

TRANSPORTATION NETWORK VEHICLE RECOVERY FUND

SUNSET

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: James A. Dunnigan

Senate Sponsor: Curtis S. Bramble

LONG TITLE

General Description:

This bill modifies provisions related to the Transportation Network Vehicle Recovery Fund.

Highlighted Provisions:

This bill:

- ▶ repeals the requirement that a transportation network company pay into the Transportation Network Vehicle Recovery Fund;
- ▶ provides that the Division of Consumer Protection may not accept or pay a claim from the Transportation Network Vehicle Recovery Fund after the balance of the fund is zero;
- ▶ removes a repeal date for provisions related to the Transportation Network Vehicle Recovery Fund; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

13-51-201, as enacted by Laws of Utah 2016, Chapter 359

13-51-203, as enacted by Laws of Utah 2016, Chapter 359

63I-1-213, as last amended by Laws of Utah 2016, Chapter 359

REPEALS:

13-51-202, as enacted by Laws of Utah 2016, Chapter 359

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **13-51-201** is amended to read:

13-51-201. Transportation Network Vehicle Recovery Fund -- Creation -- Report to the Legislature.

(1) As used in this part, "fund" means the Transportation Network Vehicle Recovery Fund created in Subsection (2).

(2) There is created an expendable special revenue fund called the "Transportation Network Vehicle Recovery Fund."

(3) The fund consists of:

~~[(a) the amount collected by the division under Subsection **13-51-202**(1); and]~~

(a) money deposited in the fund before July 1, 2018; and

(b) interest earned on the money in the fund.

~~[(4) The division shall deposit the money collected for the fund in an account with the state treasurer and record the money in the fund.]~~

~~[(5)] (4)~~ The division may ~~[hire employees and]~~ allocate resources necessary to administer the fund.

~~[(6)] (5)~~ The division shall use money from the fund to cover the division's cost to administer this part.

~~[(7)] (6)~~ The fund is not insurance as defined in Section **31A-1-301**.

Section 2. Section **13-51-203** is amended to read:

13-51-203. Payment of a claim from the fund.

(1) A person that holds a lien on a vehicle used by a transportation network driver to

provide transportation network services may submit a claim to the division for payment from the fund for physical damage to the vehicle.

(2) The division shall pay a claim for payment from the fund to a person that holds a lien on a vehicle described in Subsection (1) for physical damage to the vehicle if:

(a) the physical damage to the vehicle occurred during a waiting period or a prearranged ride;

(b) the lien complies with Section 41-1a-601;

(c) the person required the transportation network driver, by contract, to maintain insurance coverage for physical damage to the vehicle;

(d) the insurance coverage described in Subsection (2)(c):

(i) names the person as the loss payee;

(ii) was in effect at the time the physical damage occurred; and

(iii) denied coverage to the person as the loss payee on the sole basis that the transportation network driver used the vehicle to provide transportation network services in the state; and

(e) the division determines, no earlier than 10 days after the day on which the person makes the claim, that:

(i) no other insurance is available from the relevant transportation network company; and

(ii) the fund has enough money to cover the cost of the claim.

(3) If the division grants a claim to a person for a lien on a transportation network driver's vehicle under Subsection (2), the fund shall pay the person the lesser of, as estimated by the division:

(a) the cost to repair the vehicle; ~~or~~

(b) the actual cash value of the vehicle less any salvage costs~~[-];~~ or

(c) the amount of money in the fund.

(4) The division may not accept or pay a claim under this section after the balance of

83 the fund is zero.

84 Section 3. Section **63I-1-213** is amended to read:

85 **63I-1-213. Repeal dates, Title 13.**

86 [~~Title 13, Chapter 51, Part 2, Transportation Network Vehicle Recovery Fund, is~~
87 ~~repealed on July 1, 2018.~~]

88 Section 4. **Repealer.**

89 This bill repeals:

90 Section **13-51-202, Per-ride payment -- Initial assessment -- Assessment for**
91 **shortfall.**

92 Section 5. **Effective date.**

93 (1) Except as provided in Subsection (2), this bill takes effect on July 1, 2018.

94 (2) The actions affecting Section 63I-1-213 take effect on June 30, 2018.