

ESSB 5550 - H AMD 406
By Representative Kirby

ADOPTED AS AMENDED 4/15/2015

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The definitions in this section apply
4 throughout this chapter unless the context clearly requires
5 otherwise.

6 (1) "Commercial transportation services" or "services" means all
7 times the driver is logged in to a commercial transportation services
8 provider's digital network or software application or until the
9 passenger has left the personal vehicle, whichever is later.

10 (2) "Commercial transportation services provider" means a
11 corporation, partnership, sole proprietorship, or other entity,
12 operating in Washington, that uses a digital network or software
13 application to connect passengers to drivers for the purpose of
14 providing a prearranged ride.

15 (3) "Driver" means an individual who uses a personal vehicle to
16 provide services for passengers matched through a commercial
17 transportation services provider's digital network or software
18 application. A driver need not be an employee of a commercial
19 transportation services provider.

20 (4) "Passenger" means a passenger in a personal vehicle for whom
21 transport is provided, including:

22 (a) An individual who uses a commercial transportation services
23 provider's digital network or software application to connect with a
24 driver to obtain services in the driver's vehicle for the individual
25 and anyone in the individual's party; or

26 (b) Anyone for whom another individual uses a commercial
27 transportation services provider's digital network or software
28 application to connect with a driver to obtain services in the
29 driver's vehicle.

30 (5) "Personal vehicle" means a vehicle that is used by a driver
31 in connection with providing services for a commercial transportation
32 services provider.

1 (6) "Prearranged ride" means a route of travel between points
2 chosen by the passenger and arranged with a driver through the use of
3 a commercial transportation services provider's digital network or
4 software application. The ride begins when a driver accepts a
5 requested ride through a digital network or software application,
6 continues while the driver transports the passenger in a personal
7 vehicle, and ends when the passenger departs from the personal
8 vehicle.

9 NEW SECTION. **Sec. 2.** (1)(a) Before being used to provide
10 commercial transportation services, every personal vehicle must be
11 covered by a primary automobile insurance policy that specifically
12 covers commercial transportation services. However, the insurance
13 coverage requirements of this section are alternatively satisfied by
14 securing coverage pursuant to chapter 46.72 or 46.72A RCW that covers
15 the personal vehicle being used to provide commercial transportation
16 services and that is in effect twenty-four hours per day, seven days
17 per week. Except as provided in subsection (2) of this section, a
18 commercial transportation services provider must secure this policy
19 for every personal vehicle used to provide commercial transportation
20 services. For purposes of this section, a "primary automobile
21 insurance policy" is not a private passenger automobile insurance
22 policy.

23 (b) The primary automobile insurance policy required under this
24 section must provide coverage, as specified in this subsection
25 (1)(b), at all times the driver is logged in to a commercial
26 transportation services provider's digital network or software
27 application and at all times a passenger is in the vehicle as part of
28 a prearranged ride.

29 (i) The primary automobile insurance policy required under this
30 subsection must provide the following coverage during commercial
31 transportation services applicable during the period before a driver
32 accepts a requested ride through a digital network or software
33 application:

34 (A) Liability coverage in an amount no less than fifty thousand
35 dollars per person for bodily injury, one hundred thousand dollars
36 per accident for bodily injury of all persons, and thirty thousand
37 dollars for damage to property;

38 (B) Underinsured motorist coverage to the extent required under
39 RCW 48.22.030; and

1 (C) Personal injury protection coverage to the extent required
2 under RCW 48.22.085 and 48.22.095.

3 (ii) The primary automobile insurance policy required under this
4 subsection must provide the following coverage, applicable during the
5 period of a prearranged ride:

6 (A) Combined single limit liability coverage in the amount of one
7 million dollars for death, personal injury, and property damage;

8 (B) Underinsured motorist coverage in the amount of one million
9 dollars; and

10 (C) Personal injury protection coverage to the extent required
11 under RCW 48.22.085 and 48.22.095.

