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Press Release

COMMISSIONER'S OFFICE

FOR IMMEDIATE RELEASE
June 4, 2014

No. 14-017

State Warns of Rideshare Risk for Passengers and Drivers

Anchorage— Alaska Division of Insurance (DOI) joins 14 other states in issuing a warning about the risks of rideshare and vehicle-sharing programs and urges Alaskans to be informed of the risks before participating in these type of programs.

Vehicle-sharing programs use an online platform to connect renters with vehicle owners who offer short-term rentals (an hour to a few days) of privately owned vehicles. **Ride-sharing programs**, or transportation network companies/TNCs, use an online service to connect passengers with drivers who use their personal vehicles for pre-arranged taxi-like transportation services for hire. **The Division wants Alaskans to know that these programs may result in a denial of insurance for participating vehicle owners, drivers, and passengers.**

Personal auto insurance is not intended to cover individuals who use their vehicles for commercial purposes. Most personal auto policies will not cover an accident that occurs when someone uses their personal vehicles for commercial purpose. Recently some insurers have amended their personal auto policies excluding specific vehicle-sharing and ride-sharing activities.

Alaskans who either provide their vehicle for rent or use it to transport passengers or property for compensation may need a commercial auto policy to ensure they have the proper insurance to protect for vehicle use in either type of program. This includes the insurance for an auto, motorhome, motorcycle or any other motorized vehicle that is used to participate in these programs.

If you are a participant in a vehicle-sharing or ride sharing program who separately insures an owned vehicle in Alaska, you should have at least minimal liability coverage for vehicles rented in the U.S. or Canada, as required by AS 21.96.020(f)(2); consumers may choose to purchase additional collision, comprehensive, or non-owned vehicle coverage, that would apply while renting from another individual.

The Division of Insurance regulates the insurance industry to protect Alaskan consumers. For more information, visit <http://commerce.alaska.gov/dnn/ins/Home.aspx> or call 1-800-467-8725. For additional information about DCCED, visit commerce.alaska.gov.

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[Return](#)

NOTICE TO TRANSPORTATION NETWORK COMPANY DRIVERS

If you drive for a Transportation Network Company (TNC), you should be aware of the following potential gaps in insurance for TNC drivers. (A TNC is an organization that provides pre-arranged transportation services for compensation using an online-enabled platform to connect passengers with drivers using the driver's personal vehicle. TNC's include companies such as Lyft, UberX, and Sidecar.)

Potential Coverage Gaps Under the TNC Policy

- While TNCs approved by the California Public Utilities Commission are required to maintain \$1 million in liability insurance, TNCs are not required to have medical payments coverage, comprehensive, collision, uninsured/underinsured motorist (UM/UIM) coverage or other optional coverages. This means that the TNC's liability policy does not have to provide coverage for: 1) bodily injury to the TNC driver; 2) damages to the TNC driver's car, or 3) bodily injury or physical damage caused by an uninsured or underinsured motorist.¹

Potential Coverage Gaps in your own Personal Auto Policy

- Most standard personal auto policies contain exclusions for livery - which essentially means driving for hire. A typical exclusion is set forth below (but your exclusion may be different - read your policy):

We do not provide coverage ... arising out of the ownership or operation of a vehicle while it is being used as a public or livery conveyance. This exclusion does not apply to a share-the-expense car pool.

- Insurance companies might deny coverage to TNC drivers that are driving passengers for payment of more than a share-the-expense car pool fee based on the above exclusion or similar exclusions.
- You should contact your agent, broker or insurance company about potential gaps in your personal automobile coverage that can arise if you are driving for a TNC. You may need to consider buying a commercial policy with medical payments, comprehensive, collision and UM/UIM to be certain that coverage exists for damage to you, your car and/or for damage caused by an uninsured or underinsured motorist while you are driving passengers for payment of more than a share-the-expense car pool fee.

¹Medical Payments provides coverage for necessary medical services caused by an accident.

UM/UIM provide bodily injury coverage when the party at fault does not have liability coverage, or the minimum liability coverage is insufficient to cover the injuries. UM/UIM provide coverage for damage to your vehicle caused by an uninsured or underinsured motorist.

Comprehensive and collision cover physical damage to your vehicle not caused by an uninsured or underinsured motorist. Collision covers damage to your vehicle caused by collision with another

vehicle or with any other object and also covers vehicle upset (overturn). Comprehensive covers damage to your vehicle caused by reason other than collision, such as fire, theft, windstorm, flood, vandalism, etc.

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Connecticut Insurance Department



Consumer Alert

Connecticut Insurance Department
153 Market Street
Hartford, CT 06103

Thomas B. Leonardi, Commissioner

May 6, 2014

Auto Insurance: Drivers of Ride-Sharing Services Must Be Aware of Potential Coverage Gaps

The Connecticut Insurance Department has offered the following consumer advisory regarding ride-sharing arrangements known as Transportation Network Companies (TNC):

Drivers who work for transportation network companies (TNC) may not be covered by their personal automobile insurance policies while driving for hire. This is due to a common exclusion in most personal auto policies for claims arising while driving for hire, a practice sometimes referred to as livery service.

TNCs have grown in popularity because of technological advances that use online apps and other cyber platforms to connect paying passengers and drivers who use their personal vehicles to provide transportation.

Drivers of TNCs should be aware that while every personal automobile insurance policy differs, nearly all contain exclusions for livery. If a policy contains a livery exclusion, this means that the policy generally will not provide coverage for liability incurred while driving passengers in exchange for remuneration, other than an expense-sharing arrangement, such as a carpool.

The Department advises drivers to carefully read their policy to determine specific exclusions and to contact a broker or agent to discuss their insurance needs when driving for a TNC.

For more information on this issue or any insurance issue in Connecticut, contact the Connecticut Insurance Department:

Email: cid.ca@ct.gov

Ask a question or file a complaint [online](#)

Consumer Helpline: 800-203-3447 or 860-297-3900

Content Last Modified on 5/6/2014 10:52:06 AM

Insurance Gaps Exist in Private Autos for Hire Services

Drivers, as well as passengers, should be aware of gaps in insurance coverage for “private sedan” or “transportation network company” activity.

As private auto for hire companies, such as uberX, Lyft and Sidecar, become more popular in the District of Columbia, the D.C. Department of Insurance, Securities and Banking is issuing this guide to make drivers aware of the insurance implications of using their personal cars to offer these services. It is also important for passengers to know there may be gaps in insurance coverage in the unfortunate event of an accident or injury.

Private auto for hire companies – also called “private sedans,” “transportation network companies,” or “transportation network application companies” – use websites or smartphone apps to connect passengers with drivers who use their personal autos to transport customers for a fee. This guide does not address services using commercial vehicles (for example, Hailo or Uber-Black Car). Private auto for hire services should not be confused with not-for-profit ridesharing activities such as “slugging” or carpooling.

The D.C. Taxicab Commission has proposed regulations with minimum insurance requirements for private sedans, and the D.C. Council is considering legislation on this topic, but there currently are no specific insurance requirements for private auto for hire services in the District.

Gaps Under Personal Auto Insurance Policies

Drivers should be aware that standard personal auto policies issued in the District do not include livery services, meaning driving for hire. A typical exclusion is:

We will not cover bodily injury or property damage arising out of the ownership, maintenance or use of a vehicle while used to carry persons or property for compensation or a fee.

Personal auto policies may have some or all of the following narrow exceptions to this livery exclusion:

- You are operating an auto as a volunteer service for a nonprofit charitable organization or a governmental agency; or
- You are transporting physically or mentally handicapped persons or persons 60 years of age or older; or
- Shared-expense car pools.

Private auto for hire activity may not fall within any of the above exceptions. Therefore, personal auto policies may not pay for accidents or other claims involving these services.

