

ARE UBER AND LYFT DRIVERS PROPERLY INSURED?

When Individuals Using Their Personal Vehicles Transport Passengers Who Have Contacted Them Through A Mobile App, There Are Bound To Be Issues — One Of The Biggest Ones Has To Do With Liability Insurance



MICHAEL D. WAKS
LONG BEACH PERSONAL INJURY ATTORNEY

If you have not heard of the mobile-app-based “transportation network companies” (TNCs) known as Uber and Lyft, you are certainly in the minority. These networks have become increasingly popular and now operate in 120 cities and 37 countries. If you need a ride, you can use a TNC app on your smartphone to “order” an independent driver nearby to transport you to your destination. The apps make it easy to get a ride, but if your ridesharing driver doesn’t have a commercial license or insurance policy, getting compensated for injuries incurred in his or her car, may not be as simple.

WHAT ARE UBER AND LYFT?

Uber and Lyft are two of the most popular mobile-app-based car service providers. Using the term “provider” is misleading, they say, because they are simply “technology companies” whose smartphone apps act as a marketplace for potential passengers to find available drivers. In fact, in recent court filings, Uber emphatically denied being in the transportation services business stating, it did not own, lease or charter vehicles for transport. As for the drivers in their networks, Uber and Lyft say they are independent transportation providers who pay a fee to use the company’s software.

Many states have banned companies such as Uber viewing them as unlicensed taxi companies; other states are trying to regulate them. Thus far these actions have not stopped Uber and Lyft from taking hold in major cities, including those in Southern California. These TNCs match thousands of drivers and passengers every day. Of course when you have unlicensed commercial drivers using their personal vehicles

to transport passengers who contact them through a mobile app, there are bound to be some issues. One of the biggest issues has to do with liability insurance.

WHO IS LIABLE FOR INJURIES INCURRED IN AN UBER OR LYFT VEHICLE?



Transportation network companies have worked very hard to shield themselves from liability for accidents occurring in rideshare cars. For many years companies like Uber and Lyft avoided providing their drivers with liability insurance, instructing them to file claims under their personal auto insurance policy. There are, however, serious problems with independent rideshare drivers filing claims against their personal policy.

First, very few rideshare drivers have a commercial driver's license, register their car as a commercial vehicle or carry commercial insurance, because it is very expensive. Instead, they carry personal automobile insurance coverage, and many carry only the minimum legal limits. In California, the minimum coverage required for personal vehicles is \$15,000 for injury or death to one person and \$30,000 for injury or death to more than one person. In the case of a serious automobile accident, the chance of exceeding the minimum policy limits is very likely.

Even more serious than insufficient coverage, is no coverage at all. As the popularity of TNCs has grown, insurance companies have become aware that some of their policyholders are using personal cars for business activity. They insist ridesharing is a commercial activity not covered by personal insurance policies. Some insurance companies have refused to pay when rideshare drivers have gotten into accidents while on the job. In addition, they have begun cancelling, or refusing to renew, policies of Uber and Lyft drivers.

During auto accident investigations insurance companies are now checking to see if their insured was transporting a TNC passenger. Drivers who are working for Uber and Lyft commit insurance fraud if they lie to their automobile insurance company.

PRIMARY INSURANCE FOR UBER AND LYFT DRIVERS

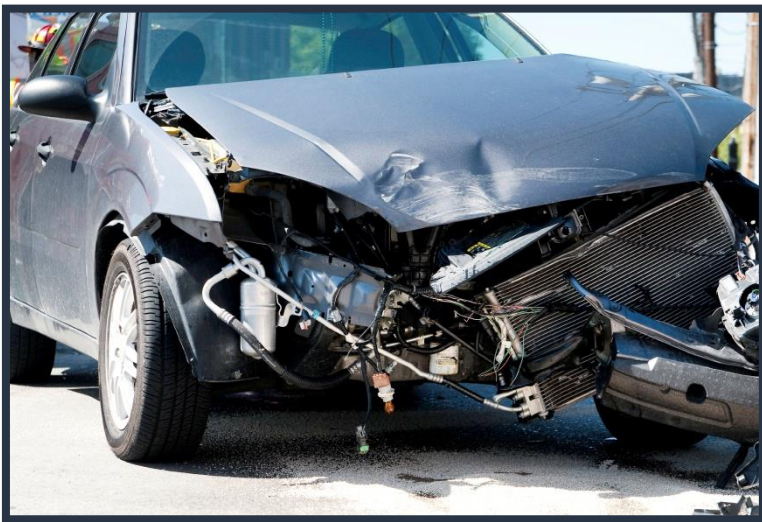
Gaps in insurance can be devastating for a seriously injured rideshare vehicle accident victim. Lawmakers in California and Colorado have taken steps to help protect rideshare victims by drafting legislation requiring TNCs to provide primary

