

SECOND REGULAR SESSION

[P E R F E C T E D]

SENATE BILL NO. 947

98TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR PARSON.

Read 1st time January 21, 2016, and ordered printed.

Read 2nd time January 28, 2016, and referred to the Committee on Small Business, Insurance and Industry.

Reported from the Committee March 3, 2016, with recommendation that the bill do pass.

Taken up for Perfection April 12, 2016. Bill declared Perfected and Ordered Printed.

ADRIANE D. CROUSE, Secretary.

5729S.01P

AN ACT

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

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 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:

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

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

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

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

(3) "Prearranged ride", the provision of transportation by a driver to a rider, beginning when a driver accepts a ride requested by a rider through a digital network controlled by a transportation 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.**

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Bill

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