Private Auto for Hire Company Insurance May Not Fill the Gap

Some private auto for hire companies have insurance policies that may, under certain circumstances, pay claims by drivers or passengers. However, depending on the policy terms, such policies may not provide coverage for bodily injury to drivers or passengers, damages to the driver's car, or bodily injury or physical damage caused by an uninsured or underinsured motorist. There also may be questions about whether the company's policy would apply at all times or only when a passenger is in the car.

Things for Drivers to Know

If you are a driver for a transportation network company, you may want to:

- Read the agreement between you and the company and review what it says about who is responsible if you or others are injured or property is damaged.
- Read your personal auto insurance policy and the transportation network company's insurance policy, if one is available, and review them with your insurance professional for what is and is not covered. Questions you may want to ask your insurance professional include:
 - Is there uninsured/underinsured (UM/UIM) coverage for when another driver causes an accident but does not have any or enough insurance to pay?
 - Is there comprehensive and collision coverage for physical damage to your auto that was not caused by an uninsured or underinsured motorist?
 - Is there medical payments coverage or personal injury protection?
 - When does the coverage under the transportation network company policy begin and end?
 - Does coverage start when you turn on the smartphone app and are available to pick up passengers, or only when you have a passenger in your car?
 - Will either the company policy or your personal auto policy pay your legal bills if you are sued?
- Consider buying a commercial auto insurance policy if you plan to offer your personal auto for hire.

Also, check with the D.C. Department of Insurance, Securities and Banking to determine if the transportation network company policy is protected by the District's guaranty fund law, which may cover a loss if the insurance company issuing the policy is financially unable to do so.

Things for Passengers to Know

If you are using a private auto for hire service, you should be aware that there are currently no specific insurance requirements for these companies in the District. The driver's personal auto policy may not provide protection to you in an accident. Before your next trip, you may want to ask the company and your driver about their insurance.

About DISB

The D.C. Department of Insurance, Securities and Banking, also known as DISB, has two missions: to fairly and efficiently regulate financial services in order to protect the people of the District of Columbia; and to attract and retain financial-services businesses to the District. Visit us online at disb.dc.gov.



(<http://cca.hawaii.gov/ocp>)

Department of Commerce and Consumer Affairs
Consumer Protection (<http://cca.hawaii.gov/ocp>)

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Consumer Alert: State Advises Residents to Exercise Caution Before Participating In Car-Sharing Programs

CONSUMER ALERT: STATE ADVISES RESIDENTS TO EXERCISE CAUTION BEFORE PARTICIPATING IN CAR-SHARING PROGRAMS

Posted on Apr 17, 2014 in [News Releases \(http://cca.hawaii.gov/ocp/category/news-releases/\)](http://cca.hawaii.gov/ocp/category/news-releases/)

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

Office of Consumer Protection

Insurance Division

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GORDON ITO

INSURANCE COMMISSIONER

FOR IMMEDIATE RELEASE

April 17, 2014

Consumer Alert: State Advises Residents to Exercise Caution Before

Participating In Car-Sharing Programs

Car Owners May Be Responsible for Damages Caused by Others

HONOLULU — The Department of Commerce and Consumer Affairs' (DCCA) Insurance Division and Office of Consumer Protection (OCP) advise Hawaii residents to be informed and exercise caution before participating in a car-sharing program.

If individuals live in Hawaii and are seeking to rent a vehicle through an online car-sharing program, they are advised to be aware that they may be responsible for damages and injuries stemming from accidents during the rental period. In addition, anyone renting his or her personal vehicle through a car-sharing program may be subject to Hawaii's motor vehicle rental law (Hawaii Revised Statutes Chapter 437D).

The Insurance Division recommends that car owners check with their insurers before participating in a car-sharing program to determine if there is any impact on their own personal motor vehicle insurance policies. People in Hawaii who rent their own vehicles through car-sharing programs may have to pay out of their own pockets for damages and injuries stemming from any accidents that occur during the rental period, as they would in any rental car arrangement.

"Hawaii residents are urged to exercise caution before renting out their personal motor vehicles or when considering renting a personal motor vehicle from another individual," Office of Consumer Protection Executive Director Bruce Kim said. "Companies or individuals who are not in compliance with state motor vehicle insurance laws or with Hawaii's Motor Vehicle Rental Industry law may run significant risks if that vehicle is involved in an accident. They could suffer significant adverse financial consequences as a result."

“Vehicle owners who want to participate in car-sharing programs should contact their insurer to find out what they need to do to ensure that they do not violate their policy,” Insurance Commissioner Gordon Ito said.

The public is advised to know the facts to protect themselves from financial exposure and keep their auto insurance intact. Individuals may be personally responsible for any damages and injuries that occur if their car is involved in an accident during the rental period.

This alert applies to car-sharing programs where people in Hawaii rent out their own vehicles, and not to subscription car rental services that rent out the companies’ own fleets of cars.

The State of Hawaii’s DCCA Office of Consumer Protection educates and protects consumers from unlawful acts or practices by companies that may cause harm to consumers. For information about services, contact the Office of Consumer Protection at (808) 586-2636.

The DCCA Insurance Division oversees the Hawaii insurance industry, issues licenses, examines the fiscal condition of Hawaii-based companies, reviews rate and policy filings, and investigates insurance related complaints. For more information about the Insurance Division, visit cca.hawaii.gov/ins or call (808) 586-2790.

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WILLIAM W. DEAL
Director

NEWS RELEASE

FOR IMMEDIATE RELEASE
May 22, 2014

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CONSUMER ALERT: TRANSPORTATION NETWORKING COMPANIES (TNC)

BOISE ID (May 22, 2014) – As Transportation Networking Companies (TNC) are gaining popularity nationwide, the Idaho Department of Insurance is highlighting the potential insurance implications for consumers participating in ridesharing services.

TNCs offer transportation services for a fee using an online method or an application (such as a smart phone app) to connect potential passengers to drivers using their personal vehicles. Examples of TNCs include UberX, Lyft and Sidecar. These fee-based services may pose hidden risks if the rider, driver or vehicle does not have insurance coverage for that activity.

“Traditional car-pooling arrangements by friends who share expenses and take turns driving are not typically a problem,” says Department Director Bill Deal. “The problem arises when an individual uses a personal auto for livery service – driving for hire – without the proper insurance coverage in place. Potential gaps in insurance coverage for both drivers and passengers is concerning.”

Potential TNC drivers should consider the following:

- Review your personal auto insurance policy; be sure you understand the TNC program’s insurance policy.
- Contact your agent or insurance company to identify potential gaps in your personal auto policy or TNC’s policy.
- Find out if your personal auto coverage would remain in force if you drive for a TNC.
- Understand that most standard personal auto policies contain exclusions for livery.
- Make sure the commercial automobile insurance policy held by the TNC includes coverage for bodily injury and property damage to you and others, and/or for damage caused by an uninsured or underinsured motorist *before* and *during* the time you are designated to drive passengers for payment.

Potential TNC riders should be aware of the following:

- Review carefully any type of agreement involving car-sharing or ridesharing.
- Before you rely on insurance provided by others, obtain a copy of the policy and ask your agent if it covers all of your exposures.
- Evaluate who may be responsible if you are injured and whether coverage will be available.

Cities may have requirements applicable to taxis. For example, in Boise taxi drivers are required by city ordinance (Boise City Code Section 5-24-09) to carry automobile liability insurance in the amount of \$500,000 on their vehicles.

For more insurance tips and information, contact the Department by visiting www.doi.idaho.gov or by calling 334-4250 in the Boise area or 800-721-3272 toll-free statewide.

About the Department of Insurance

The Idaho Department of Insurance has been regulating the business of insurance in Idaho since 1901. The mission of the Department is to equitably, effectively and efficiently administer the Idaho Insurance Code and the International Fire Code. For more information, visit www.doi.idaho.gov.

