

ASSEMBLY BILL NO. 94—ASSEMBLYWOMAN BRITTNEY MILLER

FEBRUARY 4, 2021

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions governing transportation network companies. (BDR 57-702)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to transportation network companies; prohibiting an insurer from refusing to provide coverage under a policy of motor vehicle insurance because the insured is a driver for a transportation network company; reducing the minimum amount of coverage required for certain transportation network company insurance; requiring transportation network company insurance to provide medical payments coverage; prohibiting a driver for a transportation network company from refusing to complete transportation services for which a passenger is being charged a fare; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law requires every owner of a motor vehicle which is registered in this
2 State to continuously provide motor vehicle insurance. (NRS 485.185) Existing law
3 prohibits an insurer from: (1) increasing the rates for motor vehicle insurance
4 because of a conviction of a violation of the speed limit; and (2) cancelling or
5 refusing to renew a policy of insurance for that reason. (NRS 690B.028) **Section 1**
6 of this bill prohibits an insurer from refusing to provide coverage or fulfill the
7 obligations of a policy of motor vehicle insurance for any accident or motor vehicle
8 crash that occurs during the personal use of the motor vehicle because the insured,
9 claimant or group of insured or claimants is a driver for a transportation network
10 company. **Sections 2 and 3** of this bill make conforming changes to indicate the
11 appropriate placement of **section 1** in the Nevada Revised Statutes.

12 Existing law requires a transportation network company or a driver for a
13 transportation network company to continuously provide transportation network
14 company insurance, which may include coverage for medical payments. (NRS
15 690B.470) **Section 4** of this bill: (1) reduces the minimum amount of insurance
16 coverage required for bodily injury to or death of a person or destruction of



17 property in a motor vehicle crash from \$1,500,000 to \$1,000,000; and (2) requires
18 transportation network company insurance to provide for the medical payments
19 coverage of any occupant of the motor vehicle.

20 Existing law prohibits a driver for a transportation network company from, at
21 the time the driver picks up a passenger, refusing or neglecting to provide
22 transportation services to any orderly passenger. (NRS 706A.280) **Section 5** of this
23 bill prohibits such a driver from, after accepting a passenger for transportation
24 through the digital network or software application of the transportation network
25 company, refusing to complete the transportation services for which the passenger
26 is being charged a fare. **Section 5** additionally provides that if the driver refuses to
27 complete the transportation services, the driver is liable for an administrative fine of
28 not more than \$1,000.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** Chapter 690B of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 *1. An insurer shall not, for any accident or motor vehicle*
4 *crash that occurs during the personal use of a motor vehicle,*
5 *refuse to provide coverage under or refuse to fulfill the obligations*
6 *of a policy of motor vehicle insurance that is held by an insured,*
7 *claimant or group of insured or claimants because of the insured,*
8 *claimant or group of insured or claimants being a driver for a*
9 *transportation network company.*

10 *2. As used in this section, "personal use of a motor vehicle"*
11 *means any use of a motor vehicle which is insured by the driver*
12 *that occurs while the driver is not:*

13 *(a) Providing transportation services; or*

14 *(b) Logged into the digital network or software application*
15 *service of the transportation network company and available to*
16 *receive requests for transportation services.*

17 **Sec. 2.** NRS 690B.400 is hereby amended to read as follows:

18 690B.400 As used in NRS 690B.400 to 690B.495, inclusive,
19 *and section 1 of this act*, the words and terms defined in NRS
20 690B.410 to 690B.430, inclusive, have the meanings ascribed to
21 them in those sections.

22 **Sec. 3.** NRS 690B.450 is hereby amended to read as follows:

23 690B.450 The provisions of NRS 690B.400 to 690B.495,
24 inclusive, *and section 1 of this act*, do not apply to a person who is
25 regulated pursuant to chapter 704 or 706 of NRS unless the person
26 holds a permit issued pursuant to NRS 706A.130.

27 **Sec. 4.** NRS 690B.470 is hereby amended to read as follows:

28 690B.470 1. Every transportation network company or driver
29 shall continuously provide, during any period in which the driver is
30 providing transportation services, transportation network company



1 insurance provided by an insurance company licensed by the
2 Division of Insurance of the Department of Business and Industry
3 and approved to do business in this State or a broker licensed
4 pursuant to chapter 685A of NRS or procured directly from a
5 nonadmitted insurer, as defined in NRS 685A.0375:

6 (a) *For the payment of tort liabilities arising from the*
7 *maintenance or use of a motor vehicle:*

8 (1) In an amount of not less than ~~[\$1,500,000]~~ *\$1,000,000* for
9 bodily injury to or death of one or more persons and injury to or
10 destruction of property of others in any one accident or motor
11 vehicle crash that occurs while the driver is providing transportation
12 services;

13 ~~[(b)]~~ (2) In an amount of not less than \$50,000 for bodily injury
14 to or death of one person in any one accident or motor vehicle crash
15 that occurs while the driver is logged into the digital network or
16 software application service of the transportation network company
17 and available to receive requests for transportation services but is
18 not otherwise providing transportation services;

19 ~~[(c)]~~ (3) Subject to the minimum amount for one person
20 required by ~~[paragraph (b),]~~ *subparagraph (2)*, in an amount of not
21 less than \$100,000 for bodily injury to or death of two or more
22 persons in any one accident or motor vehicle crash that occurs while
23 the driver is logged into the digital network or software application
24 service of the transportation network company and available to
25 receive requests for transportation services but is not otherwise
26 providing transportation services; and

