



My name is Margaret Doherty, and I am the State Representative for District 35.

HB 2995 is a rather simple bill in concept. It states that a Transportation Network Company that operates in Oregon has to insure its vehicles itself, and not pass that responsibility off to its drivers. The term Transportation Network Company (TNC) refers to a type of taxi company that has a narrowly focused business model. Independent drivers, who are often part-time, sign up with the TNC to carry paying passengers. These passengers are dispatched exclusively by an app. The passengers pay through the app to the company, which in turn pays the driver. This process is also used by most traditional taxi companies, but their business model includes additional methods of dispatch and payment. There really isn't a significant difference between TNCs and traditional taxi companies.

Traditional taxi companies are required to have primary liability insurance, as well as uninsured motorist coverage. Although most of their drivers are also independent contractors, the taxi companies cannot foist off their responsibility to their drivers. As the sponsor of HB 2995 I feel TNCs should bear the same responsibility. We have vetted the language with the Oregon Insurance Division to ensure it is technically correct.

There has been much discussion of the "insurance gap" meaning that the time a TNC driver has turned on his app, and is awaiting a dispatch until a passenger has been assigned, the vehicle's insurance status is uncertain. This bill makes it clear that the TNC must cover the vehicle from app on till app off when the driver no longer is carrying or seeking a passenger. Traditional taxi companies are required to insure all their vehicles, even the ones owned by their drivers, on a 24/7 basis, so their cabs are covered even when in a garage or being used for personal purposes. We feel this may not be necessary for TNCs, but we believe that when vehicles are being used for commercial purposes, include waiting for passenger assignments, they must be insured by the company.

Thank you,

Representative Margaret Doherty
Oregon House District 35 (Tigard and SW Portland)