



HB 1789

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Path to full text:

<https://documents.house.mo.gov/billtracking/bills261/hlrbillspdf/5450H.01I.pdf>

PART 1 – QUICK SNAPSHOT

1.1 One-Paragraph Overview (Plain Language)

HB 1789 establishes new insurance rules for app-based delivery companies (think delivery platforms that connect customers to drivers via a phone app). It requires that **motor vehicle liability insurance be in effect** when a driver is logged into the app and available for deliveries, and while actively performing deliveries, with minimum liability limits of **\$50,000 / \$100,000 / \$25,000**. It also sets “who pays first” rules for coverage disputes and requires the company/app to provide time-log data for the accident. The bill also states that a delivery driver is an independent contractor and not an employee “for all purposes,” which could extend beyond insurance into broader labor policy. It takes effect **October 1, 2027**.

1.2 Triage Table (Fast Flags)

- **Single-Subject / Clear Title (Art. III §23):** *Borderline*. Most provisions are insurance/claims-handling, but the “**independent contractor for all purposes**” declaration looks like a separate labor-policy subject embedded inside an insurance bill.
- **Title Specificity (0–3): 1**
 - Title is a catch-all (“relating to delivery network companies”) and does **not** clearly disclose that the bill sets an insurance framework *and* attempts a sweeping worker-classification rule.
- **Department Scope: Single (Insurance/Commerce policy domain)**
 - Primarily an insurance statute (Chapter 379), touching financial-responsibility compliance (Chapter 303).
- **Does it grow government? Mixed / Modest**

- No new agency or program, but it is a new regulatory framework and mandates disclosures/data production.
- **Impact on Missouri families (overall): Mixed**
 - Could improve recovery for third-party crash victims, but can also increase costs (fees) and reduce some coverage for drivers (depending on how insurers and platforms respond).
- **Alignment with Act for Missouri core beliefs (high-level): Mixed/Unclear**
 - The public-safety/financial responsibility aim is legitimate, but the bill appears to include **corporate-favorable carveouts** and a broad classification provision unrelated to the narrow insurance problem.
- **Initial stance (before deeper review): Oppose**

PART 2 – PURPOSE & PROVISION MAP

2.1 Stated Purpose & Title

- **Bill title/summary:** “To amend chapter 379... relating to delivery network companies, with a delayed effective date.”
- **What it really accomplishes:** Establishes a statutory insurance structure for app-based delivery driving—defining “logged on” vs “actively delivering,” assigning insurance responsibilities, and setting claims-investigation cooperation rules. It also embeds a sweeping policy statement that delivery drivers are independent contractors “for all purposes.”
- **Title honesty / fair-notice concern:** The title is broad enough to cover almost anything involving delivery apps. It does not plainly warn citizens that the bill also attempts a broad worker-classification outcome.

2.2 Provision-by-Provision Map

1. **§379.2000 (new) – Names the act**
 - **Summary:** Creates the “Delivery Network Company Insurance Act.”
 - **Tag:** [Neutral]
 - **Why:** Labeling section.
2. **§379.2005 (new) – Definitions**
 - **Summary:** Defines delivery network company, driver, customer, digital network, personal vehicle; defines “delivery availability period” (logged in, available) vs “delivery

service period" (en route to pick up through completion/return). Declares: **driver is an independent contractor and not an employee for all purposes.**

- **Tag:** [Bad/Concern]
- **Why:** Most definitions are necessary for an insurance framework, but the "**independent contractor... for all purposes**" is a major policy claim that can affect employment law, unemployment insurance, workers' comp, and liability allocation—far beyond a narrow insurance clarification.

3. **§379.2010 (new) – Interaction with other laws**

- **Summary:** Says this act doesn't limit other federal/state laws on transport; if conflict exists, other law prevails.
- **Tag:** [Mixed]
- **Why:** Avoids conflicts, but also signals this bill may be more of an overlay than a clean solution.

4. **§379.2015 (new) – Insurance requirements + claims rules**

- **Summary:** Requires primary motor vehicle liability insurance during availability/service periods; requires minimum limits of **50/100/25**; if driver coverage lapses or doesn't meet requirements, company coverage must respond from the **first dollar** and defend; establishes proof-of-insurance duties; forces company/insurer to share time-log data for the 12 hours before/after a crash; assigns primary liability to the company's insurer if there's a dispute and the company can't/won't provide required data.
- **Tag:** [Mixed]
- **Why:** Good goal (clear liability coverage for third parties), but it also compels data production and hard-codes insurer priority rules that can shift costs broadly (to consumers and/or drivers) without showing necessity data in the bill text.

