

1 STATE OF OKLAHOMA

2 1st Session of the 58th Legislature (2021)

3 COMMITTEE SUBSTITUTE  
4 FOR

5 SENATE BILL 999

6 By: Bergstrom of the Senate

7 and

8 Frix of the House

9 COMMITTEE SUBSTITUTE

10 An Act relating to transportation; creating the  
11 Oklahoma Courier Application Services Act; providing  
12 definitions; excluding motor carrier classification  
13 for certain entities and people; requiring courier  
14 service implement zero tolerance policy for drugs or  
15 alcohol; requiring services suspend access and  
16 conduct investigation in certain circumstance;  
17 requiring applicants submit certain information to  
18 courier service; prohibiting courier service from  
19 hiring certain persons; requiring updates; requiring  
20 certain equipment standards be met by courier  
21 application service drivers; requiring certain entity  
22 maintain commercial auto insurance in certain amount;  
23 specifying time period that driver is responsible for  
24 maintaining personal insurance; authorizing courier  
application service insurance to provide coverage  
without certain requirement; specifying insurers  
eligible to provide insurance for courier application  
services; requiring courier application service  
disclose information to driver prior to driver  
accepting courier request; authorizing insurers to  
exclude certain insurance coverage; construing  
provision; providing that insurer not have certain  
duty; providing that certain insurer have right of  
contribution; requiring insurer cooperation with  
certain persons in certain investigation; requiring  
direct payment from insurer to certain people under  
certain circumstances; providing for codification;  
and providing an effective date.

1 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

2 SECTION 1. NEW LAW A new section of law to be codified  
3 in the Oklahoma Statutes as Section 1050 of Title 47, unless there  
4 is created a duplication in numbering, reads as follows:

5 This act shall be known and may be cited as the "Oklahoma  
6 Courier Application Services Act".

7 SECTION 2. NEW LAW A new section of law to be codified  
8 in the Oklahoma Statutes as Section 1051 of Title 47, unless there  
9 is created a duplication in numbering, reads as follows:

10 As used in the Oklahoma Courier Application Services Act:

11 A. "Digital network" means any online-enabled application,  
12 software, website or system offered or utilized by a courier  
13 application service (CAS) that enables the prearrangement of courier  
14 services with CAS drivers.

15 B. "Personal vehicle" means a vehicle that is used by a CAS  
16 driver in connection with providing courier services and is:

17 1. Owned, leased or otherwise authorized for use by the CAS  
18 driver; and

19 2. Has an actual weight of less than eight thousand (8,000)  
20 pounds; and

21 3. Has no more than two axles or axle combination.

22 C. "Courier application services (CAS)" means a business entity  
23 operating in Oklahoma that uses a digital network to connect  
24 business entities including itself, its affiliates or people to CAS

1 drivers for the purpose of providing courier services on an on-  
2 demand basis. Courier services are provided on an on-demand basis  
3 if the CAS drivers are free to accept or reject courier requests and  
4 the CAS does not require the CAS driver to accept any specific  
5 delivery request as a condition of maintaining access to the CAS  
6 digital network. A CAS does not provide other for-hire motor  
7 carrier services. A CAS shall not be deemed to control, direct or  
8 manage the personal vehicles or participating drivers that connect  
9 to its digital network, except where agreed to by written contract.

10 D. "Courier application service driver (CAS driver)" means an  
11 individual who uses a personal vehicle to provide courier services  
12 for business or people upon connection through a digital network  
13 controlled by a CAS in return for compensation or payment of a fee.

14 E. "Courier service" means the for-hire transportation of  
15 property in a personal vehicle, with each individual piece of  
16 property weighing less than one hundred (100) pounds, beginning  
17 either when

18 1. A CAS driver accepts a courier request through a digital  
19 network controlled by a CAS; or

20 2. If a CAS driver accepts such courier request for delivery  
21 during a fixed block of time, when the CAS driver picks up the  
22 property for delivery.

