

1 STATE OF OKLAHOMA

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

3 COMMITTEE SUBSTITUTE

4 FOR

HOUSE BILL NO. 1798

By: Miller

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7 COMMITTEE SUBSTITUTE

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

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 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, groceries and food
10 from restaurants. Network company services shall not include
11 transportation of passengers;

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

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

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

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

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

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

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

19 A. Prior to permitting an individual to act as a network
20 company service provider on its digital network, the network company
21 shall:

22 1. Require the individual to submit an application to the
23 network company, which includes information regarding the
24 individual's address, age, driver license, driving history, motor

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

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

- 6 a. the Multi-State/Multi-Jurisdictional Criminal Records
7 Locator or other similar commercial nationwide
8 database with validation through a primary source
9 search,
- 10 b. the National Sex Offender Registry database, and
- 11 c. the Oklahoma Sex and Violent Offender Registry
12 database.

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

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

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

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

23 4. Does not possess a valid driver license;

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

3 6. Does not possess proof of the automobile liability insurance
4 required by law or rule for the motor vehicle(s) used to provide
5 network company services; or

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

7 C. Network companies shall implement a procedure for periodic
8 information updates for each network company service provider
9 required by subsection A of this section to ensure continued
10 compliance by each network company service provider with the
11 requirements of subsection B of this section.

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

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

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

22 A. Network companies shall implement a zero-tolerance policy
23 against network company service providers from permitting persons
24 other than the authorized network company service provider from

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

3 B. The network company shall implement a procedure for periodic
4 identification checks to verify that the authorized network company
5 service provider is providing the network company services.

6 C. The network company shall provide notice of its zero-
7 tolerance policy on its digital network, as well as procedures to
8 report a complaint about an unauthorized person providing network
9 company services. Upon receipt of a complaint from a network
10 company consumer alleging a violation of the zero-tolerance policy,
11 the network company shall immediately suspend such network company
12 service provider's access to the network company's digital network,
13 and shall conduct an investigation into the reported incident. The
14 suspension shall last the duration of the investigation.

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

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

22 A. Network companies shall not disclose a network company
23 consumer's personally identifiable information to a third party
24 unless:

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

5 B. Network companies shall be permitted to share a network

6 service consumer's name, telephone number, and address with the

7 network company service provider providing network company services

8 only to facilitate correct identification of the network company

9 consumer by the network company service provider or to facilitate

10 communication between the network company consumer and the network

11 company service provider.

12 C. Network companies shall prohibit the use by network company

13 service providers of a network company consumer's name, telephone

14 number, address or other personal information for any purpose other

15 than those listed in this section. Network companies shall

16 implement policies and procedures to enforce this prohibition as

17 well as to prevent network company service providers from retaining

18 or disclosing such information to other persons.

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

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