) TAKE INTO ACCOUNT MITIGATING CIRCUMSTANCES,~~
18 ~~INCLUDING THE OPERATOR'S PAST WORK HISTORY WITH THE TRANSPORTATION~~
19 ~~NETWORK COMPANY.~~

20 ~~(E) A TRANSPORTATION NETWORK COMPANY MAY IMMEDIATELY~~
21 ~~DEACTIVATE AN OPERATOR IF:~~

22 ~~(1) THE DEACTIVATION IS REQUIRED TO COMPLY WITH ANY~~
23 ~~APPLICABLE COURT ORDER OR LOCAL, STATE, OR FEDERAL LAW OR REGULATION;~~
24 ~~OR~~

25 ~~(2) SUBJECT TO SUBSECTION (G) OF THIS SECTION, THE OPERATOR~~
26 ~~HAS CLEARLY ENGAGED IN EGREGIOUS MISCONDUCT.~~

27 ~~(G) (1) IF AN OPERATOR IS ALLEGED TO HAVE ENGAGED IN EGREGIOUS~~
28 ~~MISCONDUCT, THE TRANSPORTATION NETWORK COMPANY MAY DEACTIVATE THE~~
29 ~~OPERATOR BEFORE COMPLETING AN INVESTIGATION UNDER SUBSECTION (D) OF~~
30 ~~THIS SECTION.~~

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1 ~~(2) (1) EXCEPT FOR EXTRAORDINARY CIRCUMSTANCES, THE~~
 2 ~~INVESTIGATION OF EGREGIOUS MISCONDUCT MAY NOT EXCEED 14 DAYS.~~

3 ~~(H) IF THE INVESTIGATION IS DELAYED DUE TO~~
 4 ~~EXTRAORDINARY CIRCUMSTANCES, THE TRANSPORTATION NETWORK COMPANY~~
 5 ~~SHALL PROVIDE THE OPERATOR WITH WRITTEN NOTICE THAT THE INVESTIGATION~~
 6 ~~IS DELAYED, THE REASON FOR THE DELAY, AND THE DATE ON WHICH THE~~
 7 ~~COMPLETION OF THE INVESTIGATION IS ANTICIPATED.~~

8 ~~(H) (1) (1) EXCEPT AS PROVIDED IN SUBPARAGRAPH (H) OF THIS~~
 9 ~~PARAGRAPH, A TRANSPORTATION NETWORK COMPANY SHALL PROVIDE AN~~
 10 ~~OPERATOR WITH NOTICE OF A DEACTIVATION AT LEAST 14 DAYS BEFORE THE~~
 11 ~~DEACTIVATION AND ON THE DATE THE DEACTIVATION BECOMES EFFECTIVE.~~

12 ~~(H) A TRANSPORTATION NETWORK COMPANY SHALL PROVIDE~~
 13 ~~AN OPERATOR WHO IS DEACTIVATED FOR EGREGIOUS MISCONDUCT THE NOTICE OF~~
 14 ~~DEACTIVATION ON OR BEFORE THE EFFECTIVE DATE OF THE DEACTIVATION.~~

15 ~~(2) (1) THE COMMISSION SHALL DESIGNATE THE FORM AND~~
 16 ~~MANNER OF DELIVERY OF THE NOTICE OF DEACTIVATION.~~

17 ~~(H) THE COMMISSION MAY CREATE AND DISTRIBUTE A MODEL~~
 18 ~~NOTICE OF DEACTIVATION IN ENGLISH AND OTHER LANGUAGES THE COMMISSION~~
 19 ~~DETERMINES ARE APPROPRIATE.~~

20 ~~(3) THE NOTICE OF DEACTIVATION SHALL INCLUDE A WRITTEN~~
 21 ~~STATEMENT OF:~~

22 ~~(1) THE REASON FOR THE DEACTIVATION, INCLUDING:~~

23 ~~1. THE BEHAVIOR THAT VIOLATED THE~~
 24 ~~TRANSPORTATION NETWORK COMPANY'S DEACTIVATION POLICY; AND~~

25 ~~2. THE SPECIFIC INCIDENT OR PATTERN OF INCIDENTS~~
 26 ~~THAT VIOLATED THE TRANSPORTATION NETWORK COMPANY'S DEACTIVATION~~
 27 ~~POLICY;~~

28 ~~(H) THE EFFECTIVE DATE OF THE DEACTIVATION;~~

29 ~~(H) RECORDS OR OTHER EVIDENCE RELIED ON DURING THE~~
 30 ~~INVESTIGATION REQUIRED UNDER SUBSECTION (D) OF THIS SECTION TO CONFIRM~~
 31 ~~OR SUBSTANTIATE A VIOLATION OF THE DEACTIVATION POLICY;~~

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1 ~~(IV) THE LENGTH OF THE DEACTIVATION;~~

2 ~~(V) THE STEPS THE OPERATOR CAN TAKE TO REMEDY THE~~
 3 ~~DEACTIVATION;~~

4 ~~(VI) THE OPERATOR'S RIGHT TO APPEAL THE DEACTIVATION;~~

5 ~~(VII) THE TRANSPORTATION NETWORK COMPANY'S PROCESS~~
 6 ~~FOR APPEALING DEACTIVATION UNDER SUBSECTION (J) OF THIS SECTION,~~
 7 ~~INCLUDING THE METHODS AVAILABLE FOR AN OPERATOR TO INITIATE AN APPEAL;~~

8 ~~(VIII) THE CONTACT INFORMATION FOR AN OPERATOR ADVOCACY~~
 9 ~~ORGANIZATION OR OTHER ENTITY THAT MAY BE ABLE TO ASSIST THE OPERATOR,~~
 10 ~~AND~~

11 ~~(IX) ANY OTHER INFORMATION THAT THE COMMISSION~~
 12 ~~REQUIRES.~~

13 ~~(i) (1) UNLESS OTHERWISE PROVIDED BY LOCAL, STATE, OR FEDERAL~~
 14 ~~LAW, A TRANSPORTATION NETWORK COMPANY THAT ISSUES A NOTICE OF~~
 15 ~~DEACTIVATION TO AN OPERATOR SHALL PROVIDE THE OPERATOR WITH THE~~
 16 ~~RECORDS RELIED ON BY THE TRANSPORTATION NETWORK COMPANY TO CONFIRM~~
 17 ~~OR SUBSTANTIATE A VIOLATION OF THE DEACTIVATION POLICY.~~

