

SECOND REGULAR SESSION

[PERFECTED]

# HOUSE BILL NO. 1563

## 98TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE GOSEN.

4449H.01P

D. ADAM CRUMBLISS, ChiefClerk

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### AN ACT

To amend chapter 379, RSMo, by adding thereto five new sections relating to transportation network company insurance.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Chapter 379, RSMo, is amended by adding thereto five new sections, to be  
2 known as sections 379.1700, 379.1702, 379.1704, 379.1706, and 379.1708, to read as follows:

**379.1700. As used in sections 379.1700 to 379.1708, the following terms shall mean:**

2 **(1) "Digital network", any online-enabled application, software, website, or system**  
3 **offered or utilized by a transportation network company that enables the prearrangement**  
4 **of rides with transportation network company drivers;**

5 **(2) "Personal vehicle", a vehicle that is used by a transportation network company**  
6 **driver and is:**

7 **(a) Owned, leased, or otherwise authorized for use by the transportation network**  
8 **company driver; and**

9 **(b) Not a taxicab, limousine, or for-hire vehicle under chapter 390;**

10 **(3) "Prearranged ride", the provision of transportation by a driver to a rider,**  
11 **beginning when a driver accepts a ride requested by a rider through a digital network**  
12 **controlled by a transportation network company, continuing while the driver transports**  
13 **a requesting rider, and ending when the last requesting rider departs from the personal**  
14 **vehicle. A prearranged ride shall not include shared expense carpool or vanpool**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

15 arrangements or transportation provided using a taxi, limousine, or other for-hire vehicle  
16 under chapter 390;

17 (4) "Transportation network company", a corporation, partnership, sole  
18 proprietorship, or other entity that is licensed and operating in Missouri that uses a digital  
19 network to connect transportation network company riders to transportation network  
20 company drivers who provide prearranged rides. A transportation network company shall  
21 not be deemed to control, direct, or manage the personal vehicles or transportation  
22 network company drivers that connect to its digital network, except if agreed to by written  
23 contract;

24 (5) "Transportation network company driver" or "driver", an individual who:

25 (a) Receives connections to potential riders and related services from a  
26 transportation network company in exchange for payment of a fee to the transportation  
27 network company; and

28 (b) Uses a personal vehicle to offer or provide a prearranged ride to riders upon  
29 connection through a digital network controlled by a transportation network company in  
30 return for compensation or payment of a fee;

31 (6) "Transportation network company rider" or "rider", an individual or persons  
32 who use a transportation network company's digital network to connect with a  
33 transportation network driver who provides prearranged rides to the rider in the driver's  
34 personal vehicle between points chosen by the rider.

379.1702. 1. Beginning April 1, 2017, a transportation network company driver or  
2 transportation network company on the driver's behalf shall maintain primary automobile  
3 insurance that:

4 (1) Recognizes that the driver is a transportation network company driver or  
5 otherwise uses a vehicle to transport riders for compensation; and

6 (2) Covers the driver while the driver is logged on to the transportation network  
7 company's digital network or while the driver is engaged in a prearranged ride.

8 2. The following automobile insurance requirements shall apply while a  
9 participating transportation network company driver is logged on to the transportation  
10 network company's digital network and is available to receive transportation requests but  
11 is not engaged in a prearranged ride:

12 (1) Primary automobile liability insurance in the amount of at least fifty thousand  
13 dollars for death and bodily injury per person, one hundred thousand dollars for death  
14 and bodily injury per incident, and twenty-five thousand dollars for property damage;

15 (2) Uninsured motorist coverage in an amount not less than the limits set forth in  
16 section 379.203;

17           **(3) The coverage requirements of this subsection may be satisfied by any of the**  
18 **following:**

19           **(a) Automobile insurance maintained by the transportation network company**  
20 **driver;**

21           **(b) Automobile insurance maintained by the transportation network company; or**

22           **(c) Any combination of paragraphs (a) and (b) of this subdivision.**