23 The courier service continues while the CAS driver is actively  
24 transporting the requested property to the recipient and ends when

1 the property has been delivered. A courier service does not include  
2 shared expense or transporting property not for profit, or other  
3 for-hire motor carrier operations authorized by the laws of this  
4 state.

5 SECTION 3. NEW LAW A new section of law to be codified  
6 in the Oklahoma Statutes as Section 1052 of Title 47, unless there  
7 is created a duplication in numbering, reads as follows:

8 Courier application service companies or courier application  
9 service drivers shall not be considered motor carriers of property,  
10 nor shall CAS or CAS drivers be considered for-hire motor carrier,  
11 as defined in Section 230.23 of Title 47 of the Oklahoma Statutes.

12 SECTION 4. NEW LAW A new section of law to be codified  
13 in the Oklahoma Statutes as Section 1053 of Title 47, unless there  
14 is created a duplication in numbering, reads as follows:

15 Courier application service companies shall implement a zero-  
16 tolerance policy against CAS drivers operating under the influence  
17 of drugs or alcohol while providing courier services and shall  
18 provide notice of this policy on its digital network. Upon receipt  
19 of a credible complaint alleging a violation of the zero-tolerance  
20 policy, the CAS shall suspend the CAS driver's access to the CAS's  
21 digital network and shall conduct an investigation into the reported  
22 incident. The suspension shall last the duration of the  
23 investigation.

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1 SECTION 5. NEW LAW A new section of law to be codified  
2 in the Oklahoma Statutes as Section 1054 of Title 47, unless there  
3 is created a duplication in numbering, reads as follows:

4 A. Prior to permitting an individual to act as a courier  
5 application service driver on its digital network, the courier  
6 application service shall require the individual to submit to the  
7 CAS information regarding his or her address, age, driver license  
8 and other information required by the CAS.

9 B. A CAS shall not knowingly permit an individual to act as a  
10 CAS driver on its digital network who:

- 11 1. Does not possess a valid driver license;
- 12 2. Does not possess current proof of motor vehicle registration  
13 for the motor vehicles used to provide courier services;
- 14 3. Does not possess proof of the motor vehicle liability  
15 insurance required by law or rule for the motor vehicles used to  
16 provide courier services; and
- 17 4. Is not at least eighteen (18) years of age.

18 C. Every CAS operating in this state shall implement a  
19 procedure for periodic information updates to ensure continued  
20 compliance by each driver with the requirements of this section.

21 SECTION 6. NEW LAW A new section of law to be codified  
22 in the Oklahoma Statutes as Section 1055 of Title 47, unless there  
23 is created a duplication in numbering, reads as follows:

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1 Every courier application service shall require that any motor  
2 vehicles that a CAS driver will use to provide courier services  
3 meets the equipment standards required of private motor vehicles  
4 under Section 12-101 et seq. of Title 47 of the Oklahoma Statutes.

5 SECTION 7. NEW LAW A new section of law to be codified  
6 in the Oklahoma Statutes as Section 1056 of Title 47, unless there  
7 is created a duplication in numbering, reads as follows:

8 A. A courier application service (CAS) shall maintain  
9 commercial auto coverage, as defined in Section 7-600 of Title 47 of  
10 the Oklahoma Statutes, with a combined single limit of at least One  
11 Million Dollars (\$1,000,000.00) that provides coverage to the CAS  
12 for its liability arising out of the use of a hired, owned, or non-  
13 owned vehicle used to transport property for compensation.

14 B. When a CAS driver is not engaged in courier services, as  
15 defined in this Act, the CAS driver shall be solely responsible for  
16 maintaining state compliant automobile insurance coverage pursuant  
17 to Section 7-601 of Title 47 of the Oklahoma Statutes.

18 C. Coverage under an insurance policy maintained by the CAS  
19 shall not be dependent on a personal automobile insurer first  
20 denying a claim nor shall a personal automobile insurance policy be  
21 required to first deny a claim.

22 D. Insurance required by this section may be placed with an  
23 insurer authorized to do business in this state or with a surplus  
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1 lines insurer eligible under Section 1100 et seq. of Title 36 of the  
2 Oklahoma Statutes.

