

FIRST REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 781
98TH GENERAL ASSEMBLY

1900H.03C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 379, RSMo, by adding thereto four 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 four new sections, to be known as sections 379.1700, 379.1702, 379.1704, and 379.1706, to read as follows:

379.1700. As used in sections 379.1700 to 379.1706, 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;****
- (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 rider, and ending when the last requesting rider departs from the personal vehicle. A prearranged ride shall not include transportation provided using a taxi, limousine, or other for-hire vehicle under chapter 390;**
- (4) "Transportation network company", a corporation, partnership, sole proprietorship, or other entity that is licensed and operating in Missouri that uses a digital network to connect transportation network company riders to transportation network**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

19 company drivers who provide prearranged rides. A transportation network company shall
20 not be deemed to control, direct, or manage the personal vehicles or transportation
21 network company drivers that connect to its digital network, except if agreed to by written
22 contract;

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

24 (a) Receives connections to potential riders and related services from a
25 transportation network company in exchange for payment of a fee to the transportation
26 network company; and

27 (b) Uses a personal vehicle to offer or provide a prearranged ride to riders upon
28 connection through a digital network controlled by a transportation network company in
29 return for compensation or payment of a fee that exceeds the individual's cost to provide
30 such transportation;

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

379.1702. 1. Beginning April 1, 2016, and thereafter, a transportation network
2 company driver or transportation network company on the driver's behalf shall maintain
3 primary automobile insurance that:

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

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

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

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

15 (2) Uninsured motorist coverage in an amount not less than the limits set forth in
16 section 379.203;

17 (3) Collision physical damage coverage and comprehensive physical damage
18 coverage if the driver carries such coverages on his or her personal automobile insurance
19 policy;

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

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

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

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

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

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

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

32 **(3) Collision physical damage coverage and comprehensive physical damage**
33 **coverage if the driver carries such coverages on his or her personal automobile insurance**
34 **policy;**

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

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

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

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

41 **4. If insurance maintained by a driver in subsection 2 or 3 of this section has lapsed**
42 **or does not provide the required coverage, insurance maintained by a transportation**
43 **network company shall provide the coverage required by this section beginning with the**
44 **first dollar of a claim and shall have the duty to defend such claim.**

45 **5. Coverage under an automobile insurance policy maintained by the**
46 **transportation network company shall not be dependent on a personal automobile insurer**
47 **first denying a claim nor shall a personal automobile insurance policy be required to first**
48 **deny a claim.**

49 **6. Insurance required by this section may be placed with an insurer authorized to**
50 **issue policies of automobile insurance in the state of Missouri or with an eligible surplus**
51 **lines insurer under chapter 384.**

52 **7. Insurance satisfying the requirements of this section shall be deemed to satisfy**
53 **the motor vehicle financial responsibility requirements for a motor vehicle under chapter**
54 **303.**

55 **8. A transportation network company driver shall carry proof of coverage**
56 **satisfying subsections 2 and 3 of this section with him or her at all times during his or her**
57 **use of a vehicle in connection with a transportation network company's digital network.**
58 **In the event of an accident, a transportation network company driver shall provide this**
59 **insurance coverage information to the directly interested parties, automobile insurers, and**
60 **investigating police officers, upon request under section 303.024. Upon such request, a**
61 **transportation network company driver shall also disclose to directly interested parties,**
62 **automobile insurers, and investigating police officers whether the driver was logged on to**
63 **the transportation network company's digital network or on a prearranged ride at the time**
64 **of an accident.**

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

4 **(1) The insurance coverage, including the types of coverage and the limits for each**
5 **coverage, that the transportation network company provides while the transportation**
6 **network company driver uses a personal vehicle in connection with a transportation**
7 **network company's digital network; and**

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

379.1706. 1. Insurers that write automobile insurance in Missouri may exclude any
2 **and all coverage afforded under an automobile insurance policy, including a motor vehicle**
3 **liability policy, issued to an owner or operator of a personal vehicle for any loss or injury**
4 **that occurs while:**

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

6 **(2) A driver provides a prearranged ride; or**

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

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

11 **(1) Liability coverage for bodily injury and property damage;**

12 **(2) Uninsured and underinsured motorist coverage;**

13 **(3) Medical payments coverage;**

14 **(4) Comprehensive physical damage coverage; and**

15 **(5) Collision physical damage coverage.**

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

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

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

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

36 6. In a claims coverage investigation, transportation network companies and any
37 insurer potentially providing coverage under section 379.1702 shall cooperate to facilitate
38 the exchange of relevant information with directly involved parties and any insurer of the
39 transportation network company driver if applicable, including the precise times that a
40 transportation network company driver logged on and off of the transportation network
41 company's digital network in the twelve-hour period immediately preceding and in the
42 twelve-hour period immediately following the accident and disclose to one another a clear
43 description of the coverage, exclusions, and limits provided under any automobile
44 insurance maintained under section 379.1702.

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