

1 AN ACT

2 relating to vicarious liability of a transportation network company
3 for acts of a driver using the company's digital network.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Title 6, Civil Practice and Remedies Code, is
6 amended by adding Chapter 150E to read as follows:

7 CHAPTER 150E. CIVIL ACTIONS OR ARBITRATIONS INVOLVING
8 TRANSPORTATION NETWORK COMPANIES

9 Sec. 150E.001. DEFINITIONS. In this chapter:

10 (1) "Digital network" and "transportation network
11 company" have the meanings assigned by Section 2402.001,
12 Occupations Code.

13 (2) "Network vehicle" means a land motor vehicle that:

14 (A) is available on a digital network;

15 (B) is of the following type:

16 (i) black car or other for hire; or

17 (ii) private passenger, pickup truck, or
18 cargo van;

19 (C) is designed to operate primarily on a public
20 road;

21 (D) has at least four wheels; and

22 (E) has seating for not more than eight
23 passengers, including the driver.

24 Sec. 150E.002. APPLICABILITY OF CHAPTER. This chapter

1 applies only to an action or arbitration proceeding in which:

2 (1) a transportation network company is a defendant;

3 (2) the claimant seeks recovery of damages for loss of
4 property, bodily injury, or death;

5 (3) the claim for which the action or proceeding is
6 brought arises out of the ownership, use, operation, or possession
7 of a network vehicle while the vehicle's driver or passenger was
8 logged on to a transportation network company's digital network;
9 and

10 (4) the theory of recovery for which damages are
11 sought against the transportation network company is based on:

12 (A) the ownership, operation, design,
13 manufacture, or maintenance of a digital network accessed by a
14 driver or passenger; or

15 (B) the relationship, affiliation, or
16 interaction with a driver logged on to a transportation network
17 company's digital network.

18 Sec. 150E.003. LIMITATION OF LIABILITY. (a) A
19 transportation network company may not be held vicariously liable
20 for damages in an action or arbitration proceeding to which this
21 chapter applies if:

22 (1) the claimant does not prove by clear and
23 convincing evidence that the company was grossly negligent with
24 respect to the subject claim; and

25 (2) the company has fulfilled all of the company's
26 obligations with respect to the transportation network company
27 driver under Chapter 2402, Occupations Code, relating to the

1 subject claim.

2 (b) Subsection (a) does not affect the liability of a
3 transportation network company arising out of the company's own
4 negligence or gross negligence for an act or omission relating to
5 the use of the company's digital network, including the failure to
6 prevent a driver from logging on to the digital network if, at the
7 time of the event giving rise to the cause of action, the company
8 had actual knowledge that the driver was disqualified from logging
9 on to the company's digital network for a reason described by
10 Section 2402.107(b), Occupations Code, that occurred after the most
11 recent review of the driver's driving record or criminal background
12 check required by Section 2402.107, Occupations Code.

13 SECTION 2. The changes in law made by this Act apply only to
14 a cause of action that accrues on or after the effective date of
15 this Act.

16 SECTION 3. This Act takes effect September 1, 2023.

President of the Senate

Speaker of the House

I certify that H.B. No. 1745 was passed by the House on May 2, 2023, by the following vote: Yeas 110, Nays 35, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 1745 was passed by the Senate on May 15, 2023, by the following vote: Yeas 25, Nays 6.

Secretary of the Senate

APPROVED: _____

Date

Governor