

Transportation Network Company Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Nelson T. Abbott

LONG TITLE**General Description:**

This bill enacts provisions relating to a transportation network company.

Highlighted Provisions:

This bill:

- establishes a cause of action for an individual against a transportation network company when the transportation network company fails to maintain proper insurance and the individual is injured in a vehicle accident that the transportation network company arranges.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

13-51-108, as last amended by Laws of Utah 2016, Chapters 138, 359

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **13-51-108** is amended to read:

13-51-108 . Insurance.

- (1) A transportation network company or a transportation network driver shall maintain insurance that covers, on a primary basis, a transportation network driver's use of a vehicle during a prearranged ride and that includes:
- (a) an acknowledgment that the transportation network driver is using the vehicle in connection with a transportation network company during a prearranged ride or that the transportation network driver is otherwise using the vehicle for a commercial purpose;
 - (b) liability coverage for a minimum amount of \$1,000,000 per occurrence;
 - (c) personal injury protection to the extent required under Sections 31A-22-306 through

- 32 31A-22-309;
- 33 (d) uninsured motorist coverage where required by Section 31A-22-305; and
- 34 (e) underinsured motorist coverage where required by Section 31A-22-305.3.
- 35 (2) A transportation network company or a transportation network driver shall maintain
- 36 insurance that covers, on a primary basis, a transportation network driver's use of a
- 37 vehicle during a waiting period and that includes:
- 38 (a) an acknowledgment that the transportation network driver is using the vehicle in
- 39 connection with a transportation network company during a waiting period or that the
- 40 transportation network driver is otherwise using the vehicle for a commercial purpose;
- 41 (b) liability coverage in a minimum amount, per occurrence, of:
- 42 (i) \$50,000 to any one individual;
- 43 (ii) \$100,000 to all individuals; and
- 44 (iii) \$30,000 for property damage;
- 45 (c) personal injury protection to the extent required under Sections 31A-22-306 through
- 46 31A-22-309;
- 47 (d) uninsured motorist coverage where required by Section 31A-22-305; and
- 48 (e) underinsured motorist coverage where required by Section 31A-22-305.3.
- 49 (3) A transportation network company and a transportation network driver may satisfy the
- 50 requirements of Subsections (1) and (2) by:
- 51 (a) the transportation network driver purchasing coverage that complies with
- 52 Subsections (1) and (2);
- 53 (b) the transportation network company purchasing, on the transportation network
- 54 driver's behalf, coverage that complies with Subsections (1) and (2); or
- 55 (c) a combination of Subsections (3)(a) and (b).
- 56 (4) An insurer may offer to a transportation network driver a personal automobile liability
- 57 insurance policy, or an amendment or endorsement to a personal automobile liability
- 58 policy, that:
- 59 (a) covers a private passenger motor vehicle while used to provide transportation
- 60 network services; and
- 61 (b) satisfies the coverage requirements described in Subsection (1) or (2).
- 62 (5) Nothing in this section requires a personal automobile insurance policy to provide
- 63 coverage while a driver is providing transportation network services.
- 64 (6) If a transportation network company does not purchase a policy that complies with
- 65 Subsections (1) and (2) on behalf of a transportation network driver, the transportation

- 66 network company shall verify that the driver has purchased a policy that complies with
67 Subsections (1) and (2).
- 68 (7) An insurance policy that a transportation network company or a transportation network
69 driver maintains under Subsection (1) or (2):
70 (a) satisfies the security requirements of Section 41-12a-301; and
71 (b) may be placed with:
72 (i) an insurer that is certified under Section 31A-4-103; or
73 (ii) a surplus lines insurer eligible under Section 31A-15-103.
- 74 (8) An insurer that provides coverage for a transportation network driver explicitly for the
75 transportation network driver's transportation network services under Subsection (1) or
76 (2) shall have the duty to defend a liability claim arising from an occurrence while the
77 transportation network driver is providing transportation network services.
- 78 (9) If insurance a transportation network driver maintains under Subsection (1) or (2) lapses
79 or ceases to exist, a transportation network company shall provide coverage complying
80 with Subsection (1) or (2) beginning with the first dollar of a claim.
- 81 (10)(a) An insurance policy that a transportation network company or transportation
82 network driver maintains under Subsection (1) or (2) may not provide that coverage
83 is dependent on a transportation network driver's personal automobile insurance
84 policy first denying a claim.
85 (b) Subsection (10)(a) does not apply to coverage a transportation network company
86 provides under Subsection (9) in the event a transportation network driver's coverage
87 under Subsection (1) or (2) lapses or ceases to exist.
- 88 (11) A personal automobile insurer:
89 (a) notwithstanding Section 31A-22-302, may offer a personal automobile liability
90 policy that excludes coverage for a loss that arises from the use of the insured vehicle
91 to provide transportation network services; and
92 (b) does not have the duty to defend or indemnify a loss if an exclusion described in
93 Subsection (11)(a) excludes coverage according to the policy's terms.
- 94 (12) An individual has a right of action against the transportation network company for
95 personal injury damages not fully compensated by motor vehicle liability coverage if:
96 (a) the individual is injured in an accident while occupying a vehicle operated by a
97 transportation network driver during a prearranged ride; and
98 (b) the transportation network company and the transportation network driver did not
99 maintain uninsured or underinsured motorist coverage at the time of the accident.

100 Section 2. **Effective Date.**

101 This bill takes effect on May 7, 2025.