18 ~~(2) THE RECORDS REQUIRED TO BE PROVIDED UNDER PARAGRAPH~~
 19 ~~(1) OF THIS SUBSECTION INCLUDE:~~

20 ~~(I) THE DATE, TIME, AND LOCATION OF ANY INCIDENT~~
 21 ~~SUPPORTING THE DEACTIVATION DECISION;~~

22 ~~(II) A COPY OF THE EVIDENCE THAT THE TRANSPORTATION~~
 23 ~~NETWORK COMPANY CONSIDERED DURING THE DEACTIVATION INVESTIGATION;~~
 24 ~~AND~~

25 ~~(III) A CERTIFIED STATEMENT FROM AN INDIVIDUAL AT THE~~
 26 ~~TRANSPORTATION NETWORK COMPANY WITH AUTHORITY TO REINSTATE THE~~
 27 ~~OPERATOR ATTESTING THAT THE RECORDS ARE TRUE AND ACCURATE.~~

28 ~~(3) IF THE TRANSPORTATION NETWORK COMPANY TAKES~~
 29 ~~POSSESSION OR HAS KNOWLEDGE OF ADDITIONAL RECORDS THAT SUBSTANTIATE~~
 30 ~~THE DEACTIVATION, THE TRANSPORTATION NETWORK COMPANY SHALL PROVIDE~~
 31 ~~OR NOTIFY THE OPERATOR OF THE RECORDS AS SOON AS PRACTICABLE AND NOT~~

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1 ~~LATER THAN 14 DAYS AFTER THE DATE THAT THE TRANSPORTATION NETWORK~~
2 ~~COMPANY TAKES POSSESSION OR HAS KNOWLEDGE OF THE RECORDS.~~

3 ~~(4) (i) IF THE RECORDS SUBSTANTIATING A DEACTIVATION~~
4 ~~CONTAIN INFORMATION RELATED TO THE IDENTITY OF A PASSENGER, CUSTOMER,~~
5 ~~OR OTHER PARTY AND THE TRANSPORTATION NETWORK COMPANY REASONABLY~~
6 ~~BELIEVES THAT THE INFORMATION COULD COMPROMISE THE PASSENGER,~~
7 ~~CUSTOMER, OR OTHER PARTY'S SAFETY, THE TRANSPORTATION NETWORK~~
8 ~~COMPANY MAY REDACT THE INFORMATION THAT IS RELATED TO OR COULD~~
9 ~~REASONABLY INFORM THE OPERATOR OF THE IDENTITY OF THE PASSENGER,~~
10 ~~CUSTOMER, OR OTHER PARTY.~~

11 ~~(ii) IF A COMPLAINT FROM A PASSENGER, CUSTOMER, OR~~
12 ~~OTHER PARTY IS THE SOLE BASIS FOR A DEACTIVATION, THE TRANSPORTATION~~
13 ~~NETWORK COMPANY MAY PROVIDE A SUMMARY DESCRIPTION OF THE RECORDS~~
14 ~~SUBSTANTIATING THE DEACTIVATION.~~

15 ~~(iii) THE COMMISSION MAY ADOPT REGULATIONS REGARDING~~
16 ~~MEASURES A TRANSPORTATION NETWORK COMPANY MAY TAKE TO SUMMARIZE THE~~
17 ~~RECORDS SUBSTANTIATING A DEACTIVATION OR REDACT INFORMATION RELATED~~
18 ~~TO THE IDENTITY OF A PASSENGER, CUSTOMER, OR OTHER PARTY.~~

19 ~~(5) A TRANSPORTATION NETWORK COMPANY SHALL RETAIN THE~~
20 ~~RECORDS REQUIRED UNDER THIS SUBSECTION FOR 3 YEARS AFTER THE DATE OF~~
21 ~~THE DEACTIVATION OF AN OPERATOR.~~

22 ~~(6) IF A TRANSPORTATION NETWORK COMPANY FAILS TO DISCLOSE~~
23 ~~ANY RECORDS IN ACCORDANCE WITH THIS SUBSECTION, THERE IS A PRESUMPTION,~~
24 ~~REBUTTABLE BY CLEAR AND CONVINCING EVIDENCE, THAT THE TRANSPORTATION~~
25 ~~NETWORK COMPANY VIOLATED THIS SUBSECTION.~~

26 ~~(j) (1) (i) A TRANSPORTATION NETWORK COMPANY SHALL~~
27 ~~ESTABLISH AN INTERNAL PROCEDURE FOR AN OPERATOR TO APPEAL A~~
28 ~~DEACTIVATION.~~

29 ~~(ii) AN OPERATOR WHO IS DEACTIVATED BY A~~
30 ~~TRANSPORTATION NETWORK COMPANY HAS THE RIGHT TO APPEAL THE~~
31 ~~DEACTIVATION THROUGH THE COMPANY'S INTERNAL PROCEDURE.~~

32 ~~(iii) AN OPERATOR SHALL HAVE 90 DAYS TO APPEAL A~~
33 ~~DEACTIVATION UNDER THIS SUBSECTION BEGINNING ON THE DATE THE OPERATOR~~
34 ~~RECEIVES A NOTICE OF THE DEACTIVATION.~~

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1 ~~(IV) A TRANSPORTATION NETWORK COMPANY SHALL MAKE~~
2 ~~AVAILABLE TO A DEACTIVATED OPERATOR INFORMATION REGARDING THE~~
3 ~~INTERNAL DEACTIVATION APPEAL PROCEDURE;~~

4 ~~1. IN WRITING, IN A FORMAT THAT IS READILY~~
5 ~~ACCESSIBLE TO THE OPERATOR, AND IN ENGLISH AND ANY LANGUAGE THAT THE~~
6 ~~TRANSPORTATION NETWORK COMPANY KNOWS OR HAS REASON TO KNOW IS THE~~
7 ~~PRIMARY LANGUAGE OF THE OPERATOR; AND~~

8 ~~2. FOR AT LEAST 3 YEARS AFTER THE DEACTIVATION;~~

9 ~~(V) 1. A TRANSPORTATION NETWORK COMPANY SHALL~~
10 ~~ESTABLISH A SYSTEM ACCESSIBLE TO OPERATORS THAT INFORMS OPERATORS OF~~
11 ~~THEIR ELIGIBILITY TO APPEAL A DEACTIVATION UNDER THIS SUBSECTION;~~

