

**A-Engrossed**  
**House Bill 2995**

Ordered by the House May 22  
Including House Amendments dated May 22

Sponsored by Representatives DOHERTY, MCLAIN; Representatives FAGAN, FREDERICK, HELM, HUFFMAN, KOMP, OLSON, TAYLOR

**SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

*[Requires transportation network company to maintain insurance policy to cover private passenger motor vehicle when vehicle's registered owner or designated operator actively participates as driver with transportation network company.]*

**Establishes insurance coverage requirements for drivers who offer or provide rides to passengers that are arranged via digital networks operated by transportation network companies. Permits insurers to exclude coverage for drivers who operate vehicles in connection with transportation network companies. Directs Governor to convene work group to advise on development and implementation of statewide insurance standard applying to all commercial vehicles providing transportation services.**

**Declares emergency, effective on passage.**

**A BILL FOR AN ACT**

1  
2 Relating to insurance coverage for motor vehicles used in connection with transportation network  
3 companies; and declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. As used in sections 1 to 7 of this 2015 Act:**

6 **(1) "Participating driver" means an individual who:**

7 **(a) Receives requests for prearranged rides from potential passengers through a trans-**  
8 **portation digital network; and**

9 **(b) Offers or provides prearranged rides to passengers in exchange for a fee paid by**  
10 **passengers.**

11 **(2) "Personal vehicle" means a vehicle that is owned or leased by, or otherwise author-**  
12 **ized for the personal use of, the individual operating the vehicle.**

13 **(3) "Prearranged ride" means the provision of transportation by the operator of a per-**  
14 **sonal vehicle to one or more passengers between points chosen by the passenger or passen-**  
15 **gers, beginning when a driver accepts a request for transportation and ending when the last**  
16 **requesting passenger departs from the vehicle.**

17 **(4) "Transportation digital network" means an Internet-based software application,**  
18 **website or platform that allows operators of personal vehicles and potential passengers to**  
19 **communicate for the purpose of soliciting, arranging and providing prearranged rides.**

20 **(5)(a) "Transportation network company" means an entity that is qualified to do business**  
21 **in this state that offers or operates a transportation digital network.**

22 **(b) "Transportation network company" does not include an entity:**

23 **(A) That provides taxicab services;**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1       **(B) That is engaged in the business of providing transportation along fixed routes or at**  
2 **regular intervals;**

3       **(C) That is engaged in the business of providing for-hire transportation using motor ve-**  
4 **hicles that the entity owns, operates or otherwise controls; or**

5       **(D) That contracts with a government entity or a coordinated care organization, as de-**  
6 **finied in ORS 414.025, to serve Medicaid recipients.**

7       **SECTION 2. (1) While a participating driver is connected to a transportation digital net-**  
8 **work and is available to receive requests for prearranged rides, but is not engaged in pro-**  
9 **viding a prearranged ride, the transportation network company that offers or operates the**  
10 **transportation digital network shall ensure that primary insurance is maintained on behalf**  
11 **of the participating driver that:**

12       **(a) States explicitly that the driver is a participating driver;**

13       **(b) Provides primary automobile liability coverage in the amount of \$50,000 per person for**  
14 **death and bodily injury, \$100,000 per incident for death and bodily injury and \$25,000 for**  
15 **property damage;**

16       **(c) Provides uninsured motorist and underinsurance coverage that meets the require-**  
17 **ments of ORS 742.502; and**

18       **(d) Provides personal injury protection coverage that meets the requirements of ORS**  
19 **742.518 to 742.542.**

20       **(2) The insurance required by subsection (1) of this section may be satisfied by any**  
21 **combination of insurance maintained by a participating driver and insurance maintained by**  
22 **a transportation network company.**

23       **(3) While a participating driver is engaged in providing a prearranged ride, the trans-**  
24 **portation network company that offers or operates the transportation digital network to**  
25 **which the participating driver is connected shall maintain primary insurance on behalf of the**  
26 **participating driver that:**

27       **(a) States explicitly that the driver is a participating driver;**

28       **(b) Provides primary automobile liability coverage in the amount of \$1,000,000 in the ag-**  
29 **gregate for death, bodily injury and property damage;**

30       **(c) Provides uninsured motorist and underinsurance coverage that meets the require-**  
31 **ments of ORS 742.502; and**

32       **(d) Provides personal injury protection coverage that meets the requirements of ORS**  
33 **742.518 to 742.542.**

34       **(4) The insurance required by subsections (1) and (3) of this section may not require or**  
35 **be dependent upon the denial of a claim under any other policy of insurance.**

36       **(5) The insurance required by subsections (1) and (3) of this section must provide the**  
37 **coverage required under subsections (1) and (3) of this section beginning with the first dollar**  
38 **of a claim.**

39       **(6) A transportation network company has the duty to defend any claim arising from the**  
40 **activities of a participating driver while the driver is connected to the company's transpor-**  
41 **tation digital network.**

42       **(7) Insurance required under subsections (1) and (3) of this section may be placed with**  
43 **an insurer authorized as required under ORS 731.354 or with an eligible surplus lines insurer**  
44 **as defined in ORS 735.405.**

45       **(8) Insurance satisfying the requirements of subsections (1) and (3) of this section con-**

1 stitutes proof of compliance with the financial responsibility requirements of this state for  
2 purposes of ORS chapter 806.

