

Rep. Michael J. Zalewski

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AMENDMENT TO HOUSE BILL 1051
AMENDMENT NO Amend House Bill 1051 by replacing
everything after the enacting clause with the following:
"Section 5. The Transportation Network Providers Act is
amended by changing Section 10 and by adding Sections 32 and 34
as follows:
(625 ILCS 57/10)
(This Section may contain text from a Public Act with a
delayed effective date)
Sec. 10. Insurance.
(a) Transportation network companies and participating TNC
drivers shall comply with the automobile liability insurance
requirements of this Section as required.
(b) The following automobile liability insurance
requirements shall apply from the moment a participating TNC
driver logs on to the transportation network company's digital

network or software application until the TNC driver accepts a request to transport a passenger, and from the moment the TNC driver completes the transaction on the digital network or software application or the ride is complete, whichever is later, until the TNC driver either accepts another ride request on the digital network or software application or logs off the digital network or software application:

8 (1) Automobile liability insurance shall be in the 9 amount of at least \$50,000 for death and personal injury 10 per person, \$100,000 for death and personal injury per 11 incident, and \$25,000 for property damage.

(2) Contingent automobile liability insurance in the 12 13 amounts required in paragraph (1) of this subsection (b) 14 shall be maintained by a transportation network company and 15 provide coverage in the event a participating TNC driver's 16 automobile liability policy excludes coverage own according to its policy terms or does not provide at least 17 18 the limits of coverage required in paragraph (1) of this subsection (b). 19

20 (C) The following automobile liability insurance 21 requirements shall apply from the moment a TNC driver accepts a 22 ride request on the transportation network company's digital 23 network or software application until the TNC driver completes 24 the transaction on the digital network or software application 25 or until the ride is complete, whichever is later:

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(1) Automobile liability insurance shall be primary

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and in the amount of \$1,000,000 for death, personal injury, and property damage. The requirements for the coverage required by this paragraph (1) may be satisfied by any of the following:

5 (A) automobile liability insurance maintained by a
6 participating TNC driver;

(B) automobile liability company insurance maintained by a transportation network company; or

(C) any combination of subparagraphs (A) and (B).

10 (2) Insurance coverage provided under this subsection 11 (c) shall also provide for uninsured motorist coverage and 12 underinsured motorist coverage in the amount of \$50,000 13 from the moment a passenger enters the vehicle of a 14 participating TNC driver until the passenger exits the 15 vehicle.

16 (3) The insurer, in the case of insurance coverage
17 provided under this subsection (c), shall have the duty to
18 defend and indemnify the insured.

(4) Coverage under an automobile liability insurance
policy required under this subsection (c) shall not be
dependent on a personal automobile insurance policy first
denying a claim nor shall a personal automobile insurance
policy be required to first deny a claim.

(d) In every instance when automobile liability insurance maintained by a participating TNC driver to fulfill the insurance obligations of this Section has lapsed or ceased to 09900HB1051ham001

1 exist, the transportation network company shall provide the 2 coverage required by this Section beginning with the first 3 dollar of a claim.

4 (e) This Section shall not limit the liability of a 5 transportation network company arising out of an automobile 6 accident involving a participating TNC driver in any action for 7 damages against a transportation network company for an amount 8 above the required insurance coverage.

9 (f) The transportation network company shall disclose in 10 writing to TNC drivers, as part of its agreement with those TNC 11 drivers, the following:

(1) the insurance coverage and limits of liability that the transportation network company provides while the TNC driver uses a vehicle in connection with a transportation network company's digital network or software application; and

17 (2) that the TNC driver's own insurance policy may not 18 provide coverage while the TNC driver uses a vehicle in 19 connection with a transportation network company digital 20 network depending on its terms.

(g) An insurance policy required by this Section may be placed with an admitted Illinois insurer, or with an authorized surplus line insurer under Section 445 of the Illinois Insurance Code; and is not subject to any restriction or limitation on the issuance of a policy contained in Section 445a of the Illinois Insurance Code. 09900HB1051ham001

1 (h) Any insurance policy required by this Section shall 2 satisfy the financial responsibility requirement for a motor vehicle under Sections 7-203 and 7-601 of the Illinois Vehicle 3 4 Code. 5 (i) If a transportation network company's insurer makes a 6 payment for a claim covered under comprehensive coverage or collision coverage, the transportation network company shall 7 cause its insurer to issue the payment directly to the business 8 9 repairing the vehicle, or jointly to the owner of the vehicle 10 and the primary lienholder on the covered vehicle. 11 (Source: P.A. 98-1173, eff. 6-1-15.) 12 (625 ILCS 57/32 new) 13 Sec. 32. Preemption. A unit of local government, whether or 14 not it is a home rule unit, may not regulate transportation 15 network companies, transportation network company drivers, or transportation network company services in a manner that is 16 less restrictive than the regulation by the State under this 17 Act. This Section is a limitation under subsection (i) of 18 19 Section 6 of Article VII of the Illinois Constitution on the

20 <u>concurrent exercise by home rule units of powers and functions</u>

21 exercised by the State.

22 (625 ILCS 57/34 new)

23 Sec. 34. Repeal. This Act is repealed on June 1, 2018.

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Section 95. No acceleration or delay. Where this Act makes changes in a statute that is represented in this Act by text that is not yet or no longer in effect (for example, a Section represented by multiple versions), the use of that text does not accelerate or delay the taking effect of (i) the changes made by this Act or (ii) provisions derived from any other Public Act.

8 Section 99. Effective date. This Act takes effect upon 9 becoming law.".