

# SENATE BILL NO. 351

98TH GENERAL ASSEMBLY

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INTRODUCED BY SENATOR SCHAEFER.

Read 1st time January 29, 2015, and ordered printed.

ADRIANE D. CROUSE, Secretary.

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## AN ACT

To amend chapter 387, RSMo, by adding thereto eighteen new sections relating to transportation network companies.

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

Section A. Chapter 387, RSMo, is amended by adding thereto eighteen  
2 new sections, to be known as sections 387.410, 387.415, 387.420, 387.425,  
3 387.430, 387.435, 387.440, 387.445, 387.450, 387.455, 387.460, 387.465, 387.470,  
4 387.475, 387.480, 387.485, 387.490, and 387.495, to read as follows:

**387.410. 1. As used in sections 387.410 to 387.495 the following  
2 terms mean:**

3 (1) "Transportation network company" or "TNC", an entity  
4 licensed pursuant to sections 387.410 to 387.495 and operating in  
5 Missouri that uses a digital network or software application service to  
6 connect passengers to transportation network company services  
7 provided by transportation network company drivers. A TNC is not  
8 deemed to own, control, operate, or manage the vehicles used by TNC  
9 drivers, and is not a taxicab association or a for-hire vehicle owner;

10 (2) "Transportation network company (TNC) driver", an  
11 individual who operates a motor vehicle that is:

12 (a) Owned, leased, or otherwise authorized for use by the  
13 individual;

14 (b) Not a taxicab or for-hire vehicle; and

15 (c) Used to provide transportation network company services;

16 (3) "Transportation network company (TNC) services",  
17 transportation of a passenger between points chosen by the passenger  
18 and prearranged with a TNC driver through the use of a TNC digital  
19 network or software application. TNC services shall begin when a TNC  
20 driver accepts a request for transportation received through the TNC's  
21 digital network or software application service, continue while the TNC

22 driver transports the passenger in the TNC driver's vehicle, and end  
23 when the passenger exits the TNC driver's vehicle. TNC service is not  
24 taxicab, for-hire vehicle, or street hail service.

387.415. TNCs or TNC drivers are not common carriers, contract  
2 carriers, or motor carriers, as defined in section 390.020, nor do they  
3 provide taxicab or for-hire vehicle service. In addition, a TNC driver  
4 shall not be required to register the vehicle such driver uses to provide  
5 TNC services as a commercial or for-hire vehicle.

387.420. 1. A person shall not operate a TNC in Missouri without  
2 first having obtained a permit from the department of transportation.

3 2. The department of transportation shall issue a permit to each  
4 applicant that meets the requirements for a TNC set forth in sections  
5 387.410 to 387.495, and pays an annual permit fee that does not exceed  
6 twenty thousand dollars to the department of transportation.

387.425. A TNC shall maintain an agent for service of process in  
2 the state of Missouri.

387.430. A TNC may charge a fare for the services provided to  
2 passengers; provided that, if a fare is charged, the TNC shall disclose  
3 to passengers the fare calculation method on its website or within the  
4 software application service. The TNC shall also provide passengers  
5 with the applicable rates being charged and the option to receive an  
6 estimated fare before the passenger enters the TNC driver's vehicle.

387.435. The TNC's software application or website shall display  
2 a picture of the TNC driver and the license plate number of the motor  
3 vehicle utilized for providing the TNC service before the passenger  
4 enters the TNC driver's vehicle.

387.440. Within a reasonable period of time following the  
2 completion of a trip, a TNC shall transmit an electronic receipt to the  
3 passenger that lists:

- 4 (1) The origin and destination of the trip;
- 5 (2) The total time and distance of the trip; and
- 6 (3) An itemization of the total fare paid, if any.

387.445. 1. On or before September 1, 2015 and thereafter, TNCs  
2 and TNC drivers shall comply with the automobile liability insurance  
3 requirements of this section.

4 2. The following automobile liability insurance requirements  
5 shall apply during the time that a TNC driver is logged into the TNC's

6 digital network and available to receive requests for transportation but  
7 is not providing TNC services:

8 (1) Automobile liability insurance that meets at least the  
9 minimum coverage requirements of section 303.030 and section 379.203;  
10 and

11 (2) Automobile liability insurance in the amounts required in  
12 subdivision (1) of this subsection shall be maintained by a TNC and  
13 provide coverage in the event a participating TNC driver's own  
14 automobile liability policy excludes coverage according to its policy  
15 terms or does not provide coverage of at least the limits required in  
16 subdivision (1) of this subsection.

