

INSURANCE CODE

TITLE 10. PROPERTY AND CASUALTY INSURANCE

SUBTITLE C. AUTOMOBILE INSURANCE

CHAPTER 1954. INSURANCE FOR TRANSPORTATION NETWORK COMPANY DRIVERS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1954.001. DEFINITIONS. In this chapter:

(1) "Digital network" means any online-enabled application, software, website, or system offered or used by a transportation network company that enables a prearranged ride with a transportation network company driver.

(2) "Personal vehicle" means a vehicle that is used by a transportation network company driver and is:

(A) owned, leased, or otherwise authorized for use by the driver; and

(B) not a taxicab, limousine, or similar for-hire vehicle.

(3) "Prearranged ride" means transportation provided by a transportation network company driver to a transportation network company rider, beginning at the time a driver accepts a ride requested by a rider through a digital network controlled by a transportation network company and ending at the time the last requesting rider departs from the driver's personal vehicle. The term does not include:

(A) a shared expense carpool or vanpool arrangement or service; or

(B) transportation provided using a taxicab, limousine, or similar for-hire vehicle.

(4) "Transportation network company" means a corporation, partnership, sole proprietorship, or other entity operating in this state that uses a digital network to connect a transportation network company rider to a transportation network company driver for a prearranged ride.

(5) "Transportation network company driver" means an individual who:

(A) receives connections to potential

transportation network company riders and related services from a transportation network company in exchange for payment of a fee to the company; and

(B) uses a personal vehicle to offer or provide a prearranged ride to a transportation network company rider on connection with the rider through a digital network controlled by the company in exchange for compensation or payment of a fee.

(6) "Transportation network company rider" means an individual who uses a transportation network company's digital network to connect with a transportation network company driver who provides a prearranged ride to the individual in the driver's personal vehicle between points chosen by the individual.

Added by Acts 2015, 84th Leg., R.S., Ch. 742 (H.B. [1733](#)), Sec. 1, eff. January 1, 2016.

Amended by:

Acts 2017, 85th Leg., R.S., Ch. 855 (H.B. [2501](#)), Sec. 1, eff. September 1, 2017.

Sec. 1954.002. APPLICABILITY OF CHAPTER. (a) This chapter applies to automobile insurance policies in this state, including policies issued by a Lloyd's plan, a reciprocal or interinsurance exchange, and a county mutual insurance company.

(b) This chapter does not apply to an entity arranging nonemergency medical transportation services under a contract with the state or a managed care organization for individuals qualifying for Medicaid or Medicare unless the entity:

(1) provides the transportation services through a digital network that connects transportation network company drivers to transportation network company riders for prearranged rides;

(2) contracts individually with each transportation network company driver who is connected to transportation network company riders for the prearranged rides through the entity's digital network; and

(3) otherwise meets all requirements under the Medicaid or Medicare program for delivery of nonemergency medical transportation services.

Added by Acts 2015, 84th Leg., R.S., Ch. 742 (H.B. [1733](#)), Sec. 1, eff. January 1, 2016.

Amended by:

Acts 2017, 85th Leg., R.S., Ch. 855 (H.B. [2501](#)), Sec. 2, eff. September 1, 2017.

Sec. 1954.003. APPLICABILITY TO AUTOMATED MOTOR VEHICLES. An automated motor vehicle, as defined by Section [545.451](#), Transportation Code, is considered a transportation network company driver for purposes of Subchapter B, and the coverage requirements of that subchapter apply to the automated motor vehicle.

Added by Acts 2025, 89th Leg., R.S., Ch. 1034 (S.B. [2807](#)), Sec. 3, eff. September 1, 2025.

SUBCHAPTER B. INSURANCE REQUIREMENTS

Sec. 1954.051. GENERAL INSURANCE REQUIREMENT. (a) A transportation network company driver or transportation network company on the driver's behalf shall maintain primary automobile insurance as required by this subchapter.

(b) Insurance maintained under this subchapter must allow a transportation network company driver to use a personal vehicle to transport transportation network company riders for compensation and cover the driver while:

(1) the driver is logged on to the transportation network company's digital network as provided by Section [1954.052](#); or

(2) the driver is engaged in a prearranged ride as provided by Section [1954.053](#).

(c) Insurance maintained under this subchapter must comply with the law applicable to personal automobile insurance in this state, including this subtitle and Chapter [601](#), Transportation Code.

