HB1798 FULLPCS1 Nicole Miller-AQH 2/3/2021 2:04:25 pm

COMMITTEE AMENDMENT

HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAK	ER:					
CHAIR	:					
I move to	amend <u>HB1798</u>			05.11		<u> </u>
Page	Section	on	Lines		ne printed	
				Of the	Engrossed	Bill
	g the Title, the in lieu thereof					
	TO CONFORM TO AMEND		Amendment sub	mitted by:	Nicole Mille	r

Reading Clerk

1	STATE OF OKLAHOMA			
2	1st Session of the 58th Legislature (2021)			
3	PROPOSED COMMITTEE			
4	SUBSTITUTE FOR			
5	HOUSE BILL NO. 1798 By: Miller			
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8	PROPOSED COMMITTEE SUBSTITUTE			
9	An Act relating to consumer protection; creating the Network Company Services Act; defining terms; authorizing Attorney General to enforce; imposing			
10				
11	certain requirements on network companies; requiring certain policies; protecting consumer information;			
12	providing for codification; and providing an effective date.			
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14				
15	BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:			
16	SECTION 1. NEW LAW A new section of law to be codified			
17	in the Oklahoma Statutes as Section 800.1 of Title 15, unless there			
18	is created a duplication in numbering, reads as follows:			
19	This act shall be known and may be cited as the "Network Company			
20	Services Act".			
21	SECTION 2. NEW LAW A new section of law to be codified			
22	in the Oklahoma Statutes as Section 800.2 of Title 15, unless there			
23	is created a duplication in numbering, reads as follows:			
24	As used in the Network Company Services Act:			

- 1. "Digital network" means any online-enabled application, software, website or system offered or utilized by a network company that enables the prearrangement of network company services;
- 2. "Network company" means a business entity operating in Oklahoma that uses a digital network or software application service to connect network company consumers to network company services provided by network company service providers;
- 3. "Network company services" shall include, but is not limited to, such services as delivery of consumer goods, groceries and food from restaurants. Network company services shall not include transportation of passengers;
 - 4. "Network company service provider" means an individual who:
 - a. receives connections to potential network company consumers from a network company in exchange for payment of a fee to the network company, and
 - b. uses a personal vehicle to provide network company services upon connection through a digital network controlled by a network company in return for compensation or payment of a fee.

A network company service provider includes individuals classified as either an employee or independent contractor of the network company; and

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5. "Network company consumer" means a person or persons who use a digital network to connect with a network company to obtain network company services.

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- SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 800.3 of Title 15, unless there is created a duplication in numbering, reads as follows:
- A. The Attorney General shall have the authority to examine the records of network companies for the purpose of enforcement of this act. Records obtained by the Attorney General pursuant to this act shall not be subject to disclosure under the Oklahoma Open Records Act and shall be kept confidential by the Attorney General, except as may be required in a proceeding.
- B. Failure of a network company to comply with the provisions of this act shall be a violation of the Oklahoma Consumer Protection
 - SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 800.4 of Title 15, unless there is created a duplication in numbering, reads as follows:
- A. Prior to permitting an individual to act as a network company service provider on its digital network, the network company shall:
- 1. Require the individual to submit an application to the
 network company, which includes information regarding the
 individual's address, age, driver license, driving history, motor

vehicle registration, automobile liability insurance and other information required by the network company; and

- 2. Conduct, or have a third party conduct, a local and national criminal background check for each applicant that shall include a check of:
 - a. the Multi-State/Multi-Jurisdictional Criminal Records

 Locator or other similar commercial nationwide

 database with validation through a primary source

 search,
 - b. the National Sex Offender Registry database, and
 - c. the Oklahoma Sex and Violent Offender Registry database.
- B. Network companies shall not permit an individual to act as a network company service provider on its digital network who:
- 1. Has been convicted, within the past two (2) years, of driving under the influence of drugs or alcohol;
- 2. Has been convicted, within the past seven (7) years, of fraud, sexual offenses, use of a motor vehicle to commit a felony, a crime involving property damage, theft, acts of violence or acts of terror;
- 3. Is a match in the National Sex Offender Registry or Oklahoma Sex and Violent Offender Registry database;
 - 4. Does not possess a valid driver license;

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- 5. Does not possess current proof of motor vehicle registration for the motor vehicle(s) used to provide network company services;
- 6. Does not possess proof of the automobile liability insurance required by law or rule for the motor vehicle(s) used to provide network company services; or
 - 7. Is not at least eighteen (18) years of age.

- C. Network companies shall implement a procedure for periodic information updates for each network company service provider required by subsection A of this section to ensure continued compliance by each network company service provider with the requirements of subsection B of this section.
- SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 800.5 of Title 15, unless there is created a duplication in numbering, reads as follows:
- A network company's software application or website shall display a current picture of the network company service provider and the license plate number, make, model and color of the motor vehicle utilized for providing network company services.
- SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 800.6 of Title 15, unless there is created a duplication in numbering, reads as follows:
- A. Network companies shall implement a zero-tolerance policy against network company service providers from permitting persons other than the authorized network company service provider from

providing network company services including the assembling, picking up, transportation and delivery of network company services.

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- B. The network company shall implement a procedure for periodic identification checks to verify that the authorized network company service provider is providing the network company services.
- C. The network company shall provide notice of its zerotolerance policy on its digital network, as well as procedures to
 report a complaint about an unauthorized person providing network
 company services. Upon receipt of a complaint from a network company
 consumer alleging a violation of the zero-tolerance policy, the
 network company shall immediately suspend such network company
 service provider's access to the network company's digital network,
 and shall conduct an investigation into the reported incident. The
 suspension shall last the duration of the investigation.
- D. Network companies shall maintain records relevant to the enforcement of this requirement for a period of at least two (2) years from the date that a complaint is received by the network company.
- SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 800.7 of Title 15, unless there is created a duplication in numbering, reads as follows:
- A. Network companies shall not disclose a network company consumer's personally identifiable information to a third party unless:

- 1. The network company consumer consents;
 - 2. Disclosure is required by a legal obligation; or
- 3. Disclosure is required to protect or defend the terms of use of the service or to investigate violations of those terms.
- B. Network companies shall be permitted to share a network service consumer's name, telephone number, and address with the network company service provider providing network company services only to facilitate correct identification of the network company consumer by the network company service provider or to facilitate communication between the network company consumer and the network company service provider.
- C. Network companies shall prohibit the use by network company service providers of a network company consumer's name, telephone number, address or other personal information for any purpose other than those listed in this section. Network companies shall implement policies and procedures to enforce this prohibition as well as to prevent network company service providers from retaining or disclosing such information to other persons.
- 19 SECTION 8. This act shall become effective November 1, 2021.

21 58-1-7291 AQH 02/03/21