17 3. The following automobile liability insurance requirements  
18 shall apply while a TNC driver is providing TNC services:

19 (1) Provides primary automobile liability insurance that  
20 recognizes the TNC driver's provision of TNC services;

21 (2) Provides automobile liability insurance of at least one million  
22 dollars for death, personal injury, and property damage; and

23 (3) Provides uninsured motorist coverage as required by section  
24 379.203.

25 4. The coverage requirements of subsection 3 of this section may  
26 be satisfied by any of the following:

27 (1) Automobile liability insurance maintained by the TNC driver;  
28 or

29 (2) Automobile liability insurance maintained by the TNC; or

30 (3) Any combination of subdivisions (1) and (2) of this subsection.

31 5. In every instance where insurance maintained by a TNC driver  
32 to fulfill the insurance requirements of this section has lapsed, failed  
33 to provide the required coverage, denied a claim for the required  
34 coverage, or otherwise ceased to exist, insurance maintained by a TNC  
35 shall provide the coverage required by this section beginning with the  
36 first dollar of a claim.

37 6. Insurance required by this section may be placed with an  
38 insurer authorized to do business in the state or with a surplus lines  
39 insurer eligible under chapter 384.

40 7. Insurance required by this section shall be deemed to satisfy  
41 the financial responsibility requirement for a motor vehicle under  
42 chapter 303.

387.450. 1. The TNC shall disclose in writing to TNC drivers the following before they are allowed to accept a request for TNC services on the TNC's digital network:

(1) The insurance coverage and limits of liability that the TNC provides while the driver uses a personal vehicle in connection with a TNC's digital network; and

(2) That the TNC driver's own insurance policy may not provide coverage while the TNC driver uses a vehicle in connection with a TNC's digital network depending on its terms.

2. Insurers that write automobile liability insurance in Missouri:

(1) May exclude any and all coverage and the duty to defend afforded under the owner's insurance policy for any loss or injury that occurs while an insured vehicle provides or is available to provide TNC services, provided such exclusion is expressly set forth in the policy and approved for sale in Missouri. This right to exclude coverage and the duty to indemnify and defend may apply to any coverage included in an automobile liability insurance policy including, but not limited to:

(a) Liability coverage for bodily injury and property damage;

(b) Uninsured and underinsured motorist coverage;

(c) Medical payments coverage;

(d) Comprehensive physical damage coverage; and

(e) Collision physical damage coverage;

(2) Shall notify an insured after a loss, and within the time required by 20 CSR 100-1.050, that the insurer has no duty to defend or indemnify any person or organization for liability for a loss that is properly excluded pursuant to the terms of the applicable primary or excess insurance policy.

3. Insurers that write automobile liability insurance in Missouri shall disclose on its application for insurance, in a prominent place, whether or not the insurance policy provides coverage while an insured vehicle provides or is available to provide TNC services. If an automobile liability insurance policy contains an exclusion for TNC services, the insurer or its agent shall disclose in writing the exact language of such exclusion to the applicant during the application process.

4. In a claims coverage investigation, TNCs and any insurer

38 providing coverage under this section shall cooperate to facilitate the  
39 exchange of information, including the precise times that a TNC driver  
40 logged on and off of the TNC's digital network in the twenty-four hour  
41 period immediately preceding the accident and disclose to one another  
42 a clear description of the coverage, exclusions, and limits provided  
43 under any insurance policy each party issued or maintained.

387.455. 1. The TNC shall implement a zero tolerance policy on  
2 the use of nonprescribed controlled drugs or alcohol while a TNC  
3 driver is providing TNC services or is logged into the TNC's digital  
4 network but is not providing TNC services, and shall provide notice of  
5 this policy on its website, as well as procedures to report a complaint  
6 about a driver with whom a passenger was matched, and whom the  
7 passenger reasonably suspects was under the influence of drugs or  
8 alcohol during the course of the trip.

9 2. Upon receipt of such passenger complaint alleging a violation  
10 of the zero tolerance policy, the TNC shall immediately suspend such  
11 TNC driver's access to the TNC's digital platform, and shall conduct an  
12 investigation into the reported incident. The suspension shall last the  
13 duration of the investigation.

14 3. The TNC shall maintain records relevant to the enforcement  
15 of this requirement for a period of at least two years from the date that  
16 a passenger complaint is received by the TNC.

