

**As Reported by the House Government Accountability and Oversight
Committee**

131st General Assembly

**Regular Session
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Sub. H. B. No. 237

**Representatives Duffey, Hackett
Cosponsor: Representative Bishoff**

A BILL

To enact sections 3938.01, 3938.02, 3938.03, 1
3938.04, 4925.01, 4925.02, 4925.03, 4925.04, 2
4925.05, 4925.06, 4925.07, 4925.08, 4925.09, and 3
4925.10 of the Revised Code to regulate 4
transportation network companies and 5
transportation network company services. 6

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 3938.01, 3938.02, 3938.03, 7
3938.04, 4925.01, 4925.02, 4925.03, 4925.04, 4925.05, 4925.06, 8
4925.07, 4925.08, 4925.09, and 4925.10 of the Revised Code be 9
enacted to read as follows: 10

Sec. 3938.01. As used in this chapter: 11

(A) "Automobile insurance policy" has the same meaning as 12
in section 3937.30 of the Revised Code. 13

(B) "Chauffeured limousine" has the same meaning as in 14
section 4501.01 of the Revised Code. 15

(C) "Digital network" means any online-enabled 16
application, software, web site, or system offered or utilized 17

by a transportation network company that enables the 18
prearrangement of rides with transportation network company 19
drivers. 20

(D) "Personal vehicle" means a vehicle that is used by a 21
transportation network company driver and is both of the 22
following: 23

(1) Owned, leased, or otherwise authorized for use by the 24
transportation network company driver; 25

(2) Is not a taxicab or other similar vehicle for hire, 26
chauffeured limousine, or ridesharing arrangement. 27

(E) "Ridesharing arrangement" has the same meaning as in 28
section 4921.01 of the Revised Code. 29

(F) "Transportation network company" includes a 30
corporation, partnership, association, limited liability 31
company, proprietorship, or any other entity operating in this 32
state that uses a digital network to connect transportation 33
network company riders to transportation network company drivers 34
who provide transportation network company services. 35

(G) "Transportation network company driver" or "driver" 36
means an individual to whom both of the following apply: 37

(1) The individual receives connections to passengers and 38
potential passengers and related services from a transportation 39
network company in exchange for the payment of a fee to the 40
company. 41

(2) The individual uses a personal vehicle to offer or 42
provide transportation network company services to riders upon 43
connection through a digital network controlled by a 44
transportation network company in return for compensation or 45

payment of a fee. 46

(H) "Transportation network company rider" or "rider" 47
means an individual or individuals using a transportation 48
network company's digital network to connect with a 49
transportation network company driver who provides 50
transportation network company services to the individual in a 51
personal vehicle between points chosen by the individual. 52

(I) (1) "Transportation network company services" means the 53
provision of transportation beginning when a transportation 54
network company driver accepts a ride requested by a rider 55
through a digital network controlled by a transportation network 56
company, continuing while the driver transports the requesting 57
rider, and ending when the last requesting rider departs from 58
the personal vehicle. 59

(2) "Transportation network company services" do not 60
include services provided by any of the following: 61

(a) A taxicab or other similar vehicle for hire; 62

(b) A chauffeured limousine; 63

(c) A ridesharing arrangement. 64

Sec. 3938.02. (A) (1) Each transportation network company 65
driver shall be covered by a primary automobile insurance policy 66
that recognizes that the driver is a transportation network 67
company driver or otherwise uses a vehicle to transport 68
passengers for compensation and provides coverage during both of 69
the following periods of time: 70

(a) While the driver is logged on to the transportation 71
network company's digital network; 72

(b) While the driver is engaged in transportation network 73

company services. 74

(2) The primary automobile insurance policy required by 75
division (A)(1) of this section shall meet the following 76
coverage requirements: 77

(a) While a transportation network company driver is 78
logged on to the transportation network company's digital 79
network and is available to receive transportation requests but 80
is not engaged in transportation network company services, 81
primary automobile insurance shall be maintained in the 82
following amounts: 83

