

[First Reprint]

SENATE, No. 486

STATE OF NEW JERSEY
220th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2022 SESSION

Sponsored by:

Senator NICHOLAS P. SCUTARI

District 22 (Middlesex, Somerset and Union)

SYNOPSIS

Requires delivery network company to maintain certain automobile insurance.

CURRENT VERSION OF TEXT

As amended by the Senate on March 24, 2022.



1 AN ACT concerning ¹**food**¹ delivery network companies and
2 insurance and supplementing P.L.2017, c.26 (C.39:5H-1 et seq.).

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. a. A ¹**food**¹ delivery network company driver, ¹**food**¹
8 delivery network company, or any combination of the two shall
9 maintain primary automobile insurance that recognizes that the
10 driver is a ¹**food**¹ delivery network company driver, or otherwise
11 uses a personal vehicle to provide prearranged ¹**food**¹ delivery,
12 and covers the driver: (1) while the driver is logged on to the
13 ¹**food**¹ delivery network company's digital network but is not
14 providing a prearranged ¹**food**¹ delivery; or (2) while the driver is
15 providing a prearranged ¹**food**¹ delivery.

16 b. Whenever a ¹**food**¹ delivery network company driver is
17 logged on to the ¹**food**¹ delivery network company's digital
18 network and is available to receive a prearranged ¹**food**¹ delivery
19 request, but is not providing a prearranged ¹**food**¹ delivery, the
20 ¹**food**¹ delivery network company driver, ¹**food**¹ delivery
21 network company, or any combination of the two shall maintain the
22 following insurance coverage:

23 (1) primary automobile liability insurance in the amount of at
24 least \$50,000 for death or bodily injury per person, \$100,000 for
25 death or bodily injury per incident, and \$25,000 for property
26 damage;

27 (2) primary personal injury protection benefits that provide
28 coverage amounts selected pursuant to section 4 of P.L.1972, c.70
29 (C.39:6A-4); and

30 (3) uninsured and underinsured motorist coverage to the extent
31 required pursuant to section 2 of P.L.1968, c.385 (C.17:28-1.1).

32 c. Whenever a ¹**food**¹ delivery network company driver is
33 providing a prearranged ¹**food**¹ delivery, the ¹**food**¹ delivery
34 network company driver, ¹**food**¹ delivery network company, or
35 any combination of the two shall maintain the following insurance
36 coverage:

37 (1) primary automobile liability insurance in the amount of at
38 least \$1,500,000 for death, bodily injury, and property damage;

39 (2) primary automobile insurance for medical payments benefits
40 in an amount of at least \$10,000 per person per incident, which
41 shall only apply to and provide coverage for the benefit of the
42 ¹**food**¹ delivery network company driver; and

43 (3) uninsured and underinsured motorist coverage in an amount
44 of at least \$1,500,000.

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate floor amendments adopted March 24, 2022.

- 1 d. If the insurance coverage maintained by a '【food】' delivery
2 network company driver pursuant to subsections b. and c. of this
3 section has lapsed or does not provide the required coverage,
4 insurance maintained by the '【food】' delivery network company
5 shall provide the coverage required by subsections b. and c. of this
6 section beginning with the first dollar of a claim and the '【food】'
7 delivery network company shall have the duty to defend the claim.
- 8 e. Coverage under an automobile insurance policy maintained
9 by the '【food】' delivery network company shall not be dependent
10 upon a private passenger automobile insurer first denying a claim
11 nor shall a private passenger automobile insurance policy be
12 required to first deny a claim.
- 13 f. Insurance coverage required by this section may be obtained
14 from an insurance company duly licensed to transact business under
15 the insurance laws of this State or by an eligible surplus lines
16 insurer under section 11 of P.L.1960, c.32 (C.17:22-6.45).
- 17 g. The coverage required pursuant to subsections b. and c. of
18 this section shall be deemed to meet the financial responsibility
19 requirements of the "Motor Vehicle Security-Responsibility Law,"
20 P.L.1952, c.173 (C.39:6-23 et seq.), P.L.1972, c.197 (C.39:6B-
21 1 et seq.), and P.L.1972, c.70 (C.39:6A-1 et seq.).
- 22 h. A '【food】' delivery network company driver shall carry
23 proof of insurance required pursuant to subsections b. and c. of this
24 section at all times while using a personal vehicle in connection
25 with a '【food】' delivery network company's digital network. In the
26 event of an accident, a '【food】' delivery network company driver
27 shall, upon request, provide insurance coverage information to the
28 directly interested parties, automobile insurers, and investigating
29 law enforcement officers. The insurance coverage information may
30 be displayed or provided in either paper or electronic form as
31 provided in R.S.39:3-29. A '【food】' delivery network company
32 driver shall, upon request, disclose to the directly interested parties,
33 automobile insurers, and investigating law enforcement officers
34 whether the driver was logged on to a digital network as a driver or
35 whether the driver was providing a prearranged '【food】' delivery at
36 the time of the accident.
- 37 i. If a '【food】' delivery network company's insurer makes a
38 payment for a claim for damage to a motor vehicle in which a
39 lienholder holds a security interest, then the '【food】' delivery
40 network company shall cause its insurer to issue the payment
41 directly to the business repairing the motor vehicle or jointly to the
42 owner of the motor vehicle and the primary lienholder on the
43 covered motor vehicle.
- 44 j. The limitation on lawsuit option set forth in subsection a. of
45 section 8 of P.L.1972, c.70 (C.39:6A-8) shall not be assertable by a
46 '【food】' delivery network company or a '【food】' delivery network
47 company driver in any action for damages arising from a