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CONSUMER ALERT

Indiana Department of Insurance
311 W. Washington Street, Suite 103
Indianapolis, IN 46204-2787



June 13, 2014

FOR IMMEDIATE RELEASE

What You Should Know About Transportation Networking Companies or Ridesharing Services

Be aware of insurance gaps that may exist for drivers and passengers.

Indianapolis – The Indiana Department of Insurance is issuing a consumer alert to make consumers aware of the potential hidden insurance risks of transportation networking companies (TNCs) or ridesharing services.

How Do Ridesharing Services Work?

TNCs offer a type of ridesharing service for an agreed-upon fee – and, yes, there’s an app for that.

Consumers needing a lift can download the app and connect with drivers who use their personal vehicles to pick up passengers. These services either use the apps for smartphones, tablets and computers to match customers with drivers, or allow passengers to choose the driver they want based on price, arrival time and other factors. The three most popular TNCs or ridesharing services are Uber, Lyft and Sidecar.



(Image credit: AFP/Getty Images)



Are These Services Operating in Indiana?

If you walk around downtown Indianapolis, you will more than likely see cars donning pink mustaches driving through the streets. These are the personal vehicles of Lyft drivers carrying passengers to their requested destinations. Indiana now has two of the three most popular ridesharing services available. Uber launched in Indianapolis in May 2013, and Lyft followed, making its

debut in Indianapolis in August 2013. Sidecar is not currently offered in Indiana.

Both ridesharing services in Indiana are seeking drivers for their coverage areas. However, if you're considering becoming a driver, you will need to understand the risks.

What Are the Insurance Risks for Drivers of Ridesharing Services?

Whether you're a college student trying to earn some extra spending money or a retiree looking for a part-time job to supplement your income, if you choose to drive for one of the ridesharing services in Indiana, you need to be aware of the insurance risks.

It is very important that you review your personal auto insurance policy. Most standard personal auto policies contain exclusions when a person uses their personal vehicle for commercial purposes (as in transporting passengers for a fee). Also, your personal auto insurance carrier could cancel your insurance with them if they discover you are using your personal vehicle for commercial use. And, without the proper coverage, you could find you are being held responsible for any and all damages that occur to your vehicle, any other vehicle involved, and injuries your passengers incur.

Read the agreement with the ridesharing service and review the company's insurance policy very carefully too to look for limitations and exclusions. Then, contact your agent, broker or insurance company about potential gaps in your personal policy and/or the company's policy.

Is There a Risk for Passengers?

As a consumer, once you sit in the seat of a ridesharing service driver's car, are you covered if there's an accident? If you're a passenger in the car and injured in a collision, the driver's personal auto policy probably won't cover it.

If you choose to ride with one of the two main ridesharing companies in Indiana, Uber (specifically UberX) and Lyft, both now have \$1,000,000 liability covering driver liability for bodily injury and/or property damage of passengers and/or third parties; uninsured/underinsured motorist coverage with \$1,000,000 limit covering bodily injury of drivers and/or passengers and/or third parties for damages caused by an uninsured or underinsured motorist who is at fault.

You should, however, always check with any ride sharing service ahead of time before you step into one of their driver's cars to make sure they will cover you as a passenger in the event you are injured in an accident while riding with them.

"It's important to note that we are specifically alerting consumers to the possible risks associated with transportation networking companies or ridesharing services, not carpooling," said Insurance Commissioner Stephen W. Robertson. "Situations where you are sharing a ride with a friend, family member, neighbor, or coworker and taking turns driving or sharing the cost of gas are not considered ridesharing services."

The [Indiana Department of Insurance](#) (IDOI) protects Indiana's insurance consumers by monitoring and regulating the financial strengths and market conduct activities of insurance companies and agents. The IDOI monitors insurance companies and agents for compliance with state laws to protect consumers and to offer them the best array of insurance products available. The IDOI also assists Hoosiers with insurance questions and provides guidance in understanding how insurance policies work.

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www.in.gov/idoi



Kansas Insurance Department

Sandy Praeger, Commissioner of Insurance

FOR IMMEDIATE RELEASE
May 22, 2014

For more information, contact:
Bob Hanson
Director of Communications
785-296-7807
bhanson@ksinsurance.org

Consumer Alert:

Check out ridesharing services insurance liability, Commissioner says

TOPEKA, Kan. — Sandy Praeger, Kansas Commissioner of Insurance, is asking consumers to check with their insurance agents and companies regarding coverage concerns with ride-sharing or person-to-person transportation services in the Kansas City area.

Lyft, Inc., a ride-sharing service between individual, non-commercial drivers, began operating in the Kansas City Metro area in April, prompting concerns among local transportation and insurance officials about the coverage that participating drivers and riders have.

“We at the Kansas Insurance Department are encouraging consumers to review their coverage with agents or companies before agreeing to the ridesharing arrangements,” Commissioner Praeger said. “It’s important that consumers understand what their policies cover, and, if they are using their own vehicles this way, that the arrangement doesn’t jeopardize the renewability of their insurance coverage.”

Lyft is one of two San Francisco-based companies offering ridesharing services in many cities throughout the United States, including Kansas City and St. Louis. Currently, the company lists no Kansas cities where their service is offered; however, the map for their Kansas City, MO, coverage area extends into Johnson and Wyandotte counties.

Through a mobile computer application, prospective drivers and riders connect, with passengers making a payment through the app and Lyft taking a cut, according to a *Kansas City Business Journal* article. Media reports also say that Kansas City-area drivers have been cited for not having the proper permits needed for transportation service businesses.

Kansas consumers who have insurance questions can call the department’s Consumer Assistance Division at 800-432-2484, Commissioner Praeger said.

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The Kansas Insurance Department, established in 1871, assists and educates consumers, regulates and reviews companies, and licenses agents selling insurance products in the state. More about the department is online at www.ksinsurance.org or at www.facebook.com/kansasinsurancedepartment.

What You Need to Know about Ridesharing Programs

What are ridesharing programs?

Also known as transportation networking companies, these entities connect drivers with potential passengers using an online method or a smartphone app. Some of the companies providing these services are Lyft, Uber and Sidecar.

Passengers pay a fee and the driver uses his/her own car to provide transportation.

In some states, the car's owner may be the driver or "rent" the car to the other person for his/her use. This is generally referred to as "car sharing," not "ridesharing."

What should I know before I use a ridesharing program?

Both the drivers and the passengers should be aware that a standard personal automobile insurance policy **does not** cover losses when the vehicle is used for commercial purposes. Many policies will specifically exclude damages or injury caused by the use of a vehicle for public or "livery" (driving for hire) conveyance. In most cases, this means there is no coverage for liability, medical payments, uninsured/underinsured motorists, physical damage and personal injury protection.

If you are interested in one of these arrangements, either as a driver or a passenger, you should **carefully** review any agreement with the company, as well as any insurance policies (yours, the other party's and the company's).

Contact your insurance agent to see what, if anything, would be covered in the event of an accident or injury. If you would be a passenger, ask if the purchase of a "non-owned" vehicle policy would provide the needed coverage. If you would be the driver, ask about purchasing a commercial policy to provide another layer of protection, even if the transportation networking company says it has insurance coverage. Both parties should thoroughly review any insurance options with the help of a licensed agent.

It is also important to review the company agreement to see if the driver is considered an employee of the ridesharing company or an independent contractor.

Several of these companies indicate they have a commercial liability insurance policy that covers up to a set amount (like \$1 million) per occurrence. Won't this cover me if there is an accident while I am driving my car or if I am injured as a passenger? You should carefully review the policy language for possible limitations.

For example, some of the policies offer coverage if a driver is negligent and a passenger or third party suffers injuries. The policy may not provide coverage for the driver's injuries. However, these policies would not provide coverage for any damage to your car due to collision, damage caused by an animal, glass breakage, theft, vandalism, etc.