12 ~~2. THE SYSTEM SHALL BE AVAILABLE TO THE OPERATOR~~
13 ~~THROUGH A SMARTPHONE APPLICATION AND ON THE COMPANY'S INTERNET WEB~~
14 ~~PORTAL FOR AT LEAST 3 YEARS AFTER THE DEACTIVATION;~~

15 ~~(VI) THE COMMISSION MAY ADOPT REGULATIONS SPECIFYING:~~

16 ~~1. THE FORM AND CONTENT OF THE DESCRIPTION OF~~
17 ~~THE INTERNAL DEACTIVATION APPEAL PROCEDURE;~~

18 ~~2. THE MANNER OF DISTRIBUTING INFORMATION~~
19 ~~REGARDING THE PROCEDURE; AND~~

20 ~~3. THE LANGUAGES INTO WHICH THE PROCEDURE MUST~~
21 ~~BE TRANSLATED;~~

22 ~~(2) (I) A TRANSPORTATION NETWORK COMPANY SHALL REVIEW~~
23 ~~AND RESPOND TO AN OPERATOR'S APPEAL OF DEACTIVATION WITHIN 14 DAYS~~
24 ~~AFTER RECEIVING NOTICE OF THE APPEAL;~~

25 ~~(II) A TRANSPORTATION NETWORK COMPANY'S RESPONSE TO~~
26 ~~AN OPERATOR'S APPEAL OF DEACTIVATION SHALL INCLUDE A WRITTEN~~
27 ~~STATEMENT, CERTIFIED BY AN INDIVIDUAL AT THE TRANSPORTATION NETWORK~~
28 ~~COMPANY WITH AUTHORITY TO REINSTATE THE OPERATOR, OF:~~

29 ~~1. THE EVIDENCE THAT SUBSTANTIATES THE~~
30 ~~DEACTIVATION CONSIDERED DURING THE INVESTIGATION REQUIRED UNDER~~
31 ~~SUBSECTION (D) OR (G) OF THIS SECTION AND SUBSTANTIVE RESPONSES TO~~
32 ~~QUESTIONS OR CLAIMS MADE BY THE OPERATOR IN THE APPEAL OF DEACTIVATION;~~

1 ~~2. A DESCRIPTION OF THE EXTRAORDINARY~~
2 ~~CIRCUMSTANCES NECESSITATING A DELAYED TIMELINE FOR A RESPONSE, AND AN~~
3 ~~ANTICIPATED DATE FOR A RESPONSE THAT SUBSTANTIATES THE DEACTIVATION OR~~
4 ~~REINSTATES THE OPERATOR; OR~~

5 ~~3. A DETERMINATION THAT THE OPERATOR DID NOT~~
6 ~~VIOLATE THE TRANSPORTATION NETWORK COMPANY'S DEACTIVATION POLICY AND~~
7 ~~THE DATE THAT THE OPERATOR WILL BE REINSTATED.~~

8 ~~(3) AN OPERATOR MAY FILE A COMPLAINT WITH THE COMMISSION OR~~
9 ~~BRING A CIVIL ACTION FOR A VIOLATION UNDER THIS SUBSECTION;~~

10 ~~(I) ON RECEIPT OF THE TRANSPORTATION NETWORK~~
11 ~~COMPANY'S INITIAL RESPONSE TO THE INTERNAL APPEAL; OR~~

12 ~~(II) WITHIN 14 DAYS AFTER AN OPERATOR INITIATES AN~~
13 ~~INTERNAL APPEAL.~~

14 ~~(4) AN OPERATOR MAY APPEAL THE DEACTIVATION AND PURSUE ALL~~
15 ~~AVENUES OF RELIEF AVAILABLE REGARDLESS OF THE GEOGRAPHIC LOCATION OF~~
16 ~~THE INCIDENT THAT LEADS TO THE TRANSPORTATION NETWORK COMPANY'S~~
17 ~~DECISION TO DEACTIVATE THE OPERATOR.~~

18 ~~(K) (1) THE COMMISSION SHALL ADOPT REGULATIONS REQUIRING A~~
19 ~~TRANSPORTATION NETWORK COMPANY TO TRANSMIT TO THE COMMISSION~~
20 ~~INFORMATION AND RECORDS ON THE DEACTIVATION OF OPERATORS;~~

21 ~~(I) ON AT LEAST A QUARTERLY BASIS ON OR BEFORE JULY 1,~~
22 ~~2028; AND~~

23 ~~(II) AT LEAST ONCE EVERY 6 MONTHS AFTER JUNE 30, 2028.~~

24 ~~(2) THE INFORMATION AND RECORDS REQUIRED UNDER PARAGRAPH~~
25 ~~(1) OF THIS SUBSECTION MAY INCLUDE:~~

26 ~~(I) A COPY OF THE TRANSPORTATION NETWORK COMPANY'S~~
27 ~~DEACTIVATION POLICY;~~

28 ~~(II) A COPY OF THE TRANSPORTATION NETWORK COMPANY'S~~
29 ~~DEACTIVATION APPEAL PROCEDURE, INCLUDING THE AVAILABLE METHODS OF~~
30 ~~CONTACT FOR AN OPERATOR TO INITIATE AN APPEAL;~~

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1 ~~(III) INFORMATION AND RECORDS REGARDING THE NUMBER OF~~
2 ~~DEACTIVATIONS INITIATED BY A TRANSPORTATION NETWORK COMPANY;~~

3 ~~(IV) INFORMATION AND RECORDS REGARDING THE~~
4 ~~DEACTIVATION POLICY VIOLATION THAT MOST COMMONLY RESULTS IN THE~~
5 ~~DEACTIVATION OF AN OPERATOR;~~

6 ~~(V) THE NUMBER OF OPERATORS THAT APPEAL A~~
7 ~~DEACTIVATION DECISION AND THE PROCESS THAT EACH OPERATOR USES TO~~
8 ~~APPEAL THE DEACTIVATION;~~

9 ~~(VI) THE NUMBER OF OPERATORS REINSTATED AFTER A~~
10 ~~DEACTIVATION DECISION, INCLUDING THE LENGTH OF EACH DEACTIVATION~~
11 ~~BEFORE REINSTATEMENT, AND THE LENGTH OF SERVICE WITH THE~~
12 ~~TRANSPORTATION NETWORK COMPANY OF AN OPERATOR BEFORE A DEACTIVATION~~
13 ~~DECISION; AND~~

14 ~~(VII) ANY OTHER INFORMATION OR RECORD THE COMMISSION~~
15 ~~DETERMINES IS NECESSARY FOR THE PURPOSES OF THIS SUBSECTION;~~