5. **§379.2020 (new) – Mandatory disclosures to drivers**

- **Summary:** Company must disclose its coverage and warn drivers their personal auto policy may not cover them while logged in/working.
- **Tag:** [Good]
- **Why:** Basic consumer transparency; reduces "insurance surprise."

6. **§379.2025 (new) – Insurer exclusions + recovery**

- **Summary:** Allows personal auto insurers to **exclude coverage entirely** (and deny duty to defend/indemnify) for claims during availability/service periods; clarifies exclusions may apply to liability, UM/UIM, med-pay, comp, collision; preserves insurers'

underwriting/cancel/nonrenew rights; allows an insurer that ends up paying to seek recovery from the insurer providing coverage under §379.2015.

- **Tag: [Concern/Bad]**
- **Why:** This is strongly insurer-favorable and can leave drivers unexpectedly exposed for non-liability coverages, depending on what the platform policy does or doesn't include.

7. Effective date (Section B)

- **Summary:** Delayed effective date: **October 1, 2027.**
- **Tag:** [Concern]
- **Why:** A long delay often signals industry negotiation/implementation complexity; citizens should ask why this cannot be implemented sooner if it is truly a public-safety necessity.

2.3 Changes to Existing Law (High-Level)

- Creates a new statutory regime in Chapter 379 specifically for delivery-app driving insurance periods.
- Establishes minimum liability coverage requirements during “logged in” and “actively delivering” periods.
- Forces disclosure to drivers about coverage limits and potential gaps in personal auto insurance.
- Allows broad personal auto policy exclusions for app-based delivery activity and confirms insurer underwriting/cancellation rights.
- Embeds a sweeping “independent contractor for all purposes” declaration that can impact labor and liability policy beyond insurance.

PART 3 – CONSTITUTIONAL & PROCESS CHECKS

3.1 Single-Subject & Clear-Title (Art. III §23)

- **Main subject (one sentence):** Insurance coverage and claims handling for delivery network company drivers using personal vehicles.
- **Potential additional subject:** Worker classification (“independent contractor... for all purposes”).
- **Rider/barnacle risk:** The worker-classification language looks like a policy rider attached to an insurance framework.

- **Citizen fair-notice test:** A normal voter reading “relating to delivery network companies” would not reasonably expect a sweeping employment-status declaration to be baked into the insurance definitions.
- **Title Specificity & Department Scope (explicit):**
 - **Title Specificity: 1** (generic/catch-all within the delivery-app field)
 - **Department Scope: Single** (insurance domain; no clear multi-agency omnibus)
- **Conclusion: Borderline/concerning but probably upheld**—yet it likely **violates the spirit** of fair-notice due to the “for all purposes” classification provision.

3.2 U.S. & Missouri Constitutional Rights

- No direct, obvious impacts on speech, religion, arms, or life provisions.
- **Due process/fairness concerns (minor):** compelled disclosure of detailed time-log data around accidents is narrowly tied to claims handling, but it is still a privacy/fairness consideration in a limited-government framework.

3.3 Delegation / Separation of Powers

- No major new rulemaking delegation to an agency is spelled out.
- The bill does, however, **hard-code private-party obligations** (platform disclosure + data production + insurer priority rules).
- **Conclusion:** Minimal separation-of-powers problem, but does increase statutory micromanagement of a private insurance/contracting space.

PART 4 – IMPACT ON MISSOURI FAMILIES

4.1 Economic, Tax, and Cost-of-Living Impacts

- **Burden (likely):** Platforms may pass increased insurance/compliance costs onto consumers via higher delivery fees and/or onto drivers through lower pay.
- **Relief (possible):** Clearer primary liability coverage can reduce costly litigation and improve recovery for crash victims.
- **Mixed:** Drivers may face gaps in UM/UIM, med-pay, and physical damage coverages if personal insurers exclude broadly and the platform policy does not replace those protections.

4.2 Family, Parental Rights, and Education

- No direct education/parental-rights provisions.

4.3 Moral & Cultural Climate

- Not directly implicated.

