

House Bill 2051

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Business and Labor for Oregon Trial Lawyers Association)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Applies insurance requirements for drivers that provide transportation services in affiliation with transportation network companies to drivers that provide delivery services to customers in affiliation with transportation network companies.

Takes effect on 91st day after adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to insurance coverage for drivers that are affiliated with transportation network compa-
3 nies; creating new provisions; amending ORS 742.518 and 742.520; and prescribing an effective
4 date.

5 **Be It Enacted by the People of the State of Oregon:**

6 **SECTION 1.** ORS 742.518 is amended to read:

7 742.518. As used in ORS 742.518 to 742.542:

8 (1) "Evaluation services" means physical examinations or reviews of medical records of benefi-
9 ciaries conducted at the request of an insurer by either an employee of the insurer or a third-party
10 medical record or bill review service to determine whether the provision or continuation of medical
11 services is necessary or reasonable.

12 (2) "Managed care services" means any system of health care delivery that attempts to control
13 or coordinate use of health care services in order to contain health care expenditures or improve
14 quality of health care services.

15 (3) "Motor vehicle" means a self-propelled land motor vehicle or trailer, other than:

16 (a) A farm-type tractor or other self-propelled equipment designed for use principally off public
17 roads, while not upon public roads;

18 (b) A vehicle operated on rails or crawler-treads; or

19 (c) A vehicle located for use as a residence or premises.

20 (4) "Motorcycle" and "moped" have the meanings given those terms in ORS 801.345 and 801.365.

21 (5) "Occupying" means in, or upon, or entering into or alighting from.

22 (6) "Pedestrian" means a person while not occupying a self-propelled vehicle other than a
23 wheelchair or a similar low-powered motorized or mechanically propelled vehicle that is designed
24 specifically for use by a person with a physical disability and that is determined to be medically
25 necessary for the occupant of the wheelchair or other low-powered vehicle.

26 (7) "Personal injury protection benefits" means the benefits described in ORS 742.518 to 742.542.

27 (8) "Private passenger motor vehicle" means a four-wheel passenger or station wagon type motor
28 vehicle not used as a public or livery conveyance, and includes any other four-wheel motor vehicle
29 of the utility, pickup body, sedan delivery or panel truck type not used for wholesale or retail de-
30 livery other than farming, a self-propelled mobile home and a farm truck.

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 (9) "Proof of loss" means documentation that allows an insurer to determine whether a person
 2 is entitled to personal injury protection benefits and the amount of any benefit that is due.

3 (10) "Provider" has the meaning given that term in ORS 743B.001.

4 (11) "Taxi company" means a corporation, limited liability company, partnership or other asso-
 5 ciation that provides transportation services for compensation that passengers may request by
 6 means of telephone, software applications, websites or other Internet-based electronic technology
 7 or by visible, audible or otherwise physically perceptible signaling directly to a hired driver who
 8 provides the transportation services with a motor vehicle that the hired driver:

9 (a) Owns and operates in affiliation with the corporation, limited liability company, partnership
 10 or other association;

11 (b) Leases or rents from the corporation, limited liability company, partnership or other associ-
 12 ation; or

13 (c) Has other authorization from the corporation, limited liability company, partnership or other
 14 association to use for the purposes described in this subsection.

15 (12) "Transportation network company" means a corporation, limited liability company, part-
 16 nership or other association that provides a software or digital application, the express purpose of
 17 which is to connect to the Internet and enable a prospective passenger **or customer** to seek and
 18 obtain transportation **or delivery** services from a driver who operates a personal motor vehicle for
 19 the purpose of providing transportation **or delivery** services for compensation in affiliation with the
 20 corporation, limited liability company, partnership or other association.

21 **SECTION 2.** ORS 742.520 is amended to read:

22 742.520. (1)(a) Every motor vehicle liability policy issued for delivery in this state that covers
 23 any private passenger motor vehicle shall provide personal injury protection benefits to the person
 24 insured thereunder, members of that person's family residing in the same household, children not
 25 related to the insured by blood, marriage or adoption who are residing in the same household as the
 26 insured and being reared as the insured's own, passengers occupying the insured motor vehicle and
 27 pedestrians struck by the insured motor vehicle.

28 (b) A transportation network company shall provide a motor vehicle liability policy with per-
 29 sonal injury protection benefits to each driver who operates a personal motor vehicle in affiliation
 30 with the transportation network company.

