

1 STATE OF OKLAHOMA

2 1st Session of the 55th Legislature (2015)

3 SENATE BILL 436

By: Quinn

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5
6 AS INTRODUCED

7 An Act relating to motor vehicles; creating the
8 Transportation Network Act of 2015; providing short
9 title; defining terms; requiring certain companies to
10 disclose certain limits of liability; requiring
11 certain companies and drivers to maintain insurance;
12 providing procedures upon executing ride requests;
13 providing method to satisfy coverage requirements;
14 allowing certain companies to obtain certain policy;
15 specifying certain duties; providing insurance
16 requirements; clarifying insurance coverage in
17 relation to personal coverage; stating remedy for
18 lapse of coverage; prohibiting act from being
19 construed in certain manner; prohibiting the use of
20 personal automobile coverage under certain
21 circumstances; authorizing insurers to modify certain
22 policies for certain motor vehicles; providing method
23 for claims coverage investigation; requiring proof of
24 insurance; requiring disclosure of proof of insurance
in an accident; providing for noncodification;
providing for codification; and providing an
effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law not to be
codified in the Oklahoma Statutes reads as follows:

This act shall be known and cited as the "Transportation Network
Act of 2015".

1 SECTION 2. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 1007 of Title 47, unless there
3 is created a duplication in numbering, reads as follows:

4 A. For the purposes of this section:

5 1. "Transportation network company" means an organization,
6 including, but not limited to, a corporation, limited liability
7 company, partnership, sole proprietor, or any other entity,
8 operating in this state that provides prearranged transportation
9 services for compensation using an online-enabled application or
10 platform to connect passengers with drivers using a personal
11 vehicle;

12 2. "Participating driver" or "driver" is any person who uses a
13 vehicle in connection with a transportation network company's
14 online-enabled application or platform to connect with passengers;
15 and

16 3. "Transportation network company insurance" is an insurance
17 policy that specifically covers a driver's use of a vehicle in
18 connection with a transportation network company's online-enabled
19 application or platform.

20 B. A transportation network company shall disclose in writing
21 to participating drivers, as part of its agreement with those
22 drivers, the insurance coverage, limits of liability, and
23 deductibles that the driver might be responsible for, that the
24 transportation network company provides while the driver uses a

1 vehicle in connection with a transportation network company's
2 online-enabled application or platform, and shall advise a
3 participating driver in writing that the driver's automobile
4 insurance policy may not provide any required or optional coverage
5 because the driver uses a vehicle in connection with a
6 transportation network company's online-enabled application or
7 platform.

8 C. A transportation network company and any participating
9 driver shall maintain transportation network company insurance as
10 provided in this section.

11 D. The following requirements shall apply to transportation
12 network company's insurance from the moment a participating driver
13 accepts a ride request on the transportation network company's
14 online-enabled application or platform until the driver completes
15 the transaction on the online-enabled application or platform or
16 until the ride is complete, whichever is later. Transportation
17 network company insurance shall provide:

18 1. Primary liability coverage in the amount of not less than
19 Twenty-five Thousand Dollars (\$25,000.00) per person and Fifty
20 Thousand Dollars (\$50,000.00) per incident for death, bodily injury,
21 and property damage;

22 2. Uninsured motorist, collision physical damage coverage and
23 comprehensive physical damage coverage if the participating driver
24

1 carries those coverages on their auto policy, unless that insurer is
2 providing transportation network company insurance to the driver.

3 E. The requirements for the coverage required by this section
4 may be satisfied by any of the following:

5 1. Transportation network company insurance maintained by a
6 participating driver;

7 2. Transportation network company insurance maintained by a
8 transportation network company; or

9 3. Any combination of 1 and 2 of this subsection.

10 F. A transportation network company may meet its obligations
11 under this section through a policy obtained by a participating
12 driver pursuant to subparagraph 1 or 2 of subsection E of this
13 section only if the transportation network company verifies that the
14 policy is maintained by the driver and is specifically written to
15 cover the driver's use of a vehicle in connection with a
16 transportation network company's online-enabled application or
17 platform. The insurer providing transportation network company
18 insurance under this section shall have the duty to defend and
19 indemnify the insured.

20 G. From the moment a participating driver logs on to the
21 transportation network company's online-enabled application or
22 platform until the driver accepts a request to transport a
23 passenger, and from the moment the driver completes the transaction
24 on the online-enabled application or platform or the ride is

1 complete, whichever is later, until the driver either accepts
2 another ride request on the online-enabled application or platform
3 or logs off the online-enabled application or platform,
4 transportation network company insurance shall provide primary
5 liability coverage in the amount of not less than Twenty-five
6 Thousand Dollars (\$25,000.00) for death and bodily injury per
7 person, Fifty Thousand Dollars (\$50,000.00) for death and bodily
8 injury per incident, and Twenty-five Thousand Dollars (\$25,000.00)
9 for property damage.

