

SECOND REGULAR SESSION  
[TRULY AGREED TO AND FINALLY PASSED]

# SENATE BILL NO. 947

98TH GENERAL ASSEMBLY

2016

5729S.01T

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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  
2 sections, to be known as sections 379.1700, 379.1702, 379.1704, 379.1706, and  
3 379.1708, to read as follows:

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

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

7 (2) "Personal vehicle", a vehicle that is used by a transportation  
8 network company driver and is:

9 (a) Owned, leased, or otherwise authorized for use by the  
10 transportation network company driver; and

11 (b) Not a taxicab, limousine, or for-hire vehicle under chapter  
12 390;

13 (3) "Prearranged ride", the provision of transportation by a  
14 driver to a rider, beginning when a driver accepts a ride requested by  
15 a rider through a digital network controlled by a transportation  
16 network company, continuing while the driver transports a requesting  
17 rider, and ending when the last requesting rider departs from the  
18 personal vehicle. A prearranged ride shall not include shared expense  
19 carpool or vanpool arrangements or transportation provided using a  
20 taxi, limousine, or other for-hire vehicle under chapter 390;

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

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

31 (a) Receives connections to potential riders and related services  
32 from a transportation network company in exchange for payment of a  
33 fee to the transportation network company; and

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

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

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

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

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

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

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

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

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

23           **(a) Automobile insurance maintained by the transportation**  
24 **network company driver;**

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

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

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

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

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

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

38           **(a) Automobile insurance maintained by the transportation**  
39 **network company driver;**

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

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

44           **4. If insurance maintained by a driver in subsection 2 or 3 of**  
45 **this section has lapsed or does not provide the required coverage,**  
46 **insurance maintained by a transportation network company shall**  
47 **provide the coverage required by this section beginning with the first**  
48 **dollar of a claim and shall have the duty to defend such claim. If the**  
49 **insurance maintained by the driver does not otherwise exclude**  
50 **coverage for loss or injury while the driver is logged on to a**

51 transportation network's digital network or while the driver provides  
52 a prearranged ride, but does not provide insurance coverage at the  
53 minimum limits required by subsection 2 or 3 of this section, the  
54 transportation network company shall maintain insurance coverage  
55 that provides excess coverage beyond the driver's policy limits up to  
56 the limits required by subsection 2 or 3 of this section, as applicable.

57 5. Coverage under an automobile insurance policy maintained  
58 by the transportation network company shall not be dependent on a  
59 personal automobile insurer first denying a claim nor shall a personal  
60 automobile insurance policy be required to first deny a claim.

61 6. Insurance required by this section may be placed with an  
62 insurer authorized to issue policies of automobile insurance in the  
63 state of Missouri or with an eligible surplus lines insurer under  
64 chapter 384.

65 7. Insurance satisfying the requirements of this section shall be  
66 deemed to satisfy the motor vehicle financial responsibility  
67 requirements for a motor vehicle under chapter 303.

68 8. A transportation network company driver shall carry proof of  
69 coverage satisfying subsections 2 and 3 of this section with him or her  
70 at all times during his or her use of a vehicle in connection with a  
71 transportation network company's digital network. In the event of an  
72 accident, a transportation network company driver shall provide this  
73 insurance coverage information to the directly interested parties,  
74 automobile insurers, and investigating police officers, upon request  
75 under section 303.024. Upon such request, a transportation network  
76 company driver shall also disclose to directly interested parties,  
77 automobile insurers, and investigating police officers whether the  
78 driver was logged on to the transportation network company's digital  
79 network or on a prearranged ride at the time of an accident.

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

5 (1) The insurance coverage, including the types of coverage and  
6 the limits for each coverage, that the transportation network company  
7 provides while the transportation network company driver uses a

8 personal vehicle in connection with a transportation network  
9 company's digital network; and

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

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

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

9 IF A TRANSPORTATION NETWORK COMPANY'S INSURER MAKES A  
10 PAYMENT FOR A CLAIM COVERED UNDER COMPREHENSIVE  
11 COVERAGE OR COLLISION COVERAGE, THE TRANSPORTATION  
12 NETWORK COMPANY SHALL CAUSE ITS INSURER TO ISSUE THE  
13 PAYMENT DIRECTLY TO THE BUSINESS REPAIRING THE VEHICLE  
14 OR JOINTLY TO THE OWNER OF THE VEHICLE AND THE PRIMARY  
15 LIENHOLDER ON THE COVERED VEHICLE.

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

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

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

8 (2) A driver provides a prearranged ride; or

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

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

- 14           **(1) Liability coverage for bodily injury and property damage;**
- 15           **(2) Uninsured and underinsured motorist coverage;**
- 16           **(3) Medical payments coverage;**
- 17           **(4) Comprehensive physical damage coverage; and**
- 18           **(5) Collision physical damage coverage.**

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

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

31           **4. Automobile insurers that exclude the coverage described in**  
32 **section 379.1702 shall have no duty to defend or indemnify any claim**  
33 **expressly excluded thereunder. Nothing in this section shall be**  
34 **deemed to invalidate or limit an exclusion contained in a policy,**  
35 **including any policy in use or approved for use in Missouri prior to**  
36 **the enactment of this section that excludes coverage for vehicles used**  
37 **to carry persons or property for a charge or available for hire by the**  
38 **public.**

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

44           **6. In a claims coverage investigation, transportation network**  
45 **companies and any insurer potentially providing coverage under**  
46 **section 379.1702 shall cooperate to facilitate the exchange of relevant**

47 information with each other and any insurer of the transportation  
48 network company driver if applicable, including the precise times that  
49 a transportation network company driver logged on and off of the  
50 transportation network company's digital network in the twelve-hour  
51 period immediately preceding and in the twelve-hour period  
52 immediately following the accident and disclose to one another a clear  
53 description of the coverage, exclusions, and limits provided under any  
54 automobile insurance maintained under section 379.1702.

Unofficial ✓

Bill

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