§ 1693. Financial responsibility of transportation network companies. 1. A TNC driver, or TNC on the TNC driver's behalf through a group policy, shall maintain insurance that recognizes that the driver is a TNC driver and provides financial responsibility coverage:

(a) while the TNC driver is logged onto the TNC's digital network; and

(b) while the TNC driver is engaged in a TNC prearranged trip.

2. (a) The following automobile financial responsibility insurance requirements shall apply while a TNC driver is logged onto the TNC's digital network but is not engaged in a TNC prearranged trip: insurance against loss from the liability imposed by law for damages, including damages for care and loss of services, because of bodily injury to or death of any person, and injury to or destruction of property arising out of the ownership, maintenance, use or operation of a personal vehicle or vehicles within this state, or elsewhere in the United States in North America or Canada, subject to a limit, exclusive of interest and costs, with respect to each such occurrence, of at least seventy-five thousand dollars because of bodily injury to or death of one person in any one accident and, subject to said limit for one person, to a limit of at least one hundred fifty thousand dollars because of bodily injury to or death of two or more persons in any one accident, and to a limit of at least twenty-five thousand dollars because of injury to or destruction of property of others in any one accident, provided however, that such policy need not be for a period coterminous with the registration period of the personal vehicle insured, and coverage in satisfaction of the financial responsibility requirements set forth in section three thousand four hundred twenty of the insurance law, article fifty-one of the insurance law, and such other requirements or regulations that may apply for the purposes of satisfying the financial responsibility requirements with respect to the use or operation of a motor vehicle.

(b) The coverage requirements of paragraph (a) of this subdivision may be satisfied by any of the following:

(i) insurance maintained by the TNC driver; or

(ii) insurance provided through a group policy maintained by the TNC; or

(iii) a combination of subparagraphs (i) and (ii) of this paragraph.

3. (a) The following automobile financial responsibility insurance requirements shall apply while a TNC driver is engaged in a TNC prearranged trip: insurance against loss from the liability imposed by law for damages, including damages for care and loss of services, because of bodily injury to or death of any person, and injury to or destruction of property arising out of the ownership, maintenance, use, or operation of a specific personal vehicle or vehicles within this state, or elsewhere in the United States in North America or Canada, subject to a limit, exclusive of interest and costs, with respect to each such occurrence, of at least one million two hundred fifty thousand dollars because of bodily injury to or death of any person, and injury to or destruction of property provided however, that such policy need not be for a period coterminous with the registration period of the personal vehicle insured, and coverage in satisfaction of the financial responsibility requirements set forth in section three thousand four hundred twenty of the insurance law, article fifty-one of the insurance law; coverage provided in accordance with subsection (f) of section three thousand four hundred twenty of the insurance law, providing supplementary uninsured/underinsured motorist insurance for bodily injury, in the amount of one million two hundred fifty thousand dollars because of bodily injury to or death of any person in any one accident; and such other requirements or regulations that may apply for the purposes of satisfying the financial responsibility requirements with respect to the use or operation of a motor vehicle.

(b) The coverage requirements of paragraph (a) of this subdivision may be satisfied by any of the following:

(i) insurance maintained by the TNC driver; or

(ii) insurance provided through a group policy maintained by the TNC; or

(iii) a combination of subparagraphs (i) and (ii) of this paragraph.

4. A TNC shall, upon entering into a contractual agreement with a TNC driver, provide notice to the TNC driver that he or she may need additional insurance coverage including motor vehicle physical damage coverage as described in paragraph nineteen of subsection (a) of section one thousand one hundred thirteen of the insurance law if the TNC

vehicle being used by the TNC driver is subject to a lease or loan. A TNC shall also post this notice on its website in a prominent place, and provide contact information for the department of financial services.

5. If insurance maintained by a TNC driver pursuant to subdivisions two and three of this section has lapsed or does not provide the required coverage, then the group policy maintained by a TNC shall provide the coverage required by this section beginning with the first dollar of a claim and have the duty to defend such claim.

6. Coverage under a group policy maintained by the TNC shall not be dependent on the denial of a claim by the insurer that issued the insurance policy used to register the TNC vehicle, nor shall that insurer be required to first deny a claim.

7. (a) Except as provided in paragraph (b) of this subdivision, a group policy maintained by a TNC pursuant to subparagraph (ii) of paragraph (b) of subdivisions two or three of this section shall be placed with an insurer authorized to write insurance in this state.

(b) If a TNC is unable to purchase a group policy pursuant to subparagraph (ii) of paragraph (b) of subdivisions two or three of this section because such insurance is unavailable from authorized insurers the TNC may acquire such group insurance with an excess line broker pursuant to section two thousand one hundred eighteen of the insurance law.

(c) The obligation to determine whether the insurance required by this section is unavailable from insurers authorized to write insurance in this state shall be made prior to the initial placement and at each renewal of a policy.

8. A TNC driver who, while operating a TNC vehicle was logged on to the TNC's digital network but not engaged in a TNC prearranged trip or was engaged in a TNC prearranged trip, and has in effect the insurance required pursuant to this article, shall not be deemed to be in violation of article six of this chapter during such time that he or she was logged on to the TNC's digital network but not engaged in a TNC prearranged trip or was engaged in a TNC prearranged trip.

9. A TNC driver shall carry proof of coverage satisfying subdivisions two and three of this section with him or her at all times during his or her use or operation of a TNC vehicle in connection with a TNC's digital network. Such proof of coverage shall be in such form as the commissioner shall prescribe, which may be in the form of an insurance identification card as defined in section three hundred eleven of this chapter. Any insurance identification card issued pursuant to the provisions of this article shall be in addition to the insurance identification card required pursuant to article six of this chapter, and nothing contained in this article shall be deemed to supersede the requirements of such article six. Whenever the production of an insurance identification card is required by law, a TNC driver shall (a) produce the insurance identification card issued pursuant to article six of this chapter and, (b) if such driver (i) was logged onto the TNC's digital network but not engaged in a TNC prearranged trip or (ii) was engaged in a TNC prearranged trip, such driver shall also produce the insurance identification card required pursuant to this article.

10. The superintendent of financial services is authorized to issue such rules and regulations necessary to implement this section.

11. The superintendent of financial services may promulgate regulations to address insurance coverage under this section and section sixteen hundred ninety-five of this article when a TNC driver uses multiple digital networks simultaneously.

12. Nothing in this section shall impose financial responsibility requirements upon any entities operating as vehicles for hire in a city with a population of one million or more.

13. An insurer shall not include a mandatory arbitration clause in a policy issued pursuant to this section. Nothing in this section supercedes the mandatory arbitration requirements contained in section five thousand one hundred five of the insurance law.