In addition, some of the company policies are “excess” coverage and would not pay unless the driver’s personal auto insurance paid to the limits of the policy. If you are told that your personal policy would not provide coverage if you are in an accident while driving for one of these companies, you will want to ask if the ridesharing entity’s policy will pay anything.

Also be sure to note any disclaimers in the company terms and conditions, including one that the entity accepts no liability or responsibility for any services provided. Have your insurance agent review all policy information before signing up as a driver or as a passenger.

If my son or daughter at college decides to become a driver for one of these companies, can I be held liable for any accident that occurs?

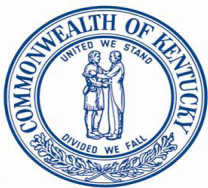
If the student is listed as a driver on your auto policy, you will want to discuss this with your insurance agent.

Who has jurisdiction over these companies?

A number of state agencies, including the Office of the Attorney General, the Transportation Cabinet, the Department of Insurance, the Department of Workers’ Claims and the Kentucky State Police, are meeting regularly to coordinate oversight, including possible legislation needed to regulate these entities. Contact has been made with the companies to discuss concerns.

I carpool with several of my neighbors. Should I be worried about this arrangement?

No, traditional carpooling by co-workers or neighbors is not considered ridesharing. In carpooling, most participants take turns driving and share expenses. That is not considered a “driving for hire” situation. In addition, volunteers, such as those who transport cancer patients to treatment, are not participating in a “driving for hire” arrangement.



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800-595-6053 (in Kentucky); 502-564-3630 (out of state)
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Printed with state funds
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June 2014



Notice to Transportation Network Company Drivers

Technology based ride-sharing ventures, such as Lyft and UberX, continue to grow in popularity. These ventures – sometimes called ride-sharing programs or transportation network companies (TNC) – rely on apps and other online-enabled platforms to connect paying passengers with drivers who use their own personal vehicles to provide transportation to these passengers. If you drive for a TNC, you should be aware that while every personal automobile insurance policy differs, most policies contain exclusions for livery. If a policy contains a livery exclusion, this means that the policy generally will not provide coverage for liability incurred while driving passengers in exchange for remuneration, other than an expense sharing arrangement, such as a carpool. You should read your policy to determine its specific exclusions from coverage, but a typical exclusion is set forth below:

We do not provide coverage ... arising out of the ownership or operation of a vehicle while it is being used as a public or livery conveyance. This exclusion does not apply to a share-the-expense car pool.

Based on this or similar exclusions, insurance companies might deny coverage to TNC drivers who are involved in an accident while driving for hire.

Before you start driving for a TNC, you should contact your insurance agent or broker (also known as a “producer”) or insurance company to discuss your potential insurance needs when driving for a TNC and to identify any potential gaps in your current coverages. You may need to consider increasing coverage limits and buying a commercial policy with liability,^[1] [uninsured/underinsured motorists \(UM/UIM\)](https://cms.crownpeak.com/MIA/default.asp# ftn1),^[2] [personal injury protection \(PIP\)](https://cms.crownpeak.com/MIA/default.asp# ftn2),^[3] [comprehensive and collision coverage](https://cms.crownpeak.com/MIA/default.asp# ftn3)^[4] [to be certain that coverage exists for damage or bodily injuries you cause others as well as for damage to you, your car and/or for damage caused by an uninsured or underinsured motorist while you are driving for hire.](https://cms.crownpeak.com/MIA/default.asp# ftn4)

^[1] [Liability insurance protects policyholders when they have caused an accident. There are two types of liability coverage that are required by state law: bodily injury liability coverage and property damage liability coverage.](https://cms.crownpeak.com/MIA/default.asp# ftnref1)

^[2] [UM/UIM provide bodily injury coverage when the party at fault does not have liability coverage, or the minimum liability coverage is insufficient to cover the injuries. UM/UIM provide coverage for damage to your vehicle caused by an uninsured or underinsured motorist.](https://cms.crownpeak.com/MIA/default.asp# ftnref2)

^[3] [Personal injury protection provides coverage for reasonable and necessary expenses for hospital, medical and disability benefits, as well as certain lost income caused by an accident.](https://cms.crownpeak.com/MIA/default.asp# ftnref3)

^[4] [Comprehensive and collision coverage cover physical damage to your vehicle not caused by an uninsured or underinsured motorist. Collision coverage covers damage to your vehicle caused by collision with another vehicle or with any other object, as well as vehicle upset \(overturn\). Comprehensive coverage covers damage to your vehicle caused by a factor other than collision, such as fire, theft, windstorm, flood, vandalism, etc.](https://cms.crownpeak.com/MIA/default.asp# ftnref4)

Issued May 1, 2014

BUREAU OF INSURANCE

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Mainers Urged to be Aware of Insurance Risks When Using Transportation Network Companies

June 6, 2014

Contact: Doug Dunbar
Phone: (207) 624-8525

Augusta -

Governor Paul R. LePage joined Superintendent of Insurance Eric Cioppa in alerting travelers about a relatively new service that could put users at risk. Although no Transportation Network Companies (TNCs) are known to be operating in Maine, Governor LePage and Superintendent Cioppa says that Mainers traveling to other states where these services are offered should be aware of potential gaps in liability insurance coverage that could adversely impact those making use of them.

TNCs connect travelers to drivers, using internet-based applications or smartphone apps. Unlike taxi or limousine services, TNCs enlist individuals who either rent their private vehicles or use them to provide transport. A number of TNCs operate in more populous states, primarily in larger

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urban areas. Some of the established companies include Lyft, Uber, and Sidecar.

“Changes in technology and modes of transportation offer opportunities for travelers, but also present new issues to consider,” Governor LePage said.

“Superintendent Cioppa and I want to keep Maine travelers informed about emerging insurance issues before they present a problem.”

Most private auto insurance policies exclude coverage for losses that occur when a covered auto is used to carry passengers for a fee. While some TNCs purchase liability protection for their services, questions remain about how coverage would be applied in the event of an accident.

“Individuals should ensure they are protected before using these new services,” Cioppa stated. “Be familiar with your own auto insurance policy and the TNC’s commercial insurance policy. Check in with your insurance agent or broker, or contact your insurance company directly, to determine if there may be gaps in coverage should an accident occur when using a TNC.”

Cioppa encouraged individuals with questions

to call the Bureau's Property and Casualty Division at 800-300-5000 (in Maine), or 207-624-8475. For TTY, please call Maine Relay 711.

The Bureau of Insurance is part of the Department of Professional and Financial Regulation (www.maine.gov/pfr), which encourages sound business practices through high quality, impartial and efficient oversight of insurers, financial institutions, creditors, investment providers, and numerous professions and occupations.

Last Updated: June 6, 2014 2:05 PM

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Drivers Warned to Check Insurance Coverage Before Transporting Passengers for Hire

FOR IMMEDIATE RELEASE

May 2, 2014

Media Contact: [Caleb Buhs](#) at 517-373-2380

Consumer Hotline: 877-999-6442

<http://twitter.com/midifs> (<http://twitter.com/midifs>)

LANSING -- With the recent rise in popularity of Transportation Network Companies (TNC) in Michigan, the Department of Insurance and Financial Services (DIFS) is reminding drivers to double-check their auto insurance policies before signing up as a TNC driver.

For a fee, a TNC connects passengers with drivers through an online application, usually through a mobile phone. While some TNCs may purchase limited coverage for their network of drivers, the insurance may not cover injuries or vehicle damage in the case of an accident.

"Technological advances and entrepreneurial innovations have created an opportunity for drivers to earn additional income using their personal vehicles," said DIFS Director Ann Flood.

"Before participating in these arrangements drivers should research their current auto insurance policies to ensure that they are protected if an accident occurs while performing the service."

