



## Supporting Innovation; Closing TNC Insurance Gaps

### Transportation Network Company Talking Points

- The Property Casualty Insurers Association of America supports innovation and competitive markets within the transportation and insurance industries, however the transportation networking companies' (TNCs) commercial transportation network programs must be coupled with appropriate consumer protections including insurance coverage to provide a firm foundation for growth.
- There may be potential coverage gaps for TNC drivers who have the app on but have not been matched with passenger. They may find that there is no coverage for their injuries or getting their vehicle repaired if there was an accident.
- ***It is vitally important that the vehicles used in transportation network services are properly insured and the public is protected.*** The insurance industry wants to ensure that the personal and financial safety of consumers, passengers and drivers are protected.
- Without policymakers taking action that better clarify what insurance coverage is being provided and when, there will continue to be uncertainty whether there is proper coverage for injuries or damage arising out of an accident.
- The rules of the road regarding insurance coverage should be clarified so the TNCs, drivers and the public know where they stand and have certainty that they are protected if an accident occurs.
- The ride-sharing companies should be required to disclose to drivers and passengers the insurance coverage that is provided, and that a personal auto policy will not cover damage or injury arising out of commercial ride sharing.
- While some TNCs may want to minimize their own insurance exposure, either with limiting contract language or by claiming to be an intermediary, not a transportation provider, the bottom line is that securing adequate insurance coverage and putting in place appropriate consumer protections should be their top priority.
- ***Transportation network drivers and their passengers need to understand that the driver's personal auto policy may not cover them if they are injured or the vehicle is damaged in an accident while the car is used in a transportation network program.***
- Although some TNCs boast of having \$1 million liability insurance, the drivers may be surprised to learn that it doesn't always cover damage to their car or injuries sustained by the driver. Additionally, it must be clear when the TNCs coverage on the vehicle is in effect and when it is not. A too narrow definition of when the ride-sharing activity begins and ends may leave the public at risk and drivers uninsured.
- The insurance industry welcomes the opportunity to help resolve the many insurance coverage issues that need to be addressed to make ride-sharing a safe as well as convenient option for getting around.

