



DATE: March 15, 2016
TO: Insurance and Real Estate Committee
FROM: Professional Insurance Agents of Connecticut Inc.
Loretta Lesko, PIACT President

**PROFESSIONAL
INSURANCE
AGENTS**

STATEMENT RE: *H.B. 5523 AN ACT CONCERNING INSURANCE
REQUIREMENTS FOR TRANSPORTATION NETWORK
COMPANIES*

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Professional Insurance Agents of Connecticut Inc., an association of independent insurance agents throughout the state and their employees, supports the majority of raised bill H.B. 5523, and respectfully submits suggestions for a modification.

In its current form, H.B. 5523 requires drivers for transportation network companies to carry the minimum state mandated uninsured/underinsured motorist coverage of \$20,000 per person and \$40,000 per accident during all stages of ride hailing. However, these limits offer inadequate protection compared to the policies already held by the transportation network companies.

From the time a ridehailing driver contracted with a transportation network company logs onto their application until they accept a ride, also known as stage one, a transportation network company's insurance policy will cover the state minimum uninsured/underinsured motorist coverage. However, transportation network companies have recognized an increased risk in the later stages, and raised the limits during stages two and three. During these stages, the transportation network company's policy offers \$1 million of third party liability and \$1 million combined single limit for uninsured/underinsured motorist coverage.

PIACT respectfully asks that the minimum required limits of uninsured/underinsured motorist coverage during stages two and three be raised to \$1 million combined single limit. This will ultimately protect the public equally; as it will ensure that all policies covering this peril carry adequate coverage. In this regard, the fact that the transportation network companies' policies have \$1 million limits speaks volumes. It demonstrates that they recognize an additional risk during these stages, and adjusted their policy limits accordingly. The state should follow suit, and regard the transportation network companies policy limits as the adequate minimum coverage required to cover this peril.

PIACT is advocating for the passage of H.B.5523 which imposes insurance requirements for transportation network companies, with the modification of the uninsured/underinsured motorist limits mentioned above. PIACT wants to see both the public and ridesharing drivers protected.

PIACT commends the Legislature for addressing this issue.