(i) At least fifty thousand dollars because of bodily 84
injury to or death of one person in any one accident; 85

(ii) At least one hundred thousand dollars because of 86
bodily injury or death of two or more persons in any one 87
accident; 88

(iii) At least twenty-five thousand dollars because of 89
injury to property of others in any one accident. 90

(b) While a transportation network company driver is 91
engaged in transportation network company services, primary 92
automobile insurance shall be maintained in an amount of at 93
least one million dollars because of bodily injury or death of 94
one or more persons or injury to property of others in any one 95
accident. 96

(3) The insurance required by divisions (A)(1) and (2) of 97
this section may be satisfied by either of the following or a 98
combination of the following: 99

(a) An automobile insurance policy that is maintained by 100
the transportation network company driver; 101

(b) An automobile insurance policy that is maintained by 102
the transportation network company. 103

(B) (1) If personal automobile insurance maintained by a 104
transportation network company driver does not provide liability 105
coverage in the amounts required by division (A) (2) of this 106
section, insurance maintained by the transportation network 107
company shall provide the required coverage, beginning with the 108
first dollar of the claim and shall have the duty to defend the 109
claim. 110

(2) An automobile insurance policy maintained by a 111
transportation network company in accordance with this section 112
shall not require the driver's personal automobile insurer or 113
policy to first deny a claim before providing coverage. 114

(C) An automobile insurance policy required by this 115
section shall be purchased from either of the following: 116

(1) A domestic, foreign, or alien insurance company 117
organized or admitted under Title XXXIX of the Revised Code to 118
issue such a policy; 119

(2) An insurer not holding a license in this state if the 120
policy is obtained through a natural person or business entity 121
meeting both of the following criteria: 122

(a) The person or entity holds a surplus lines broker's 123
license in accordance with sections 3905.30 to 3905.38 of the 124
Revised Code. 125

(b) The person or entity has a credit rating of not less 126
than "A-" from A.M. Best or "A" from Demotech. 127

(D) A transportation network company driver shall carry 128
proof of insurance satisfying the coverage requirements of 129

division (A) (2) of this section either physically or through use 130
of an electronic wireless communications device described in 131
section 4509.103 of the Revised Code at all times during the 132
driver's use of a personal vehicle in connection with a 133
transportation network company's digital network. In the event 134
of an accident, the driver shall provide this insurance 135
information to all parties claiming an interest in the 136
insurance, other insurers, and upon request of a peace officer 137
or state highway patrol trooper in accordance with division (D) 138
(2) of section 4509.101 of the Revised Code. Upon such a 139
request, the driver also shall disclose to the interested 140
parties, insurers, and officers and troopers whether the driver 141
was logged on to the transportation network company's digital 142
network or was providing transportation network company services 143
at the time of the accident. 144

(E) An automobile insurance policy that meets the 145
requirements of this section satisfies the proof of financial 146
responsibility for motor vehicles required under Chapter 4509. 147
of the Revised Code. 148

Sec. 3938.03. (A) An insurer issuing an automobile 149
insurance policy to the owner or operator of a personal vehicle 150
may exclude any and all coverage afforded under the policy for 151
any loss or injury that occurs while a transportation network 152
company driver is logged on to a transportation network 153
company's digital network or while the driver is providing 154
transportation network company services. This right to exclude 155
any and all coverage may apply to any coverage included in the 156
automobile insurance policy, including all of the following: 157

