

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS - TRANSPORTATION NETWORK
COMPANY SERVICES - INSURANCE

Introduced By: Representatives Edwards, and Coughlin

Date Introduced: February 15, 2017

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 39-14.2-8 and 39-14.2-14 of the General Laws in Chapter 39-14.2
2 entitled "Transportation Network Company Services" are hereby amended to read as follows:

3 **39-14.2-8. Solicitation and acceptance of TNC service requests.**

4 (a) TNC operators shall be strictly prohibited from soliciting or accepting so-called
5 "street hails."

6 (b) TNC service drivers shall park their vehicles while in service no closer than two
7 hundred feet (200') from any marked taxi stand.

8 **39-14.2-14. Proof of financial responsibility of transportation network companies.**

9 (a) On or before ninety (90) days after the effective date of this chapter and thereafter,
10 TNC drivers, or a TNC on the driver's behalf, shall maintain primary automobile insurance that:

11 (1) Recognizes that the driver is a transportation network company driver or otherwise
12 uses a vehicle to transport riders for compensation and covers the driver:

13 (i) ~~While the driver is logged on to the transportation network company's digital~~
14 ~~network; or~~

15 (ii) ~~While the driver is engaged in a prearranged ride or providing transportation network~~
16 ~~company services.~~

17 (b) ~~The following automobile liability insurance requirements shall apply during the time~~
18 ~~a TNC driver is logged into the TNC's digital network and available to receive requests for~~

1 ~~transportation but is not providing prearranged rides:~~

2 (1) ~~Primary automobile liability insurance in the amount of at least fifty thousand dollars~~
3 ~~(\$50,000) for death and bodily injury per person, one hundred thousand dollars (\$100,000) for~~
4 ~~death and bodily injury per incident, and twenty five thousand dollars (\$25,000) for property~~
5 ~~damage.~~

6 (2) ~~Uninsured and underinsured motorist coverage to the extent required by § 27-7-2.1.~~

7 (3) ~~The coverage requirements of subsection (b) may be satisfied by any of the~~
8 ~~following:~~

9 (i) ~~Automobile insurance maintained by the TNC driver; or~~

10 (ii) ~~Automobile insurance maintained by the TNC; or~~

11 (iii) ~~Any combination of subsections (b)(3)(i) and (b)(3)(ii).~~

12 (c) The following automobile liability insurance requirements shall apply at all times to a
13 vehicle used by a TNC driver ~~while a TNC driver is providing prearranged rides:~~

14 (1) Primary automobile liability insurance that provides at least one million five hundred
15 thousand dollars (\$1,500,000) for death, bodily injury, and property damage, and which shall be
16 commercial insurance;

17 (2) Uninsured and underinsured motorist coverage to the extent required by § 27-7-2.1;

18 (3) The coverage requirements of this subsection may be satisfied by any of the
19 following:

20 (i) Automobile liability insurance maintained by the TNC driver; or

21 (ii) Automobile liability insurance maintained by the TNC; or

22 (iii) Any combination of subsections (c)(3)(i) and (c)(3)(ii).

23 (d) If insurance maintained by a TNC driver to fulfill the insurance requirements of
24 subsections (b) and (c) of this section has lapsed or does not provide the required coverage,
25 insurance maintained by a TNC shall provide the coverage required by this section beginning
26 with the first dollar of a claim and such insurer shall have the duty to defend such claim.

27 (e) Coverage under an automobile insurance policy maintained by the transportation
28 network company shall not be dependent on a personal automobile insurer first denying a claim
29 nor shall a personal automobile insurance policy be required to first deny a claim.

30 (f) Insurance required by this section may be placed with an insurer licensed under § 27-
31 2.4-1 et seq., or with a surplus lines insurer eligible under § 27-3-40 that has a credit rating of no
32 less than "A-" from A.M. Best, or "A" from Demotech, or similar rating from another rating
33 agency recognized by the Rhode Island insurance division.

34 (g) Insurance required by this section shall be deemed to satisfy the financial

1 responsibility requirement for a motor vehicle under § 31-47-2(13)(i)(A).

2 (h) A TNC driver shall carry physical or electronic proof of coverage satisfying
3 subsections (b) and (c) with him or her at all times during his or her use of a vehicle in connection
4 with a TNC's digital network. In the event of an accident, a TNC driver shall provide this
5 insurance coverage information to the directly interested parties, automobile insurers, and
6 investigating police officers, upon request pursuant to § 31-47-2(15). Upon such request, a TNC
7 driver shall also disclose to directly interested parties, automobile insurers, and investigating
8 police officers, whether they were logged on to the TNC's digital network or providing
9 prearranged rides at the time of an accident.

10 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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- 1 This act would require TNC drivers to park no closer than two hundred feet (200') from
2 marked taxi stands and to maintain commercial automobile liability insurance twenty-four (24)
3 hours a day.
4 This act would take effect upon passage.

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