16 ~~(3) THE COMMISSION SHALL ADOPT REGULATIONS PROVIDING FOR~~
17 ~~THE FORMAT, SECURITY, AND PRIVACY OF THE RECORDS REQUIRED UNDER THIS~~
18 ~~SUBSECTION;~~

19 ~~(1) (1) A TRANSPORTATION NETWORK COMPANY SHALL PROVIDE EACH~~
20 ~~OF THE COMPANY'S OPERATORS WRITTEN NOTICE OF THE RIGHTS ESTABLISHED~~
21 ~~UNDER THIS SECTION WITHIN 24 HOURS OF THE OPERATOR PROVIDING~~
22 ~~TRANSPORTATION NETWORK SERVICE FOR THE TRANSPORTATION NETWORK~~
23 ~~COMPANY.~~

24 ~~(2) (1) AT LEAST ONCE A YEAR, A TRANSPORTATION NETWORK~~
25 ~~COMPANY SHALL PROVIDE EACH OF THE COMPANY'S OPERATORS NOTICE OF THE~~
26 ~~OPERATORS' RIGHTS UNDER THIS SECTION.~~

27 ~~(H) THE NOTICE OF RIGHTS REQUIRED UNDER SUBPARAGRAPH~~
28 ~~(1) OF THIS PARAGRAPH SHALL INCLUDE INFORMATION ON:~~

29 ~~1. THE RIGHT TO APPEAL A DEACTIVATION THROUGH A~~
30 ~~TRANSPORTATION NETWORK COMPANY'S INTERNAL DEACTIVATION APPEAL~~
31 ~~PROCEDURE AND ANY OTHER PROCEDURE AVAILABLE TO APPEAL THE~~
32 ~~DEACTIVATION;~~

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1 ~~2. THE TRANSPORTATION NETWORK COMPANY'S~~
2 ~~INTERNAL DEACTIVATION APPEAL PROCEDURE;~~

3 ~~3. THE OPERATOR'S RIGHT, EXCEPT IN THE CASE OF~~
4 ~~EGREGIOUS MISCONDUCT, TO AT LEAST 14 DAYS' NOTICE OF DEACTIVATION;~~

5 ~~4. THE OPERATOR'S RIGHT TO ACCESS THE RECORDS~~
6 ~~RELIED ON BY THE TRANSPORTATION NETWORK COMPANY TO CONFIRM OR~~
7 ~~SUBSTANTIATE THE DEACTIVATION;~~

8 ~~5. THE OPERATOR'S RIGHT TO BE PROTECTED FROM~~
9 ~~RETTALIATION BY A TRANSPORTATION NETWORK COMPANY FOR THE GOOD FAITH~~
10 ~~EXERCISE OF THE RIGHTS ESTABLISHED UNDER THIS SECTION; AND~~

11 ~~6. THE RIGHT TO FILE A COMPLAINT WITH THE~~
12 ~~COMMISSION OR BRING A CIVIL ACTION FOR A VIOLATION OF THIS SECTION.~~

13 ~~(3) A TRANSPORTATION NETWORK COMPANY SHALL:~~

14 ~~(i) PROVIDE THE NOTICE OF RIGHTS IN:~~

15 ~~1. AN ELECTRONIC FORMAT THAT IS READILY~~
16 ~~ACCESSIBLE BY THE COMPANY'S OPERATORS; AND~~

17 ~~2. ENGLISH AND ANY LANGUAGE THE TRANSPORTATION~~
18 ~~NETWORK COMPANY KNOWS OR HAS REASON TO KNOW IS THE PRIMARY LANGUAGE~~
19 ~~OF THE OPERATOR; AND~~

20 ~~(ii) MAKE THE NOTICE OF RIGHTS AVAILABLE TO THE~~
21 ~~OPERATOR THROUGH THE OPERATOR'S SMARTPHONE OR E-MAIL OR ON THE~~
22 ~~COMPANY'S INTERNET WEB PORTAL.~~

23 ~~(4) (i) THE COMMISSION MAY ADOPT REGULATIONS PROVIDING~~
24 ~~FOR THE FORM AND CONTENT, METHOD OF DISTRIBUTION, AND REQUIRED~~
25 ~~LANGUAGES FOR THE NOTICE OF RIGHTS REQUIRED UNDER THIS SUBSECTION.~~

26 ~~(ii) THE COMMISSION MAY CREATE AND DISTRIBUTE A MODEL~~
27 ~~NOTICE OF RIGHTS REQUIRED UNDER THIS SUBSECTION IN ENGLISH AND ANY~~
28 ~~OTHER LANGUAGE THE COMMISSION DETERMINES IS APPROPRIATE.~~

29 ~~(M) (1) A TRANSPORTATION NETWORK COMPANY SHALL RETAIN:~~

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1 ~~(I) RECORDS THAT DOCUMENT COMPLIANCE WITH THIS~~
 2 ~~SECTION FOR EACH OF THE COMPANY'S OPERATORS; AND~~

3 ~~(II) A COMPLIANCE FILE FOR EACH DEACTIVATION FOR A~~
 4 ~~PERIOD OF 3 YEARS AFTER THE DEACTIVATION.~~

5 ~~(2) THE COMPLIANCE FILE FOR EACH DEACTIVATION MAY INCLUDE:~~

6 ~~(I) THE DEACTIVATION NOTICE PROVIDED TO THE OPERATOR;~~

7 ~~(II) THE DATE OF COMPLETION FOR AN INVESTIGATION OF THE~~
 8 ~~CONDUCT THAT RESULTED IN THE DEACTIVATION;~~

9 ~~(III) IF THE DEACTIVATION WAS THE RESULT OF EGREGIOUS~~
 10 ~~MISCONDUCT, A DESCRIPTION OF THE EGREGIOUS MISCONDUCT;~~

11 ~~(IV) IF THE INVESTIGATION WAS DELAYED BY EXTRAORDINARY~~
 12 ~~CIRCUMSTANCES, THE EXTRAORDINARY CIRCUMSTANCES THAT RESULTED IN THE~~
 13 ~~DELAY;~~

14 ~~(V) THE NUMBER OF RIDES COMPLETED BY THE OPERATOR IN~~
 15 ~~THE 180 DAYS BEFORE THE DEACTIVATION NOTICE, REGARDLESS OF WHETHER THE~~
 16 ~~RIDES WERE COMPLETED IN THE STATE OR OUTSIDE THE STATE;~~