23           **3. The following automobile insurance requirements shall apply while a**  
24 **transportation network company driver is engaged in a prearranged ride:**

25           **(1) Primary automobile liability insurance in the amount of at least one million**  
26 **dollars for death, bodily injury, and property damage;**

27           **(2) Uninsured motorist coverage in an amount not less than the limits set forth in**  
28 **section 379.203;**

29           **(3) The coverage requirements of this subsection may be satisfied by any of the**  
30 **following:**

31           **(a) Automobile insurance maintained by the transportation network company**  
32 **driver;**

33           **(b) Automobile insurance maintained by the transportation network company; or**

34           **(c) Any combination of paragraphs (a) and (b) of this subdivision.**

35           **4. If insurance maintained by a driver in subsection 2 or 3 of this section has lapsed**  
36 **or does not provide the required coverage, insurance maintained by a transportation**  
37 **network company shall provide the coverage required by this section beginning with the**  
38 **first dollar of a claim and shall have the duty to defend such claim. If the insurance**  
39 **maintained by the driver does not otherwise exclude coverage for loss or injury while the**  
40 **driver is logged on to a transportation network's digital network or while the driver**  
41 **provides a prearranged ride, but does not provide insurance coverage at the minimum**  
42 **limits required by subsection 2 or 3 of this section, the transportation network company**  
43 **shall maintain insurance coverage that provides excess coverage beyond the driver's policy**  
44 **limits up to the limits required by subsection 2 or 3 of this section, as applicable.**

45           **5. Coverage under an automobile insurance policy maintained by the**  
46 **transportation network company shall not be dependent on a personal automobile insurer**  
47 **first denying a claim nor shall a personal automobile insurance policy be required to first**  
48 **deny a claim.**

49           **6. Insurance required by this section may be placed with an insurer authorized to**  
50 **issue policies of automobile insurance in the state of Missouri or with an eligible surplus**  
51 **lines insurer under chapter 384.**

52           7. Insurance satisfying the requirements of this section shall be deemed to satisfy  
53 the motor vehicle financial responsibility requirements for a motor vehicle under chapter  
54 303.

55           8. A transportation network company driver shall carry proof of coverage  
56 satisfying subsections 2 and 3 of this section with him or her at all times during his or her  
57 use of a vehicle in connection with a transportation network company's digital network.  
58 In the event of an accident, a transportation network company driver shall provide this  
59 insurance coverage information to the directly interested parties, automobile insurers, and  
60 investigating police officers, upon request under section 303.024. Upon such request, a  
61 transportation network company driver shall also disclose to directly interested parties,  
62 automobile insurers, and investigating police officers whether the driver was logged on to  
63 the transportation network company's digital network or on a prearranged ride at the time  
64 of an accident.

          379.1704. The transportation network company shall disclose in writing to  
2 transportation network company drivers the following before they are allowed to accept  
3 a request for a prearranged ride on the transportation network company's digital network:

4           (1) The insurance coverage, including the types of coverage and the limits for each  
5 coverage, that the transportation network company provides while the transportation  
6 network company driver uses a personal vehicle in connection with a transportation  
7 network company's digital network; and

8           (2) That the transportation network company driver's own automobile insurance  
9 policy might not provide any coverage while the driver is logged on to the transportation  
10 network company's digital network and is available to receive transportation requests or  
11 is engaged in a prearranged ride depending on the policy's terms.

