AN ACT TO PROVIDE FOR THE LICENSURE AND REGULATION OF
BUSINESSES THAT USE A DIGITAL NETWORK TO CONNECT RIDERS TO DRIVERS
WHO PROVIDE PREARRANGED RIDES; TO REQUIRE THAT SUCH A BUSINESS
MUST OBTAIN A LICENSE FROM THE DEPARTMENT OF INSURANCE IN ORDER TO
OPERATE IN THIS STATE; TO PROVIDE THE FEE FOR SUCH LICENSE; TO
REQUIRE CERTAIN DISCLOSURES WITH REGARD TO FARES; TO PROVIDE THAT
THE APPLICATION OR WEBSITE OF SUCH BUSINESS SHALL DISPLAY A
PICTURE OF THE DRIVER AND THE LICENSE PLATE NUMBER OF THE MOTOR
VEHICLE UTILIZED TO PROVIDE THE PREARRANGED RIDE; TO REQUIRE AN
ELECTRONIC RECEIPT TO BE TRANSMITTED TO THE RIDER; TO REQUIRE
CERTAIN PRIMARY AUTOMOBILE INSURANCE TO BE MAINTAINED BY THE
DRIVER OR BY THE BUSINESS ON BEHALF OF THE DRIVER; TO PROVIDE THAT
DRIVERS SHALL BE INDEPENDENT CONTRACTORS AND NOT EMPLOYEES OF THE
BUSINESS IF CERTAIN CONDITIONS ARE MET; TO REQUIRE THE BUSINESS TO
IMPLEMENT A ZERO-TOLERANCE POLICY REGARDING A DRIVER’S ACTIVITIES
WHILE ACCESSING THE DIGITAL PLATFORM OF SUCH BUSINESS; TO PROVIDE
THAT CERTAIN REQUIREMENTS MUST BE MET BY DRIVERS BEFORE THEY MAY
ACCEPT TRIP REQUESTS THROUGH THE DIGITAL PLATFORM OF THE BUSINESS;
TO REQUIRE SUCH BUSINESS TO MAINTAIN CERTAIN RECORDS; TO AUTHORIZE
THE COMMISSIONER OF INSURANCE TO MAKE EXAMINATIONS INTO THE
AFFAIRS OF SUCH BUSINESSES; TO RESTRICT THE REGULATION OF SUCH
BUSINESSES BY LOCAL GOVERNMENTS; TO AUTHORIZE THE COMMISSIONER OF
INSURANCE TO ADOPT RULES AND REGULATIONS NECESSARY TO ENSURE
COMPLIANCE WITH THIS ACT; TO AMEND SECTIONS 63-15-43 AND 77-7-5,
MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; AND FOR RELATED
PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. As used in this act:
(a) "Personal vehicle" means a vehicle that is used by
a transportation network company driver and is:
(i) Owned, leased or otherwise authorized for use by the transportation network company driver; and
(ii) Not a common carrier by motor vehicle, contract carrier by motor vehicle, or restricted motor carrier under Chapter 7, Title 77, Mississippi Code of 1972.
(b) "Commissioner" means the Commissioner of Insurance.
(c) "Department" means the Mississippi Department of Insurance.
(d) "Digital network" means any online-enabled technology application service, website or system offered or utilized by a transportation network company that enables the prearrangement of rides with transportation network company drivers.
(e) "Transportation network company" means a corporation, partnership, sole proprietorship, or other entity that is licensed under this act and operating in Mississippi that uses a digital network to connect transportation network company riders to transportation network company drivers who provide prearranged rides. A transportation network company shall not be deemed to control, direct or manage the personal vehicles or transportation network company drivers that connect to its digital network, except where agreed to by written contract.
(f) "Transportation network company driver" or "driver" means an individual who:
(i) Receives connections to potential passengers and related services from a transportation network company in exchange for payment of a fee to the transportation network company; and

(ii) Uses a Personal Vehicle to offer or provide a prearranged ride to riders upon connection through a digital network controlled by a transportation network company in return for compensation or payment of a fee.