17 ~~(VI) IF THE DEACTIVATION WAS APPEALED, THE DATE THE~~
 18 ~~APPEAL WAS INITIATED AND COMPLETED; AND~~

19 ~~(VII) IF THE DEACTIVATION WAS APPEALED, THE COMPANY'S~~
 20 ~~RESPONSE TO THE OPERATOR REGARDING THE APPEAL.~~

21 ~~(3) IF A TRANSPORTATION NETWORK COMPANY DOES NOT RETAIN~~
 22 ~~THE RECORDS REQUIRED UNDER THIS SUBSECTION, THERE IS A PRESUMPTION,~~
 23 ~~REBUTTABLE BY CLEAR AND CONVINCING EVIDENCE, THAT THE COMPANY~~
 24 ~~VIOLATED THIS SUBSECTION FOR THE RELEVANT PERIODS AND FOR EACH~~
 25 ~~OPERATOR FOR WHOM THE RECORDS WERE NOT RETAINED.~~

26 ~~(4) THE COMMISSION MAY ADOPT REGULATIONS PROVIDING FOR~~
 27 ~~THE FORMAT AND CONTENT OF THE RECORDS REQUIRED UNDER THIS SUBSECTION.~~

28 ~~SECTION 2. AND BE IT FURTHER ENACTED, That, on or before November 1,~~
 29 ~~2026, a transportation network company shall provide each of the company's operators with~~
 30 ~~notice of the operator's rights required under § 10-410(d) of the Public Utilities Article, as~~
 31 ~~enacted by Section 1 of this Act.~~

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1 SECTION ~~2~~ 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 ~~October 1, 2026~~ January 1, 2027.

SB740_SponsorAmendment

Uploaded by: Senator Kramer

Position: FWA



SB0740/563021/1

AMENDMENTS
PREPARED
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DEPT. OF LEGISLATIVE
SERVICES

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BY: Senator Kramer
(To be offered in the Finance Committee)

AMENDMENTS TO SENATE BILL 740
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with “altering” in line 3 down through the semicolon in line 5; strike beginning with “unless” in line 8 down through “policy” in line 9 and substitute “for certain violations; requiring a transportation network company to allow an operator whose account is deactivated to withdraw certain earnings under certain circumstances”; in line 10, strike “the transportation network company’s operators and”; in line 15, after “10–101(a)” insert “, (l), (m), and (n) and 10–401(a) and (c)”; and strike in their entirety lines 18 through 22, inclusive.

AMENDMENT NO. 2

On page 2, after line 5, insert:

“(l) “Transportation network company” means a company that operates in the State using a digital network to connect passengers to transportation network operators or transportation network partners for transportation network services.

(m) “Transportation network operator”, “transportation network partner”, or “transportation network driver” means an individual who:

(1) has been issued a transportation network operator’s license, or is otherwise authorized, by the Commission to provide transportation network services;

(2) receives, through a transportation network company’s digital network application, a connection to a potential passenger to transport the passenger between points chosen by the passenger in exchange for the payment of a fee to the transportation network company; and

(3) uses a motor vehicle that is owned, leased, or otherwise authorized for use by the individual and is approved for use in providing transportation network services by the Commission.

(n) (1) “Transportation network services” means the activities of an operator during:

(i) transportation network coverage period one, during which the operator is logged onto and ready to accept a prearranged ride request made through a transportation network company’s digital network application;

(ii) transportation network coverage period two, during which the operator accepts a ride request from a passenger that is prearranged through a transportation network company’s digital network application, and is traveling to a predetermined location to pick up the passenger; and

(iii) transportation network coverage period three, during which the operator transports the passenger and continuing until the passenger departs the motor vehicle.

(2) “Transportation network services” does not include:

(i) providing taxicab services, sedan services, or limousine services;

(ii) any shared expense carpool arrangement or service or other type of arrangement or service in which a driver receives a fee that does not exceed the driver’s costs associated with providing a ride; or

(iii) transportation services that a nonprofit organization provides through the use of a volunteer driver and the volunteer driver’s personal vehicle.

10-401.

(a) In this subtitle the following words have the meanings indicated.

(c) “Operator” means a transportation network operator, transportation network partner, or transportation network driver.

10-410.

(A) IN THIS SECTION, “DEACTIVATE” OR “DEACTIVATION” MEANS AN ACTION BY A TRANSPORTATION NETWORK COMPANY TO PERMANENTLY CHANGE AN OPERATOR’S ACCOUNT STATUS FROM ELIGIBLE TO PROVIDE TRANSPORTATION NETWORK SERVICES TO INELIGIBLE TO PROVIDE TRANSPORTATION NETWORK SERVICES.

(B) THIS SECTION DOES NOT APPLY TO AN OPERATOR’S LOSS OF ACCESS TO A TRANSPORTATION NETWORK COMPANY’S DIGITAL NETWORK APPLICATION IF THE LOSS OF ACCESS:

(1) IS CONTINGENT ON AN OPERATOR’S COMPLIANCE WITH A LICENSE, INSURANCE, OR A REGULATORY REQUIREMENT;

(2) WAS IMPLEMENTED BY THE TRANSPORTATION NETWORK COMPANY FOR A LEGITIMATE FINANCIAL, BUSINESS, OR ECONOMIC REASON AND NOT RELATED TO THE OPERATOR’S CONDUCT;

(3) IS ABLE TO BE RESOLVED THROUGH UNILATERAL ACTION BY THE OPERATOR; OR

(Over)

(4) IS THE RESULT OF ACCESS RESTRICTIONS DUE TO INCLEMENT WEATHER OR NETWORK OUTAGES.

(C) A TRANSPORTATION NETWORK COMPANY SHALL:

(1) MAINTAIN A WRITTEN PLAIN-LANGUAGE DEACTIVATION POLICY THAT PROVIDES FOR THE POLICIES AND PROCEDURES FOR THE DEACTIVATION OF OPERATORS; AND

(2) MAKE THE DEACTIVATION POLICY AVAILABLE ONLINE THROUGH THE TRANSPORTATION NETWORK COMPANY'S DIGITAL NETWORK APPLICATION.