liability insurance to their “on duty” drivers. Still trying to avoid liability for rideshare car accidents, when there is an accident, TNCs are now questioning whether or not drivers were on duty when the accident occurred.

While Uber and Lyft may be required to provide primary insurance to their drivers, to be considered on duty the drivers must have the TNC’s app on. If a driver does not have the app on, even if there is a passenger in the car at the time of an accident, the company will argue the driver was not “on duty.” If the TNC does recognize the driver as having been on duty, the driver is told to file a claim with his or her personal insurance company first. The personal insurance company must deny coverage before the insurance company for Uber and Lyft will consider the claim.

WHAT TO DO IF YOU ARE IN A RIDESHARE ACCIDENT?

Under current California rideshare laws, drivers must have a personal automobile



insurance policy covering the vehicle they are driving. In addition, TNCs must carry a minimum of \$1 million in coverage for their rideshare cars. Unfortunately, because TNCs are continuing to try to avoid paying personal injury claims, victims of rideshare car accidents may be left fighting for compensation for

their medical costs, lost wages, and pain and suffering.

If you are in an accident involving an Uber or Lyft rideshare car, there will likely be disputes as to who is liable for your injuries. The truth is you may be able to collect compensation under the driver's personal automobile insurance, the Uber and Lyft insurance, the other drivers insurance and/or your own automobile insurance. To sort through the liability issues and hold the negligent party accountable for your damages, you need a personal injury attorney with experience in Uber and Lyft accident cases. A California rideshare injury attorney can help you receive the compensation you deserve for injuries incurred in a rideshare accident.

CONTACT AN EXPERIENCED LONG BEACH RIDESHARE ACCIDENT ATTORNEY TO ASSIST YOU WITH YOUR CLAIM

“YOUR INJURIES ARE PERSONAL TO ME”



My law practice exclusively represents personal injury victims and does so with a deep understanding of their suffering and an absolute commitment to their recovery. I take your injuries personally, and that is why I directly handle all aspects of

every case to ensure that you receive maximum compensation.

Call the Law Office of Michael D. Waks at 888-394-1174 or use the convenient online contact form to schedule a free consultation. You are under no obligation and you will never pay any money unless you recover damages for your injuries. I offer bilingual services as part of my comprehensive approach to legal representation and I am available 24/7 to talk to you about your case.

About the Author



Michael D. Waks

Personal injury victims need someone who understands their pain, who is invested in them and will guide them through the complicated maze of their medical and legal worries. They need an attorney who cares about them and their families.

My name is Michael Waks and I am a personal injury attorney in the Los Angeles Area focused on the needs of people who have suffered because of someone else's actions.

While still attending Southwestern University School of Law, I clerked for a big defense law firm that represented manufacturers of asbestos. I read the files and met the people whose lives were ruined by asbestos and I knew, for the rest of my career, I wanted to help people like them: the victims, not the perpetrators.

I have been doing just that for over 30 years. As soon as I passed the Bar I opened the Law Office of Michael D. Waks in Long Beach and began exclusively representing seriously injured accident victims. I decided to be a sole practitioner so I could handle every case personally. I understand clients are different and that in the wake of an accident their suffering will be unique, ranging from physical and financial to emotional.

I tell my clients from the start, "I want you to only worry about one thing, and that is to do exactly what your doctor tells you in order to get better. Leave the rest to me."

MICHAEL D. WAKS

LAW OFFICE OF MICHAEL D. WAKS

300 East San Antonio Drive

Long Beach, CA 90807

Phone: (562) 326-5002

Website: www.michaelwaks.com