



**ARIZONA STATE SENATE**  
*Fifty-Sixth Legislature, Second Regular Session*

**AMENDED**  
FACT SHEET FOR S.B. 1272

insurance coverage requirements; transportation companies

Purpose

Modifies minimum primary uninsured motorist and primary commercial motor vehicle liability coverage that must be maintained by a transportation network driver or company, or both, and by a taxi, livery vehicle and limousine driver or company.

Background

For a transportation network company that requires a transportation network company driver to accept rides that are booked and paid for exclusively through the transportation network company's digital network or software and while the driver is performing transportation network services, the driver or the company, or both, must maintain the following insurance coverage: 1) primary commercial motor vehicle liability insurance that covers that transportation network company driver's provision of transportation network services in a minimum amount of \$250,000 per incident; and 2) commercial uninsured motorist coverage in a minimum amount of \$250,000 per incident ([A.R.S. § 28-4038](#)).

The motor vehicle liability insurance needed for a taxi, livery vehicle or limousine is different depending on whether the taxi, livery vehicle or limousine is available to provide passenger transportation or the taxi, livery vehicle or limousine has accepted a ride request. After a taxi, livery vehicle or limousine driver has accepted a ride request through any communication and during the time the taxi, livery vehicle or limousine driver is providing passenger transportation, the taxi, livery vehicle or limousine driver or company must maintain the following insurance coverage: 1) primary commercial motor vehicle liability insurance in a minimum amount of \$250,000 per incident; and 2) commercial uninsured motorist coverage in a minimum amount of \$250,000 per incident ([A.R.S. § 28-4039](#)).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Increases, from \$250,000 per incident to \$1,000,000 per incident, the minimum primary commercial motor vehicle liability insurance that is required for a transportation network company when a passenger to whom the driver is providing network transportation services is occupying the transportation network company vehicle.
2. Modifies the minimum insurance coverage a transportation network company, its driver or both must maintain for primary commercial uninsured motorist coverage from \$250,000 per incident to \$25,000 per person and \$75,000 per incident.

3. Modifies the minimum insurance coverage a taxi, vehicle or limousine driver or company must maintain during the time in which passenger transportation is provided for primary commercial uninsured motorist coverage from \$250,000 per incident to \$25,000 per person and \$75,000 per incident.
4. Specifies that the greater of either the minimum uninsured motorist coverage for transportation network companies or the statutory minimum liability limit for bodily injury or death must be maintained by a transportation network company.
5. Specifies that the greater of either the minimum uninsured motorist coverage for taxi, vehicle and limousine drivers or companies or the statutory minimum liability limit for bodily injury or death must be maintained by taxi, vehicle and limousine drivers or companies.
6. Makes technical changes.
7. Becomes effective on the general effective date.

Amendments Adopted by Committee of the Whole

1. Increases, from \$250,000 per incident to \$1,000,000 per incident, the minimum primary commercial motor vehicle liability insurance that is required for a transportation network company when a client passenger occupies the transportation network company vehicle.
2. Increases, from \$50,000 per incident to \$75,000 per incident, the minimum uninsured motorist coverage that must be maintained by a transportation network company or a taxi, vehicle or limousine company.
3. Specifies that the greater of either the minimum uninsured motorist coverage or the minimum liability limit for bodily injury or death must be maintained by a transportation network company and a taxi, vehicle or limousine driver or company.

Senate Action

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Prepared by Senate Research

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