

1 ENGROSSED SENATE  
2 BILL NO. 436

By: Quinn and Sharp of the  
Senate

3 and

4 Mulready of the House  
5

6  
7 [ motor vehicles - Transportation Network Act of 2015  
8 - certain limits of liability - ride requests -  
9 coverage requirements - lapse of coverage - personal  
10 automobile coverage - claims coverage investigation -  
11 proof of insurance - noncodification - codification -  
12 effective date ]

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

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

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

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

21 A. For the purposes of this section:

22 1. "Transportation network company" means an organization,  
23 including, but not limited to, a corporation, limited liability  
24 company, partnership, sole proprietor or any other entity, operating  
in this state that provides prearranged transportation services for

1 compensation using an online-enabled application or platform to  
2 connect passengers with drivers using a personal vehicle;

3 2. "Participating driver" or "driver" is any person who uses a  
4 vehicle in connection with a transportation network company's  
5 online-enabled application or platform to connect with passengers;  
6 and

7 3. "Transportation network company insurance" is an insurance  
8 policy that specifically covers a driver's use of a vehicle in  
9 connection with a transportation network company's online-enabled  
10 application or platform.

11 B. 1. A transportation network company shall disclose in  
12 writing to participating drivers, as part of its agreement with  
13 those drivers, the insurance coverage, limits of liability, and  
14 deductibles that the driver might be responsible for, that the  
15 transportation network company provides while the driver uses a  
16 vehicle in connection with a transportation network company's  
17 online-enabled application or platform, and shall advise a  
18 participating driver in writing that the driver's automobile  
19 insurance policy may not provide any required or optional coverage  
20 because the driver uses a vehicle in connection with a  
21 transportation network company's online-enabled application or  
22 platform.

23 2. An individual acting or seeking to act as a participating  
24 driver for a transportation network company shall provide written or

1 electronic authorization from any lienholder with a security  
2 interest in the vehicle to be used in conjunction with the  
3 individual's service as such a driver. The authorization shall  
4 specify that the lienholder has been notified of the individual's  
5 intent to use the vehicle for such purpose and that the lienholder  
6 agrees to such use of the vehicle.

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

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

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

21 2. Uninsured motorist, collision physical damage coverage, and  
22 comprehensive physical damage coverage if the participating driver  
23 carries those coverages on their auto policy, unless that insurer is  
24 providing transportation network company insurance to the driver.

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

3 1. Transportation network company insurance maintained by a  
4 participating driver;

5 2. Transportation network company insurance maintained by a  
6 transportation network company; or

7 3. Any combination of paragraphs 1 and 2 of this subsection.

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

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

1 or logs off the online-enabled application or platform,  
2 transportation network company insurance shall provide primary  
3 liability coverage in the amount of not less than Twenty-five  
4 Thousand Dollars (\$25,000.00) for death and bodily injury per  
5 person, Fifty Thousand Dollars (\$50,000.00) for death and bodily  
6 injury per incident, and Twenty-five Thousand Dollars (\$25,000.00)  
7 for property damage.

8 1. Transportation network company insurance coverage provided  
9 under this section shall also provide uninsured motorist, collision  
10 physical damage coverage, and comprehensive physical damage coverage  
11 if the participating driver carries those coverages on his or her  
12 auto policy unless that insurer is providing transportation network  
13 company insurance to the driver.

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

- 16 a. transportation network company insurance maintained by  
17 a participating driver,  
18 b. transportation network company insurance maintained by  
19 a transportation network company that provides  
20 coverage in the event a participating driver's  
21 insurance policy under subparagraph a of this  
22 paragraph has ceased to exist or has been canceled, or  
23 the participating driver does not otherwise maintain  
24

1 transportation network company insurance pursuant to  
2 this subsection, or

3 c. any combination of subparagraphs a and b of this  
4 paragraph.

5 3. The insurer providing transportation network company  
6 insurance under this subsection shall have the duty to defend and  
7 indemnify the insured.

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

17 I. Nothing in this section shall be construed to require an  
18 automobile insurance policy to provide primary or excess coverage  
19 during the period of time from the moment a participating driver in  
20 a transportation network company logs on to the transportation  
21 network company's online-enabled application or platform until the  
22 driver logs off the online-enabled application or platform or the  
23 passenger exits the vehicle, whichever is later.

24

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

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

15 2. The participating driver's or the vehicle owner's automobile  
16 insurance policy shall not have the duty to defend or indemnify for  
17 the driver's activities in connection with the transportation  
18 network company, unless the policy expressly provides otherwise for  
19 the period of time to which this paragraph is applicable, with or  
20 without a separate charge, or the policy contains an amendment or  
21 endorsement to provide that coverage, for which a separately stated  
22 premium is charged.

23 K. Notwithstanding any other law, an automobile insurer may, at  
24 its discretion, offer an automobile liability insurance policy, or

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

11 L. If an insurer for a transportation network company makes a  
12 payment for a claim covered under comprehensive or collision  
13 insurance coverage, the transportation network company shall cause  
14 its insurer to issue the payment directly to the business repairing  
15 the vehicle or jointly to the owner of the vehicle and the primary  
16 lienholder.

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

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

9 SECTION 3. This act shall become effective November 1, 2015.  
10 Passed the Senate the 11th day of March, 2015.

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12 \_\_\_\_\_  
13 Presiding Officer of the Senate

14 Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
15 2015.

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18 Presiding Officer of the House  
19 of Representatives  
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