SENATE COMMERCE COMMITTEE

STATEMENT TO

SENATE, No. 486

STATE OF NEW JERSEY

DATED: MARCH 14, 2022

The Senate Commerce Committee reports favorably Senate Bill No. 486.

This bill requires food delivery network companies and food delivery company network drivers to maintain certain levels of automobile insurance. Pursuant to the bill, a "food delivery network company" means a corporation, partnership, sole proprietorship, or other entity that is registered as a business in the State or operates in this State, and uses a digital network to connect a food delivery network company customer to a food delivery network company driver to provide for the prearranged delivery of prepared, ready-to-serve food.

Under the bill, a food delivery network company driver, food delivery network company, or any combination of the two is to maintain primary automobile insurance that recognizes that the driver is a food delivery network company driver, or otherwise uses a personal vehicle to provide prearranged food delivery, and covers the driver: while the driver is logged on to the food delivery network company's digital network but is not providing a prearranged food delivery; or while the driver is providing a prearranged food delivery.

The bill provides that whenever a food delivery network company driver is logged on to the food delivery network company's digital network and is available to receive a prearranged food delivery request, but is not providing a prearranged food delivery, the food delivery network company driver, food delivery network company, or any combination of the two is to maintain the following insurance coverage:

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

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

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

In addition, under the bill, whenever a food delivery network company driver is providing a prearranged food delivery, the food

delivery network company driver, food delivery network company, or any combination of the two is to maintain the following insurance coverage:

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

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

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

The bill also provides that a food delivery network company is not to permit a food delivery network company driver to accept a request for a prearranged food delivery on the food delivery network company's digital network until the food delivery network company makes certain written disclosures to the driver.

This bill was pre-filed for introduction in the 2022-2023 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.