

By: Representative Busby

To: Transportation

HOUSE BILL NO. 1382

1 AN ACT TO REGULATE INSURANCE REQUIREMENTS FOR TRANSPORTATION
 2 NETWORK COMPANIES AND TRANSPORTATION NETWORK DRIVERS; TO DEFINE
 3 TERMS USED IN THE ACT; TO REQUIRE TRANSPORTATION NETWORK COMPANY
 4 DRIVERS, OR TRANSPORTATION NETWORK COMPANIES ON THE DRIVER'S
 5 BEHALF, TO MAINTAIN PRIMARY AUTOMOBILE INSURANCE SATISFYING
 6 CERTAIN REQUIREMENTS; TO REQUIRE CERTAIN DISCLOSURES BY THE
 7 TRANSPORTATION NETWORK COMPANIES TO THE DRIVERS; TO AUTHORIZE
 8 INSURERS TO EXCLUDE COVERAGE FOR ANY LOSS OR INJURY THAT OCCURS
 9 WHILE A TRANSPORTATION NETWORK COMPANY DRIVER IS LOGGED ON TO A
 10 TRANSPORTATION NETWORK COMPANY'S DIGITAL NETWORK OR WHILE THE
 11 DRIVER PROVIDES A PREARRANGED RIDE; AND FOR RELATED PURPOSES.

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

13 **SECTION 1.** As used in this act, unless the context clearly
 14 indicates otherwise:

15 (a) "Personal vehicle" means a vehicle that is:

16 (i) Used by a TNC driver to provide a prearranged
 17 ride;

18 (ii) Owned, leased or otherwise authorized for use
 19 by the transportation network company driver; and

20 (iii) Not a taxicab, limousine or other hire
 21 vehicle.



22 (b) "Digital network" means any online-enabled
23 application, software, website or system offered or utilized by a
24 transportation network company that enables the prearrangement of
25 rides with transportation network company drivers.

26 (c) "Transportation network company" means a
27 corporation, partnership, sole proprietorship or other entity that
28 is operating in Mississippi that uses a digital network to connect
29 transportation network company riders to transportation network
30 company drivers who provide prearranged rides. A transportation
31 network company shall not be deemed to control, direct or manage
32 the personal vehicles or transportation network company drivers
33 that connect to its digital network, except where agreed to by
34 written contract.

35 (d) "Transportation network company (TNC) driver" or
36 "driver" means an individual who:

37 (i) Receives connections to potential riders and
38 related services from a transportation network company in exchange
39 for payment of a fee to the transportation network company; and

40 (ii) Uses a personal vehicle to offer or provide a
41 prearranged ride to TNC riders upon connection through a digital
42 network controlled by a transportation network company and in
43 exchange for compensation or payment of a fee.

44 (e) "Transportation network company (TNC) rider" or
45 "rider" means an individual or persons who use a transportation
46 network company's digital network to connect with a transportation



47 network driver who provides prearranged rides to the rider in the
48 driver's personal vehicle between points chosen by the rider.

49 (f) "Prearranged ride" means the provision of
50 transportation by a TNC driver to a TNC rider:

51 (i) Beginning when a TNC driver accepts a TNC
52 rider's request for a ride through a digital network controlled by
53 a transportation network company;

54 (ii) Continuing while the TNC driver transports
55 the requesting TNC rider; and

56 (iii) Ending when the last requesting TNC rider
57 departs from the personal vehicle.

58 (g) The term "prearranged ride" does not include
59 transportation provided through any of the following:

60 (i) Shared expense carpool or vanpool
61 arrangements;

62 (ii) Use of a taxicab, limousine or other hire
63 vehicle; and

64 (iii) A regional transportation company or
65 licensed motor carrier.

66 **SECTION 2.** (1) A transportation network company driver or
67 transportation network company on the driver's behalf shall
68 maintain primary automobile insurance that recognizes that the
69 driver is a transportation network company driver or otherwise
70 uses a vehicle to transport riders for compensation and covers the
71 driver:



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

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

75 (2) The following automobile insurance requirements shall
76 apply while a participating transportation network company driver
77 is logged on to the transportation network company's digital
78 network and is available to receive transportation requests but is
79 not engaged in a prearranged ride:

80 (a) Primary automobile liability insurance in the
81 amount of at least Fifty Thousand Dollars (\$50,000.00) for death
82 and bodily injury per person, One Hundred Thousand Dollars
83 (\$100,000.00) for death and bodily injury per incident, and
84 Twenty-five Thousand Dollars (\$25,000.00) for property damage;
85 uninsured motorist coverage as required by Section 83-11-101 with
86 the same limits; and medical payments with limits no less than
87 Five Thousand Dollars (\$5,000.00).

88 (b) The coverage requirements of this subsection (2)
89 may be satisfied by any of the following:

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

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

94 (iii) Any combination of subparagraphs (i) and
95 (ii).



96 (3) The following automobile insurance requirements shall
97 apply while a transportation network company driver is engaged in
98 a prearranged ride:

99 (a) Primary automobile liability insurance that
100 provides at least One Million Dollars (\$1,000,000.00) for death,
101 bodily injury and property damage; uninsured motorist coverage
102 with the same limits; and medical payments with limits no less
103 than Five Thousand Dollars (\$5,000.00).

104 (b) The coverage requirements of this subsection (3)
105 may be satisfied by any of the following:

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

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

110 (iii) Any combination of subparagraphs (i) and
111 (ii).