31 (c) A taxi company shall provide a motor vehicle liability policy with personal injury protection
 32 benefits to each driver who operates a taxi in affiliation with the taxi company.

33 (d) The personal injury protection benefits described in paragraphs (b) and (c) of this subsection
 34 must, at all times during which the driver operates the personal motor vehicle or the taxi to provide
 35 transportation **or delivery** services to passengers **or customers** in affiliation with the transporta-
 36 tion network company or the taxi company, cover the driver of the personal motor vehicle or taxi,
 37 any passengers that occupy the personal motor vehicle or taxi and pedestrians that are struck by
 38 the personal motor vehicle or taxi.

39 (e) Notwithstanding paragraphs (b), (c) and (d) of this subsection, an insurer may exclude from
 40 a motor vehicle liability policy for a private passenger motor vehicle any coverage, including per-
 41 sonal injury protection benefits, for a loss or injury that occurs while a driver is operating a private
 42 passenger motor vehicle to provide transportation **or delivery** services for compensation in affil-
 43 iation with a transportation network company.

44 (2) Personal injury protection benefits apply to a person's injury or death resulting:

45 (a) In the case of the person insured under the policy and members of that person's family re-

1 siding in the same household, from the use, occupancy or maintenance of any motor vehicle, except
 2 the following vehicles:

3 (A) A motor vehicle, including a motorcycle or moped, that is owned or furnished or available
 4 for regular use by any of such persons and that is not described in the policy;

5 (B) A motorcycle or moped which is not owned by any of such persons, but this exclusion applies
 6 only when the injury or death results from such person's operating or riding upon the motorcycle
 7 or moped; and

8 (C) A motor vehicle not included in subparagraph (A) or (B) of this paragraph and, except as
 9 provided in paragraph (c) of this subsection, not a private passenger motor vehicle. However, this
 10 exclusion applies only when the injury or death results from such person's operating or occupying
 11 the motor vehicle.

12 (b) In the case of a passenger occupying or a pedestrian struck by the insured motor vehicle,
 13 from the use, occupancy or maintenance of the vehicle.

14 (c) In the case of a person insured under the policy who operates a personal motor vehicle or
 15 a taxi with which the person provides transportation **or delivery** services to passengers **or cus-**
 16 **tomers** for compensation in affiliation with a transportation network company or a taxi company,
 17 from the use, occupancy or maintenance of [*the personal*] **any** motor vehicle or taxi.

18 (3) Personal injury protection benefits consist of payments for expenses, loss of income and loss
 19 of essential services as provided in ORS 742.524.

20 (4) An insurer shall pay all personal injury protection benefits promptly after proof of loss has
 21 been submitted to the insurer.

22 (5) The potential existence of a cause of action in tort does not relieve an insurer from the duty
 23 to pay personal injury protection benefits.

24 (6) Disputes between insurers and beneficiaries about the amount of personal injury protection
 25 benefits, or about the denial of personal injury protection benefits, shall be decided by arbitration
 26 if mutually agreed to at the time of the dispute. Arbitration under this subsection shall take place
 27 as described in ORS 742.521.

28 (7) An insurer:

29 (a) May not enter into or renew any contract that provides, or has the effect of providing,
 30 managed care services to beneficiaries.

31 (b) May enter into or renew any contract that provides evaluation services for beneficiaries.

32 **SECTION 3. The amendments to ORS 742.518 and 742.520 by sections 1 and 2 of this 2023**
 33 **Act apply to insurance policies that an insurer issues on or after the operative date specified**
 34 **in section 4 of this 2023 Act.**

35 **SECTION 4. (1) The amendments to ORS 742.518 and 742.520 by sections 1 and 2 of this**
 36 **2023 Act become operative on January 1, 2024.**

37 **(2) The Director of the Department of Consumer and Business Services may adopt rules**
 38 **and take any other action before the operative date specified in subsection (1) of this section**
 39 **that is necessary to enable the director, on and after the operative date specified in sub-**
 40 **section (1) of this section, to undertake and exercise all of the duties, functions and powers**
 41 **conferred on the director by the amendments to ORS 742.518 and 742.520 by sections 1 and**
 42 **2 of this 2023 Act.**

43 **SECTION 5. This 2023 Act takes effect on the 91st day after the date on which the 2023**
 44 **regular session of the Eighty-second Legislative Assembly adjourns sine die.**