10 1. Transportation network company insurance coverage provided
11 under this section shall also provide:

- 12 a. uninsured motorist coverage and underinsured motorist
13 coverage in the amount of Twenty-five Thousand Dollars
14 (\$25,000.00) per person,
- 15 b. uninsured motorist, collision physical damage coverage
16 and comprehensive physical damage coverage if the
17 participating driver carries those coverages on his or
18 her auto policy unless that insurer is providing
19 transportation network company insurance to the
20 driver.

21 2. The requirements for the coverage required by this
22 subsection may be satisfied by any of the following:

- 23 a. transportation network company insurance maintained by
24 a participating driver.

1 b. transportation network company insurance maintained by
2 a transportation network company that provides
3 coverage in the event a participating driver's
4 insurance policy under subparagraph (A) has ceased to
5 exist or has been canceled, or the participating
6 driver does not otherwise maintain transportation
7 network company insurance pursuant to this subsection.

8 c. any combination of subparagraphs a and b of this
9 paragraph.

10 3. The insurer providing transportation network company
11 insurance under this subsection shall have the duty to defend and
12 indemnify the insured.

13 H. Coverage under a transportation network company insurance
14 policy shall not be dependent on an automobile insurance policy
15 first denying a claim nor shall an automobile insurance policy be
16 required to first deny a claim. In every instance where
17 transportation network company insurance maintained by a
18 participating driver to fulfill the insurance obligations of this
19 section has lapsed or ceased to exist, the transportation network
20 company shall provide the coverage required by this section
21 beginning with the first dollar of a claim.

22 I. Nothing in this section shall be construed to require an
23 automobile insurance policy to provide primary or excess coverage
24 during the period of time from the moment a participating driver in

1 a transportation network company logs on to the transportation
2 network company's online-enabled application or platform until the
3 driver logs off the online-enabled application or platform or the
4 passenger exits the vehicle, whichever is later.

5 J. During the period of time from the moment a participating
6 driver in a transportation network company logs on to the
7 transportation network company's online-enabled application or
8 platform until the driver logs off the online-enabled application or
9 platform or until the ride is complete, whichever is later, all of
10 the following shall apply:

11 1. The participating driver's or the vehicle owner's automobile
12 insurance policy shall not provide any coverage to the participating
13 driver, vehicle owner, or any third party, unless the policy
14 expressly provides for that coverage during the period of time to
15 which this paragraph is applicable, with or without a separate
16 charge, or the policy contains an amendment or endorsement to
17 provide that coverage, for which a separately stated premium is
18 charged; and

19 2. The participating driver's or the vehicle owner's automobile
20 insurance policy shall not have the duty to defend or indemnify for
21 the driver's activities in connection with the transportation
22 network company, unless the policy expressly provides otherwise for
23 the period of time to which this paragraph is applicable, with or
24 without a separate charge, or the policy contains an amendment or

1 endorsement to provide that coverage, for which a separately stated
2 premium is charged.

3 K. Notwithstanding any other law, an automobile insurer may, at
4 its discretion, offer an automobile liability insurance policy, or
5 an amendment or endorsement to an existing policy that covers a
6 private passenger vehicle, station wagon type vehicle, sport utility
7 vehicle, or similar type of vehicle with a passenger capacity of
8 eight persons or less, including the driver, while used in
9 connection with a transportation network company's online-enabled
10 application or platform only if the policy expressly provides for
11 the coverage during the time period specified in subsection J of
12 this section, with or without a separate charge, or the policy
13 contains an amendment or an endorsement to provide that coverage,
14 for which a separately stated premium may be charged.

15 L. In a claims coverage investigation, a transportation network
16 company or its insurer shall cooperate with insurers that are
17 involved in the claims coverage investigation to facilitate the
18 exchange of information, including the provision of dates and times
19 at which an accident occurred that involved a participating driver
20 and the precise times that the participating driver logged on and
21 off the transportation network company's online-enabled application
22 or platform.

23 M. A participating driver of a transportation network company
24 shall carry proof of transportation network company insurance

1 coverage with him or her at all times during his or her use of a
2 vehicle in connection with a transportation network company's
3 online-enabled application or platform. In the event of an
4 accident, a participating driver shall provide this insurance
5 coverage information to any other party involved in the accident,
6 and to a police officer, upon request.

7 SECTION 3. This act shall become effective November 1, 2015.

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