## Department of Planning and Budget 2025 General Assembly Session State Fiscal Impact Statement

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**Bill Number:** HB2609 **Patron:** Convirs-Fowler **Bill Title:** Transportation network companies; minimum compensation.

**Bill Summary:** This bill establishes minimum compensation rates for TNC partners. The bill also prohibits gratuities from passengers from being included in TNC partner compensation calculations, authorizes TNC partners to collect gratuity in cash or electronically, and prohibits transportation network companies from limiting the amount that can be paid as gratuity through such companies' digital platforms.

**Budget Amendment Necessary:** No **Items Impacted:** Item 426

**Explanation:** The Department of Motor Vehicles (DMV) anticipates the need for additional positions to

support additional TNC compliance and enforcement requirements. Without additional revenues, DMV would need to reallocate funds from other areas to support this work.

**Fiscal Summary:** The minimum compensation for transportation network company (TNC) partners is not currently mandated within the Code of Virginia. This bill inserts minimum compensation rates for all TNC partners within Chapter 20 of Title 46.2 (Regulation of Passenger Carriers), which DMV indicates will place certain compliance and enforcement requirements on DMV. DMV anticipates that the agency will need two additional positions to support these additional responsibilities at a total annual cost of \$106,138. The agency indicates that existing revenues supporting regulation of TNCs will not accommodate the additional positions. Without any increases to existing fees, DMV would have to reallocate funds from other areas to support the additional positions, which could impact agency operations.

DMV notes that similar bills impacting TNC requirements will have a similar impact on the agency. The position and funding need are not cumulative and would remain the same given the passage of one or more of these similar bills.

Other: This fiscal impact statement was revised to reflect revised feedback from DMV.

Other bills impacting TNC requirements include SB 1167, HB 2756, and SB 1348.