(1) Liability coverage for bodily injury and property 158
damage; 159

<u>(2) Uninsured and underinsured motorist coverage described</u>	160
<u>in section 3937.18 of the Revised Code;</u>	161
<u>(3) Uninsured and underinsured motor vehicle property</u>	162
<u>damage coverage described in section 3937.181 of the Revised</u>	163
<u>Code;</u>	164
<u>(4) Medical payments coverage;</u>	165
<u>(5) Comprehensive physical damage coverage;</u>	166
<u>(6) Collision physical damage coverage.</u>	167
<u>Any such exclusions shall apply notwithstanding any</u>	168
<u>requirement under Chapter 4509. of the Revised Code.</u>	169
<u>(B) (1) An insurer providing an automobile insurance policy</u>	170
<u>that excludes the coverage described in division (A) of this</u>	171
<u>section shall have no duty to defend or indemnify any claim</u>	172
<u>expressly excluded under the policy. Nothing in this chapter</u>	173
<u>shall be construed to invalidate or limit a provision contained</u>	174
<u>in an automobile insurance policy that excludes coverage for</u>	175
<u>vehicles that are used to carry persons or property for a charge</u>	176
<u>or that are available for hire by the public.</u>	177
<u>(2) If an insurer providing a policy of automobile</u>	178
<u>insurance defends or indemnifies a claim against a</u>	179
<u>transportation network company driver that is excluded under the</u>	180
<u>terms of the policy, the insurer shall have a right of</u>	181
<u>contribution against any other insurer that provides automobile</u>	182
<u>insurance to the driver in satisfaction of the insurance</u>	183
<u>coverage requirements of section 3938.02 of the Revised Code at</u>	184
<u>the time of the loss.</u>	185
<u>(C) (1) Nothing in this chapter implies or requires that a</u>	186
<u>personal automobile insurance policy provide coverage while a</u>	187

transportation network company driver is logged on to the 188
transportation network company's digital network, while the 189
driver is engaged in transportation network company services, or 190
while the driver otherwise uses a vehicle to transport 191
passengers for compensation. 192

(2) Nothing in this chapter shall be construed to preclude 193
an insurer from providing coverage for a transportation network 194
company driver's vehicle, if the insurer chooses to do so by 195
contract or endorsement. 196

(D) In a claims coverage investigation, a transportation 197
network company and any insurer potentially providing automobile 198
insurance pursuant to section 3938.02 of the Revised Code shall 199
cooperate to facilitate the exchange of relevant information 200
with directly interested parties and any personal insurer of the 201
transportation network company driver, if applicable. The 202
parties shall exchange, at minimum, the precise times that the 203
transportation network company driver logged on and off of the 204
transportation network company's digital network in the twelve- 205
hour period immediately preceding and in the twelve-hour period 206
immediately following the event resulting in the loss. The 207
parties also shall disclose to one another a clear description 208
of the coverage, exclusions, and limits provided under any 209
automobile insurance maintained pursuant to section 3938.02 of 210
the Revised Code and any other information reasonably necessary 211
to determine insurance coverage. 212

(E) (1) Nothing in this chapter shall be construed to limit 213
the right of a lender or secured party of a personal vehicle to 214
require the transportation network company driver to maintain 215
comprehensive or collision damage coverage, or both, or to show 216
evidence of such coverage to the lender or secured party, for 217

the personal vehicle during both of the following periods of 218
time: 219

(a) When the driver is logged on to the transportation 220
network company's digital network but is not performing 221
transportation network company services; 222

(b) When the driver is performing transportation network 223
company services. 224

(2) If the driver fails to maintain the required 225
comprehensive or collision damage coverage, or to show evidence 226
to the lender or secured party of the coverage upon reasonable 227
request by the lender or secured party, the lender or secured 228
party may obtain the coverage at the expense of the driver 229
without prior notice to the driver. 230

(F) If a transportation network company's insurer makes a 231
payment for a claim covered under comprehensive coverage or 232
collision coverage, the transportation network company shall 233
cause its insurer to issue the payment directly to the business 234
repairing the vehicle or jointly to the owner of the vehicle and 235
the primary lienholder on the vehicle. 236

Sec. 3938.04. (A) Before a transportation network company 237
first allows a transportation network company driver to accept a 238
request for transportation network company services on the 239
company's digital network, the company shall disclose in writing 240
to the driver both of the following: 241

(1) The insurance coverage, including the types of 242
coverage and limits for each type of coverage, that the 243
transportation network company provides while the driver uses a 244
personal vehicle in connection with transportation network 245
company services; 246

(2) That, depending on the terms of the policy, the 247
transportation network company driver's own personal automobile 248
insurance policy might not provide any coverage while the driver 249
uses a personal vehicle to provide or be available to provide 250
transportation network services. 251