(D) THE DEACTIVATION POLICY SHALL:

(1) STATE THAT THE DEACTIVATION POLICY IS ENFORCEABLE AS A TERM OF THE TRANSPORTATION NETWORK COMPANY'S CONTRACT WITH THE OPERATOR;

(2) INCLUDE A DEFINITION OF "SERIOUS MISCONDUCT" AND EXAMPLES OF CONDUCT THAT CONSTITUTES SERIOUS MISCONDUCT;

(3) PROVIDE THE OPERATOR WITH A REASONABLE UNDERSTANDING OF WHAT MAY CONSTITUTE A VIOLATION THAT WARRANTS DEACTIVATION UNDER THE DEACTIVATION POLICY;

(4) DESCRIBE THE PROCEDURES FOR NOTIFYING AN OPERATOR OF A DEACTIVATION AND THE REASON FOR THE DEACTIVATION;

(5) DESCRIBE OBJECTIVE PROCEDURES AND ELIGIBILITY CRITERIA FOR THE RECONSIDERATION OF A DEACTIVATION DECISION AND THE PROCESS, CONSISTENT WITH SUBSECTION (I) OF THIS SECTION, FOR AN OPERATOR TO REQUEST A DEACTIVATION APPEAL WITH THE TRANSPORTATION NETWORK COMPANY; AND

(6) BE SPECIFIC ENOUGH FOR AN OPERATOR TO UNDERSTAND WHAT CONSTITUTES A VIOLATION OF THE POLICY AND HOW TO AVOID VIOLATING THE POLICY.

(E) A TRANSPORTATION NETWORK COMPANY MAY NOT DEACTIVATE AN OPERATOR FOR A VIOLATION NOT REASONABLY UNDERSTOOD TO BE PART OF THE TRANSPORTATION NETWORK COMPANY'S DEACTIVATION POLICY.

(F) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A TRANSPORTATION NETWORK COMPANY MAY NOT RELY SOLELY ON A PASSENGER REPORT AS THE BASIS FOR A DEACTIVATION.

(2) A TRANSPORTATION NETWORK COMPANY MAY RELY SOLELY ON A PASSENGER REPORT AS THE BASIS FOR A DEACTIVATION IF:

(I) THE REPORT WAS SUBMITTED WITHIN 14 DAYS AFTER THE DATE OF THE ALLEGED INCIDENT; OR

(II) 1. THE REPORT INVOLVES AN ALLEGED VIOLATION OF A FEDERAL OR STATE LAW;

2. THE REPORT INVOLVES AN ALLEGED VIOLATION OF THE TRANSPORTATION NETWORK COMPANY'S NONDISCRIMINATION POLICY;

(Over)

3. THE REPORT INVOLVES AN ALLEGED ACT OF FRAUD UNDER TITLE 8 OF THE CRIMINAL LAW ARTICLE OR AS DEFINED IN THE TRANSPORTATION NETWORK COMPANY'S CONTRACT WITH THE OPERATOR, INCLUDING:

A. DELIBERATELY INCREASING THE TIME OR DISTANCE OF A PASSENGER TRIP OR ACCEPTING A PASSENGER TRIP WITHOUT THE INTENTION OF COMPLETING THE TRIP;

B. USING ANOTHER OPERATOR'S ACCOUNT OR CREATING A FAKE OR DUPLICATE ACCOUNT ON A TRANSPORTATION NETWORK COMPANY'S DIGITAL NETWORK APPLICATION;

C. INTENTIONALLY REQUESTING OR ACCEPTING FRAUDULENT OR FALSIFIED PASSENGER TRIPS; OR

D. INTENTIONALLY DISRUPTING OR MANIPULATING THE NORMAL FUNCTIONING OF A TRANSPORTATION NETWORK COMPANY'S DIGITAL NETWORK APPLICATION, INCLUDING MANIPULATING THE SETTINGS ON A PHONE TO PREVENT THE PROPER FUNCTIONING OF A TRANSPORTATION NETWORK COMPANY'S DIGITAL NETWORK APPLICATION; OR

4. THE REPORT INVOLVES OPERATOR OR PERSONAL SAFETY.

(G) A TRANSPORTATION NETWORK COMPANY SHALL ALLOW AN OPERATOR WHOSE ACCOUNT IS DEACTIVATED TO WITHDRAW EARNINGS THAT ACCRUED BEFORE THE DEACTIVATION UNLESS:

(1) THE TRANSPORTATION NETWORK COMPANY REASONABLY BELIEVES THAT A PORTION OF THE EARNINGS ARE CONNECTED TO CRIMINAL OR FRAUDULENT CONDUCT; OR

(2) THE WITHDRAWAL WOULD VIOLATE A FEDERAL OR STATE LAW.

(H) (1) A TRANSPORTATION NETWORK COMPANY SHALL PROVIDE AN OPERATOR WITH WRITTEN NOTICE OF A DEACTIVATION:

(I) ON THE DATE THE DEACTIVATION BECOMES EFFECTIVE;

OR

(II) FOR SERIOUS MISCONDUCT, WITHIN 3 DAYS AFTER THE DEACTIVATION.

(2) A WRITTEN NOTICE OF DEACTIVATION SHALL INCLUDE:

(I) THE REASON FOR THE DEACTIVATION;

(II) INFORMATION ON AN OPERATOR'S RIGHT TO APPEAL THE DEACTIVATION; AND

(III) INSTRUCTIONS FOR AN OPERATOR TO APPEAL THE DEACTIVATION.

(I) (1) A DEACTIVATION POLICY SHALL INCLUDE AN APPEALS PROCESS FOR AN OPERATOR TO APPEAL A DEACTIVATION.

(Over)

(2) AN OPERATOR WHO IS DEACTIVATED BY A TRANSPORTATION NETWORK COMPANY HAS THE RIGHT TO APPEAL THE DEACTIVATION BEGINNING ON THE DATE THE OPERATOR RECEIVES NOTICE OF THE DEACTIVATION.

(3) AN APPEALS PROCESS SHALL PROVIDE AN OPERATOR WITH:

(I) AT LEAST 30 DAYS FROM THE DATE OF THE NOTICE OF DEACTIVATION TO APPEAL THE DEACTIVATION; AND

(II) AN OPPORTUNITY TO PROVIDE THE TRANSPORTATION NETWORK COMPANY OR THIRD PARTY, AS APPROPRIATE, WITH INFORMATION TO SUPPORT THE APPEAL.

(4) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, A TRANSPORTATION NETWORK COMPANY SHALL REVIEW AND MAKE A FINAL DECISION ON AN APPEAL OF A DEACTIVATION WITHIN 15 DAYS AFTER RECEIPT OF THE APPEAL AND ANY INFORMATION THE OPERATOR PROVIDES TO SUPPORT THE APPEAL.