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

(h) "Prearranged ride" means 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 does not include transportation provided using a common carrier by motor vehicle, contract carrier by motor vehicle, or restricted motor carrier under Chapter 7, Title 77, Mississippi Code of 1972. A prearranged ride does not include shared expense carpool arrangements or vanpooling as defined in Section 77-7-7, or any other type of arrangement or service in which the driver
receives a fee that does not exceed the driver's costs associated with providing the ride.

SECTION 2. Transportation network companies or transportation network company drivers are not common carriers by motor vehicle, contract carriers by motor vehicle, or restricted motor carriers under Chapter 7, Title 77, Mississippi Code of 1972, nor do they provide taxicab or limousine services. A transportation network company driver shall not be required to register the vehicle the driver uses to provide prearranged rides as a commercial vehicle.

SECTION 3. (1) A person shall not operate a transportation network company in Mississippi without first having obtained a license from the department, provided that any transportation network company operating in this state before the effective date of this act may continue operating until the department creates a license process and sets a registration deadline.

(2) The Department shall issue a license to each applicant that meets the requirements for a transportation network company as provided for in this act, and pays an annual license fee of Five Thousand Dollars ($5,000.00) to the department.

SECTION 4. The transportation network company shall maintain an agent for service of process in the State of Mississippi.

SECTION 5. On behalf of a transportation network company driver, a transportation network company may charge a fare for the services provided to riders; however, if a fare is collected from
a rider, the transportation network company shall disclose to the rider the fare or fare calculation method on its website or within the online-enabled technology application service. The transportation network company shall also provide riders with the applicable rates being charged and the option to receive an estimated fare before the rider enters the transportation network company driver's vehicle.

**SECTION 6.** The transportation network company's online-enabled technology application or website shall display a picture of the transportation network company driver, and the license plate number of the motor vehicle utilized for providing the prearranged ride before the rider enters the transportation network company driver's vehicle.

**SECTION 7.** Within a reasonable period of time following the completion of a trip, a transportation network company shall transmit an electronic receipt to the rider on behalf of the transportation network company driver that lists:

1. The origin and destination of the trip;
2. The total time and distance of the trip; and
3. An itemization of the total fare paid, if any.

**SECTION 8.** (1) On or before the effective date of this act and thereafter, a transportation network company driver or transportation network company on the driver's behalf shall maintain primary automobile insurance that recognizes that the driver is a transportation network company driver or otherwise
uses a vehicle to transport passengers for compensation and covers
the driver:

(a) While the driver is logged on to the transportation
network company's digital network; or

(b) While the driver is engaged in a prearranged ride.

(2) A participating transportation network company driver
who is logged on to the transportation network company's digital
network and is available to receive transportation requests but is
not engaged in a prearranged ride shall be covered by primary
automobile liability insurance in the amount of at least Fifty
Thousand Dollars ($50,000.00) for death and bodily injury per
person, One Hundred Thousand Dollar ($100,000.00) for death and
bodily injury per incident and Twenty-five Thousand Dollars
($25,000.00) for property damage and uninsured motorist to the
extent required by Section 83-11-101.

(3) The coverage requirements of subsection (2) of this
section may be satisfied by any of the following:

(a) Automobile insurance maintained by the
transportation network company driver; or

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

(c) Any combination of paragraphs (a) and (b) of this
subsection.

(4) (a) While a transportation network company driver is
engaged in a prearranged ride he must be covered by a primary
automobile liability insurance that provides at least One Million Dollars ($1,000,000.00) for death, bodily injury and property damage and uninsured motorist to the extent required by Section 83-11-101.

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

(i) Automobile insurance maintained by the transportation network company driver; or

(ii) Automobile insurance maintained by the transportation network company; or

(iii) Any combination of paragraphs (a) and (b) of this subsection.

(5) If insurance maintained by driver in subsections (3) or (4) of this section has lapsed or does not provide the required coverage, insurance maintained by a transportation network company shall provide the coverage required by this section beginning with the first dollar of a claim and the insurer shall have the duty to defend such claim.

