

Transportation Network Company Drivers: Insurance Requirements

On April 4, 2016, Mississippi Governor Phil Bryant signed *Mississippi House Bill No. 1381, 2016 Regular Legislative Session*, establishing the mandatory insurance requirements for transportation network company (TNC) drivers. Beginning July 1, 2016, Mississippi law provides as follows:

Automobile Insurance Requirements

(1) A transportation network company driver or transportation network company on the driver's behalf shall maintain primary automobile insurance that recognizes that the driver is a transportation network company driver or otherwise uses a vehicle to transport passengers for compensation and covers the driver:

- (a) While the driver is logged on to the transportation network company's digital network;
- or
- (b) While the driver is engaged in a prearranged ride.

(2) A participating transportation network company driver who is **logged on to the transportation network company's digital network and is available to receive transportation requests but is not engaged in a prearranged ride** shall be covered by primary automobile liability insurance in the amount of at least Fifty Thousand Dollars (\$50,000.00) for death and bodily injury per person, One Hundred Thousand Dollar (\$100,000.00) for death and bodily injury per incident and Twenty-five Thousand Dollars (\$25,000.00) for property damage and uninsured motorist to the extent required by Section 83-11-101. These coverage requirements may be satisfied by any of the following:

- (a) Automobile insurance maintained by the transportation network company driver; or
- (b) Automobile insurance maintained by the transportation network company; or
- (c) Any combination of paragraphs (a) and (b) of this subsection.

(3) **While a transportation network company driver is engaged in a prearranged ride** he must be covered by a primary automobile liability insurance that provides at least One Million Dollars (\$1,000,000.00) for death, bodily injury and property damage and uninsured motorist to the extent required by Section 83-11-101. The coverage requirements of this subsection may be satisfied by any of the following:

- (i) Automobile insurance maintained by the transportation network company driver; or
- (ii) Automobile insurance maintained by the transportation network company; or
- (iii) Any combination of paragraphs (a) and (b) of this subsection.

(4) Insurance required by this section may be placed with an insurer licensed to do business in Mississippi or with a surplus lines insurer eligible under *Miss. Code § 83-21-17 et seq.*

(5) Insurance satisfying the requirements of *HB 1381* shall be deemed to satisfy the financial responsibility requirement for a motor vehicle under the Mississippi Motor Vehicle Safety Responsibility Law, *Miss. Code § 63-15-1 et seq.*

(6) A transportation network company driver shall carry proof of coverage satisfying this section with him or her at all times during his or her use of a vehicle in connection with a transportation network company's digital network. In the event of an accident, a transportation network company driver shall provide this insurance coverage information to the directly interested parties, automobile insurers and investigating police officers, upon request. Upon a request, a transportation network company driver shall also disclose to directly interested parties, automobile insurers, and investigating police officers, whether he or she was logged on to the transportation network company's digital network or on a prearranged ride at the time of an accident.

The TNC Must Inform the Driver of Any Insurance Coverage It Provides

Before a driver is allowed to accept a request for a prearranged ride on the transportation network company's digital network, the transportation network company must disclose in writing to transportation network company drivers the insurance coverage, including the types of coverage and the limits for each coverage, that the transportation network company provides while the transportation network company driver uses a personal vehicle in connection with a transportation network company's digital network.

Insurers' Authority to Exclude TNC Activity from Coverage

All transportation network drivers should be aware that the transportation network company driver's own automobile insurance policy might not provide any coverage while the driver is logged on to the transportation network company's digital network and is available to receive transportation requests or is engaged in a prearranged ride, depending on its terms.

Specifically, Insurers that write automobile insurance in Mississippi may exclude any and 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 or while a driver provides a prearranged ride. This right to exclude all coverage may apply to any coverage included in an automobile insurance policy including, but not limited to:

- (a) Liability coverage for bodily injury and property damage;
- (b) Uninsured and underinsured motorist coverage;
- (c) Medical payments coverage;
- (d) Comprehensive physical damage coverage; and
- (e) Collision physical damage coverage.