(II) A TRANSPORTATION NETWORK COMPANY OR AN OPERATOR MAY REQUEST AN ADDITIONAL 15 DAYS TO REVIEW AND MAKE A FINAL DECISION ON AN APPEAL OF DEACTIVATION OR PROVIDE INFORMATION TO SUPPORT THE APPEAL, AS APPROPRIATE.

(5) A TRANSPORTATION NETWORK COMPANY MAY USE A THIRD PARTY TO ASSIST IN THE APPEALS PROCESS.

(6) A TRANSPORTATION NETWORK COMPANY SHALL CONSIDER ALL INFORMATION PROVIDED BY THE OPERATOR DURING THE APPEALS PROCESS.

(7) FOR AN APPEALED DEACTIVATION TO BE UPHeld UNDER THE APPEALS PROCESS A TRANSPORTATION NETWORK COMPANY OR A THIRD PARTY MUST DETERMINE THAT UNDER THE TOTALITY OF THE CIRCUMSTANCES THERE IS EVIDENCE TO FIND THAT IT IS MORE LIKELY THAN NOT THAT A VIOLATION OF THE DEACTIVATION POLICY HAS OCCURRED.

On pages 2 through 15, strike in their entirety the lines beginning with line 6 on page 2 through line 31 on page 15, inclusive.

On page 16, in line 1, strike “3.” and substitute “2.”; and in line 2, strike “October 1, 2026” and substitute “January 1, 2027”.

PDF_[MD] SB 740_TNCs_TechNet.pdf

Uploaded by: margaret durkin

Position: UNF

February 23, 2026

The Honorable Pam Beidle
Chair
Senate Finance Committee
Maryland Senate
3 East Miller Senate Office Building
11 Bladen Street
Annapolis, MD 21401

RE: SB 740 (Kramer) - Transportation Network Companies - Deactivation of Operators – Unfavorable

Dear Chair Beidle and Members of the Committee,

On behalf of TechNet, I'm writing to share comments on SB 740.

TechNet is the national, bipartisan network of technology CEOs and senior executives that promotes the growth of the innovation economy by advocating a targeted policy agenda at the federal and 50-state level. TechNet's diverse membership includes 103 dynamic American businesses ranging from startups to the most iconic companies on the planet and represents five million employees and countless customers in the fields of information technology, artificial intelligence, e-commerce, the sharing and gig economies, advanced energy, transportation, cybersecurity, venture capital, and finance.

The sharing economy is creating income opportunities in every corner of the country, allowing people to work independently and on discretionary schedules, use their personal property and skills to generate income, help them expand their businesses, and provide for themselves and their families. Policymakers should ensure that efforts to regulate the sharing economy protect innovation and individual empowerment, are not overly burdensome, and recognize the unique nature of the sharing economy when compared to traditional providers. The composition of the U.S. workforce is changing as new technologies have provided low-barrier access to flexible, independent work. This type of work allows individuals and families in need of supplemental income, including during periods of unemployment or underemployment, to access work on demand. Over time, in large part due to the availability of the gig and sharing economies, the independent workforce has grown to serve as an important source of supplemental earnings for millions of Americans.

TechNet has concerns about SB 740 as drafted. Our member companies take safety reports from riders and drivers extremely seriously and review each one to

determine the appropriate course of action. If a driver disagrees with the action taken, they can already ask for the decision to be reviewed. If a driver is found to have been in violation of any company's community guidelines, they are removed from the platform for the safety of the community.

Many of our TNC members already have policies in place to address operator deactivations and appeals processes. SB 740 gives wide latitude to the Public Service Commission to adopt regulations around the form and description of the deactivation policy and manner in which said policy is distributed. Further, leaving the Commission to define the "reasonableness" of a private company's policy is vague, overbroad, and anti-competitive. Businesses require certainty to thrive, and we are concerned that the Commission's ability to adopt regulations will lead to business uncertainty. The provision in the bill related to the Commission seeking out "any other information or record the Commission determines is necessary" could inadvertently lead to companies having to reveal proprietary information.

TechNet seeks to encourage, enable, and advance American leadership in innovation, and is vigilant against vague, overbroad, unnecessary, harmful, or hostile laws and regulations that slow down innovation. We promote policies that encourage the development of entrepreneurship, mobile commerce, and the next wave of innovation in the new economy. Establishing an innovation-friendly policy framework is the key to the competitiveness of the technology industry. For the previously stated reasons, TechNet is opposed to SB 740. Thank you for your consideration of our concerns and please let me know if you have any questions.

Sincerely,



Margaret Durkin
TechNet Executive Director, Pennsylvania & the Mid-Atlantic

SB 740_Information_PSC.pdf

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Position: INFO

KUMAR P. BARVE
CHAIR

FREDERICK H. HOOVER, JR.
BONNIE A. SUCHMAN
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RYAN C. MCLEAN



PUBLIC SERVICE COMMISSION

Chair Brian Feldman
Education, Energy and Environment Committee
2 West Miller Office Building
Annapolis, MD 21401

RE: SB 740 – Information – Transportation Network Companies – Deactivation of Operators

Dear Chair Korman and Committee Members:

The Public Service Commission (the Commission) appreciates the opportunity to provide this informational testimony for SB 740. The Commission has regulatory authority over transportation companies operating for-hire within the State of Maryland, which includes Transportation Network Companies (“TNCs”). Under this authority, the Commission, in general, issues permits and licenses to companies and vehicles upon receiving documented evidence of adherence to certain criteria and requires the filing of certain reports on an annual basis by the regulated entities. In addition to other types of for-hire driver’s licenses, the Commission issues licenses for individuals operating for-hire under a Transportation Network Company permit, and these drivers are identified as Transportation Network Operators (“TNOs”).

In SB 740, Section 10–101 seeks to amend the current definitions of both Transportation Network Companies and Transportation Network Operators. It is possible that the change in definition could cause additional transportation companies to be classified as TNCs and their drivers as TNOs. This could result in an increase in the number of drivers required to apply for licensure to operate in Maryland. Those numbers are unknown at this time.

SB 740 would require the Commission to adopt regulations in response to the bill’s implementation and require the Commission to adopt model notices and descriptions of the deactivation appeal process related to TNOs. The additional requirements posed by this legislation, if passed, may therefore require revisions to the current sections of COMAR pertaining to TNCs.