(6) Coverage under an automobile insurance policy maintained by the transportation network company shall not be dependent on a personal automobile insurer first denying a claim nor shall a personal automobile insurance policy be required to first deny a claim.
(7) Insurance required by this section may be placed with an insurer licensed to do business in Mississippi or with a surplus lines insurer eligible under Section 83-21-17 et seq.

(8) Insurance satisfying the requirements of this section shall be deemed to satisfy the financial responsibility requirement for a motor vehicle under the Mississippi Motor Vehicle Safety Responsibility Law Section 63-15-1 et seq.

(9) A transportation network company driver shall carry proof of coverage satisfying this section with him or her at all times during his or her use of a vehicle in connection with a transportation network company's digital network. In the event of an accident, a transportation network company driver shall provide this insurance coverage information to the directly interested parties, automobile insurers and investigating police officers, upon request. Upon a request, a transportation network company driver shall also disclose to directly interested parties, automobile insurers, and investigating police officers, whether he or she was logged on to the transportation network company's digital network or on a prearranged ride at the time of an accident.

SECTION 9. The transportation network company shall disclose in writing to transportation network company drivers the following before they are allowed to accept a request for a prearranged ride on the transportation network company's digital network:
(a) The insurance coverage, including the types of coverage and the limits for each coverage, that the transportation network company provides while the transportation network company driver uses a personal vehicle in connection with a transportation network company's digital network; and

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

SECTION 10. (1) Insurers that write automobile insurance in Mississippi may exclude any and all coverage afforded under the policy issued to an owner or operator of a personal vehicle for any loss or injury that occurs while a driver is logged on to a transportation network company's digital network or while a driver provides a prearranged ride. This right to exclude all coverage may apply to any coverage included in an automobile insurance policy including, but not limited to:

(a) Liability coverage for bodily injury and property damage;

(b) Uninsured and underinsured motorist coverage;

(c) Medical payments coverage;

(d) Comprehensive physical damage coverage; and

(e) Collision physical damage coverage.
(2) The exclusions provided for in subsection (1) of this section shall apply notwithstanding any requirement under the Mississippi Motor Vehicle Safety Responsibility Law Section 63-15-1 et seq. Nothing in this section implies or requires that a personal automobile insurance policy provide coverage while the driver is logged on to the transportation network company's digital network, while the driver is engaged in a prearranged ride or while the driver otherwise uses a vehicle to transport passengers for compensation. Nothing shall preclude an insurer from providing coverage for the transportation network company driver's vehicle, if it chooses to do so by contract or endorsement.

(3) Automobile insurers that exclude the coverage described in Section 8 of this act shall have no duty to defend or indemnify any claim expressly excluded. Nothing in this act shall invalidate or limit an exclusion contained in a policy including any policy in use or approved for use in Mississippi prior to the effective date of this act that excludes coverage for vehicles used to carry persons or property for a charge or available for hire by the public. An automobile insurer that defends or indemnifies a claim against a driver that is excluded under the terms of its policy, shall have a right of contribution against other insurers that provide automobile insurance to the same driver in satisfaction of the coverage requirements of Section 8 of this act at the time of loss.
(4) In a claims coverage investigation, transportation network companies and any insurer providing coverage under Section 8 of this act shall cooperate to facilitate the exchange of relevant information with directly involved parties and any insurer of the transportation network company driver if applicable, including the precise times that a transportation network company driver logged on and off of the transportation network company's digital network in the twelve-hour period immediately preceding and in the twelve-hour period immediately following the accident and disclose to one another a clear description of the coverage, exclusions and limits provided under any automobile insurance maintained under Section 8 of this act.

SECTION 11. Drivers shall be independent contractors and not employees of the transportation network company if all of the following conditions are met:

(a) The transportation network company does not prescribe specific hours during which a transportation network company driver must be logged into the transportation network company's digital platform;

(b) The transportation network company imposes no restrictions on the transportation network company driver's ability to utilize digital platforms from other transportation network companies;
(c) The transportation network company does not assign a transportation network company driver a particular territory in which to operate;

(d) The transportation network company does not restrict a transportation network company driver from engaging in any other occupation or business; and

(e) The transportation network company and transportation network company driver agree in writing that the driver is an independent contractor of the transportation network company.

