

HCS HB 1789 -- DELIVERY NETWORK COMPANIES

SPONSOR: Murphy

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Insurance by a vote of 8 to 1 with 1 member voting present.

The following is a summary of the House Committee Substitute for HB 1789.

This bill enacts the "Delivery Network Company Insurance Act".

The bill details responsibilities of delivery network companies and delivery network company drivers with regard to insurance, including minimum coverage amounts, liability in the event of a lapse in a driver's coverage, payment priority in the event of multiple coverages, and maintaining proof of coverage.

The bill specifies that operating a motor vehicle during the delivery availability period, as defined in the bill, will not be construed as commercial activity

This bill specifies that a network company driver is an independent contractor and not an employee of a delivery network company. The bill requires delivery network company drivers to provide certain information in the event of an accident, and requires the drivers and companies to cooperate in claims investigations as specified in the bill. A delivery network company's insurer will assume primary liability for a claim if the company does not have available, or fails to provide, the information required in the bill. A delivery network company must not be deemed to control, direct, or manage a personal vehicle or delivery network company driver, except if agreed to by written contract.

This bill requires delivery network companies to verify that the driver has motor vehicle liability insurance coverage in this state before the driver provides delivery network services. The verification will continue at every six-month interval thereafter, and until such time as the driver continues to provide the delivery network services for the delivery network company.

The bill requires delivery network companies to make certain disclosures to drivers regarding insurance coverage prior to allowing the drivers to make deliveries. Insurers may exclude

coverage for losses occurring during a delivery service period, as specified in the bill, and, if they defend or cover a claim against a delivery network company driver which is excluded under their insurance policy, they may seek recovery against the insurer providing the coverage required in the bill.

This bill has an effective date of October 1, 2027.

This bill is similar to provisions in HCS HB 974(2025).

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

PROPOSERS: Supporters say that this bill would make sure delivery network drivers have insurance coverage for the time period they are delivering for the company.

Testifying in person for the bill were Representative Murphy; National Association of Mutual Insurance Companies; American Property Casualty Insurance Association (APCIA); Shelter Insurance Companies; Missouri Insurance Coalition; and Arnie Dienoff.

OPPOSERS: Those who oppose the bill say that there will possibly be a laps in coverage for the delivery availability time. The limits for the insurance coverage required in the bill are too low.

Testifying in person against the bill were Missouri Association of Trial Attorneys; DoorDash, Inc.; and Wal-Mart Stores Inc.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.