(B) In addition to the disclosures required in division 252
(A) of this section, a transportation network company shall 253
provide the following notice to a prospective driver in the 254
prospective driver's terms of service before the company first 255
allows the driver to accept a request for transportation network 256
company services on the company's digital network: 257

"If the vehicle that you plan to use to provide 258
transportation network company services for our transportation 259
network company has a lien against it, you must notify the 260
lienholder that you will be using the vehicle for transportation 261
services that may violate the terms of your contract with the 262
lienholder." 263

Sec. 4925.01. As used in this chapter, "transportation 264
network company," "transportation network company driver," 265
"transportation company services," "digital network," and 266
"transportation network company rider" have the same meanings as 267
in section 3938.01 of the Revised Code. 268

Sec. 4925.02. (A) The public utilities commission shall 269
issue a transportation network company permit to any entity that 270
does all of the following: 271

(1) Applies for a permit issued in accordance with rules 272
adopted under this section; 273

(2) Affirms that the entity will maintain compliance with 274
the applicable requirements established under sections 4925.03 275

to 4925.08 of the Revised Code and with rules adopted under this 276
section; 277

(3) Submits along with an application for a permit a 278
permit fee of five thousand dollars. 279

Any permit issued under this section is effective for one 280
year commencing on the date of issuance. 281

(B) The public utilities commission may adopt rules in 282
accordance with Chapter 119. of the Revised Code for purposes of 283
issuing permits to transportation network companies and 284
implementing the requirements of this chapter. 285

(C) No entity shall operate a transportation network 286
company without a valid permit issued under this section or 287
without complying with rules adopted by the public utilities 288
commission under this section or the applicable requirements of 289
sections 4925.03 to 4925.08 of the Revised Code. 290

Sec. 4925.03. A transportation network company shall do 291
all of the following: 292

(A) Disclose its fare calculation method on its digital 293
network; 294

(B) Provide transportation network company riders or 295
potential riders with the applicable rates charged by the 296
transportation network company; 297

(C) Allow a transportation network company rider or 298
potential rider to request and receive an estimated fare before 299
the rider or potential rider receives transportation network 300
company services; 301

(D) Ensure that for each transportation network company 302
service request, before the transportation network company rider 303

enters the transportation network company driver's vehicle, the 304
transportation network company's digital network provides a 305
photograph of the transportation network company driver and the 306
license plate number of the motor vehicle that will provide the 307
transportation network company service; 308

(E) Establish a process by which the transportation 309
network company shall accept payments for transportation network 310
company services through the company's digital network and 311
prohibit the acceptance of cash by any transportation network 312
driver; 313

(F) Within a reasonable period of time after the 314
completion of transportation network services, transmit an 315
electronic receipt to the transportation network company rider 316
that includes the origin and destination of the trip, the 317
distance of the trip, the total time during which transportation 318
network company services were provided, and an itemization of 319
the total fare charged; 320

(G) Designate an agent located within this state who is 321
authorized to receive service of process; 322

(H) Comply with the requirements established under 323
sections 3938.02 to 3938.04 of the Revised Code; 324

(I) Comply with any other requirements established by the 325
public utilities commission. 326

Sec. 4925.04. (A) Prior to authorizing a person to act as 327
a transportation network company driver, a transportation 328
network company shall do all of the following: 329

(1) Require the person to submit an application to the 330
transportation network company that includes at least all of the 331
following: 332