12 (2)(a) As an alternative to the provisions of subsection (1) of
13 this section, if the office of the insurance commissioner approves
14 the offering of an insurance policy that recognizes that a person is
15 acting as a driver for a commercial transportation services provider
16 and using a personal vehicle to provide commercial transportation
17 services, a driver may secure a primary automobile insurance policy
18 covering a personal vehicle and providing the same coverage as
19 required in subsection (1) of this section. The policy coverage may
20 be in the form of a rider to, or endorsement of, the driver's private
21 passenger automobile insurance policy only if approved as such by the
22 office of the insurance commissioner.

23 (b) If the primary automobile insurance policy maintained by a
24 driver to meet the obligation of this section does not provide
25 coverage for any reason, including that the policy lapsed or did not
26 exist, the commercial transportation services provider must provide
27 the coverage required under this section beginning with the first
28 dollar of a claim.

29 (c) The primary automobile insurance policy required under this
30 subsection and subsection (1) of this section may be secured by any
31 of the following:

32 (i) The commercial transportation services provider as provided
33 under subsection (1) of this section;

34 (ii) The driver as provided under (a) of this subsection; or

35 (iii) A combination of both the commercial transportation
36 services provider and the driver.

37 (3) The insurer or insurers providing coverage under subsections
38 (1) and (2) of this section are the only insurers having the duty to
39 defend any liability claim from an accident occurring while
40 commercial transportation services are being provided.

1 (4) In addition to the requirements in subsections (1) and (2) of
2 this section, before allowing a person to provide commercial
3 transportation services as a driver, a commercial transportation
4 services provider must provide written proof to the driver that the
5 driver is covered by a primary automobile insurance policy that meets
6 the requirements of this section. Alternatively, if a driver
7 purchases a primary automobile insurance policy as allowed under
8 subsection (2) of this section, the commercial transportation
9 services provider must verify that the driver has done so.

10 (5) A primary automobile insurance policy required under
11 subsection (1) or (2) of this section may be placed with an insurer
12 licensed under this title to provide insurance in the state of
13 Washington or as an eligible surplus line insurance policy as
14 described in RCW 48.15.040.

15 (6) Insurers that write automobile insurance in Washington may
16 exclude any and all coverage afforded under a private passenger
17 automobile insurance policy issued to an owner or operator of a
18 personal vehicle for any loss or injury that occurs while a driver
19 for a commercial transportation services provider is logged in to a
20 commercial transportation services provider's digital network or
21 while a driver provides a prearranged ride. This right to exclude all
22 coverage may apply to any coverage included in a private passenger
23 automobile insurance policy including, but not limited to:

- 24 (a) Liability coverage for bodily injury and property damage;
- 25 (b) Personal injury protection coverage;
- 26 (c) Underinsured motorist coverage;
- 27 (d) Medical payments coverage;
- 28 (e) Comprehensive physical damage coverage; and
- 29 (f) Collision physical damage coverage.

30 (7) Nothing in this section shall be construed to require a
31 private passenger automobile insurance policy to provide primary or
32 excess coverage or a duty to defend for the period of time in which a
33 driver is logged in to a commercial transportation services
34 provider's digital network or software application or while the
35 driver is engaged in a prearranged ride or the driver otherwise uses
36 a vehicle to transport passengers for compensation.

37 (8) Insurers that exclude coverage under subsection (6) of this
38 section have no duty to defend or indemnify any claim expressly
39 excluded under subsection (6) of this section. Nothing in this
40 section shall be deemed to invalidate or limit an exclusion contained

1 in a policy, including any policy in use or approved for use in
2 Washington state before the effective date of this section that
3 excludes coverage for vehicles used to carry persons or property for
4 a charge or available for hire by the public.

5 (9) An exclusion exercised by an insurer in subsection (6) of
6 this section applies to any coverage selected or rejected by a named
7 insured under RCW 48.22.030 and 48.22.085. The purchase of a rider or
8 endorsement by a driver under subsection (2)(a) of this section does
9 not require a separate coverage rejection under RCW 48.22.030 or
10 48.22.085.