Most individual insurance policies purchased for personal vehicles have exceptions that exclude coverage for commercial-type activities such as transporting passengers for hire. Drivers should contact their insurance agent to determine if their policy provides sufficient coverage before driving for a TNC. It may be necessary to purchase a commercial policy to cover TNC activities.

Traditional car-pooling or ride sharing arrangements in which friends, neighbors, or co-workers share driving duties and the cost of gasoline are not considered commercial-type activities and are typically covered by individual insurance policies.

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Department of Commerce

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Commerce Department Offers Tips for Minnesotans Interested in New Ride-Sharing Services

Cars with pink mustaches and new ride-share phone apps are sparking interest in the Twin Cities, as well as other cities across the country. Before hitting the road, the Minnesota Department of Commerce is offering the following consumer information to drivers and customers to explain potential insurance issues for Minnesotans interested in participating in ridesharing or transportation networking company (TNC) services.

What are TNCs?

Transportation networking companies (TNCs) are companies that use websites or apps to connect passengers with drivers that use their personal vehicles to transport customers for a fee.

What should I know about TNCs and insurance issues?

The Commerce Department wants Minnesotans to know that there may be gaps in auto insurance coverage for both the drivers and passengers using TNCs. There may not be coverage for an accident because most personal auto insurance policies contain exclusions when drivers use their personal cars for a commercial (business) purpose. For example, if you participate in a regular, non-business car pool, you would be covered. If you charge passengers a fee, you may not be covered if you get into an accident.

Also, there are questions regarding the limitations of commercial insurance coverage provided by the TNC – for example, when does commercial insurance cover drivers, and whether it includes medical payment coverage, comprehensive, collision, uninsured and underinsured motorist (UM/UIM) coverage, or other types of coverage that are needed to ensure that TNC drivers, passengers, and pedestrians are fully covered.

Tips for potential TNC Drivers:

- Consider checking both your own personal auto insurance policy, and make sure you understand the commercial insurance policy held by the TNC.
- Contact your insurance agent, broker or company to identify potential gaps in your personal automobile insurance policy or the TNCs' policy. In addition, prior to becoming a driver, check with your agent, broker, or company to ensure your personal coverage would remain if you decided to drive for a TNC.
- Make sure the commercial automobile insurance policy held by the TNC includes coverage for bodily injury or property damage to you and others, and/or for damage caused by an uninsured or underinsured motorist before and during the time you are designated to drive passengers for payment.

“Auto insurance protects passengers, drivers, and pedestrians from the financial costs of an accident or injury, provided that you have proper auto insurance coverage,” said Commerce Commissioner Mike Rothman. “Finding out after-the-fact that you have gaps in coverage can mean serious financial devastation. Take the steps now, ahead of time, to ensure you have the coverage you need.”

Commerce is here to help.

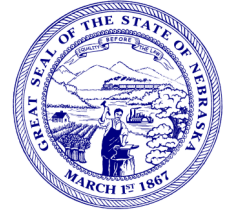
If you have additional questions about your insurance or believe you have been a victim of a fraud or scam, call the Minnesota Department of Commerce Consumer Response Team at 651-539-1600 or 800-657-3602 in Greater Minnesota.

CONSUMER ALERT

NEBRASKA DEPARTMENT OF INSURANCE

402-471-2201 ~ TOLL-FREE CONSUMER HOTLINE 1-877-564-7323

WWW.DOI.NEBRASKA.GOV



HIDDEN RISKS OF CAR-SHARING AND RIDE-SHARING

The Nebraska Departments of Insurance and Motor Vehicles urge caution before signing up for internet services that connect drivers, riders, and vehicle owners for car-sharing and ride-sharing. These fee-based services may pose hidden risks if the rider, driver, or vehicle does not have insurance coverage for that activity. If an accident occurs while someone else is riding with you or driving your car, the typical private passenger automobile policies may not provide coverage for any liability incurred. Those who ride-share with passengers or own a car-share vehicle may need commercial coverage. Drivers who car-share may want to get their own “non-owned vehicle” policy if they drive other people’s vehicles to be sure they are protected. Typically, a commercial automobile insurance policy is necessary to provide a vehicle for rent or to transport property or passengers for compensation.

A traditional car-pooling arrangement by friends or neighbors who share the cost of gasoline or take turns driving is not the situation being addressed in this alert. Those types of arrangements typically are not a problem.

The Department of Insurance and Department of Motor Vehicles suggest that you visit with your insurance company or insurance agent before you sign up for car-sharing or ride-sharing. Evaluate your exposure:

- ⇒ Review carefully any type of agreement involving car-sharing or ride-sharing.
- ⇒ Before you decide to rely on insurance that is provided by others, be sure to get a copy of the policy and ask an insurance professional to make certain it covers all of your exposures.
- ⇒ If using such a service, evaluate who may be responsible if you are injured and whether coverage will be available.
- ⇒ Talk to your insurance company or agent to see what is and isn’t covered. The exclusions in your personal automobile policy for this type of use will likely apply to all types of coverage including liability to third persons, uninsured and underinsured motorist coverage, medical payments for people using or occupying your vehicle, comprehensive physical damage coverage, collision physical damage coverage, and limits on the insurance company’s duty to defend you in a lawsuit.
- ⇒ If the car-sharing or ride-sharing service provides some type of “umbrella” insurance, find out if that coverage includes the duty to defend you in a lawsuit.

Exercising caution and reviewing your insurance program may go a long way to protecting your financial well-being.

FOR IMMEDIATE RELEASE: June 30, 2014

Contact: Danielle Barrick, director of communications; (603) 271-7973, ext. 336;
danielle.barrick@ins.nh.gov

CONSUMER ALERT: NH Insurance Department Urges Caution For Drivers, Passengers of Ride-Share Programs

CONCORD, NH – The New Hampshire Insurance Department cautions residents who consider signing up for fee-based services that connect drivers, riders, and vehicle owners for car-sharing and ride-sharing. Residents may be at risk if they participate in these programs without the proper insurance coverage.

Ride-share companies connect passengers with drivers who are using personal, non-commercial vehicles. Examples include companies such as Uber, Sidecar, Wingz, and Lyft, whose mobile apps even take care of payment between customer and driver.

Typically, a commercial automobile insurance policy is necessary to provide a vehicle for rent or to transport property or passengers for compensation, and drivers providing these services may not be aware that their personal automobile insurance policy may not cover the service. The Department advises residents that their personal auto insurance policies may not protect them as a passenger or driver in a ride-share program.

“I urge New Hampshire residents to consider the risk involved,” said New Hampshire Insurance Commissioner Roger Sevigny. “Car owners should check with their insurers before participating in a program like this to be sure they are covered. If they are not, they may have to pay out of their own pockets for damages and injuries, should there be an accident. And riders should be aware that, in the event of an accident, they may not have recourse to damages, as they would through a traditional taxi service.”

The New Hampshire Insurance Department urges residents to take the following steps when considering using this type of service:

Vehicle owners and drivers should:

- Review any type of agreement carefully.
- Obtain a copy of the policy and ask their agent or insurance company to discern whether it covers ride-share activities.

Passengers should:

- Find out who would be responsible if they were injured and whether insurance coverage would be available. The Department urges passengers in these situations not to waive their rights.
- Call the New Hampshire Insurance Department at (800) 852-3416 with questions.

Please note: A traditional car-pooling arrangement by friends or neighbors who share the cost of gasoline or take turns driving is not the situation being addressed in this alert. Those types of arrangements typically are not a problem. If in doubt about an activity, before engaging in the activity, exercise caution and seek information by contacting your agent, insurance company, or the New Hampshire Insurance Department.

The New Hampshire Insurance Department's mission is to promote and protect the public good by ensuring the existence of a safe and competitive insurance marketplace through the development and enforcement of the insurance laws of the State of New Hampshire. For more information, visit www.nh.gov/insurance.