1 prearranged ¹[[food]]¹ delivery, or be asserted against any party not
2 receiving personal injury protection benefits in any action for
3 damages arising from a prearranged ¹[[food]]¹ delivery.

4 k. As used in this act:

5 ¹[[“Food delivery” “Delivery”¹ network company” means a
6 corporation, partnership, sole proprietorship, or other entity that is
7 registered as a business in the State or operates in this State, and
8 uses a digital network to connect a ¹[[food]]¹ delivery network
9 company customer to a ¹[[food]]¹ delivery network company driver
10 to provide for the prearranged delivery of ¹[[food]]¹ goods¹.

11 ¹[[“Food delivery” “Delivery”¹ network company customer” or
12 “customer” means a person who uses a ¹[[food]]¹ delivery network
13 company’s digital network to connect with a ¹[[food]]¹ delivery
14 network company driver to receive a prearranged delivery of
15 ¹[[food]]¹ goods¹ from the driver using the driver’s personal vehicle.

16 ¹[[“Food delivery” “Delivery”¹ network company driver” or
17 “driver” means a person who receives connections to potential
18 customers and related services from a ¹[[food]]¹ delivery network
19 company in exchange for payment of a fee to the ¹[[food]]¹ delivery
20 network company, and uses a personal vehicle to offer or provide a
21 prearranged ¹[[food]]¹ delivery to a customer upon connection
22 through a digital network controlled by a ¹[[food]]¹ delivery network
23 company in return for compensation or payment of a fee.

24 ¹[[“Good” means any item, including food, other than mail or a
25 package to which postage has been affixed.¹

26 “Prearranged ¹[[food]]¹ delivery” means the delivery of
27 ¹[[prepared, ready-to-serve food]]¹ goods¹ by a ¹[[food]]¹ delivery
28 network company driver to a ¹[[food]]¹ delivery network company
29 customer, beginning when a driver accepts a delivery requested by a
30 customer through a digital network controlled by a ¹[[food]]¹
31 delivery network company, continuing while the driver transports
32 the customer’s requested ¹[[food]]¹ goods¹, and ending upon delivery
33 of the ¹[[food]]¹ goods¹. A prearranged ¹[[food]]¹ delivery shall not
34 include transportation provided using an autocab, taxi, limousine,
35 autobus, jitney, motor bus, or other for-hire vehicle.

36

37 2. A ¹[[food]]¹ delivery network company shall not permit a
38 ¹[[food]]¹ delivery network company driver to accept a request for a
39 prearranged ¹[[food]]¹ delivery on the ¹[[food]]¹ delivery network
40 company’s digital network until the ¹[[food]]¹ delivery network
41 company discloses in writing to the driver:

42 a. the insurance coverage, including the types and limits of
43 coverage, that the ¹[[food]]¹ delivery network company provides
44 while the driver uses a personal vehicle in connection with a
45 ¹[[food]]¹ delivery network company’s digital network; and

- 1 b. that the driver's own private passenger automobile insurance
2 policy, depending on the driver's private passenger automobile
3 insurance policy, may or may not provide any coverage while the
4 driver is logged on to the **'[food]'** delivery network company's
5 digital network as a driver and is available to receive requests for
6 prearranged **'[food]'** deliveries or is providing a prearranged
7 **'[food]'** delivery.
8
- 9 3. This act shall take effect on first day of the sixth month
10 following the date of enactment.