11 (10) If more than one insurance policy provides valid and
12 collectible coverage for a loss arising out of an occurrence
13 involving a motor vehicle operated by a driver, the responsibility
14 for the claim must be divided as follows:

15 (a) Except as provided otherwise under subsection (2)(c) of this
16 section, if the driver has been matched with a passenger and is
17 traveling to pick up the passenger, or the driver is providing
18 services to a passenger, the commercial transportation services
19 provider that matched the driver and passenger must provide insurance
20 coverage; or

21 (b) If the driver is logged in to the digital network or software
22 application of more than one commercial transportation services
23 provider but has not been matched with a passenger, the liability
24 must be divided equally among all of the applicable insurance
25 policies that specifically provide coverage for commercial
26 transportation services.

27 (11) In an accident or claims coverage investigation, a
28 commercial transportation services provider or its insurer must
29 cooperate with a private passenger automobile insurance policy
30 insurer and other insurers that are involved in the claims coverage
31 investigation to facilitate the exchange of information, including
32 the provision of (a) dates and times at which an accident occurred
33 that involved a participating driver and (b) within ten business days
34 after receiving a request, a copy of the provider's electronic record
35 showing the precise times that the participating driver logged on and
36 off the provider's digital network or software application on the day
37 the accident or other loss occurred. The commercial transportation
38 services provider or its insurer must retain all data,
39 communications, or documents related to insurance coverage or
40 accident details for a period of not less than the applicable

1 statutes of limitation, plus two years from the date of an accident
2 to which those records pertain.

3 (12) This section does not modify or abrogate any otherwise
4 applicable insurance requirement set forth in this title.

5 (13) After July 1, 2016, an insurance company regulated under
6 this title may not deny an otherwise covered claim arising
7 exclusively out of the personal use of the private passenger
8 automobile solely on the basis that the insured, at other times, used
9 the private passenger automobile covered by the policy to provide
10 commercial transportation services.

11 (14) If an insurer for a commercial transportation services
12 provider makes a payment for a claim covered under comprehensive
13 coverage or collision coverage, the commercial transportation
14 services provider must cause its insurer to issue the payment
15 directly to the business repairing the vehicle or jointly to the
16 owner of the vehicle and the primary lienholder on the covered
17 vehicle.

18 (15)(a) To be eligible for securing a primary automobile
19 insurance policy under this section, a commercial transportation
20 services provider must make the following disclosures to a
21 prospective driver in the prospective driver's terms of service:

22 WHILE OPERATING ON THE DIGITAL NETWORK OR SOFTWARE APPLICATION OF
23 THE COMMERCIAL TRANSPORTATION SERVICES PROVIDER, YOUR PRIVATE
24 PASSENGER AUTOMOBILE INSURANCE POLICY MIGHT NOT AFFORD LIABILITY,
25 UNDERINSURED MOTORIST, PERSONAL INJURY PROTECTION, COMPREHENSIVE, OR
26 COLLISION COVERAGE, DEPENDING ON THE TERMS OF THE POLICY.

27 IF THE VEHICLE THAT YOU PLAN TO USE TO PROVIDE COMMERCIAL
28 TRANSPORTATION SERVICES FOR OUR COMPANY HAS A LIEN AGAINST IT, YOU
29 MUST NOTIFY THE LIENHOLDER THAT YOU WILL BE USING THE VEHICLE FOR
30 COMMERCIAL TRANSPORTATION SERVICES THAT MAY VIOLATE THE TERMS OF YOUR
31 CONTRACT WITH THE LIENHOLDER.

32 (b) The prospective driver must acknowledge the terms of service
33 electronically or by signature.

