

TNC (Transportation Network Companies) Information

The board of education of a school district may contract with a transportation network company to transport eight persons or fewer to and from school or school-related activities, where appropriate, as the contract with the transportation network company may establish.

In addition to the requirements in <u>Chapter 8</u>, Article 27 of Kansas Statutes Annotated for transportation network companies and transportation network company drivers, the board of education of a school district may establish additional requirements in the contract with the transportation network company.

The department of education, in consultation with a transportation network company that will provide services pursuant to this section, may issue guidance to school districts contracting with a transportation network company to provide transportation services.

Transportation network companies shall:

- Require transportation network company drivers providing services pursuant to this section to undergo a criminal history record check pursuant to K.S.A. 75-712i, and amendments thereto; and
- Obtain and review a driving history research report for each transportation network company driver providing services pursuant to this section.

A transportation network company that provides transportation services pursuant to this section shall provide an annual safety report to the state board of education for any safety incidents that occurred in the previous calendar year.

A transportation network company shall name as an additional insured on such transportation network company's insurance policy any school district that contracts with such transportation network company to provide transportation services pursuant to this section.

The Kansas transportation network company services act and the contract between the board of education of a school district and the transportation network company shall exclusively govern the services provided pursuant to this section, and all rules and regulations of the state board of education concerning the transportation of students shall not apply.

The board of education of a school district that contracts for school transportation services pursuant to this section shall:

- Provide notice to the parent or guardian of a student that such student will be riding with a transportation network company
- Provide an annual disclaimer to the parent or guardian of a student that may be transported by a
 transportation network company that the school district uses transportation network company services
 for school transportation purposes and that the relationship between the school district and the
 transportation network company is governed by a contract and not the rules and regulations of the state
 board of education
- Permit the parent or guardian of a student to not allow such student to ride with a transportation network company
- Maintain insurance coverage or endorsement for students transported by a transportation network company that covers the students as though the students were in the care, custody and control of the school district even when being transported by a transportation network company.

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Insurance Requirements for the TNC

A transportation network company driver or vehicle owner or transportation network company on the driver's behalf shall maintain primary automobile insurance that:

Recognizes that the driver is a transportation network company driver and covers the driver while the
driver is logged on to the transportation network company's digital network, while the driver is engaged
in a prearranged ride or while the driver otherwise uses a vehicle to transport passengers for
compensation.

The following automobile insurance requirements shall apply while a participating transportation network company driver is logged on to the transportation network company's digital network and is available to receive transportation requests but is **NOT ENGAGED** in a prearranged ride:

- Primary automobile liability insurance in the amount of at least \$50,000 for death and bodily injury per person, \$100,000 for death and bodily injury per incident, and \$25,000 for property damage; and
- Primary automobile liability insurance that meets the minimum coverage requirements where required by K.S.A. 40-284 and 40-3107(f), and amendments thereto.

Coverage requirements for when not engaged in a prearranged ride may be satisfied by any of the following:

- Automobile insurance maintained by the transportation network company driver or vehicle owner
- Automobile insurance maintained by the transportation network company or any combination of these

The following automobile insurance requirements shall apply while a transportation network company driver is **ENGAGED** in a prearranged ride:

- Primary automobile liability insurance that provides at least \$1,000,000 for death, bodily injury and property damage; and
- Primary automobile liability insurance that meets the minimum coverage requirements where required by K.S.A. 40-284 and 40-3107(f), and amendments thereto.

Coverage requirements for while engaged in a prearranged ride may be satisfied by any of the following:

- Automobile insurance maintained by the transportation network company driver or vehicle owner
- Automobile insurance maintained by the transportation network company; or any combination of these

If insurance is being maintained by the driver or vehicle owner and has lapsed or does not provide the required coverage, insurance maintained by a transportation network company shall provide the coverage required by this section beginning with the first dollar of a claim and shall have the duty to defend such claim.

Coverage under an automobile insurance policy maintained by the transportation network company shall not be dependent on a personal automobile insurer first denying a claim nor shall a personal automobile insurance policy be required to first deny a claim.

A transportation network company that contracts with the board of education of a school district to provide transportation services, shall name such school district as an additional insured party on such transportation networks company's automobile insurance policy.



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Insurance required by this section may be placed with an insurer licensed under K.S.A. 40-208 or 40-209, and amendments thereto, or with a surplus lines insurer eligible under K.S.A. 40-246b, and amendments thereto.

Insurance satisfying these requirements shall be deemed to satisfy the financial responsibility requirement for a personal vehicle under the Kansas automobile injury reparations act, K.S.A. 40-3101 et seq., and amendments thereto.

A transportation network company driver shall carry proof of coverage satisfying these requirements with such driver at all times during such driver's use of a vehicle in connection with a transportation network company's digital network.

In the event of an accident, a transportation network company driver shall provide this insurance coverage information to the directly interested parties, automobile insurers and investigating police officers, upon request pursuant to K.S.A. 8-173, and amendments thereto. Upon such request, a transportation network company driver shall also disclose to directly interested parties, automobile insurers and investigating police officers, whether such driver was logged on to the transportation network company's digital network or on a prearranged ride at the time of an accident.

KSA 8-2721, KSA 8-2708

Definitions

KSA 8-2702. Same; definitions. Except as otherwise provided, as used in the Kansas transportation network company services act:

- (a) "Act" means the Kansas transportation network company services act.
- (b) "Digital network" means any online-enabled application, software, website or system offered or utilized by a transportation network company that enables the prearrangement of rides with transportation network company drivers.
- (c) "Personal vehicle" means a vehicle that is used by a transportation network company driver in connection with providing a prearranged ride and is:
 - (1) Owned, leased or otherwise authorized for use by the transportation network company driver; and
 - (2) not a taxicab, limousine or for-hire vehicle.
- (d) "Prearranged ride" means the provision of transportation by a driver to a rider, beginning when a driver accepts a ride requested by a rider through a digital network controlled by a transportation network company, continuing while the driver transports a requesting rider, and ending when the last requesting rider departs from the personal vehicle. A "prearranged ride" does not include transportation provided using a taxi, limousine or other for-hire vehicle.
- (e) "Transportation network company" or "TNC" means a corporation, partnership, sole proprietorship or other entity operating in Kansas that uses a digital network to connect transportation network company riders to transportation network company drivers who provide prearranged rides. A transportation network company shall not be deemed to control, direct or manage the personal vehicles or transportation network company drivers that connect to its digital network, except where agreed to by written contract.
 - (f) "Transportation network company driver" or "driver" means an individual who:
- (1) Receives connections to potential passengers and related services from a transportation network company in exchange for payment of a fee to the transportation network company; and
- (2) uses a personal vehicle to provide services for riders matched through a digital network controlled by a transportation network company and receives, in exchange for providing the passenger a ride, compensation that exceeds the individual's cost to provide the ride.
- (g) "Transportation network company rider" or "rider" means an individual or persons who use a transportation network company's digital network to connect with a transportation network driver who provides prearranged rides to the rider in the driver's personal vehicle between points chosen by the rider.
 - (h) "Vehicle owner" means the owner of a personal vehicle.

History: L. 2015, ch. 43, § 2; L. 2015, ch. 69, § 2; July 1.

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