SECTION 12. (1) The transportation network company shall implement a zero tolerance policy regarding a transportation network company driver's activities while accessing the transportation network company's digital platform. The zero tolerance policy shall address the use of drugs or alcohol while a transportation network company driver is providing prearranged rides or is logged into the transportation network company's digital network but is not providing prearranged rides, and the transportation network company shall provide notice of this policy on its website, as well as procedures to report a complaint about a driver with whom a rider was matched and whom the rider reasonably suspects was under the influence of drugs or alcohol during the course of the trip.

(2) Upon receipt of such rider complaint alleging a violation of the zero tolerance policy, the transportation network
company shall suspend such transportation network company driver's access to the transportation network company's digital platform as soon as possible, and shall conduct an investigation into the reported incident. The suspension shall last the duration of the investigation.

(3) The transportation network company shall maintain records relevant to the enforcement of this requirement for a period of at least two (2) years from the date that a rider complaint is received by the transportation network company.

**SECTION 13.** (1) Before allowing an individual to accept trip requests through a transportation network company's digital platform as a transportation network company driver:

(a) The individual shall submit an application to the transportation network company, which includes information regarding his or her address, age, driver's license, motor vehicle registration, automobile liability insurance, and other information required by the transportation network company;

(b) The transportation network company shall conduct, or have a third party conduct, a local and national criminal background check for each applicant that shall include:

(i) Multistate/multijurisdiction criminal records locator or other similar commercial nationwide database with validation (primary source search); and

(ii) United States Department of Justice National Sex Offender Public Website;
(2) The transportation network company shall review, or have a third party review, a driving history research report for such individual.

(3) The transportation network company shall not permit an individual to act as a transportation network company driver on its digital platform who:

(a) Has had more than three (3) moving violations in the prior three-year period, or one (1) of the following major violations in the prior three-year period:

   (i) Attempting to evade the police;

   (ii) Reckless driving; or

   (iii) Driving on a suspended or revoked license;

(b) Has been convicted, within the past seven years, of

   (i) Any felony; or

   (ii) Misdemeanor driving under the influence, reckless driving, hit and run, or any other driving-related offense or any misdemeanor violent offense or sexual offense;

(c) Is a match in the U.S. Department of Justice National Sex Offender Public Website;

(d) Does not possess a valid driver's license;

(e) Does not possess proof of registration for the motor vehicle used to provide prearranged rides;

(f) Does not possess proof of automobile liability insurance for the motor vehicle used to provide prearranged rides; or
(g) Is not at least nineteen (19) years of age.

SECTION 14. A transportation network company driver shall not solicit or accept street hails.

SECTION 15. The transportation network company shall adopt a policy prohibiting solicitation or acceptance of cash payments for the fares charged to riders for prearranged rides and notify transportation network company drivers of the policy. Transportation network company drivers shall not solicit or accept cash payments from riders.

SECTION 16. (1) The transportation network company shall adopt a policy of nondiscrimination with respect to riders and potential riders and notify transportation network company drivers of the policy.

(2) Transportation network company drivers shall comply with all applicable laws regarding nondiscrimination against riders or potential riders.

(3) Transportation network company drivers shall comply with all applicable laws relating to accommodation of service animals.

(4) A transportation network company shall not impose additional charges for providing services to persons with physical disabilities because of those disabilities.

SECTION 17. A transportation network company shall maintain the following customer records:

(a) Individual trip records for at least one (1) year from the date each trip was provided; and
(b) Individual records of transportation network company driver customers at least until the one-year anniversary of the date on which a transportation network company driver's customer relationship with the transportation network company has ended.

SECTION 18. (1) For the sole purpose of verifying that a transportation network company is in compliance with the requirements of this act and not more than annually, the commissioner shall have the right to visually inspect a sample of records that the transportation network company is required to maintain. The sample shall include required records pertaining to up to fifty (50) transportation network drivers, provided that the transportation network company shall undertake best efforts not to share records about the same transportation network company driver during consecutive reporting periods. If, after this initial review, the commissioner has a reasonable basis to conclude that the transportation network company is not in compliance with the requirements of this act, the commissioner may, upon reasonable notice, conduct a supplemental audit of records for an additional selection of transportation network company drivers. The audit shall take place at a mutually agreed location in Mississippi. The expenses of the examination shall be borne and paid by the transportation network company that is under examination.