34 NEW SECTION. **Sec. 3.** A new section is added to chapter 46.72
35 RCW to read as follows:

36 RCW 46.72.040 and 46.72.050 do not apply to personal vehicles
37 under chapter 48.--- RCW (the new chapter created in section 11 of
38 this act).

1 **Sec. 4.** RCW 51.12.020 and 2013 c 141 s 3 are each amended to
2 read as follows:

3 The following are the only employments which shall not be
4 included within the mandatory coverage of this title:

5 (1) Any person employed as a domestic servant in a private home
6 by an employer who has less than two employees regularly employed
7 forty or more hours a week in such employment.

8 (2) Any person employed to do gardening, maintenance, or repair,
9 in or about the private home of the employer. For the purposes of
10 this subsection, "maintenance" means the work of keeping in proper
11 condition, "repair" means to restore to sound condition after damage,
12 and "private home" means a person's place of residence.

13 (3) A person whose employment is not in the course of the trade,
14 business, or profession of his or her employer and is not in or about
15 the private home of the employer.

16 (4) Any person performing services in return for aid or
17 sustenance only, received from any religious or charitable
18 organization.

19 (5) Sole proprietors or partners.

20 (6) Any child under eighteen years of age employed by his or her
21 parent or parents in agricultural activities on the family farm.

22 (7) Jockeys while participating in or preparing horses for race
23 meets licensed by the Washington horse racing commission pursuant to
24 chapter 67.16 RCW.

25 (8)(a) Except as otherwise provided in (b) of this subsection,
26 any bona fide officer of a corporation voluntarily elected or
27 voluntarily appointed in accordance with the articles of
28 incorporation or bylaws of the corporation, who at all times during
29 the period involved is also a bona fide director, and who is also a
30 shareholder of the corporation. Only such officers who exercise
31 substantial control in the daily management of the corporation and
32 whose primary responsibilities do not include the performance of
33 manual labor are included within this subsection.

34 (b) Alternatively, a corporation that is not a "public company"
35 as defined in RCW 23B.01.400 may exempt eight or fewer bona fide
36 officers, who are voluntarily elected or voluntarily appointed in
37 accordance with the articles of incorporation or bylaws of the
38 corporation and who exercise substantial control in the daily
39 management of the corporation, from coverage under this title without
40 regard to the officers' performance of manual labor if the exempted

1 officer is a shareholder of the corporation, or may exempt any number
2 of officers if all the exempted officers are related by blood within
3 the third degree or marriage. If a corporation that is not a "public
4 company" elects to be covered under subsection (8)(a) of this
5 section, the corporation's election must be made on a form prescribed
6 by the department and under such reasonable rules as the department
7 may adopt.

8 (c) Determinations respecting the status of persons performing
9 services for a corporation shall be made, in part, by reference to
10 Title 23B RCW and to compliance by the corporation with its own
11 articles of incorporation and bylaws. For the purpose of determining
12 coverage under this title, substance shall control over form, and
13 mandatory coverage under this title shall extend to all workers of
14 this state, regardless of honorary titles conferred upon those
15 actually serving as workers.

16 (d) A corporation may elect to cover officers who are exempted by
17 this subsection in the manner provided by RCW 51.12.110.

18 (9) Services rendered by a musician or entertainer under a
19 contract with a purchaser of the services, for a specific engagement
20 or engagements when such musician or entertainer performs no other
21 duties for the purchaser and is not regularly and continuously
22 employed by the purchaser. A purchaser does not include the leader of
23 a group or recognized entity who employs other than on a casual basis
24 musicians or entertainers.

25 (10) Services performed by a newspaper vendor, carrier, or
26 delivery person selling or distributing newspapers on the street, to
27 offices, to businesses, or from house to house and any freelance news
28 correspondent or "stringer" who, using his or her own equipment,
29 chooses to submit material for publication for free or a fee when
30 such material is published.

31 (11) Services performed by an insurance producer, as defined in
32 RCW 48.17.010, or a surplus line broker licensed under chapter 48.15
33 RCW.