<u>(a) The person's address;</u>	333
<u>(b) The person's age;</u>	334
<u>(c) The person's driver's license number and information on the person's driving history;</u>	335 336
<u>(d) A copy of the certificate of motor vehicle registration for the vehicle the person will use to provide transportation network company services;</u>	337 338 339
<u>(e) Proof of automobile insurance.</u>	340
<u>(2) Conduct a background check on each applicant, including both of the following:</u>	341 342
<u>(a) A search of a multi-state/multi-jurisdiction criminal records database, or a similar nationwide criminal records database, and validation of any records through a primary source search;</u>	343 344 345 346
<u>(b) A search of the United States department of justice national sex offender public web site;</u>	347 348
<u>(3) Obtain and review a driving history report with regard to each applicant.</u>	349 350
<u>(B) A transportation network company shall not authorize a person to act as a transportation network company driver if any of the following apply to the person:</u>	351 352 353
<u>(1) The person does not possess a valid driver's license.</u>	354
<u>(2) The person does not possess a valid certification of motor vehicle registration for the motor vehicle that the person intends to use to provide transportation network company services.</u>	355 356 357 358
<u>(3) The person does not possess automobile liability</u>	359

insurance for the vehicle that the person intends to use to 360
provide transportation network company services that meets the 361
requirements of section 3938.02 of the Revised Code unless the 362
transportation network company provides such insurance on behalf 363
of the driver. 364

(4) The person has not attained the age of nineteen. 365

(5) Within the past three years, the person has been 366
convicted of, or pleaded guilty to, more than three violations 367
of section 4511.194, 4511.204, 4511.21, 4511.211, 4511.251, 368
4511.29, 4511.30, 4511.39, 4511.46, 4511.47, 4511.711, or 369
4511.75 of the Revised Code or an existing or former municipal 370
ordinance or law of this or any other state, or of the United 371
States, that is substantially equivalent to any offense listed 372
in division (B) (5) of this section. 373

(6) Within the past three years, the person has been 374
convicted of, or pleaded guilty to, any serious vehicle-related 375
offense, including a violation of division (B) of section 376
2921.331 of the Revised Code or a violation of section 4510.11, 377
4510.111, 4510.12, 4510.14, 4510.16, 4510.18, 4511.20, or 378
4511.201 of the Revised Code or an existing or former municipal 379
ordinance or law of this or any other state, or of the United 380
States, that is substantially equivalent to any offense listed 381
in division (B) (6) of this section. 382

(7) Within the past seven years, the person has been 383
convicted of, or pleaded guilty to, any of the following: 384

(a) Operating a vehicle while under the influence of 385
alcohol, a drug of abuse, or a combination of both, in violation 386
of section 4511.19 of the Revised Code; 387

(b) The commission of any felony offense while operating, 388

<u>or being a passenger in, a motor vehicle;</u>	389
<u>(c) A theft or fraud offense in violation of section 2911.01 or 2911.02 of the Revised Code or any provision of Chapter 2913. of the Revised Code;</u>	390 391 392
<u>(d) A property damage offense in violation of section 2909.02, 2909.03, 2909.05, 2909.06, 2909.07, 2909.09, 2909.10, or 2909.101 of the Revised Code;</u>	393 394 395
<u>(e) A sex offense in violation of any provision of Chapter 2907. of the Revised Code;</u>	396 397
<u>(f) An offense of violence as defined in section 2901.01 of the Revised Code;</u>	398 399
<u>(g) An act of terrorism as defined in section 2909.21 of the Revised Code;</u>	400 401
<u>(h) A violation of an existing or former municipal ordinance or law of this or any other state, or of the United States, that is substantially equivalent to any offense listed in division (B)(7) of this section.</u>	402 403 404 405
<u>(8) A search of the United States department of justice national sex offender public web site indicates that the person is identified as a sex offender.</u>	406 407 408
<u>Sec. 4925.05. (A)(1) A transportation network company shall prohibit any transportation network company driver from logging onto the transportation network company's digital network or providing transportation network company services while under the influence of any amount of alcohol or a drug of abuse. A transportation network company shall notify all drivers of this prohibition and shall provide notice of this policy on the digital network of the transportation network company.</u>	409 410 411 412 413 414 415 416

