

1 STATE OF OKLAHOMA

2 1st Session of the 58th Legislature (2021)

3 HOUSE BILL 1798

By: Miller

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6 AS INTRODUCED

7 An Act relating to consumer protection; creating the
8 Network Company Services Act; defining terms;
9 authorizing Attorney General to administer and
10 enforce; imposing certain requirements on network
11 companies; requiring certain policies; protecting
12 consumer information; providing for codification; and
13 providing an effective date.

14 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

15 SECTION 1. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 800.1 of Title 15, unless there
17 is created a duplication in numbering, reads as follows:

18 This act shall be known and may be cited as the "Network Company
19 Services Act".

20 SECTION 2. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 800.2 of Title 15, unless there
22 is created a duplication in numbering, reads as follows:

23 As used in the Network Company Services Act:
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1 1. "Digital network" means any online-enabled application,
2 software, website or system offered or utilized by a network company
3 that enables the prearrangement of network company services;

4 2. "Network company" means a business entity operating in
5 Oklahoma that uses a digital network or software application service
6 to connect network company consumers to network company services
7 provided by network company service providers;

8 3. "Network company services" shall include, but is not limited
9 to, such services as delivery of consumer goods, delivery of food
10 from restaurants and transportation of passengers;

11 4. "Network company service provider" means an individual who:

12 a. receives connections to potential network company
13 consumers from a network company in exchange for
14 payment of a fee to the network company, and

15 b. uses a personal vehicle to provide network company
16 services upon connection through a digital network
17 controlled by a network company in return for
18 compensation or payment of a fee.

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

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

1 SECTION 3. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 800.3 of Title 15, unless there
3 is created a duplication in numbering, reads as follows:

4 A. The Attorney General is authorized to adopt and promulgate
5 rules for the implementation, administration and enforcement of the
6 Network Company Services Act.

7 B. The Attorney General shall have the authority to examine the
8 records of network companies for the purpose of enforcement of this
9 act. Records obtained by the Attorney General pursuant to this act
10 shall not be subject to disclosure under the Oklahoma Open Records
11 Act and shall be kept confidential by the Attorney General, except
12 as may be required in a proceeding.

13 C. Failure of a network company to comply with the provisions
14 of this act shall be a violation of the Oklahoma Consumer Protection
15 Act.

16 D. In lieu of bringing an action under the Oklahoma Consumer
17 Protection Act, the Attorney General may, in cases where the network
18 company is able to demonstrate that the violation occurred
19 notwithstanding policies of the network company that were an
20 integral part of the training of the network company service
21 provider responsible for the violation, assess an administrative
22 fine. The Attorney General shall, pursuant to the Administrative
23 Procedures Act, adopt and promulgate rules establishing a schedule
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1 of increasing fines to be assessed pursuant to this subsection for
2 multiple and repeated violations.

3 SECTION 4. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 800.4 of Title 15, unless there
5 is created a duplication in numbering, reads as follows:

6 A. Prior to permitting an individual to act as a network
7 company service provider on its digital network, the network company
8 shall:

9 1. Require the individual to submit an application to the
10 network company, which includes information regarding the
11 individual's address, age, driver license, driving history, motor
12 vehicle registration, automobile liability insurance and other
13 information required by the network company; and

14 2. Conduct, or have a third party conduct, a local and national
15 criminal background check for each applicant that shall include a
16 check of:

17 a. the Multi-State/Multi-Jurisdictional Criminal Records
18 Locator or other similar commercial nationwide
19 database with validation through a primary source
20 search,

21 b. the National Sex Offender Registry database, and

22 c. the Oklahoma Sex and Violent Offender Registry
23 database.

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1 B. Network companies shall not permit an individual to act as a
2 network company service provider on its digital network who:

3 1. Has been convicted, within the past two (2) years, of
4 driving under the influence of drugs or alcohol;

5 2. Has been convicted, within the past seven (7) years, of
6 fraud, sexual offenses, use of a motor vehicle to commit a felony, a
7 crime involving property damage, theft, acts of violence or acts of
8 terror;

9 3. Is a match in the National Sex Offender Registry or Oklahoma
10 Sex and Violent Offender Registry database;

11 4. Does not possess a valid driver license;

12 5. Does not possess current proof of motor vehicle registration
13 for the motor vehicle(s) used to provide network company services;

14 6. Does not possess proof of the automobile liability insurance
15 required by law or rule for the motor vehicle(s) used to provide
16 prearranged rides; or

17 7. Is not at least eighteen (18) years of age.

18 C. Network companies shall implement a procedure for periodic
19 information updates for each network company service provider
20 required by subsection A of this section to ensure continued
21 compliance by each network company service provider with the
22 requirements of subsection B of this section.

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1 SECTION 5. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 800.5 of Title 15, unless there
3 is created a duplication in numbering, reads as follows:

4 A network company's software application or website shall
5 display a current picture of the network company service provider
6 and the license plate number, make, model and color of the motor
7 vehicle utilized for providing network company services.

8 SECTION 6. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 800.6 of Title 15, unless there
10 is created a duplication in numbering, reads as follows:

11 A. Network companies shall implement a zero-tolerance policy
12 against network company service providers from permitting persons
13 other than the authorized network company service provider from
14 providing network company services including the assembling, picking
15 up, transportation and delivery of network company services.

16 B. The network company shall implement a procedure for periodic
17 identification checks to verify that the authorized network company
18 service provider is providing the network company services.

19 C. The network company shall provide notice of this policy on
20 its digital network, as well as procedures to report a complaint
21 about an unauthorized person providing network company services.
22 Upon receipt of a complaint from a network company consumer alleging
23 a violation of the zero-tolerance policy, the network company shall
24 immediately suspend such network company service provider access to

1 the network company's digital network, and shall conduct an
2 investigation into the reported incident. The suspension shall last
3 the duration of the investigation.

4 D. Network companies shall maintain records relevant to the
5 enforcement of this requirement for a period of at least two (2)
6 years from the date that a complaint is received by the network
7 company.

8 SECTION 7. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 800.7 of Title 15, unless there
10 is created a duplication in numbering, reads as follows:

11 A. Network companies shall not disclose a network company
12 consumer's personally identifiable information to a third party
13 unless:

- 14 1. The network company consumer consents;
- 15 2. Disclosure is required by a legal obligation; or
- 16 3. Disclosure is required to protect or defend the terms of use
17 of the service or to investigate violations of those terms.

18 B. Network companies shall be permitted to share a network
19 service consumer's name, telephone number, and address with the
20 network company service provider providing network company services
21 only to facilitate correct identification of the network company
22 consumer by the network company service provider or to facilitate
23 communication between the network company consumer and the network
24 company service provider. Network companies shall prohibit the use

1 by network company service providers of a network company consumer's
2 name, telephone number, address or other personal information for
3 any purpose other than those listed in this section.

4 SECTION 8. This act shall become effective November 1, 2021.

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