          379.1706. A transportation network company shall make the following disclosure  
2 to a prospective driver in the prospective driver's terms of service:

3  
4 **IF THE VEHICLE THAT YOU PLAN TO USE TO PROVIDE TRANSPORTATION**  
5 **NETWORK COMPANY SERVICES HAS A LIEN AGAINST IT, USING THE**  
6 **VEHICLE FOR TRANSPORTATION NETWORK COMPANY SERVICES MAY**  
7 **VIOLATE THE TERMS OF YOUR CONTRACT WITH THE LIENHOLDER.**

8  
9 **IF A TRANSPORTATION NETWORK COMPANY'S INSURER MAKES A PAYMENT**  
10 **FOR A CLAIM COVERED UNDER COMPREHENSIVE COVERAGE OR COLLISION**  
11 **COVERAGE, THE TRANSPORTATION NETWORK COMPANY SHALL CAUSE ITS**  
12 **INSURER TO ISSUE THE PAYMENT DIRECTLY TO THE BUSINESS REPAIRING**

13 **THE VEHICLE OR JOINTLY TO THE OWNER OF THE VEHICLE AND THE**  
14 **PRIMARY LIENHOLDER ON THE COVERED VEHICLE.**

15

16 **The disclosure set forth in this subsection shall be placed prominently in the prospective**  
17 **driver's written terms of service, and the prospective driver shall acknowledge the terms**  
18 **of service electronically or by signature.**

**379.1708. 1. Insurers that write automobile insurance in Missouri may exclude or**  
2 **limit any and all coverage afforded under an automobile insurance policy, including a**  
3 **motor vehicle liability policy, issued to an owner or operator of a personal vehicle for any**  
4 **loss or injury that occurs while:**

5 **(1) A driver is logged on to a transportation network company's digital network;**

6 **(2) A driver provides a prearranged ride; or**

7 **(3) A motor vehicle is being used to transport or carry persons or property for any**  
8 **compensation or suggested donation;**

9 **2. The right to exclude all coverage under subsection 1 of this section may apply to**  
10 **any coverage included in an automobile insurance policy including, but not limited to:**

11 **(1) Liability coverage for bodily injury and property damage;**

12 **(2) Uninsured and underinsured motorist coverage;**

13 **(3) Medical payments coverage;**

14 **(4) Comprehensive physical damage coverage; and**

15 **(5) Collision physical damage coverage.**

16

17 **Such exclusions shall apply notwithstanding any financial responsibility requirement or**  
18 **uninsured motorist coverage requirement under the motor vehicle financial responsibility**  
19 **law, chapter 303 or section 379.203, respectively. Nothing in this section implies or**  
20 **requires that a personal automobile insurance policy provide coverage while the driver is**  
21 **logged on to the transportation network company's digital network, while the driver is**  
22 **engaged in a prearranged ride, or while the driver otherwise uses a vehicle to transport**  
23 **passengers or property for compensation.**

24 **3. Nothing shall be deemed to preclude an insurer from providing coverage for the**  
25 **transportation network company driver's vehicle, if it chooses to do so by contract or**  
26 **endorsement.**

27 **4. Automobile insurers that exclude the coverage described in section 379.1702 shall**  
28 **have no duty to defend or indemnify any claim expressly excluded thereunder. Nothing in**  
29 **this section shall be deemed to invalidate or limit an exclusion contained in a policy,**  
30 **including any policy in use or approved for use in Missouri prior to the enactment of this**

31 **section that excludes coverage for vehicles used to carry persons or property for a charge**  
32 **or available for hire by the public.**

33 **5. An automobile insurer that defends or indemnifies a claim against a driver that**  
34 **is excluded under the terms of its policy shall have a right of contribution against other**  
35 **insurers that provide automobile insurance to the same driver in satisfaction of the**  
36 **coverage requirements of section 379.1702 at the time of loss.**

37 **6. In a claims coverage investigation, transportation network companies and any**  
38 **insurer potentially providing coverage under section 379.1702 shall cooperate to facilitate**  
39 **the exchange of relevant information with each other and any insurer of the transportation**  
40 **network company driver if applicable, including the precise times that a transportation**  
41 **network company driver logged on and off of the transportation network company's**  
42 **digital network in the twelve-hour period immediately preceding and in the twelve-hour**  
43 **period immediately following the accident and disclose to one another a clear description**  
44 **of the coverage, exclusions, and limits provided under any automobile insurance**  
45 **maintained under section 379.1702.**

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