

HB 781 -- TRANSPORTATION NETWORK COMPANY INSURANCE COVERAGE

SPONSOR: Gosen

This bill requires a transportation network company to disclose in writing to participating drivers as part of its agreement with those drivers the insurance coverage and limits of liability the company provides in connection with the transportation of passengers using the driver's personal vehicle. In its main provisions, the bill:

- (1) Defines "transportation network company" as an organization providing prearranged transportation services for compensation using an on-line-enabled application or platform to connect passengers with drivers using a personal vehicle;
- (2) Defines "participating driver" as any person who uses a vehicle in connection with a transportation network company's on-line-enabled application or platform to connect with passengers;
- (3) Requires a company to advise a participating driver in writing that the driver's personal automobile insurance policy may not provide any required or optional coverage because the driver uses a vehicle in connection with the service and that it may violate the terms of his or her contract with a lienholder;
- (4) Requires a company and any participating driver to maintain primary liability coverage for death, bodily injury, and property damage and uninsured motorist coverage of at least \$1 million;
- (5) Requires, when the driver accepts a request to transport a passenger or completes the transaction on the application or platform or the ride is complete, whichever is later, until the driver accepts another ride request or logs off the application or platform, the company to provide primary liability insurance and uninsured motorist insurance in an amount not less than \$50,000 for death and bodily injury per person; \$100,000 for death and bodily injury per incident; and \$30,000 for property damage. The company's insurance coverage must provide collision physical damage coverage and comprehensive physical damage coverage if the participating driver carries that coverages on his or her personal automobile policy unless that insurer is providing company insurance to the driver;
- (6) Prohibits coverage under a company's insurance policy from being dependent on a personal automobile insurance policy first denying a claim or a personal automobile policy be required to first deny a claim;

(7) Specifies that the provisions of the bill must not be construed to require a private passenger's automobile insurance policy to provide primary or excess coverage during the period of time the driver is performing transportation for hire and the personal insurance policy must not provide any coverage unless it is expressly provided for in the policy or the policy contains an amendment or endorsement to provide that coverage for a separately stated premium; and

(8) Specifies the responsibilities of a company or its insurer and the participating driver when there is an accident or a claims coverage investigation.