PART 5 – ACT FOR MISSOURI CORE PRINCIPLES CHECK

- **Limited government:** Mixed. It does not create a new agency, but it imposes a detailed regulatory scheme and mandates disclosures/data production.
- **Economic liberty / anti-cronyism:** Concerning. The “**independent contractor for all purposes**” language appears to be a corporate policy objective packaged into an insurance bill.
- **Rule of law/clarity:** Mixed. The insurance-period definitions are clear, but the “for all purposes” clause is sweeping and invites downstream disputes.
- **Surveillance/data:** Low-level concern due to mandated time-log production around accidents.
- **Overall: Mixed/Unclear.**

PART 6 – SPECIAL TOPIC TESTS (2025–2026 PRIORITIES)

6.1 Amendment 3 / Personhood

- Not relevant.

6.2 Surveillance State & Digital-Control Test

- **Concern (limited scope):** Requires the company/insurer to provide precise log-on/log-off timing data (12 hours before/after an accident) to other insurers/parties in coverage investigations. Narrowly tailored to claims, but it is still compelled data sharing.

6.3 Utilities/Energy/Data Centers

- Not relevant.

6.4 Federal Money & Strings

- Not present.

6.5 Globalism / Agenda 2030

- Not present.

6.6 Doula / Perinatal

- Not relevant.

PART 7 – RED FLAGS, AMENDMENT IDEAS, & FINAL RECOMMENDATION

7.1 Red-Flag List (Prioritized)

1. **Hidden Worker-Classification Rider (“Independent contractor... for all purposes”)**
 - **Location:** §379.2005(4) definition of driver
 - **Why it matters:** This is far broader than insurance and can preempt or distort broader labor-policy debates (workers’ comp, unemployment, employment law), with real downstream costs to families and taxpayers.
 - **Severity:** Critical
2. **Title Fair-Notice Problem (Generic title vs. sweeping effects)**
 - **Location:** Bill title vs. §379.2005(4)
 - **Why it matters:** Citizens should be able to tell from the title when a bill quietly carries major labor-policy consequences.
 - **Severity:** Serious
3. **Insurer Exclusion Expansion (driver coverage gaps beyond liability)**
 - **Location:** §379.2025
 - **Why it matters:** Broad exclusions can leave drivers exposed for UM/UIM, med-pay, and physical damage—especially if platform coverage is liability-only.
 - **Severity:** Serious
4. **Compelled Time-Log Production Around Accidents (data sharing/privacy)**
 - **Location:** §379.2015(8)
 - **Why it matters:** Narrowly tied to claims, but still a mandated data disclosure regime; needs clear retention limits and guardrails.
 - **Severity:** Moderate
5. **Delayed Effective Date (Oct 1, 2027)**
 - **Location:** Section B
 - **Why it matters:** If this is a real public-safety “coverage gap,” the long delay raises questions about urgency, necessity, and who is driving the timeline.
 - **Severity:** Moderate

Necessity & Limited-Government Justification Test

- **Problem Proof:** Not shown in bill text (no findings/data recall).

- **Existing Authority:** Many platforms can already require specific coverage contractually; Missouri already has a financial responsibility law generally—this bill creates a specialized overlay.
- **Least-Government Option:** Not clearly. The bill goes beyond third-party liability clarity into broad exclusions and worker classification.
- **Guardrails:** Some (coverage minimums, disclosure), but weak on privacy limits and overly broad on classification/exclusions.
- **Result: Oppose** (necessity not established and guardrails are incomplete).

7.2 Possible Fixes / Amendments

Because the concerns are structural but potentially fixable, these are the only amendments that would move the bill toward “Support,” not automatically garner our support. Even with these changes we would still question the need for this legislation:

- **Delete the worker-classification sentence entirely** (or move it to a separate bill with a fully transparent title and policy debate).
- **Narrow insurer exclusion language** so drivers are not left without basic protections, or require the platform policy to provide clearly defined replacement coverages if personal coverage is excluded.
- **Add data guardrails:** explicit limits on retention, use, and disclosure of time-log data beyond the specific claim investigation.
- **Justify the delayed effective date** (or shorten it) unless there is a demonstrated implementation need.

7.3 Final Recommendation

Act for Missouri rates HB 1789 as OPPOSED.

We support the concept of clear, enforceable liability coverage so innocent third parties are not left holding the bag after a crash. However, HB 1789 includes a **major “independent contractor for all purposes” rider** and broad insurer-exclusion language that appears to extend well beyond the narrow insurance-gap problem. Therefore, we cannot support this bill.