(2) Documents, materials or other information, including, but not limited to, all working papers, and copies thereof,
created, produced or obtained by or disclosed to the commissioner
or any other person in the course of an examination made under
this act shall be confidential by law and privileged, and shall
not be subject to the Mississippi Public Records Act. The
commissioner is authorized to use the documents, materials or
other information in the furtherance of any regulatory or legal
action brought as part of the commissioner's official duties.

(3) In order to assist in the performance of the
commissioner's duties, the commissioner may share confidential and
privileged documents, materials or other information, with other
state, federal and international regulatory agencies, and with
state, federal and international law enforcement authorities,
provided that the recipient agrees to maintain the confidentiality
and privileged status of the document, material, communication or
other information. The commissioner may enter into agreements
governing the sharing and use of information consistent with this
subsection.

(4) No waiver of any applicable privilege or claim of
confidentiality in the documents, materials or information shall
occur as a result of disclosure to the commissioner under this
section or as a result of sharing as authorized in subsection (3)
of this section.

(5) In response to a specific complaint against any
transportation network company driver or transportation network
company, the commissioner is authorized to inspect records held by
the transportation network company that are necessary to
investigate and resolve the complaint.

SECTION 19. (1) Transportation network companies and
transportation network company drivers are governed exclusively by
this act and any rules promulgated by the commissioner consistent
with this act. A county, municipality or other local entity may
not:

(a) Impose a tax on, or require a license for, a
transportation network company, a transportation network company
driver or a vehicle used by a transportation network company
driver where the tax or licenses relate to providing prearranged
rides;

(b) Require a transportation network company or a
transportation network company driver to obtain a business license
or any other type of similar authorization to operate within the
jurisdiction; or

(c) Subject a transportation network company or a
transportation network company driver to any type of rate, entry,
operational or other requirements.

(2) Notwithstanding subsection (1) of this section, a
county, municipality or other local entity that owns or operates
an airport, may adopt reasonable regulations relating to the
duties and responsibilities on airport property of a
transportation network company or transportation network company
driver, including its ability to impose reasonable fees and
vehicle tracking requirements on a transportation network company or its affiliated transportation network company drivers, but excluding its ability to impose other fees, taxes, registration, licensing or special insurance requirements on transportation network company drivers, and excluding its ability to impose requirements with respect to special markings or identification other than that provided for in Section 6 of this act, and excluding its ability to impose requirements for equipment.

**SECTION 20.** The commissioner may adopt rules and regulations necessary to ensure compliance with this act.

**SECTION 21.** Section 63-15-43, Mississippi Code of 1972, is amended as follows:

**63-15-43.** (1) A "motor vehicle liability policy" as * * * the term is used in this chapter * * * means an owner's or an operator's policy of liability insurance, certified as provided in Section 63-15-39 or Section 63-15-41, as proof of financial responsibility, and issued, except as otherwise provided in Section 63-15-41, by an insurance company duly authorized to write motor vehicle liability insurance in this state, to or for the benefit of the person named * * * in the policy as insured.

(2) * * * The owner's policy of liability insurance:

(a) Shall designate by explicit description or by appropriate reference all motor vehicles with respect to which coverage * * * granted.
(b) Shall pay on behalf of the insured named * * * in
the policy and any other person, as insured, using any such motor
vehicle or motor vehicles with the express or implied permission
of * * * the named insured, all sums which the insured shall
become legally obligated to pay as damages arising out of the
ownership, maintenance or use of * * * the motor vehicle or motor
vehicles within the United States of America or the Dominion of
Canada, subject to limits exclusive of interest and costs, with
respect to each such motor vehicle, as follows: Twenty-five
Thousand Dollars ($25,000.00) because of bodily injury to or death
of one (1) person in any one (1) accident and, subject to * * *
the limit for one (1) person, Fifty Thousand Dollars ($50,000.00)
because of bodily injury to or death of two (2) or more persons in
any one (1) accident, and Twenty-five Thousand Dollars
($25,000.00) because of injury to or destruction of property of
others in any one (1) accident.

