



## Independent Insurance Agents of Virginia

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### Standard Auto Policy Concern Act

No doubt you have heard about the new rideshare companies (Transportation Network Companies –TNC) that are coming into Virginia. They are prominent in metropolitan cities and are aggressively moving into the Hampton Roads, Richmond and Northern Virginia areas.

In short and simply put – drivers sign up with a rideshare company (or companies....an additional problem) and through an app on their smart phone solicit riders for a fee. As you know, when drivers charge a fee for a ride the livery exclusion in the standard auto policy comes into play. Complicating this situation where a TNC may provide some liability coverage, there appears to be no coverage for the driver's vehicle if they are at fault.

For riders – it is not entirely clear when they may or may not be covered in some rideshare instances. Some TNC's have indicated that they provide \$1 million in coverage. Other TNC's say that the driver is responsible for "maintaining auto coverage" (and we can only assume that they mean commercial auto but I seriously doubt it). At any rate, riders may be taking a risk by riding in a TNC vehicle.

Having said this....there is much confusion associated with this issue as you can no doubt tell. The Virginia Division of Motor Vehicles has released temporary regulations for rideshare companies. Legislation will be proposed for the 2015 session formally regulating TNCs in Virginia and I can assure you that IIAV is going to be there. We have already met with Virginia DMV to provide our counsel and are working closely with our company lobbyist partners. IIAV's position is that the TNCs should provide coverage from app on to app off.

What we have found however is little if any guidance to the agents from the companies on this issue. That may very well be because this issue is changing almost daily. You may have received calls from customers or you may soon start receiving calls. With this in mind we have created (with the help of our Ohio affiliate) the attached "Consumer WARNING" on ridesharing. The purpose is to get your client to call you and discuss their coverage opportunities. Be aware, some companies have indicated that if they hear of customers who are participating in TNCs, they plan to non-renew the customer.

Feel free to use [the attached](#) as a flyer and send to your clients, and/or post on your website. You may even personalize the flyer to your agency. Stay tuned to more information from IIAV and please don't hesitate to contact us if you have any questions.

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