(d) The coverage requirements of this subchapter may be satisfied by:

(1) automobile insurance maintained by the

transportation network company driver;

(2) automobile insurance maintained by the transportation network company; or

(3) a combination of Subdivisions (1) and (2).

(e) Insurance required under this subchapter may be placed with an automobile insurer authorized to engage in business in this state or with an eligible surplus lines insurer.

Added by Acts 2015, 84th Leg., R.S., Ch. 742 (H.B. [1733](#)), Sec. 1, eff. January 1, 2016.

Sec. 1954.052. INSURANCE REQUIREMENTS: BETWEEN PREARRANGED RIDES. At the time a transportation network company driver is logged on to the transportation network company's digital network and is available to receive transportation network requests but is not engaged in a prearranged ride, the automobile insurance policy must provide:

(1) the following minimum amounts of liability insurance coverage:

(A) \$50,000 for bodily injury to or death for each person in an incident;

(B) \$100,000 for bodily injury to or death of a person per incident; and

(C) \$25,000 for damage to or destruction of property of others in an incident;

(2) uninsured or underinsured motorist coverage where required by Section [1952.101](#); and

(3) personal injury protection coverage where required by Section [1952.152](#).

Added by Acts 2015, 84th Leg., R.S., Ch. 742 (H.B. [1733](#)), Sec. 1, eff. January 1, 2016.

Sec. 1954.053. INSURANCE REQUIREMENTS: DURING PREARRANGED RIDES. At the time a transportation network company driver is engaged in a prearranged ride, the automobile insurance policy must provide, at a minimum:

(1) coverage with a total aggregate limit of liability of \$1 million for death, bodily injury, and property damage for each

incident;

(2) uninsured or underinsured motorist coverage where required by Section [1952.101](#); and

(3) personal injury protection coverage where required by Section [1952.152](#).

Added by Acts 2015, 84th Leg., R.S., Ch. 742 (H.B. [1733](#)), Sec. 1, eff. January 1, 2016.

Sec. 1954.054. LAPSE OF OR INSUFFICIENT COVERAGE. If an insurance policy maintained by a transportation network company driver under this subchapter has lapsed or does not provide the coverage required by this subchapter, the transportation network company shall provide the coverage required by this subchapter beginning with the first dollar of a claim against the driver.

Added by Acts 2015, 84th Leg., R.S., Ch. 742 (H.B. [1733](#)), Sec. 1, eff. January 1, 2016.

Sec. 1954.055. RELATION TO PERSONAL AUTOMOBILE INSURANCE. Coverage under an automobile insurance policy maintained by the transportation network company is not contingent on a transportation network company driver's personal automobile insurer initially denying a claim.

Added by Acts 2015, 84th Leg., R.S., Ch. 742 (H.B. [1733](#)), Sec. 1, eff. January 1, 2016.

Sec. 1954.056. FINANCIAL RESPONSIBILITY. (a) Insurance satisfying the requirements of this subchapter satisfies the financial responsibility requirement for an automobile under Chapter [601](#), Transportation Code.

(b) A transportation network company driver shall carry proof of insurance that satisfies Sections [1954.052](#) and [1954.053](#) with the driver when the driver uses a vehicle in connection with a transportation network company's digital network. In the event of a collision, a driver shall provide the proof of insurance to a directly interested person, automobile insurer, and investigating peace officer on request under Section [601.053](#), Transportation Code. On request, a driver shall also disclose to a directly

interested person, automobile insurer, and investigating peace officer whether, at the time of the collision, the driver was:

- (1) logged on to the company's digital network; or
- (2) engaged in a prearranged ride.

Added by Acts 2015, 84th Leg., R.S., Ch. 742 (H.B. [1733](#)), Sec. 1, eff. January 1, 2016.

Amended by:

Acts 2023, 88th Leg., R.S., Ch. 709 (H.B. [2190](#)), Sec. 136, eff. September 1, 2023.

SUBCHAPTER C. RELATIONSHIP BETWEEN TRANSPORTATION NETWORK COMPANY
AND TRANSPORTATION NETWORK COMPANY DRIVER

Sec. 1954.101. REQUIRED DISCLOSURES. Before a transportation network company driver may accept a request for a prearranged ride on a transportation network company's digital network, the company shall disclose in writing the following:

(1) the insurance policy, including the types of coverage and the limits for the policy, that the company provides while a driver uses a personal vehicle in connection with the company's digital network; and

(2) that the driver's personal automobile insurance policy may not provide coverage, depending on the policy's terms, while the driver is logged on to the company's digital network and is available to receive transportation requests or is engaged in a prearranged ride.