(3) * * * The operator's policy of liability insurance shall
pay on behalf of the insured named * * * in the policy all sums
which the insured shall become legally obligated to pay as damages
arising out of the use by him of any motor vehicle not owned by
him, within the same territorial limits and subject to the same
limits of liability as are set forth above with respect to an
owner's policy of liability insurance.

(4) * * * The motor vehicle liability policy shall state the
name and address of the named insured, the coverage afforded by
the policy, the premium charged * * * for the policy, the policy period and the limits of liability, and shall contain an agreement or be endorsed that insurance is provided * * * under the policy in accordance with the coverage defined in this chapter as respects bodily injury and death or property damage, or both, and is subject to all the provisions of this chapter.

(5) * * * The motor vehicle liability policy shall not insure:

(a) Any obligation for which the insured or any company as his insurer may be held liable under any * * * workers' compensation law;

(b) Any liability on account of bodily injury to or death of any employee of the insured while engaged in the employment, other than domestic, of the insured, or in domestic employment if benefits therefor are either payable or required to be provided under any * * * workers' compensation law; or

(c) Any liability because of injury to or destruction of property owned by, rented to, in charge of or transported by the insured.

(6) Every motor vehicle liability policy shall be subject to the following provisions which need not be contained * * * in the policy:

(a) The liability of the insurance company with respect to the insurance required by this chapter shall become absolute whenever injury or damage covered by said motor vehicle liability
policy occurs; * * * the policy may not be cancelled or annulled as to * * * the liability by any agreement between the insurance company and the insured after the occurrence of the injury or damage; no statement made by the insured or on his behalf and no violation of * * * the policy shall defeat or void * * * the policy;

(b) The satisfaction by the insured of a judgment for such injury or damage shall not be a condition precedent to the right or duty of the insurance company to make payment on account of such injury or damage;

(c) The insurance company shall have the right to settle any claim covered by the policy, and if * * * the settlement is made in good faith, the amount * * * of the settlement shall be deductible from the limits of liability specified in paragraph (b) of subsection (2) of this section; or

(d) The policy, the written application * * * the policy, if any, and any rider or endorsement which does not conflict with the provisions of the chapter shall constitute the entire contract between the parties.

(7) Any policy which grants the coverage required for a motor vehicle liability policy may also grant any lawful coverage in excess of or in addition to the coverage specified for a motor vehicle liability policy, and * * * the excess or additional coverage shall not be subject to the provisions of this chapter. With respect to a policy which grants such excess or additional
coverage, the term "motor vehicle liability policy" shall apply only to that part of the coverage which is required by this section.

(8) Any motor vehicle liability policy may provide that the insured shall reimburse the insurance company for any payment the insurance company would not have been obligated to make under the terms of the policy except for the provisions of this chapter.

(9) Any motor vehicle liability policy may provide for the prorating of the insurance under the policy with other valid and collectible insurance.

(10) The requirements for a motor vehicle liability policy may be fulfilled by the policies of one or more insurance companies which policies together meet the requirements.

(11) Any binder issued pending the issuance of a motor vehicle liability policy shall be deemed to fulfill the requirements for a policy.

(12) A motor vehicle policy that meets the provisions of Section 8 of this act shall be deemed to satisfy the provisions of this section.

SECTION 22. Section 77-7-5, Mississippi Code of 1972, is amended as follows:

77-7-5. (1) Nothing in this chapter shall be construed to relieve any person from the payment of any licenses, fees, taxes or levies now or hereafter imposed by law.
(2) Nothing in this chapter shall apply to transportation network companies or transportation network company drivers as defined in Section 1 of this act or any activity regulated in Sections 1 through 20 of this act.

(3) Neither this chapter nor any provision thereof shall apply or be construed to apply to commerce with foreign nations, or commerce among the several states of the union, except insofar as the same may be permitted under the provisions of the Constitution of the United States and the Acts of Congress.

SECTION 23. This act shall take effect and be in force from and after July 1, 2016.