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## **Stricter Regulations Could Close Insurance Gap for Uber, Lyft, Sidecar.**

In California, state regulators are looking to toughen up insurance requirements for on-demand ride services that rely on people driving their own cars while on the job.

Documents released Wednesday revealed proposed expanded regulations for insurance coverage with ride companies like Uber, Lyft, and Sidecar, demanding they provide \$1 million commercial liability insurance starting when drivers turn on a smartphone app showing they are available to work. Right now, companies only need to provide coverage between when a driver has accepted a ride request and when a driver drops off a passenger.

The California Public Utilities Commission also proposes requirements for \$5,000 in medical coverage, \$50,000 in collision coverage and \$1 million in uninsured or underinsured motorist coverage.

The commission, which regulates the ride companies, also would require the ride companies' insurance be the primary coverage. Currently, the companies' policies only cover a driver when the driver's own policy has been used up.

"This proposed decision protects trial lawyers, insurance companies, and big taxi — ignoring the needs of hardworking Californians," Uber spokeswoman Eva Behrend said in an emailed statement. "Uber will vigorously defend the rights of California riders and drivers to enjoy the competition, choice, reliability and safety that ridesharing affords the Golden State."

"At a time when California desperately needs job creation initiatives rather than industry destroying bureaucracy, we look to the leaders of our state to ensure that the innovation economy doesn't crumble at the hands of special interests."

A spokeswoman for Sidecar agreed.

"Sidecar has rapidly gained popularity in California because there is statewide demand for safe, reliable and affordable transportation alternatives," said company spokeswoman Margaret Ryan. "Californians deserve to have access to innovative solutions that make transportation better for our wallets, our communities and our economy."

"The government's role is to adopt laws that strike the right balance between protecting public safety and consumer choice in the marketplace. We look to legislators to put forth regulations that are best for its citizens and not just the narrow interests of the taxi industry."

However, if passed, the proposal would permit expanded coverage to be any combination of insurance from the ride companies or driver policies that cover them while on the job.

The commission's proposal will go to a vote July 10. Representatives for Lyft were not immediately available for comment.

BY KATIE NELSON, MCCLATCHY NEWS SERVICE / JUNE 12, 2014

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