

**SECOND CONFERENCE COMMITTEE REPORT BRIEF
HOUSE BILL NO. 2020**

As Agreed to April 3, 2023

Brief*

HB 2020 would amend law pertaining to the employment classification of drivers for motor carriers and transportation network companies (TNCs).

Motor Carrier Drivers

The bill would add to employment-related law that a requirement for or use of a motor carrier safety improvement would not affect or change the worker status of a driver.

The bill would define two terms:

- “Motor carrier safety improvement” would mean any device, equipment, software, technology, procedure, training, policy, program, or operational practice intended and used primarily to improve or facilitate compliance with traffic or motor carrier safety laws or the safety of the vehicle, the vehicle operator, or a third-party public roadway user; and
- “Worker status” would mean the classification under state law of a motor vehicle driver who transports property for compensation as an agent, employee, jointly employed employee, borrowed servant, or independent contractor for a motor carrier.

Transportation Network Company Drivers

The bill would also establish conditions in the Kansas Transportation Network Company Services Act for when a driver for a TNC is an independent contractor.

The bill would specify that a driver for a TNC is an independent contractor and not an employee, provided that the TNC:

- Does not determine the hours when the driver must be logged in to its system;
- Does not restrict the driver’s ability to use the digital networks of other TNCs;

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- Does not restrict the driver from engaging in any other occupation or business; and
- Agrees in writing with the driver that the driver is an independent contractor for the TNC.

The bill would limit these provisions to the relationship between TNCs and TNC drivers.

Conference Committee Action

The Second Conference Committee agreed to the contents of HB 2020, as introduced, and agreed to add the contents of HB 2019, as amended by the Senate Committee on Transportation.

Background

HB 2020 (Motor Carrier Drivers)

The bill was introduced by the House Committee on Transportation at the request of a representative of the Kansas Motor Carriers Association (KMCA).

House Committee on Transportation

In the House Committee hearing, a representative of the KMCA and a transportation attorney provided **proponent** testimony. They stated requiring use of safety-related technologies and monitoring or training drivers with regard to safety can be viewed by courts and regulators as exerting control, using safety technologies and providing training would increase safety for all, and the bill would not affect other indicators of control that may result in the classification of independent transportation contractors as employees.

Written-only neutral testimony was provided by representatives of the International Brotherhood of Teamsters Joint Council 56, Kansas Corporation Commission, and Kansas Highway Patrol. The neutral testimony requested placement of the language in Kansas Statutes Annotated Chapter 44, Labor and Industries, rather than with motor carrier safety requirements in Chapter 66, Public Utilities, and narrowing the definition of a motor carrier safety improvement.

No opponent testimony was provided.

Senate Committee on Transportation

In the Senate Committee hearing, a representative of the KMCA and a transportation attorney provided **proponent** testimony. They stated that eight other states have passed similar legislation addressing classification of independent transportation contractors and motor carrier employees when dealing with implementation of safety-related monitoring technologies. No other testimony was provided.

The Senate Committee amended the bill to make it effective upon publication in the *Kansas Register*. [Note: The Second Conference Committee did not retain this amendment.]

HB 2019 (Transportation Network Company Drivers)

The bill was introduced by the House Committee on Transportation at the request of a representative of Uber Technologies, Inc.

House Committee on Transportation

In the House Committee hearing, **proponent** testimony was provided by a representative of Uber Technologies, Inc. Written-only proponent testimony was provided by a representative of the R Street Institute. The proponents generally stated the bill would preserve the right of TNC drivers to work as independent contractors.

Opponent testimony was provided by a representative of Teamsters Joint Council 56. Written-only opponent testimony was provided by representatives of Working Kansas Alliance and the Mid-America Carpenters Regional Council. The opponents generally stated the bill would harm employee rights by permitting TNCs to classify their drivers as independent contractors, rather than employees, and would change the standard for employee classification.

Senate Committee on Transportation

In the Senate Committee hearing, **proponent** testimony was provided by a representative of Uber Technologies, Inc. Written-only proponent testimony was provided by representatives of the R Street Institute and TechNet. The proponents stated TNC drivers prefer their status as independent contractors and setting their own schedules and noted similar legislation has been enacted in more than 20 states.

Opponent testimony was provided by a representative of Teamsters Joint Council 56, and written-only opponent testimony was provided by a representative of the Mid-America Carpenters Regional Council. The opponents stated misclassification of workers as independent contractors affects both workers and companies and expressed concern that the provisions would be extended to limit labor rights for other types of workers.

The Senate Committee amended the bill to specify the provisions would be limited to the relationship between TNCs and TNC drivers. [Note: The Second Conference Committee retained this amendment.]

Fiscal Information

HB 2020 (Motor Carrier Drivers)

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, the Kansas Department of Transportation, Kansas Highway Patrol, and Kansas Corporation Commission indicate enactment of the bill would have no fiscal effect on the operations of the agencies.

HB 2019 (Transportation Network Company Drivers)

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, the Kansas Department of Transportation, Kansas Highway Patrol, and Kansas Corporation Commission indicate enactment of the bill would have no fiscal effect on the operations of the agencies.

Employment status; transportation network companies; motor carriers; safety; regulation

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