387.460. 1. Prior to permitting an individual to act as a TNC  
2 driver on its digital platform, the TNC shall:

3 (1) Require the individual to submit an application to the TNC,  
4 which includes information regarding his or her address, age, driver's  
5 license, driving history, motor vehicle registration, automobile liability  
6 insurance, and other information required by the TNC;

7 (2) Require written authorization from each applicant allowing  
8 the TNC to conduct, or have a third party conduct, a criminal  
9 background check for each applicant described in subdivision (3) of  
10 this subsection;

11 (3) Conduct, or have a third party conduct, a criminal  
12 background check for each applicant that shall include:

13 (a) Multi-State/Multi-Jurisdiction Criminal Records Locator or  
14 other similar commercial nationwide database with validation (primary  
15 source search); and

16 (b) National Sex Offender Registry database; and

17 (4) Obtain and review a driving history research report for such  
18 individual from the department of revenue.

19 2. The TNC shall not permit an individual to act as a TNC driver  
20 on its digital platform who:

21 (1) Has had more than three moving violations in the prior  
22 three-year period, or one major violation in the prior three-year period,  
23 including, but not limited to, attempting to evade the police, reckless  
24 driving, or driving on a suspended or revoked license;

25 (2) Has been convicted within the past seven years of driving  
26 under the influence of drugs or alcohol, fraud, sexual offenses, use of  
27 a motor vehicle to commit a felony, a crime involving property damage,  
28 or theft, acts of violence, or acts of terror;

29 (3) Is a match in the National Sex Offender Registry database;

30 (4) Does not possess a valid driver's license;

31 (5) Does not possess proof of registration for the motor vehicle  
32 used to provide TNC services;

33 (6) Does not possess proof of automobile liability insurance for  
34 the motor vehicle used to provide TNC services; or

35 (7) Is not at least nineteen years of age.

387.465. The TNC shall require that any motor vehicle that a TNC  
2 driver will use to provide TNC services to meet the inspection  
3 requirements of section 307.350.

387.470. A TNC driver shall exclusively accept rides booked  
2 through a TNC's digital network or software application service and  
3 shall not solicit or accept street hails.

387.475. The TNC shall adopt a policy prohibiting solicitation or  
2 acceptance of cash payments from passengers and notify TNC drivers  
3 of such policy. TNC drivers shall not solicit or accept cash payments  
4 from passengers. Any payment for TNC services shall be made only  
5 electronically using the TNC's digital network or software application.

387.480. 1. TNC drivers shall comply with all applicable laws  
2 regarding nondiscrimination against passengers or potential  
3 passengers.

4 2. TNC drivers shall comply with all applicable laws relating to  
5 accommodation of service animals.

6 3. A TNC shall not impose additional charges for providing

7 services to persons with physical disabilities because of those  
8 disabilities.

9 4. A TNC shall provide passengers an opportunity to indicate  
10 whether they require a wheelchair accessible vehicle. If a TNC cannot  
11 arrange wheelchair-accessible TNC service in any instance, it shall  
12 direct the passenger to an alternate provider of wheelchair-accessible  
13 service, if available.

387.485. A TNC shall maintain:

2 (1) Individual trip records for at least one year from the date  
3 each trip was provided; and

4 (2) TNC driver records at least until the one year anniversary of  
5 the date on which a TNC driver's activation on the TNC digital network  
6 has ended.

387.490. A TNC shall not disclose a passenger's personally  
2 identifiable information to a third party unless:

3 (1) The passenger consents;

4 (2) Disclosure is required by a legal obligation; or

5 (3) Disclosure is required to protect or defend the terms of use  
6 of the service or to investigate violations of those terms.

7 In addition to the foregoing, a TNC shall be permitted to share a  
8 passenger's name or telephone number with the TNC driver providing  
9 TNC services to such passenger in order to facilitate correct  
10 identification of the passenger by the TNC driver, or to facilitate  
11 communication between the passenger and the TNC driver.

387.495. Notwithstanding any other provision of law, TNCs and  
2 TNC drivers are governed exclusively by sections 387.410 to 387.495 and  
3 any rules promulgated by the department of transportation consistent  
4 with sections 387.410 to 387.495. Neither a TNC nor a TNC driver shall  
5 be subject to regulation or oversight by a regional taxicab commission  
6 pursuant to section 67.1800 to 67.1822, and no municipality or other  
7 local entity may impose a tax on, or require a license for, a TNC, a TNC  
8 driver, or a vehicle used by a TNC driver where such tax or license  
9 relates to providing TNC services, or subject a TNC to the municipality  
10 or other local entity's rate, entry, operational, or other requirements.