3 (9) A participating driver shall carry written or digital proof of insurance satisfying the  
4 requirements of subsections (1) and (3) of this section at all times while the participating  
5 driver is operating a vehicle while connected to a transportation digital network.

6 (10) A transportation network company may not request, require or incentivize a par-  
7 ticipating driver to maintain any insurance policy that covers risks relating to or arising  
8 from the activities of the participating driver while the driver is connected to the company's  
9 transportation digital network.

10 **SECTION 3.** Notwithstanding section 2 (2) of this 2015 Act, until July 1, 2016, a trans-  
11 portation network company shall maintain the insurance required by section 2 (1) of this 2015  
12 Act on behalf of each participating driver that receives requests for prearranged rides  
13 through the company's transportation digital network.

14 **SECTION 4.** In the event of a motor vehicle accident involving a participating driver, the  
15 participating driver shall:

16 (1) Provide proof of insurance satisfying the requirements of sections 2 (1) and (3) of this  
17 2015 Act to any other party involved in the accident, to insurers of any other party involved  
18 in the accident and, upon request, to police officers; and

19 (2) Upon request, disclose to any other party involved in the accident, insurers of any  
20 party involved in the accident and police officers whether the participating driver was con-  
21 nected to a transportation digital network or providing a prearranged ride at the time of the  
22 accident.

23 **SECTION 5.** A transportation network company shall disclose in writing to a prospective  
24 participating driver, before the prospective participating driver accepts any request for a  
25 prearranged ride through the transportation digital network:

26 (1) The insurance coverage, including the types of coverage and the limits of coverage,  
27 that the transportation network company provides while the participating driver is operating  
28 a vehicle while connected to the company's transportation digital network; and

29 (2) That the participating driver's personal automobile insurance policy might not provide  
30 coverage while the participating driver is operating a vehicle while connected to a transpor-  
31 tation digital network or providing a prearranged ride, depending on the terms of the policy.

32 **SECTION 6.** (1) An insurer writing a personal automobile insurance policy for delivery  
33 in this state may exclude coverage for loss or injury occurring while the insured is operating  
34 a vehicle as a participating driver while connected to a transportation digital network or  
35 providing a prearranged ride. Exclusions under this section may include any coverage in-  
36 cluded in an automobile insurance policy, including but not limited to liability coverage for  
37 bodily injury and property damage, personal injury protection as described in ORS 742.518 to  
38 742.542, uninsured and underinsured motorist coverage, medical payments coverage, com-  
39 prehensive physical damage coverage and collision physical damage coverage.

40 (2) An insurer that excludes coverage under this section has no duty to defend or  
41 indemnify against any claim that is expressly excluded from coverage. An insurer that de-  
42 fends or indemnifies against a claim that is expressly excluded from coverage under this  
43 section is entitled to a right of contribution against any other insurer that provides auto-  
44 mobile insurance to the same insured.

45 (3) Nothing in sections 1 to 7 of this 2015 Act limits or invalidates an exclusion contained

1 in an insurance policy, including exclusions in policies delivered in this state prior to the  
2 effective date of this 2015 Act.

3 (4) Nothing in sections 1 to 7 of this 2015 Act precludes an insurer from insuring a par-  
4 ticipating driver or a vehicle operated by a participating driver.

5 **SECTION 7.** In a claims coverage investigation:

6 (1) A transportation network company and its insurer shall disclose to other insurers  
7 involved in the claims coverage investigation the date and time at which a motor vehicle  
8 accident involving a participating driver occurred and the precise times at which the partic-  
9 ipating driver connected to and disconnected from the transportation digital network oper-  
10 ated by the company in the 12-hour period preceding the accident and the 12-hour period  
11 following the accident; and

12 (2) A transportation network company, its insurer and the insurers of all parties involved  
13 in an accident described in subsection (1) of this section shall disclose to one another the  
14 coverage, exclusions and limits of insurance policies that potentially cover, partially or fully,  
15 the claims at issue.

16 **SECTION 8.** (1) The Governor shall convene a work group to advise on the development  
17 and implementation of a statewide insurance standard applying to all commercial vehicles  
18 that provide transportation services.

19 (2) The work group shall:

20 (a) Review state, county and municipal laws governing insurance requirements for com-  
21 mercial for-hire vehicles and taxicab services;

22 (b) Evaluate whether current insurance requirements adequately protect the public from  
23 harm; and

24 (c) Identify adjustments in insurance requirements necessary for statewide implementa-  
25 tion.

26 (3) The work group shall issue findings and make recommendations for legislation in a  
27 report submitted to the Department of Transportation, the Department of Consumer and  
28 Business Services and interim committees of the Legislative Assembly related to transpor-  
29 tation no later than January 13, 2016.

30 (4) Members of the work group who are not members of the Legislative Assembly are  
31 not entitled to compensation, but may be reimbursed for actual and necessary travel and  
32 other expenses incurred by them in the performance of their official duties in the manner  
33 and amounts provided for in ORS 292.495. Claims for expenses incurred in performing func-  
34 tions of the work group shall be paid out of funds appropriated to the Department of Con-  
35 sumer and Business Services for purposes of the work group.

36 **SECTION 9.** This 2015 Act being necessary for the immediate preservation of the public  
37 peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect  
38 on its passage.