27 ~~[(d)]~~ (4) In an amount of not less than \$25,000 for injury to or
28 destruction of property of others in any one accident or motor
29 vehicle crash that occurs while the driver is logged into the digital
30 network or software application service of the transportation
31 network company and available to receive requests for
32 transportation services but is not otherwise providing transportation
33 services ~~;~~

34 ~~→ for the payment of tort liabilities arising from the maintenance or~~
35 ~~use of the motor vehicle.]; and~~

36 (b) *In an amount of not less than \$10,000 for the medical*
37 *payments coverage of any occupant of the motor vehicle in any*
38 *one accident or motor vehicle crash that occurs while the driver is:*

39 (1) *Providing transportation services; or*

40 (2) *Logged into the digital network or software application*
41 *service of the transportation network company and available to*
42 *receive requests for transportation services but is not otherwise*
43 *providing transportation services.*

44 2. The transportation network company insurance required by
45 subsection 1 may be provided through one or a combination of



1 insurance policies provided by the transportation network company
2 or the driver, or both.

3 3. Every transportation network company shall continuously
4 provide, during any period in which the driver is providing
5 transportation services, transportation network company insurance
6 provided by an insurance company licensed by the Division of
7 Insurance of the Department of Business and Industry and approved
8 to do business in this State or a broker licensed pursuant to chapter
9 685A of NRS or procured directly from a nonadmitted insurer, as
10 defined in NRS 685A.0375, which meets the requirements of
11 subsection 1 as primary insurance if the insurance provided by the
12 driver:

13 (a) Lapses; or

14 (b) Fails to meet the requirements of subsection 1.

15 4. Notwithstanding the provisions of NRS 485.185 and
16 485.186 which require the owner or operator of a motor vehicle to
17 provide insurance, transportation network company insurance shall
18 be deemed to satisfy the requirements of NRS 485.185 or 485.186,
19 as appropriate, regardless of whether the insurance is provided by
20 the transportation network company or the driver, or both, if the
21 transportation network company insurance otherwise satisfies the
22 requirements of NRS 485.185 or 485.186, as appropriate.

23 5. In addition to the coverage required pursuant to subsection
24 1, a policy of transportation network company insurance may
25 include additional coverage, including, without limitation, coverage
26 for ~~{medical payments, coverage for}~~ uninsured or underinsured
27 motorists, comprehensive coverage and collision coverage.

28 6. An insurer who provides transportation network company
29 insurance shall not require a policy of insurance for the operation of
30 a motor vehicle required pursuant to NRS 485.185 or 485.186, as
31 appropriate, to deny a claim before the transportation network
32 company insurance provides coverage for a claim.

33 7. An insurer who provides transportation network company
34 insurance has a duty to defend and indemnify the driver and the
35 transportation network company.

36 8. An insurer who provides transportation network company
37 insurance which includes comprehensive coverage or collision
38 coverage for the operation of a motor vehicle against which a
39 lienholder holds a lien shall issue any payment for a claim under
40 such coverage:

41 (a) Directly to the person who performs repairs upon the
42 vehicle; or

43 (b) Jointly to the owner of the vehicle and the lienholder.



1 9. A transportation network company that provides
2 transportation network company insurance for a motor vehicle is not
3 deemed to be the owner of the motor vehicle.

4 *10. As used in this section, "medical payments coverage"*
5 *means coverage for the payment of reasonable and necessary*
6 *hospital and medical expenses resulting from an accident or motor*
7 *vehicle crash.*

8 **Sec. 5.** NRS 706A.280 is hereby amended to read as follows:

9 706A.280 1. A driver shall not solicit or accept a passenger
10 or provide transportation services to any person unless the person
11 has arranged for the transportation services through the digital
12 network or software application service of the transportation
13 network company.

14 2. With respect to a passenger's destination, a driver shall not:

15 (a) Deceive or attempt to deceive any passenger who rides or
16 desires to ride in the driver's motor vehicle.

17 (b) Convey or attempt to convey any passenger to a destination
18 other than the one directed by the passenger.

19 (c) Take a longer route to the passenger's destination than is
20 necessary, unless specifically requested to do so by the passenger.

21 (d) Fail to comply with the reasonable and lawful requests of the
22 passenger as to speed of travel and route to be taken.

23 3. A driver shall not, at the time the driver picks up a
24 passenger, refuse or neglect to provide transportation services to any
25 orderly passenger unless the driver can demonstrate to the
26 satisfaction of the Authority that:

27 (a) The driver has good reason to fear for the driver's personal
28 safety; or

29 (b) The driver is prohibited by law or regulation from carrying
30 the person requesting transportation services.

31 *4. Except as otherwise provided in subsection 3, a driver shall*
32 *not, after accepting a passenger for transportation through*
33 *the digital network or software application service of the*
34 *transportation network company, refuse to complete the*
35 *transportation services for which the passenger is being charged a*
36 *fare. If a driver refuses to complete the transportation services for*
37 *which the passenger is being charged a fare, the driver is liable for*
38 *an administrative fine of not more than \$1,000 to be assessed and*
39 *imposed by the Authority.*

40 **Sec. 6.** This act becomes effective on July 1, 2022.