3 SECTION 8. NEW LAW A new section of law to be codified  
4 in the Oklahoma Statutes as Section 1057 of Title 47, unless there  
5 is created a duplication in numbering, reads as follows:

6 The Courier application services shall disclose in writing to  
7 CAS drivers the following before they are allowed to accept a  
8 request for a courier service on the CAS's digital network:

9 1. The insurance coverage, including the types of coverage and  
10 the limits for each coverage, that the CAS provides while the CAS  
11 driver uses a personal vehicle in connection with a CAS's digital  
12 network; and

13 2. That the CAS driver's own motor vehicle insurance policy may  
14 not provide any coverage while the driver is engaged in providing  
15 courier services depending on its terms.

16 SECTION 9. NEW LAW A new section of law to be codified  
17 in the Oklahoma Statutes as Section 1058 of Title 47, unless there  
18 is created a duplication in numbering, reads as follows:

19 A. Insurers that write motor vehicle insurance in Oklahoma may  
20 exclude any coverage afforded under the owner's insurance policy for  
21 any loss or injury that occurs while a CAS driver is engaged in  
22 providing courier services. This right to exclude all coverage may  
23 apply to any coverage included in a motor vehicle insurance policy  
24 including, but not limited to:

- 1 1. Liability coverage for bodily injury and property damage;
- 2 2. Uninsured and underinsured motorist coverage;
- 3 3. Medical payments coverage;
- 4 4. Comprehensive physical damage coverage; and
- 5 5. Collision physical damage coverage.

6 B. Such exclusions shall apply notwithstanding any requirement  
7 under Chapter 7 of the Oklahoma Highway Safety Code of Section 7-101  
8 et seq. of Title 47 of the Oklahoma Statutes. Nothing in this  
9 section implies or requires that a personal motor vehicle insurance  
10 policy provide coverage while the CAS driver is engaged in providing  
11 courier services or while the driver otherwise uses a vehicle to  
12 transport property for compensation. Nothing in this section shall  
13 be construed to preclude an insurer from providing coverage for the  
14 CAS driver's vehicle if it chooses to do so by contract or  
15 endorsement.

16 C. Motor vehicle insurers that exclude coverage as permitted in  
17 this section shall have no duty to defend or indemnify any claim  
18 expressly excluded thereunder. Nothing in this article shall be  
19 construed to invalidate or limit an exclusion contained in a policy  
20 already in use or approved for use in this state prior to the  
21 effective date of this act that excludes coverage for vehicles used  
22 to carry persons or property for a charge or available for hire by  
23 the public. A motor vehicle insurer that defends or indemnifies a  
24 claim against a CAS driver that is excluded under the terms of its



1 policy shall have a right of contribution against other insurers  
2 that provide motor vehicle insurance to the same CAS driver in  
3 satisfaction of the coverage requirements of Section 7 of this act  
4 at the time of loss.

5 D. In a claims coverage investigation, a CAS and any insurer  
6 potentially providing coverage under Section 7 of this act shall  
7 cooperate to facilitate the exchange of relevant information with  
8 directly involved parties, law enforcement and any insurer of the  
9 CAS driver if applicable, including the precise times that a CAS  
10 driver logged on and off of the CAS's digital network in the twelve-  
11 hour period immediately preceding and in the twelve-hour period  
12 immediately following the accident and disclose to one another a  
13 clear description of the coverage, exclusions and limits provided  
14 under any motor vehicle insurance maintained under Section 7 of this  
15 act.

16 SECTION 10. NEW LAW A new section of law to be codified  
17 in the Oklahoma Statutes as Section 1059 of Title 47, unless there  
18 is created a duplication in numbering, reads as follows:

19 If a courier application service insurer makes a payment for a  
20 claim covered under comprehensive or collision insurance coverage,  
21 the CAS shall cause its insurer to issue the payment directly to the  
22 business repairing the vehicle or jointly to the owner of the  
23 vehicle and the primary lienholder.

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1 SECTION 11. This act shall become effective November 1, 2021.

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