34 (12) Services performed by a booth renter. However, a person
35 exempted under this subsection may elect coverage under RCW
36 51.32.030.

37 (13) Members of a limited liability company, if either:

38 (a) Management of the company is vested in its members, and the
39 members for whom exemption is sought would qualify for exemption

1 under subsection (5) of this section were the company a sole
2 proprietorship or partnership; or

3 (b) Management of the company is vested in one or more managers,
4 and the members for whom the exemption is sought are managers who
5 would qualify for exemption under subsection (8) of this section were
6 the company a corporation.

7 (14) A driver providing commercial transportation services as
8 defined in section 1 of this act. The driver may elect coverage in
9 the manner provided by RCW 51.32.030.

10 (15) For hire vehicle operators under chapter 46.72 RCW who own
11 or lease the for hire vehicle, chauffeurs under chapter 46.72A RCW
12 who own or lease the limousine, and operators of taxicabs under
13 chapter 81.72 RCW who own or lease the taxicab. An owner or lessee
14 may elect coverage in the manner provided by RCW 51.32.030.

15 **Sec. 5.** RCW 51.12.185 and 2011 c 190 s 4 are each amended to
16 read as follows:

17 (1) (~~In order to assist the department with controlling costs~~
18 ~~related to the self-monitoring of industrial insurance claims by~~
19 ~~independent owner-operated for hire vehicle, limousine, and taxicab~~
20 ~~businesses,~~) The department may appoint a panel of individuals with
21 for hire vehicle, limousine, or taxicab transportation industry
22 experience and expertise to advise the department.

23 (2) The owner or lessee of any for hire, limousine, or taxicab
24 vehicle (~~subject to mandatory industrial insurance pursuant to RCW~~
25 ~~51.12.183)) is eligible for inclusion in a retrospective rating
26 program authorized and established pursuant to chapter 51.18 RCW.~~

27 NEW SECTION. **Sec. 6.** A new section is added to chapter 46.29
28 RCW to read as follows:

29 This chapter does not apply to the coverage exclusions under
30 section 2(6) of this act.

31 **Sec. 7.** RCW 48.22.030 and 2009 c 549 s 7106 are each amended to
32 read as follows:

33 (1) "Underinsured motor vehicle" means a motor vehicle with
34 respect to the ownership, maintenance, or use of which either no
35 bodily injury or property damage liability bond or insurance policy
36 applies at the time of an accident, or with respect to which the sum
37 of the limits of liability under all bodily injury or property damage

1 liability bonds and insurance policies applicable to a covered person
2 after an accident is less than the applicable damages which the
3 covered person is legally entitled to recover.

4 (2) No new policy or renewal of an existing policy insuring
5 against loss resulting from liability imposed by law for bodily
6 injury, death, or property damage, suffered by any person arising out
7 of the ownership, maintenance, or use of a motor vehicle shall be
8 issued with respect to any motor vehicle registered or principally
9 garaged in this state unless coverage is provided therein or
10 supplemental thereto for the protection of persons insured thereunder
11 who are legally entitled to recover damages from owners or operators
12 of underinsured motor vehicles, hit-and-run motor vehicles, and
13 phantom vehicles because of bodily injury, death, or property damage,
14 resulting therefrom, except while operating or occupying a motorcycle
15 or motor-driven cycle, and except while operating or occupying a
16 motor vehicle owned or available for the regular use by the named
17 insured or any family member, and which is not insured under the
18 liability coverage of the policy. The coverage required to be offered
19 under this chapter is not applicable to general liability policies,
20 commonly known as umbrella policies, or other policies which apply
21 only as excess to the insurance directly applicable to the vehicle
22 insured.