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News Release

New Jersey Department of Banking and Insurance

Commissioner Ken Kobylowski

For Immediate Release:
May 27, 2014

For Further Information:
Ed Rogan or Marshall McKnight (609) 292-5064

Christie Administration Alerts Consumers on Car-Sharing Services

TRENTON – New Jersey Department of Banking and Insurance Commissioner Ken Kobylowski today alerted consumers to the potential loss of insurance coverage in connection with popular business activities known as car-sharing or Transportation Network Companies (TNC) provided by online firms such as Lyft, SideCar and UberX. TNCs offer transportation services for a fee using smart phone applications to connect potential passengers with drivers offering their personal vehicles. When individuals use their own private passenger automobiles to transport individuals for a fee, they risk driving without proper insurance and/or having inadequate coverage for themselves, their vehicle, their passengers and third parties who may sustain personal injury and/or property damage.

“Car-sharing is growing in popularity with New Jersey consumers who are obtaining and providing transportation through Internet purveyors,” said Commissioner Kobylowski. “In many cases, there may not be auto insurance coverage for these activities. There may also be legitimate coverage denials under personal automobile policies in the unfortunate event of an accident. Consumers need to use caution when weighing whether to pay for transportation or to make their personal vehicles available to others for a fee through these companies.”

Typically, personal auto insurance policies exclude coverage for drivers using their personal vehicles as “public or livery conveyances,” that is providing rides to members of the public for a fee. In addition, the failure to disclose this use of the vehicle to the insurer may result in the insurer seeking to void the policy for misrepresentation. The TNC may have an insurance policy that purports to cover the driver and passengers while the vehicle is transporting a paying passenger. However, New Jersey consumers should be aware that these policies are not reviewed by the Department. Further, being covered by different policies for different uses of the vehicle is a new concept that has not been tested under our State’s laws and in our courts.

Traditional share-the-expense carpooling or ride-sharing arrangements in which friends, neighbors, or co-workers share driving duties and the cost of gasoline are not considered commercial-type activities and are typically covered by individual insurance policies.

“Garden State consumers should not find out after the fact that they do not have sufficient insurance coverage to engage in TNC activities,” said Commissioner Kobylowski. “Taking steps now, before entering into TNC agreements, can prevent serious financial losses.”

Commissioner Kobylowski offered the following tips for consumers considering TNC transactions:

- Carefully review any written agreements offered by a TNC;
- Before relying on any TNC provided insurance coverage, ask for a copy of the firm’s insurance policy;
- Consumers should review their own personal auto policies for possible exclusions of coverage for using the vehicle to carry passengers for a fee (also known as “livery”);
- Consumers should also consult with their carrier or agent to identify the correct type of policy and coverage if they intend to engage in TNC activities including considering purchase of a commercial policy for TNC activities.

More Information

Consumers who want more information on buying auto insurance can visit the Department’s Web site at:
<http://www.state.nj.us/dobi/autoplaner.htm>.

OFFICE OF SUPERINTENDENT OF INSURANCE

SUPERINTENDENT OF INSURANCE
John G. Franchini - (505) 827-4299



P.O. Box 1689
Santa Fe, NM 87504-1689
1120 Paseo de Peralta, Room 428
Santa Fe, NM 87501

CONSUMER ALERT

STATE ADVISES RESIDENTS TO EXERCISE CAUTION BEFORE PARTICIPATING IN CAR-SHARING PROGRAMS

SANTA FE, NM: The New Mexico Office of Superintendent of Insurance alerts residents to be informed and exercise caution before participating in a car ride share programs.

Superintendent John G. Franchini urges New Mexico residents to use caution before signing up for programs that connect drivers, riders and vehicle owners for car-sharing or ride sharing. The fee based service may pose hidden risks if the rider, driver or vehicle does not have specific insurance coverage that covers these activities. The typical New Mexico Automobile Insurance Policy may not cover this activity due to specific exclusions in the policy which will expose the rider, driver and vehicle to un-covered risk or damage if an accident occurred.

Riders, drivers and vehicle owners who wish to participate in such programs are urged to contact their insurance agent or insurance company to ensure that they have the proper coverage so that they are not exposing themselves to undue risk should an accident occur. Participation in the car ride share programs may result in the vehicle insurance policy being cancelled or non-renewed and the owner may be subject to higher premiums in the future.

Superintendent Franchini states, "The OSI, urges all residents who are interested in participating in car ride share programs to discuss the potential legal exposure with their insurance agent or insurance company prior to agreeing to participate to ensure that they have no personal exposure".

The Office of Superintendent of Insurance regulates insurance in New Mexico and further questions or inquiries should be directed to John Gaherty, Compliance Director at 505-827-4439 or john.gaherty@state.nm.us.

Nevada Division of Insurance Informs Consumers about Insurance Issues Surrounding Ride-Sharing Technology Companies

Contact: Jake Sunderland, Public Information Officer

Phone: (775) 687-0772

E-mail: jsunderland@doi.nv.gov

FOR IMMEDIATE RELEASE – June 18, 2014

Carson City - As ride-sharing technology services gain popularity across the country, the Nevada Division of Insurance is informing Nevada consumers that such for-profit ride-sharing arrangements can put them at risk of being uninsured.

Ride-sharing technology companies offer transportation services for a fee using smart phone applications to connect potential passengers with drivers offering their personal vehicles. When consumers use their own private passenger automobiles to transport individuals for a fee, they risk driving without proper insurance.

Important Information for Consumers

- Consumers need to be aware that when utilizing these types of ride-sharing technology companies that they may be driving with someone who is uninsured. This puts passengers at financial risk should they be involved in an accident and are injured. The Division recommends that passengers ask to see proof of commercial liability insurance before accepting a ride. Using a vehicle to carry passengers for a fee is typically known as livery services, and requires a commercial auto insurance policy.
- A personal auto insurance policy will not pay for damages to the driver's vehicle, or injuries to the driver, the passengers or third-parties as a result of a commercial venture.
- Typically, personal auto insurance policies exclude coverage for drivers using their personal vehicles for commercial purposes. In addition, the failure to disclose such commercial use of the vehicle to the insurer may result in the insurer canceling the personal auto policy for misrepresentation.
- Consumers wishing to use their vehicles for a commercial venture or to provide livery services should notify their insurance company and discuss their options with their insurance agent or carrier.
- Traditional share-the-expense carpooling or ride-sharing arrangements in which friends, neighbors, or co-workers share driving duties and the cost of gasoline are not considered commercial-type activities and are typically covered by individual insurance policies.

About the Nevada Division of Insurance

The State of Nevada Division of Insurance is a division of the Nevada Department of Business

and Industry. It is the state agency that protects the rights of Nevada consumers and regulates Nevada's \$11.7 billion insurance industry. It has offices in Carson City and Las Vegas. In 2013, the Division investigated more than 2,600 consumer complaints and recovered more than \$3.8 million on behalf of consumers. For more information about the Division of Insurance, visit DOI.NV.GOV.

Press Release

STATE OF OHIO
DEPARTMENT OF INSURANCE
COMMUNICATIONS OFFICE

4/16/2014

Consumer Alert: Transportation Networking Companies (TNC)

Insurance Gaps May Exist for TNC Drivers and Passengers

COLUMBUS — Ohio Lieutenant Governor and Insurance Director Mary Taylor has issued a consumer alert to highlight potential insurance implications for Ohio drivers participating in transportation networking company (TNC) services.

TNCs are companies that offer transportation services for a fee using an online method or an application (such as smart phone apps) to connect potential passengers to drivers using their personal vehicles.

“Ohioans considering these types of services should weigh all factors including any coverage gaps that may exist,” Taylor said. “While the driver may have insurance, his or her policy may or may not provide all the coverage needed should an accident occur.”