Added by Acts 2015, 84th Leg., R.S., Ch. 742 (H.B. [1733](#)), Sec. 1, eff. January 1, 2016.

Sec. 1954.102. CONTROL OF TRANSPORTATION NETWORK COMPANY DRIVERS. A transportation network company does not control, direct, or manage a personal vehicle or a transportation network company driver who connects to the company's digital network except as agreed by written contract.

Added by Acts 2015, 84th Leg., R.S., Ch. 742 (H.B. [1733](#)), Sec. 1, eff. January 1, 2016.

SUBCHAPTER D. PERSONAL AUTOMOBILE INSURANCE

Sec. 1954.151. AUTHORIZED EXCLUSIONS FROM COVERAGE.

(a) An insurer may exclude from coverage under a personal automobile insurance policy issued to an owner or operator of a personal vehicle any loss or injury that occurs while a transportation network company driver using the personal vehicle:

(1) is logged on to a transportation network company's digital network; or

(2) is engaged in a prearranged ride.

(b) Subsection (a) applies to any coverage included in a personal automobile insurance policy, including:

(1) liability coverage for bodily injury and property damage;

(2) personal injury protection coverage under Subchapter D, Chapter 1952;

(3) uninsured and underinsured motorist coverage;

(4) medical payment coverage;

(5) comprehensive physical damage coverage; and

(6) collision physical damage coverage.

(c) An exclusion authorized under this section applies notwithstanding a financial responsibility requirement under Chapter 601, Transportation Code.

(d) This subchapter may not be construed to invalidate or limit an exclusion contained in a policy form, including a policy form in use or approved for use in this state before January 1, 2016, that excludes coverage for automobiles used to carry persons or property for compensation or available for hire by the public.

Added by Acts 2015, 84th Leg., R.S., Ch. 742 (H.B. 1733), Sec. 1, eff. January 1, 2016.

Sec. 1954.152. COVERAGE UNDER PERSONAL AUTOMOBILE INSURANCE NOT REQUIRED. (a) This subchapter does not require a personal automobile insurance policy to cover a transportation network company driver while:

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

- (2) the driver is engaged in a prearranged ride; or
- (3) the driver otherwise uses a vehicle to transport passengers for compensation.

(b) This section does not prevent an insurer from providing coverage that may be excluded under this section if the insurer elects to provide the coverage in the policy or by endorsement.

Added by Acts 2015, 84th Leg., R.S., Ch. 742 (H.B. [1733](#)), Sec. 1, eff. January 1, 2016.

Sec. 1954.153. DEFENSE OR INDEMNIFICATION OF CLAIM.

(a) An automobile insurer that issues a personal automobile insurance policy that includes an exclusion from coverage authorized by Section [1954.151](#) does not have a duty to defend or indemnify a claim arising from an event subject to the exclusion.

(b) An automobile insurer that defends or indemnifies a claim against a transportation network company driver for which coverage is excluded under the terms of the policy as authorized by this subchapter has a right of contribution against another insurer that provides automobile insurance to the driver in satisfaction of the coverage requirements under Section [1954.052](#) or [1954.053](#), as applicable.

Added by Acts 2015, 84th Leg., R.S., Ch. 742 (H.B. [1733](#)), Sec. 1, eff. January 1, 2016.

Sec. 1954.154. ASSISTANCE IN CLAIM INVESTIGATION. In an insurance claim investigation, a transportation network company and any insurer providing coverage under Subchapter B shall assist each insurer involved in the claim by providing information to directly interested persons and an insurer of the transportation network company driver. Information provided under this section must include:

(1) the precise times that a driver logged on and off of the transportation network company's digital network in the 12-hour period immediately preceding and the 12-hour period immediately following the accident; and

(2) a clear description of the coverage, exclusions, and limits provided under an automobile insurance policy maintained

under Subchapter B.

Added by Acts 2015, 84th Leg., R.S., Ch. 742 (H.B. [1733](#)), Sec. 1, eff. January 1, 2016.

Sec. 1954.155. PAYMENT OF CERTAIN CLAIMS. If there is a lien on a personal vehicle and the transportation network company's insurer covers a claim arising out of an incident that occurred during a prearranged ride, the insurer shall issue payment for the claim:

(1) directly to the person who is repairing the vehicle; or

(2) jointly to the owner of the personal vehicle and the primary lienholder.

Added by Acts 2015, 84th Leg., R.S., Ch. 742 (H.B. [1733](#)), Sec. 1, eff. January 1, 2016.