

SUMMARY—Revises provisions relating to transportation network companies. (BDR 57-771)

FISCAL NOTE: Effect on Local Government: No.

Effect on the State: No.

AN ACT relating to transportation network companies; prohibiting an insurer from refusing to provide coverage under a policy of motor vehicle insurance because the insured is a driver for a transportation network company; requiring transportation network company insurance to provide medical payments coverage and uninsured and underinsured motorist coverage under certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law requires every owner of a motor vehicle which is registered in this State to continuously provide motor vehicle insurance. (NRS 485.185) Existing law defines the term “transportation network company” to mean an entity that uses a digital network or software application service to connect a passenger to a driver or monitored autonomous vehicle provider who can provide transportation services to the passenger. (NRS 706A.050) **Section 1** of this bill prohibits an insurer from denying a claim that arises under a policy of motor vehicle insurance for any accident or motor vehicle crash that occurs during the personal use of the motor vehicle



because the insured, claimant or group of insured or claimants is a driver for a transportation network company.

Existing law requires a transportation network company or a driver for a transportation network company to provide transportation network company insurance, which may include coverage for medical payments and coverage for uninsured or underinsured motorists. (NRS 690B.470) **Section 2** of this bill requires such transportation network company insurance to provide certain medical payments coverage and uninsured and underinsured motorist coverage for any occupant of the motor vehicle.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 690B of NRS is hereby amended by adding thereto a new section to read as follows:

1. An insurer shall not, for any accident or motor vehicle crash that occurs during the personal use of a motor vehicle, refuse to provide coverage under or refuse to fulfill the obligations of a policy of motor vehicle insurance that is held by an insured, claimant or group of insured or claimants because the insured, claimant or group of insured or claimants is a driver for a transportation network company.

2. As used in this section:



(a) *“Driver” has the meaning ascribed to it in NRS 706A.040.*

(b) *“Personal use of a motor vehicle” means any use of a motor vehicle which is insured by the driver that occurs while the driver is not:*

(1) *Providing transportation services; or*

(2) *Logged into the digital network or software application service of the transportation network company and available to receive requests for transportation services but is not otherwise providing transportation services.*

(c) *“Transportation network company” has the meaning ascribed to it in NRS 706A.050.*

(d) *“Transportation services” has the meaning ascribed to it in NRS 706A.060.*

Sec. 2. NRS 690B.470 is hereby amended to read as follows:

690B.470 1. Every transportation network company or driver shall continuously provide, during any period in which the driver is providing transportation services, transportation network company insurance provided by an insurance company licensed by the Division of Insurance of the Department of Business and Industry and approved to do business in this State or a broker licensed pursuant to chapter 685A of NRS or procured directly from a nonadmitted insurer, as defined in NRS 685A.0375:

(a) *For the payment of tort liabilities arising from the maintenance or use of the motor vehicle:*

(1) In an amount of not less than \$1,500,000 for bodily injury to or death of one or more persons and injury to or destruction of property of others in any one accident or motor vehicle crash that occurs while the driver is providing transportation services;



~~[(b)]~~ (2) In an amount of not less than \$50,000 for bodily injury to or death of one person in any one accident or motor vehicle crash that occurs while the driver is logged into the digital network or software application service of the transportation network company and available to receive requests for transportation services but is not otherwise providing transportation services;

~~[(e)]~~ (3) Subject to the minimum amount for one person required by ~~[paragraph (b)]~~ *subparagraph (2)*, in an amount of not less than \$100,000 for bodily injury to or death of two or more persons in any one accident or motor vehicle crash that occurs while the driver is logged into the digital network or software application service of the transportation network company and available to receive requests for transportation services but is not otherwise providing transportation services; and

~~[(d)]~~ (4) In an amount of not less than \$25,000 for injury to or destruction of property of others in any one accident or motor vehicle crash that occurs while the driver is logged into the digital network or software application service of the transportation network company and available to receive requests for transportation services but is not otherwise providing transportation services

~~[(b)]~~

~~→ for the payment of tort liabilities arising from the maintenance or use of the motor vehicle.] ;~~

(b) In an amount of not less than \$10,000 for the medical payments coverage of any occupant of the motor vehicle in any one accident or motor vehicle crash that occurs while the driver is:

(1) Providing transportation services; or



(2) Logged into the digital network or software application service of the transportation network company and available to receive requests for transportation services but is not otherwise providing transportation services; and

(c) In an amount of not less than \$1,000,000 for uninsured and underinsured motorist coverage for any occupant of the motor vehicle in any one accident or motor vehicle crash that occurs while the driver is:

(1) Providing transportation services; or

(2) Logged into the digital network or software application service of the transportation network company and available to receive requests for transportation services but is not otherwise providing transportation services.