(2) As used in division (A) (1) of this section, "drug of abuse" has the same meaning as in section 4506.01 of the Revised Code. For purposes of this section, "drug of abuse" does not include any drug that was obtained pursuant to a prescription issued by a licensed health professional authorized to prescribe drugs if the drug is taken in accordance with the directions of the health professional and does not impair the ability of the person who took the drug to operate a motor vehicle. 417
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(B) A transportation network company shall establish a procedure by which a rider may report a complaint against a transportation network company driver for a violation of the company's prohibition established under division (A) of this section. The transportation network company shall provide information about the complaint procedure on the digital network of the transportation network company. Upon receiving a complaint alleging a violation of the prohibition established under division (A) of this section, a transportation network company shall immediately suspend the access of the driver accused of the violation to the transportation network company's digital network and shall conduct an investigation into the reported incident. 425
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(C) A transportation network company shall retain all complaints submitted under division (B) of this section, and all records related to the investigation of such a complaint, for a period of two years commencing on the date each complaint was filed. 438
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Sec. 4925.06. (A) No transportation network company driver shall fail to comply with the nondiscrimination policy of a transportation network company for which the driver provides transportation network services if such a policy has been 443
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established or with any applicable law regarding 447
nondiscrimination or the accommodation of service animals. 448

(B) No transportation network company shall charge any 449
additional fee for providing transportation network company 450
services to a person with a disability on the basis of the 451
disability. 452

(C) A transportation network company shall provide an 453
option on the digital network of the transportation network 454
company for a potential rider to request a wheelchair-accessible 455
vehicle. If the transportation network company cannot arrange 456
such a service for a potential rider who requests a wheelchair- 457
accessible vehicle, the transportation network company shall 458
direct the potential rider to another provider if possible. 459

Sec. 4925.07. A transportation network company shall 460
maintain records of both of the following: 461

(A) All transportation network company drivers for not 462
less than two years after the date each driver last provided 463
transportation network company services; 464

(B) Each instance in which transportation network company 465
services are provided for not less than two years after the 466
services are provided. 467

Sec. 4925.08. (A) No transportation network company driver 468
shall accept payment for transportation network company services 469
other than a payment processed through the digital network of 470
the transportation network company. 471

(B) No transportation network company driver shall solicit 472
or accept any passenger other than through the digital network 473
of the transportation network company at any time during which 474
the transportation network company driver is logged onto the 475

digital network. 476

Sec. 4925.09. (A) The regulation of transportation network 477
companies, transportation network company drivers, and 478
transportation network company services is a matter of general 479
statewide interest that requires statewide regulation. Chapter 480
4925. and sections 3938.01 to 3938.04 of the Revised Code 481
constitute a comprehensive plan with respect to all aspects of 482
the regulation of transportation network companies, 483
transportation network company drivers, and transportation 484
network company services. Accordingly, it is the intent of the 485
general assembly to preempt any local ordinance, resolution, or 486
other law adopted to license, register, tax, or otherwise 487
regulate transportation network companies, transportation 488
network company drivers, or transportation network company 489
services. 490

(B) With regard to the provision of transportation network 491
company services, no transportation network company or 492
transportation network company driver is subject to regulation 493
as a chauffeured limousine under section 4511.85 of the Revised 494
Code, as a taxicab or vehicle for hire, or as a for-hire motor 495
carrier under Chapters 4921. and 4923. of the Revised Code. No 496
vehicle used to provide transportation network company services 497
shall be required to register as a chauffeured limousine, 498
taxicab or vehicle for hire, commercial car, or for-hire motor 499
carrier in order to provide transportation network company 500
services. 501

Sec. 4925.10. (A) Chapters 4111., 4121., 4123., 4141., and 502
sections 4113.15, 4113.16, 4113.51, 4113.52, and 4113.53 of the 503
Revised Code do not apply to transportation network companies 504
with regard to transportation network company drivers and 505

transportation network company drivers are not employees for 506
purposes of those chapters or sections, except where agreed to 507
by written contract. If the parties agree to the application of 508
one or more of these laws in a written contract, the 509
transportation network company shall notify the appropriate 510
agency of the election to cover the driver. If the parties 511
subsequently change this election, the transportation network 512
company shall notify the appropriate agency of the change. 513

(B) Except where agreed to by written contract, a 514
transportation network company driver is not an agent of a 515
transportation network company. 516