The Ohio Department of Insurance wants Ohioans to be aware of the insurance gaps that may exist for TNC drivers and passengers. Most personal auto insurance policies contain exclusions when a person uses their personal vehicle for commercial purposes; such as carrying a person for a fee. Personal automobile insurance is not intended to cover people who are using their vehicles for commercial purposes.

While TNCs may provide liability insurance, they may not provide medical payments coverage, comprehensive, collision, uninsured and underinsured motorist (UM/UIM) coverage, or other types of coverage to fully protect TNC drivers and passengers.

If you are a driver considering employment with a TNC, Taylor offers these tips:

- Review your personal auto insurance policy and the TNC program’s insurance policy.
- Contact your agent, broker or insurance company about potential gaps in your personal automobile or the TNCs’ policy.
- Consider buying a commercial automobile insurance policy that includes coverage for bodily injury or property damage to you and others, and/or for damage caused by an uninsured or underinsured motorist while you are driving passengers for payment.

If you have additional questions regarding your coverage as a TNC driver, call the Ohio Department of Insurance consumer hotline at 1-800-686-1526 for assistance. Insurance information is available at www.insurance.ohio.gov. For the latest insurance information, you can follow the Department on twitter @OHInsurance and on Facebook at www.facebook.com/OhioDepartmentofInsurance.

Pennsylvania Insurance Department

FOR IMMEDIATE RELEASE:

June 02, 2014

Participating Drivers and Riders Face Insurance Risk with New Ride- Sharing Services

Harrisburg – As the vacation travel season gets underway, the Pennsylvania Insurance Department is reminding consumers to understand their personal auto insurance policies before participating with any of the new ride-sharing services.

“With the recent rise in Transportation Network Companies, or TNCs, which connect passengers with drivers through an online or mobile phone application, consumers may be focused on the new innovation without understanding their liability or risk exposure,” said Insurance Commissioner Mike Consedine. “Learning too late of gaps in insurance coverage can have serious financial consequences for participants in these programs.”

Personal auto insurance policies typically exclude coverage while your vehicle is being used in a ride-sharing service, under what is commonly known as a public livery exclusion. While some TNCs may purchase coverage for their network of drivers, this insurance may not cover all costs, including those for which you may be liable, in the case of an accident.

If you wish to be a driver or passenger with these new programs, take the steps now to be sure you have the coverage you may need.

Here are some tips:

- Check your own personal auto insurance policy, and make sure you see a copy of any commercial insurance policy held by the TNC to protect its drivers.
- Contact your insurance agent, broker or company to identify potential gaps in your personal automobile insurance policy and the TNC’s policy. Let your insurance company know of your intent to participate in the program.
- Make sure the commercial automobile insurance policy held by the TNC includes coverages required by law for medical benefits, bodily injury and property damage liability. Ask about the optional coverages for collision damage, or injuries caused by an uninsured or underinsured motorist.
- Be aware that any coverage to address these gaps should include the period before, and during, the times when you are designated to drive passengers.

- Be certain you understand which insurance policy (your personal auto or TNC commercial) provides what coverage and when that coverage is triggered.

Consumers should also be aware that certain ride-sharing services or TNCs currently have commercial applications pending with the Pennsylvania Public Utility Commission. Consumers with questions on any of these applications can click on www.puc.pa.gov and go to "search for documents."

Traditional car-pooling or ride-sharing arrangements in which friends, neighbors or co-workers share driving duties and the cost of gasoline are not considered commercial-type activities. These types of arrangements are typically covered by personal auto insurance policies.

For more information on Pennsylvania insurance products and coverage, click on www.insurance.pa.gov. Consumers with questions should call 877-881-6388.



Department of Business Regulation

Insurance Division

1511 Pontiac Avenue, Bldg. 69-2
Cranston, Rhode Island 02920

Consumer Alert 2014-4

Participation in Ride-Sharing Programs Potential Insurance Implications

The Department issues this Bulletin to highlight potential insurance implications for Rhode Island residents participating in for hire transportation services, commonly referred to as ride-sharing programs. These operations typically provide pre-arranged transportation services for compensation using an online-enabled platform to connect passengers with drivers using the driver's personal vehicle. These operations include companies such as Lyft, UberX, and Sidecar. While the programs vary, the potential gaps in insurance coverage for both drivers and passengers is concerning.

In Rhode Island, for hire transportation services are regulated by the Division of Public Utilities and Carriers (DPUC), under [R.I. Gen. Laws § 39-14.1, Public Motor Vehicles](#). Operators/drivers who intend to offer for hire transportation services must be licensed by the DPUC and maintain a minimum of \$1.5 million commercial liability insurance, and obtain a special Hackney Operator's License issued by the DPUC **prior** to transporting passengers for hire in RI. Moreover, R.I. Gen. Laws § 39-14.1 requires that these services be provided only in vehicles bearing "Public Registration License Plates". Anyone contemplating driving for such services should contact the DPUC at 401-780-2158.

Potential Coverage Gaps in your own Personal Auto Policy:

- Most standard personal auto policies contain exclusions for livery - which essentially means driving for hire. Typical exclusions are set forth below (but your exclusion(s) may be different - please read your policy):

Liability Coverage (Exclusion):

We do not provide Liability Coverage for any insured:

For that insureds liability arising out of the ownership or operation of a vehicle while it is being used as a public or livery conveyance. This Exclusion does not apply to a share-the-expense car pool.

Medical Payments Coverage (Exclusion):

We do not provide Medical Payments Coverage for any insured for bodily injury:

Sustained while occupying your covered auto when it is being used as a public or livery conveyance. This Exclusion does not apply to a share-the-expense car pool.

Coverage for Damage to your Auto (Exclusion):

We will not pay for:

Loss to your covered auto or any non-owned auto which occurs while it is being used as a public or livery conveyance. This Exclusion does not apply to a share-the-expense car pool.

- Insurance companies might deny coverage to operators that are driving passengers for payment of more than a share-the-expense car pool fee based on the above exclusions or similar exclusions.
- You should contact your insurance agent, broker or insurance company about potential gaps in your personal automobile coverage that can arise if you are driving for one of these operators. You may need to consider buying a commercial policy with medical payments, comprehensive, collision and UM/UIM to be certain that coverage exists for damage to you, your car and/or for damage caused by an uninsured or underinsured motorist while you are driving passengers for payment of more than a share-the-expense car pool fee. As previously noted, you should contact the RI DPUC at 401-780-2158 **prior** to transporting passengers for hire in RI.

More Information

Please visit our website at www.dbr.ri.gov, or you may click [here](#) to obtain additional consumer information and alerts issued by the Rhode Island Insurance Division.

The best way to protect yourself is to research the agent and company you're considering:

- **STOP** before writing a check, signing a contract or giving out personal information.
- **CALL** your state insurance department at 401-462-9520, or email at DBR.Insurance@dbr.ri.gov and,
- **CONFIRM** that the agent and company are licensed to write insurance in your state

For specific questions about insurance coverage or about a licensee, you may contact the Rhode Island Insurance Division at 401-462-9520, or email at DBR.Insurance@dbr.ri.gov. You may also file a complaint online with the RI Insurance Division by clicking [here](#).

About the RI Insurance Division

The mission of the [Rhode Island Insurance Division](#) is to assist, educate and protect Rhode Islanders through the implementation and enforcement of state laws mandating regulation and licensing of the regulated industries while recognizing the need to foster a sound business environment in the state. We are also committed to treating everyone who comes before us fairly, efficiently and with respect.

Joseph Torti III
Superintendent of Insurance
April 30, 2014



**STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
Nashville, Tennessee**

MEMORANDUM

TO: Tennessee Drivers Participating in Transportation Networking Company Programs
FROM: Julie Mix McPeak, Commissioner *Julie Mix McPeak*
RE: Insurance Gaps for Transportation Networking Company Drivers
DATE: February 24, 2014

The Department has observed increased attention surrounding Transportation Network Company (TNC) operations. This Memorandum is intended to highlight potential insurance implications for Tennessee drivers participating in TNC programs. (A TNC is an organization that provides pre-arranged transportation services for compensation using an online-enabled platform to connect passengers with drivers using the driver's personal vehicle. TNC's include companies such as Lyft, UberX, and Sidecar.)