Section 10-409(J)(3) of the legislation provides a process for a TNO to appeal a decision by a TNC that deactivates or restricts the TNO from the company’s digital network for a period of at least 48 hours. This appeal process also allows the TNO to file a complaint with the Commission or to bring a civil action against the TNC. This new appeals process would create a substantial increase in the number of complaints received by the Commission, requiring more in-depth investigations. Currently, the Commission does not regulate how TNCs handle driver

deactivations, except in cases when there are violations of the vehicle requirements and driver screening standards outlined in COMAR. Beyond violations requiring deactivation due to failure to comply with COMAR, the Commission does not have authority to dictate TNC policies regarding the deactivation of its operators. TNCs are required to report to the Commission the number of deactivations, however, the information provided does not include any driver information, but only the numbers of drivers deactivated in a calendar year.

There are few instances where the Commission investigates or is involved in the management of labor for public service companies. These issues are primarily left up to the Maryland Department of Labor. SB 740 would significantly change the role of the Commission with regards to labor practices of public service companies. There are currently over 175,000 TNOs operating in Maryland. In 2025, two TNC reported over 6500 deactivations to the Commission which has the potential to create 6500 investigations and Commission proceedings relating to those investigations.

The Public Service Commission appreciates the opportunity to provide this informational testimony for your consideration for bill SB 740. Please contact the Commission's Director of Legislative Affairs, Niki Wiggins, if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Kumar P. Barve', with a stylized flourish at the end.

Kumar P. Barve
Chair, Maryland Public Service Commission

SB0740 & HB0480 - OPC Testimony.pdf

Uploaded by: David Lapp

Position: INFO

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BILL NO.: Senate Bill 0740 / House Bill 0480 – Transportation Network Companies - Deactivation of Operators

COMMITTEE: Finance
Environment and Transportation

HEARING DATE: February 25, 2026 (FIN)
February 24, 2026 (ENT)

SPONSOR: Senator Kramer
Delegates Fennell, Patterson, Taylor, Turner, Wilkins, and Williams

POSITION: Informational

The Office of People’s Counsel (OPC) respectfully offers the following informational comments on Senate Bill 0740/House Bill 0480. SB 0740/HB 0480 proposes changes to the statute governing “transportation network companies” (TNCs) and associated drivers—referred to as “transportation network operators” (TNOs)¹—regulated by the Public Service Commission (PSC). Specifically, SB 0740/HB 0480 seeks to provide TNOs with additional protections to guard against certain employment practices and to modify the definitions of both TNC and TNO. As the statutory representative of non-commercial users of services regulated by the PSC,² OPC provides the following informational comments on the proposed modifications to the definitions of TNC and TNO and both the potential utility and the potential unintended consequences of these changes on the PSC’s authority to regulate certain rideshare companies and operators.

Under the Public Utilities Article (PUA), the PSC’s regulation of TNCs and TNOs includes important licensing and public safety requirements—for example, it requires that

¹ Under Public Utilities Article (PUA) § 10-101(m) “transportation network operator”, “transportation network partner”, and “transportation network driver” share a single definition.

² PUA §§ 2-201, 2-204.

a TNC or TNO, or a combination of both, carry motor vehicle insurance;³ submit operator data to the PSC;⁴ and that a TNO be licensed with the PSC, and therefore subject to additional regulation that aims to protect passengers.⁵ In our capacity as the statutory representative of non-commercial users—i.e., riders—OPC participates in PSC cases regarding regulation of TNCs, including a case currently before the PSC that highlights the potential utility of further clarifying the statutory definitions of TNC and TNO.

In April of 2024, PSC Staff brought a complaint against Yazam, Inc. d/b/a/ Empower (“Empower”) for operating as a TNC in Maryland without the required license from the PSC.⁶ Empower argued that it was not a TNC subject to the PSC’s regulation, in part, because drivers who use Empower’s software to connect with passengers do not meet the statutory definition of TNOs since Empower does not receive payments directly from passengers—as do ride services such as Uber and Lyft—but instead receives subscription fees from drivers.⁷ Empower asserted that the Maryland General Assembly, when it crafted this provision under Senate Bill 868 in 2015, specifically intended for the payment exchange described within the provision to take place between the passenger and the TNC.⁸ OPC and PSC Staff disagreed with Empower’s interpretation that it is not a TNC.

Just last month, the PSC issued an order agreeing with OPC and Staff that Empower qualifies as a TNC under the existing law.⁹ This decision, however, follows nearly two years of litigation and does not fully resolve the case, which remains ongoing. The proposed modifications to the definition of a TNC may help to clarify the PSC’s authority to regulate companies like Empower, but as drafted, the proposed modifications to the definition of a TNO may inadvertently undermine that authority, leading to more costly and unnecessary litigation. To avoid this likely unintended consequence, OPC recommends the following amendments to the definition of a TNO in PUA § 10-101(m):

- Change the “and” to an “or” in Section 10-101(l)(1) to eliminate any confusion over passengers who do not pay directly for services and may not be “customers” in the traditional sense (i.e., minor children or individuals receiving transportation services under the accounts of others);
- Add the word “connected” as the first word in Section 10-101(m)(2)(i) to echo the “connect passengers” language in Section 10-101(l)(1) and ensure it is clear that

³ PUA § 10-405(a).

⁴ PUA § 10-409.

⁵ PUA § 10-501.

⁶ Case No. 9732, *In the Matter of the Staff of the Public Service Commission v. Yazam, Inc. d/b/a/ Empower* (Apr. 5, 2024).

⁷ Case No. 9732, Empower’s Answer to Staff’s Complaint at 1, ML No. 310159 (June 7, 2024).

⁸ *Id.* at 3.

⁹ Order No. 92165, Case No. 9732 (Jan. 29, 2026).

the definition applies whenever the app is used to make such connections;

- Delete “to the transportation network company” language under § 10-101(m)(2)(ii)(1) so that the fee does not specifically need to be paid “to the transportation company”;
- Change the “and” to an “or” at the end of § 10-101(m)(2)(ii)(2), so that a driver meets the definition of a “transportation network operator” if the driver meets any of the three—rather than all three—criteria. To ensure that the change from a conjunctive to an alternative doesn’t unintentionally capture drivers using an approved car for personal use, add to § 10-101(m)(3), “when providing transportation services for compensation.”

With these modifications, SB 0740/HB 0480 can help to clarify the PSC’s jurisdiction to regulate businesses and individuals like Empower and ensure that riders—the non-commercial customers OPC is charged with representing—remain protected under current law.

OPC appreciates the opportunity to provide this information on SB 0740/HB 0480 and is available to answer any questions or further discuss the recommended amendments.