

STAFF MEASURE SUMMARY**House Committee On Rules****Fiscal:** Fiscal impact issued**Revenue:** No Revenue Impact**Action Date:** 05/18/15**Action:** Do Pass As Amended, Be Printed Engrossed, And Bill Be Referred To Ways And Means.**Meeting Dates:** 05/18**Vote:**

Yeas: 6 - Barnhart, Gilliam, Hoyle, Nosse, Rayfield, Smith Warner

Nays: 3 - Kennemer, McLane, Wilson

Prepared By: Erin Seiler, Committee Administrator

WHAT THE MEASURE DOES:

Requires transportation network companies to maintain primary insurance for each participating driver. Specifies coverage requirements for insurance for following instances: when participating driver is connected to network and available to receive requests, but not engaged in providing ride (\$50,000 per person for death and bodily injury, \$100,000 for death and bodily injury and \$25,000 for property damage); and when engaged in providing a prearranged ride (\$1 million in aggregate death, bodily injury and property damage); uninsured motorist and underinsurance coverage and personal injury protection coverage. Specifies that policy may not require, or be dependent upon, denial of a claim on any other insurance policy and must provide coverage beginning with the first dollar of a claim. Requires drivers to carry proof of insurance at all times while operating a vehicle while connected to transportation network. Prohibits requiring or incentivizing participating driver from maintaining insurance that covers risks relating to or arising from activities of participating driver while connected to network. Requires transportation network company to disclose, in writing, information regarding insurance requirements. Allows personal automobile insurance policies to exclude coverage for losses occurring while operating as part of a transportation network company. Outlines responsibilities in event of motor vehicle accident or claims coverage investigations. Directs Governor to convene work group to advise on development and implementation of statewide insurance standard applying to all commercial vehicles that provide transportation services. Specifies issues for work group to review and evaluate. Requires report to Oregon Department of Transportation, Department of Consumer and Business Services and interim committees of Legislative Assembly related to transportation no later than January 13, 2016. Declares emergency, effective upon passage.

ISSUES DISCUSSED:

- Amendments
- Efforts to reach consensus on regulation of new, emerging industry

EFFECT OF COMMITTEE AMENDMENT:

Replaces original measure.

BACKGROUND:

The term “transportation network company” (TNC) refers to a company that uses an online-enabled platform to connect passengers with drivers who use their personal, noncommercial vehicles to provide rides for a fee to users of the online platform. The definition of TNC was created by the California Public Utilities Commission in 2013 through rulemaking around this previously unregulated form of real-time ridesharing. Examples of TNCs include Uber, headquartered in San Francisco and operating since 2010, and Lyft, which launched in 2012. Both offer a sort of online marketplace through which driver-owners may register with the company and offer their services and vehicle to people needing a ride.