Potential Coverage Gaps Under the TNC Policy

- While TNCs approved by municipal licensing authorities may be required to maintain liability insurance, TNCs might not have medical payments coverage, comprehensive, collision, uninsured/underinsured motorist (UM/UIM) coverage or other optional coverages for enrolled vehicles. This means that the TNC's liability policy might not provide coverage for: 1) bodily injury to the TNC driver; 2) damages to the TNC driver's car, or 3) bodily injury or physical damage caused by an uninsured or underinsured motorist.¹

Potential Coverage Gaps in your own Personal Auto Policy

- Most standard personal auto policies contain exclusions for livery - which essentially means driving for hire. A typical exclusion is set forth below (but your exclusion may be different - read your policy):

We do not provide Liability Coverage for any Covered Person.....

For liability arising out of the ownership or operation of a vehicle while it is being used to carry persons for a fee. This exclusion does not apply to:

- a. A share-the-expense car pool; or*
- b. Your covered auto used for volunteer work when reimbursement is limited to mileage expenses.*

- Insurance companies might deny coverage to TNC drivers that are driving passengers for payment of more than a share-the-expense car pool fee based on the above exclusion or similar exclusions.
- You should contact your agent, broker or insurance company about potential gaps in your personal automobile coverage that can arise if you are driving for a TNC. You may need to consider buying a commercial policy with medical payments, comprehensive, collision and UM/UIM to be certain that coverage exists for damage to you, your car and/or for damage caused by an uninsured or underinsured motorist while you are driving passengers for payment of more than a share-the-expense car pool fee.

Any questions about the intent of this Memorandum should be directed to the Insurance Division's Policy Analysis Section, 6th Floor, Davy Crockett Tower, 500 James Robertson Parkway, Nashville, Tennessee, 37243, and/or telephone number (615) 741-2825.

1Medical Payments provides coverage for necessary medical services caused by an accident.

UM/UIM provide bodily injury coverage when the party at fault does not have liability coverage, or the minimum liability coverage is insufficient to cover the injuries. UM/UIM provide coverage for damage to your vehicle caused by an uninsured or underinsured motorist.

Comprehensive and collision cover physical damage to your vehicle not caused by an uninsured or underinsured motorist. Collision covers damage to your vehicle caused by collision with another vehicle or with any other object and also covers vehicle upset (overturn). Comprehensive covers damage to your vehicle caused by reason other than collision, such as fire, theft, windstorm, flood, vandalism, etc.



State of Utah

GARY R. HERBERT

Governor

SPENCER COX

Lieutenant Governor

TODD E. KISER

Commissioner

Insurance Department

For Immediate Release

May 20, 2013

Contact: Tracy Klausmeier

801-538-3869

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Notice to Ride-Share Drivers and Their Passengers

Technology based ride-sharing ventures, such as Lyft and UberX, continue to grow in popularity. These ventures – sometimes called ride-sharing programs or transportation network companies (TNC) – rely on apps and other online-enabled platforms to connect paying passengers with drivers who use their own personal vehicles to provide transportation to these passengers. Utah Insurance Commissioner Todd E. Kiser said that most personal automobile insurance policies contain exclusions for livery services. That means that the policy generally will not provide coverage for liability incurred while driving passengers in exchange for payment, other than an expense sharing arrangement, such as a carpool. You should read your policy to determine its specific exclusions from coverage, but a typical exclusion is set forth below:

We do not provide coverage ... arising out of the ownership or operation of a vehicle while it is being used as a public or livery conveyance. This exclusion does not apply to a share-the-expense car pool.

Based on this or similar exclusions, insurance companies might deny coverage to TNC drivers who are involved in an accident while driving for hire.

“I encourage anyone who drives for a transportation network company to contact your insurance agent or broker, also known as a “producer,” or insurance company,” said Commissioner Kiser. “Discuss your potential insurance needs when driving for a TNC and identify any potential gaps in your current coverages.” You may need to consider increasing coverage limits, buying a commercial policy with liability,[1] uninsured/underinsured motorists (UM/UIM), [2] personal injury protection (PIP),[3] or comprehensive and collision coverage[4] to be certain that coverage exists for damage or bodily injuries you cause others as well as for damage to you, your car and/or for damage caused by an uninsured or underinsured motorist while you are driving for hire, and the need for worker’s compensation insurance.

[1] Liability insurance protects policyholders when they have caused an accident. There are two types of liability coverage that are required by state law: bodily injury liability coverage and property damage liability coverage.

[2] UM/UIM provide bodily injury coverage when the party at fault does not have liability coverage, or the minimum liability coverage is insufficient to cover the injuries. UM/UIM

provide coverage for damage to your vehicle caused by an uninsured or underinsured motorist.

[3] Personal injury protection provides coverage for reasonable and necessary expenses for hospital, medical and disability benefits, as well as certain lost income caused by an accident.

[4] Comprehensive and collision coverage cover physical damage to your vehicle not caused by an uninsured or underinsured motorist. Collision coverage covers damage to your vehicle caused by collision with another vehicle or with any other object, as well as vehicle upset (overturn). Comprehensive coverage covers damage to your vehicle caused by a factor other than collision, such as fire, theft, windstorm, flood, vandalism, etc.

ISSUED MAY 20, 2014

The Utah Insurance Department is a State agency. Its mandate is to regulate insurance marketed and sold in Utah. Currently more than 95,000 agents, agencies, and insurers are licensed; domestic insurers are audited to verify financial stability and compliance with insurance laws; administrative action is taken against licensees found to be in violation of insurance laws; calls from consumers with questions or complaints are taken; and licensees and consumers are educated regarding insurance. For more information visit <http://www.insurance.utah.gov/> or call toll free in-state @ 1-800-439-3805 or locally @ 801-538-3077.



Tuesday, May 6, 2014

Ride-sharing businesses cause confusion among consumers, drivers

Ride-sharing through Transportation Network Companies (TNCs), including Lyft, Uber and Sidecar, are causing a stir nationwide from an insurance perspective. These services are available to consumers through a smartphone app and allow drivers in certain cities to use their personal vehicles to give people rides, like a taxi.

A handful of states have issued consumer notices about these companies, including [California](#), [Hawaii](#), [Ohio](#) and, most recently, [Connecticut](#). The debate revolves around when drivers and passengers are covered in a collision. Most personal auto policies have an exclusion for "livery," which means times when drivers are being paid to transport people. In that case, the drivers would need a supplemental policy to cover the commercial use of their vehicles.

Today, a TNC called [Lyft announced it is partnering with MetLife insurance](#) to "develop insurance solutions that further protect Lyft's drivers and passengers when utilizing this new sharing economy platform." However, that's about all the information that appears to be available at this time.

The TNCs advertise their own liability policies for drivers. Here's an example from [Lyft](#): "The Lyft platform now provides drivers with excess liability insurance up to \$1,000,000 per occurrence." [Uber](#) seems to offer a similar policy. [Sidecar](#) offers a little more information on its site, including a disclaimer that its \$1 million policy "is liability only and does not provide coverage for collision, comprehensive, or wear and tear damage to a driver's vehicle."

Lyft is available in Seattle and recently announced it is expanding into Spokane. Uber is available in Tacoma, Seattle and Spokane. Sidecar is available only in Seattle.

This issue is sure to stick around as more consumers start using ride-sharing

services. The Seattle City Council is currently considering how to regulate TNCs. You can read about one [Seattle blogger's experience with Lyft](#) when he was involved in a collision.

If you have a problem with an insurance company, you can contact our consumer advocates at 1-800-562-6900 or [online](#).