

HCS HB 781 -- TRANSPORTATION COMPANIES (Gosen)

This bill modifies provisions relating to regional taxi cab commissions and regulates transportation network companies and their participating drivers providing transportation of passengers using the driver's personal vehicle. In its main provisions, the bill:

(1) Modifies the membership of the regional taxicab commission (RTC) by replacing the four members representing the taxicab industry with two members appointed by the Speaker of the House of Representatives and two members appointed by the President Pro Tem of the Senate. The appointed members and his or her spouse must not be a representative of or have a direct material or financial interest in the taxicab industry;

(2) Removes a provision empowering the regional taxicab commission cooperate and collaborate with the hotel and restaurant industry;

(3) Prohibits a political subdivision or RTC from adopting by regulation or rule any provision more restrictive on a transportation network company than the requirements specified in Sections 379.1700 to 379.1600, RSMo, and Sections 387.415 to 387.495;

(4) Defines "transportation network company" (TNC) as an entity licensed and operating in Missouri using a digital network to connect transportation network company riders to transportation network company drivers who provide prearranged rides. A TNC must not be deemed to control, direct, or manage the personal vehicles or drivers using its digital network, unless agreed to by written contract;

(5) Defines "transportation network company driver" or "driver" as any individual who uses a personal vehicle in connection with a TNC's digital network to connect with riders in exchange for payment of a fee to the TNC in return for compensation or a fee that exceeds the driver's cost to provide the transportation;

(6) Requires, beginning April 1, 2016, a driver or TNC to maintain primary automobile insurance that recognizes that the driver is a TNC driver or otherwise uses the vehicle to transport riders for compensation and covers the driver while logged onto the TNC's network or engaged in a prearranged ride;

(7) Requires a TNC driver engaged in a prearranged ride to maintain primary automobile liability insurance in the amount of at least \$1 million for death, bodily injury, and property damage; uninsured motorist coverage as set forth in Section 379.203, RSMo,

which is currently \$25,000 for death and bodily injury per person; \$50,000 for death and bodily injury per incident; and \$10,000 for property damage; and collision physical damage coverage and comprehensive physical damage coverage if the driver carries the coverages on his or her personal automobile insurance policy. The coverage requirements may be maintained by the driver or the TNC;

(8) Requires, when the driver is logged on to the TNC's network and is available to receive requests but is not engaged in a prearranged ride, primary liability insurance in an amount of at least \$50,000 for death and bodily injury per person, \$100,000 for death and bodily injury per incident, and \$25,000 for property damage; uninsured motorist coverage as set forth in Section 379.203; and collision physical damage coverage and comprehensive physical damage coverage if the driver carries the coverages on his or her personal automobile insurance policy. The insurance may be maintained by the driver or the TNC;

(9) Requires if insurance maintained by a driver has lapsed or does not provide the required coverage, the insurance maintained by the TNC must provide the required coverage beginning with the first dollar of a claim and must have the duty to defend the claim;

(10) Prohibits coverage under a company's automobile insurance policy maintained by the TNC from being dependent on a personal automobile insurer first denying a claim or a personal automobile policy be required to first deny a claim;

(11) Requires a driver to carry proof of coverage while using a vehicle in connection with a TNC's digital network. In the event of an accident, the driver must provide the insurance coverage information to all relevant parties and disclose if he or she was logged on to the network or on a prearranged ride at the time of the accident;

(12) Requires a TNC to disclose in writing to a driver, before being allowed to accept a request for a prearranged ride, the insurance coverage amount provided by the TNC while the driver uses a personal vehicle in connection with the TNC and that the driver's own policy may not provide coverage while the driver is logged on to the network and available to receive requests or is engaged in a prearranged ride depending on the policy's terms;

(13) Specifies that insurers that write automobile insurance in Missouri may exclude any and all coverage under a policy issued to an owner or operator of a personal vehicle for any loss or injury that occurs while the driver is logged on to a TNC's digital network, provides a prearranged ride, or a vehicle is being used to transport or carry persons or property for any compensation or

suggested donation;

(14) Specifies that TNC's or TNC drivers are not common carriers, contract carriers, or motor carriers, nor do they provide taxicab or for-hire vehicle service;

(15) Prohibits TNC drivers from operating in a political subdivision or RTC if the TNC is not permitted if required to be. Allows a permit fee of 1% of gross fares collected by the TNC in the political subdivision or RTC, not to exceed \$150 per TNC driver;

(16) Allows any TNC denied a permit in any jurisdiction or aggrieved by any decision of a political subdivision or the RTC to be entitled to a trial de novo in the circuit court of the county or city of the jurisdiction where the denial occurred. A TNC must maintain an agent for service of process in the state of Missouri;

(17) Provides passengers with the applicable rates being charged and the option to receive an estimated fare before the passenger enters the TNC driver's vehicle;

(18) Discloses to a driver, before he or she is allowed to accept a request for TNC services, the insurance coverage and limits of liability that the company provides while the driver uses a personal vehicle in connection with a TNC's digital network and that the driver's own insurance may not provide coverage while he or she uses a vehicle in connection with a TNC's digital network;

(19) Conducts specific background checks on an individual prior to permitting him or her to act as a TNC driver. The TNC must also obtain and review a driving history research report for the individual from the Department of Revenue. The TNC cannot permit specified individuals to act as a TNC driver. The TNC must require that any motor vehicle that a driver will use must meet specified inspection requirements;

(20) Adopts policies prohibiting solicitation or acceptance of cash payments from passengers and notifies drivers of the policy. Any payment for TNC services must be made only electronically using the TNC's digital network or software application;

(21) Maintains individual trip records for at least one year and a driver's record for at least one year of the date on which the driver's activation on the TNC digital network has ended;

(22) Ensures that drivers comply with all applicable laws regarding nondiscrimination against passengers or potential passengers and the accommodation of service animals. A TNC cannot

impose additional charges for providing services to persons with physical disabilities. A TNC must provide passengers an opportunity to indicate whether they require a wheelchair accessible vehicle. If it cannot arrange wheelchair-accessible service, it must direct the passenger to an alternate provider if available;

(23) Requires a TNC and its drivers to comply with specified automobile liability insurance requirements. The bill allows an insurer that writes automobile liability insurance in Missouri to exclude coverage for a TNC driver while available for TNC service or providing those services;

(24) Requires a TNC driver to exclusively accept rides booked through a TNC's digital network or software application service and must not solicit or accept street hails; and

(25) Allows a political subdivision issuing a permit to a TNC to request information to verify TNC drivers meet the requirements of Sections 379.1700 to 379.1706 and Sections 387.415 to 387.495. Any criminal history information received by the commission must be confidential and any person who discloses the information beyond the scope allowed is guilty of a class A misdemeanor.