

## RÉSUMÉ DIGEST

ACT 266 (SB 172)

2015 Regular Session

Morrish

Creates the Transportation Network Company Motor Vehicle Responsibility Law (TNCMVR) which shall apply to transportation network companies and their participating drivers.

Defines:

- (1) "Bodily injury" as claims for general and special damages for personal injury.
- (2) "Digital network" as any online-enabled application, software, website, or system offered or utilized by a transportation network company that enables the prearrangement of rides with transportation network company drivers.
- (3) "Personal vehicle" as a vehicle that is used by a transportation network company driver and is owned, leased, or otherwise authorized for use by the transportation network company driver. A personal vehicle is not a vehicle subject to certain provisions of prior law or engaged solely in interstate commerce.
- (4) "Prearranged ride" as the provision of transportation by a driver to a rider that commences when a driver accepts a ride requested by a person through a digital network controlled by a transportation network company, continues during the driver transporting a requesting rider and ends when the last requesting rider departs from the personal vehicle. Provides that a prearranged ride does not include shared expense van pool services, or shared expense car pool services, or transportation provided using a vehicle subject to the TNCMVR.
- (5) "Pre-trip acceptance period" as any period of time during which a participating driver is logged into a transportation network company's digital network and available to receive requests for transportation network company services and is not otherwise engaged in a prearranged ride.
- (6) "Transportation network company" as a person, whether natural or juridical, that uses a digital network to connect transportation network company riders to transportation network company drivers who provide prearranged rides or a person, whether natural or juridical, that provides a technology platform to a transportation network company that enables the rider to schedule a prearranged ride.
- (7) "Transportation network company driver" or "driver" as a person who receives connections to potential passengers and related services from a transportation network company in exchange for payment of a fee to the transportation network company and uses a personal vehicle to offer or provide a prearranged ride to persons upon connection through a digital network controlled by a transportation network company in return for compensation or payment of a fee.
- (8) "Transportation network company rider" or "rider" as a person who uses a transportation network company's digital network to connect with a transportation network driver who provides prearranged rides to the rider in the driver's personal vehicle between points chosen by the rider.

Provides for written disclosure by the transportation network company to each network driver, before he is initially allowed to accept a request for a prearranged ride, of the insurance that it maintains and that the drivers' personal automobile insurance may or may not provide coverage while logged onto the transportation network company's network.

Provides that jurisdiction for any bodily injury or property damage claim resulting from the negligence or fault of a transportation network driver during a prearranged ride, or the offer or acceptance of a prearranged ride, shall be exclusively conducted in a court of competent jurisdiction in the state of Louisiana, with all choice of law conflicts resolved in accordance with Louisiana law with respect to bodily injury or property damage claims. New law does not prohibit any transportation network company, transportation network company driver, and transportation network company rider from agreeing, by contract, to submit any contractual or other disputes to arbitration.

Provides that a transportation network company driver or a transportation network company on the driver's behalf, shall maintain primary automobile insurance that meets the following requirements:

Automobile insurance during the pre-trip acceptance period shall:

- (1) Be in the amount of not less than \$50,000 for death and bodily injury per person, not less than \$100,000 for death and bodily injury per incident, and not less than \$25,000 for property damage.
- (2) Include uninsured and underinsured motorist coverage to the extent required by law.

Automobile insurance during a prearranged ride shall:

- (1) Be in the amount of not less than \$1 million for death, bodily injury, and property damage.
- (2) Include uninsured and underinsured motorist coverage to the extent required by law.

Provides that insurers that write automobile insurance in this state may exclude any or all coverage afforded under the policy issued to an owner or operator of a personal vehicle for any loss or injury that occurs while a driver is logged on to a transportation network company's digital network during the pre-trip acceptance period or while a driver is engaged in a prearranged ride. This right to exclude coverage shall apply to any or all coverage in an automobile insurance policy including but not limited to:

- (1) Liability coverage for bodily injury.
- (2) Liability coverage for property damage.
- (3) Uninsured and underinsured motorist coverage.
- (4) Medical payments coverage.
- (5) Comprehensive physical damage coverage.
- (6) Collision physical damage coverage.

Requires that the exclusions permitted in TNCMVR apply notwithstanding any requirement under the Motor Vehicle Safety Responsibility Law, R.S. 32:851 et seq. or other law. Provides that nothing in TNCMVR implies or requires that a personal automobile insurance policy provide coverage while the driver is logged on to the transportation network company's digital network during the pre-trip acceptance period, while the driver is engaged in a prearranged ride, or while the driver otherwise uses a vehicle to transport passengers for compensation.

Provides that automobile insurers that exclude the coverage described in prior law shall have no duty to defend or indemnify any claim expressly excluded under prior law.

New law shall not be deemed to invalidate or limit an exclusion contained in a policy including any policy in use or approved for use in this state prior to the effective date of new law that excludes coverage for vehicles used to carry persons or property for a charge or available for hire by the public.

Provides that an automobile insurer that defends or indemnifies a claim against a driver that is excluded under the terms of its policy shall have a right of contribution against other insurers that provide automobile insurance to the same driver in satisfaction of the coverage requirements at the time of loss.

Provides that if a transportation network company's insurer makes a payment for a claim covered under comprehensive coverage or collision coverage, the transportation network company shall cause its insurer to issue the payment directly to the repair facility or jointly to the owner of the vehicle and the primary holder of any security interest, privilege, or lien on the covered vehicle and provides that no fine shall result for a violation of these provisions.

Requires that the transportation network company file proof of its compliance with insurance requirements with any parish or municipality that requires or requests the a filing.

Requires that in a claims coverage investigation, a transportation network company and its insurer are to cooperate with insurers that are involved in the claims coverage investigation and respond within ten business days of a request for information from the parties or another insurer.

Requires a transportation network company driver to carry written or digital proof of coverage with him at all times during his use of a vehicle in connection with a transportation network company's digital network. Provides that in the event of an accident, a transportation network company driver is to provide this insurance coverage information to the directly interested parties, automobile insurers, and investigating police officers, upon request and that the transportation network company driver also disclose to directly interested parties, automobile insurers, and investigating police officers, whether he was logged on to the transportation network company's digital network or on a prearranged ride at the time of an accident.

Provisions concerning agreements, mandatory disclosures, prohibitions, choice of law, insurance requirements, automobile insurance and proof of insurance as related to a transportation network company are to be effective on January 1, 2016, and that all other provisions of in new law are effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 45:201.1- 201.13)