23 (3) Except as to property damage, coverage required under
24 subsection (2) of this section shall be in the same amount as the
25 insured's third party liability coverage unless the insured rejects
26 all or part of the coverage as provided in subsection (4) of this
27 section. Coverage for property damage need only be issued in
28 conjunction with coverage for bodily injury or death. Property damage
29 coverage required under subsection (2) of this section shall mean
30 physical damage to the insured motor vehicle unless the policy
31 specifically provides coverage for the contents thereof or other
32 forms of property damage.

33 (4) A named insured or spouse may reject, in writing,
34 underinsured coverage for bodily injury or death, or property damage,
35 and the requirements of subsections (2) and (3) of this section shall
36 not apply. If a named insured or spouse has rejected underinsured
37 coverage, such coverage shall not be included in any supplemental or
38 renewal policy unless a named insured or spouse subsequently requests
39 such coverage in writing. The requirement of a written rejection
40 under this subsection shall apply only to the original issuance of

1 policies issued after July 24, 1983, and not to any renewal or
2 replacement policy. When a named insured or spouse chooses a property
3 damage coverage that is less than the insured's third party liability
4 coverage for property damage, a written rejection is not required.

5 (5) The limit of liability under the policy coverage may be
6 defined as the maximum limits of liability for all damages resulting
7 from any one accident regardless of the number of covered persons,
8 claims made, or vehicles or premiums shown on the policy, or premiums
9 paid, or vehicles involved in an accident.

10 (6) The policy may provide that if an injured person has other
11 similar insurance available to him or her under other policies, the
12 total limits of liability of all coverages shall not exceed the
13 higher of the applicable limits of the respective coverages.

14 (7)(a) The policy may provide for a deductible of not more than
15 three hundred dollars for payment for property damage when the damage
16 is caused by a hit-and-run driver or a phantom vehicle.

17 (b) In all other cases of underinsured property damage coverage,
18 the policy may provide for a deductible of not more than one hundred
19 dollars.

20 (8) For the purposes of this chapter, a "phantom vehicle" shall
21 mean a motor vehicle which causes bodily injury, death, or property
22 damage to an insured and has no physical contact with the insured or
23 the vehicle which the insured is occupying at the time of the
24 accident if:

25 (a) The facts of the accident can be corroborated by competent
26 evidence other than the testimony of the insured or any person having
27 an underinsured motorist claim resulting from the accident; and

28 (b) The accident has been reported to the appropriate law
29 enforcement agency within seventy-two hours of the accident.

30 (9) An insurer who elects to write motorcycle or motor-driven
31 cycle insurance in this state must provide information to prospective
32 insureds about the coverage.

33 (10) An insurer who elects to write motorcycle or motor-driven
34 cycle insurance in this state must provide an opportunity for named
35 insureds, who have purchased liability coverage for a motorcycle or
36 motor-driven cycle, to reject underinsured coverage for that
37 motorcycle or motor-driven cycle in writing.

38 (11) If the covered person seeking underinsured motorist coverage
39 under this section was the intended victim of the tort feisor, the
40 incident must be reported to the appropriate law enforcement agency

1 and the covered person must cooperate with any related law
2 enforcement investigation.

3 (12) The purpose of this section is to protect innocent victims
4 of motorists of underinsured motor vehicles. Covered persons are
5 entitled to coverage without regard to whether an incident was
6 intentionally caused. However, a person is not entitled to coverage
7 if the insurer can demonstrate that the covered person intended to
8 cause the event for which a claim is made under the coverage
9 described in this section. As used in this section, and in the
10 section of policies providing the underinsured motorist coverage
11 described in this section, "accident" means an occurrence that is
12 unexpected and unintended from the standpoint of the covered person.

13 (13) The coverage under this section may be excluded as provided
14 for under section 2(6) of this act.

15 (14) "Underinsured coverage," for the purposes of this section,
16 means coverage for "underinsured motor vehicles," as defined in
17 subsection (1) of this section.

18 **Sec. 8.** RCW 48.22.085 and 2003 c 115 s 2 are each amended to
19 read as follows:

20 (1) No new automobile liability insurance policy or renewal of
21 such an existing policy may be issued unless personal injury
22 protection coverage is offered as an optional coverage.