112 (4) If insurance maintained by the driver in subsection (2)
113 or (3) is not in place, has lapsed or does not provide the
114 required coverage, insurance maintained by a transportation
115 network company shall provide the coverage required by this
116 section beginning with the first dollar of a claim and have the
117 duty to defend such claim.

118 (5) Coverage under an automobile insurance policy maintained
119 by the transportation network company shall not be dependent on a
120 personal automobile insurer first denying a claim nor shall a



121 personal automobile insurance policy be required to first deny a
122 claim.

123 (6) Insurance required under this section may be placed with
124 an insurer licensed in Mississippi, or with a surplus lines
125 insurer eligible to write coverage in Mississippi that has a
126 credit rating of no less than "A-" from A.M. Best or "A" from
127 Demotech or similar rating from another rating agency recognized
128 by the Department of Insurance.

129 (7) Insurance satisfying the requirements of this section
130 shall be deemed to satisfy the financial responsibility
131 requirement for a motor vehicle under the Mississippi Motor
132 Vehicle Safety Responsibility Law, as amended.

133 (8) A transportation network company driver shall carry
134 proof of coverage satisfying subsections (2) and (3) with him at
135 all times during his use of a vehicle in connection with a
136 transportation network company's digital network. In the event of
137 an accident, a transportation network company driver shall provide
138 this insurance coverage information to the directly interested
139 parties, automobile insurers and investigating police officers,
140 upon request. Upon such request, a transportation network company
141 driver or a transportation network company, or both, shall also
142 disclose to directly interested parties, automobile insurers, and
143 investigating police officers, whether such driver was logged on
144 to the transportation network company's digital network or on a
145 prearranged ride at the time of an accident.



146 SECTION 3. (1) The transportation network company shall
147 disclose in writing to transportation network company drivers the
148 following before they are allowed to accept a request for a
149 prearranged ride on the transportation network company's digital
150 network:

151 (a) The insurance coverage, including the types of
152 coverage and the limits for each coverage, that the transportation
153 network company provides while the transportation network company
154 driver uses a personal vehicle in connection with a transportation
155 network company's digital network; and

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

162 (2) In any accident or claims coverage investigation,
163 transportation network companies, transportation network company
164 drivers, any insurers of the transportation network company and
165 any insurers of the transportation network company drivers shall
166 immediately provide upon request by any party incurring injury or
167 loss in the accident; or by any insurer, or potential insurer, for
168 any person incurring injury or loss from the accident; or by any
169 person alleged to be at fault in the accident; or the insurer, or



170 potential insurer, for any person alleged to be at fault in the
171 accident:

172 (a) The precise times that a transportation network
173 company driver logged on and off of the transportation network
174 company's digital network in the twelve-hour period immediately
175 preceding and in the twelve-hour period immediately following the
176 accident;

177 (b) The applicable coverages, exclusions and limits
178 provided under any automobile insurance maintained in order to
179 satisfy the requirements of Section 2 of this act.

180 **SECTION 4.** (1) Insurers that write automobile insurance in
181 Mississippi may exclude any and all coverage afforded under the
182 policy issued to an owner or operator of a personal vehicle for
183 any loss or injury that occurs while a driver is logged on to a
184 transportation network company's digital network or while a driver
185 provides a prearranged ride. This right to exclude all coverage
186 may apply to any coverage included in an automobile insurance
187 policy including, but not limited to:

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

190 (b) Uninsured and underinsured motorist coverage;

191 (c) Medical payments coverage;

192 (d) Comprehensive physical damage coverage; and

193 (e) Collision physical damage coverage.



194 Such exclusions shall apply notwithstanding any requirement
195 under the Mississippi Motor Vehicle Safety Responsibility Law and
196 Mississippi Uninsured Motorist Coverage laws in Section 83-11-101
197 et seq. Nothing in this act implies or requires that a personal
198 automobile insurance policy provide coverage while the driver is
199 logged on to the transportation network company's digital network,
200 while the driver is engaged in a prearranged ride or while the
201 driver otherwise uses a vehicle to transport riders for
202 compensation. Nothing in this act shall be construed as to
203 require an insurer to use any particular policy language or
204 reference to this section in order to exclude any and all coverage
205 for any loss or injury that occurs while a driver is logged on to
206 a transportation network company's digital network or while a
207 driver provides a prearranged ride. Nothing in this act shall be
208 deemed to preclude an insurer from providing primary or excess
209 coverage for the transportation network company driver's vehicle,
210 if it so chose to do so by contract or endorsement.

211 (2) Automobile insurers that exclude the coverage described
212 in Section 2 of this act shall have no duty to defend or indemnify
213 any claim expressly excluded thereunder. Nothing in this act
214 shall be deemed to invalidate or limit an exclusion contained in a
215 policy including any policy in use or approved for use in
216 Mississippi prior to the enactment of this law that excludes
217 coverage for vehicles used to carry persons or property for a
218 charge or available for hire by the public. An automobile insurer



219 that defends or indemnifies a claim against a driver that is
220 excluded under the terms of its policy shall have a right of
221 contribution against other insurers that provide automobile
222 insurance to the same driver in satisfaction of the coverage
223 requirements of Section 2 of this act at the time of loss.

224 **SECTION 5.** This act shall take effect and be in force from
225 and after July 1, 2016.