2. Every monitored autonomous vehicle provider shall continuously provide, during any period in which a monitored autonomous vehicle provider is operating a monitored autonomous vehicle, transportation network company insurance provided by an insurance company licensed by the Division of Insurance of the Department of Business and Industry and approved to do business in this State or a broker licensed pursuant to chapter 685A of NRS or procured directly from a nonadmitted insurer, as defined in NRS 685A.0375, in an amount of not less than \$1,500,000 for bodily injury to or destruction of property of others in any one accident or motor vehicle crash that occurs while the monitored autonomous vehicle provider is operating a monitored autonomous vehicle for the payment of tort liabilities arising from the maintenance or use of the monitored autonomous vehicle.



3. The transportation network company insurance required by subsection 1 or 2, as applicable, may be provided through one or a combination of insurance policies provided by the transportation network company, the driver, the monitored autonomous vehicle provider, both the transportation network company and the driver or both the transportation network company and the monitored autonomous vehicle provider.

4. Every transportation network company shall continuously provide, during any period in which the driver or monitored autonomous vehicle provider is providing transportation services, transportation network company insurance provided by an insurance company licensed by the Division of Insurance of the Department of Business and Industry and approved to do business in this State or a broker licensed pursuant to chapter 685A of NRS or procured directly from a nonadmitted insurer, as defined in NRS 685A.0375, which meets the requirements of subsection 1 or 2, as applicable, as primary insurance if the insurance provided by the driver or monitored autonomous vehicle provider:

- (a) Lapses; or
- (b) Fails to meet the requirements of subsection 1 or 2, as applicable.

5. Notwithstanding the provisions of NRS 485.185 and 485.186 which require the owner or operator of a motor vehicle to provide insurance, transportation network company insurance shall be deemed to satisfy the requirements of NRS 485.185 or 485.186, as appropriate, regardless of whether the insurance is provided by the transportation network company, the driver, the monitored autonomous vehicle provider, both the transportation network company and the driver or both the transportation network company and the monitored autonomous vehicle provider, if



the transportation network company insurance otherwise satisfies the requirements of NRS 485.185 or 485.186, as appropriate.

6. In addition to the coverage required pursuant to ~~subsection~~ :

(a) *Subsection 1*, ~~for 2, as applicable,~~ a policy of transportation network company insurance may include additional coverage, including, without limitation, ~~coverage for medical payments, coverage for uninsured or underinsured motorists,~~ comprehensive coverage and collision coverage.

(b) Subsection 2, a policy of transportation network company insurance may include additional coverage, including, without limitation, coverage for medical payments, coverage for uninsured or underinsured motorists, comprehensive coverage and collision coverage.

7. An insurer who provides transportation network company insurance shall not require a policy of insurance for the operation of a motor vehicle required pursuant to NRS 485.185 or 485.186, as appropriate, to deny a claim before the transportation network company insurance provides coverage for a claim.

8. An insurer who provides transportation network company insurance has a duty to defend and indemnify the driver or monitored autonomous vehicle provider and the transportation network company.

9. An insurer who provides transportation network company insurance which includes comprehensive coverage or collision coverage for the operation of a motor vehicle against which a lienholder holds a lien shall issue any payment for a claim under such coverage:

(a) Directly to the person who performs repairs upon the vehicle; or



(b) Jointly to the owner of the vehicle and the lienholder.

10. A transportation network company that provides transportation network company insurance for a motor vehicle is not deemed to be the owner of the motor vehicle.

11. As used in this section ~~[, “monitored] :~~

(a) *“Medical payments coverage” means coverage for the payment of reasonable and necessary hospital and medical expenses resulting from an accident or motor vehicle crash.*

(b) *“Monitored autonomous vehicle”* has the meaning ascribed to it in NRS 706A.045.

(c) *“Uninsured and underinsured motorist coverage” means the coverage described in subsection 2 of NRS 687B.145.*