23 (2) A named insured may reject, in writing, personal injury
24 protection coverage and the requirements of subsection (1) of this
25 section shall not apply. If a named insured rejects personal injury
26 protection coverage:

27 (a) That rejection is valid and binding as to all levels of
28 coverage and on all persons who might have otherwise been insured
29 under such coverage; and

30 (b) The insurer is not required to include personal injury
31 protection coverage in any supplemental, renewal, or replacement
32 policy unless a named insured subsequently requests such coverage in
33 writing.

34 (3) The coverage under this section may be excluded as provided
35 for under section 2(6) of this act.

36 **Sec. 9.** RCW 48.22.095 and 2003 c 115 s 4 are each amended to
37 read as follows:

1 (1) Insurers providing automobile insurance policies must offer
2 minimum personal injury protection coverage for each insured with
3 benefit limits as follows:

4 ~~((1))~~ (a) Medical and hospital benefits of ten thousand
5 dollars;

6 ~~((2))~~ (b) A funeral expense benefit of two thousand dollars;

7 ~~((3))~~ (c) Income continuation benefits of ten thousand dollars,
8 subject to a limit of two hundred dollars per week; and

9 ~~((4))~~ (d) Loss of services benefits of five thousand dollars,
10 subject to a limit of two hundred dollars per week.

11 (2) The coverage under this section may be excluded as provided
12 for under section 2(6) of this act.

13 NEW SECTION. Sec. 10. The following acts or parts of acts are
14 each repealed:

15 (1) RCW 46.72.073 (Certificate suspension or revocation—Failure
16 to pay industrial insurance premiums—Rules—Cooperative agreements)
17 and 2011 c 190 s 5;

18 (2) RCW 46.72A.053 (Certificate suspension or revocation—Failure
19 to pay industrial insurance premiums—Rules—Cooperative agreements)
20 and 2011 c 190 s 6;

21 (3) RCW 51.12.180 (For hire vehicle businesses and operators—
22 Findings—Declaration) and 2011 c 190 s 1;

23 (4) RCW 51.12.183 (For hire vehicle businesses and operators—
24 Mandatory coverage—Definitions) and 2011 c 190 s 2;

25 (5) RCW 51.16.240 (For hire vehicle businesses and operators—
26 Basis for premiums—Rules) and 2011 c 190 s 3; and

27 (6) RCW 81.72.230 (License suspension or revocation—Failure to
28 pay industrial insurance premiums—Rules—Cooperative agreements) and
29 2011 c 190 s 7.

30 NEW SECTION. Sec. 11. Sections 1 and 2 of this act constitute a
31 new chapter in Title 48 RCW."

32 Correct the title.

EFFECT: (1) Changes the names in the defined terms from
"transportation network company" to "commercial transportation
services provider" and "transportation network company services" to
"commercial transportation services."

(2) Removes all provisions regarding regulation by the department of licensing and local governments or districts.

(3) Modifies the insurance provisions to add requirements for underinsured motorist coverage and personal injury protection coverage.

(4) Requires the commercial transportation services provider to provide written proof to the driver that the driver is covered by an insurance policy meeting the applicable requirements.

(5) Requires the driver to provide proof of a primary insurance policy if the driver obtains the required insurance.

(6) Allows insurers for private passenger automobile insurance policies issued for a personal vehicle to exclude any and all coverage related to the use of the vehicle to provide commercial transportation services.

(7) Requires claims payments under comprehensive coverage or collision coverage, if applicable, to be made directly to the business repairing the vehicle or jointly to the vehicle owner and the primary lienholder on the covered vehicle.

(8) Provides that the insurance requirements under the "for hire vehicle" laws do not apply to personal vehicles used for commercial transportation services.

(9) Removes additional criteria that drivers for commercial transportation services providers must meet in order to be eligible for exemption from mandatory workers' compensation insurance.

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