

Consumer Alert



Connecticut Insurance Department
153 Market Street
Hartford, CT 06103

Thomas B. Leonardi, Commissioner

May 6, 2014

Auto Insurance: Drivers of Ride-Sharing Services Must Be Aware of Potential Coverage Gaps

The Connecticut Insurance Department has offered the following consumer advisory regarding ride-sharing arrangements known as Transportation Network Companies (TNC):

Drivers who work for transportation network companies (TNC) may not be covered by their personal automobile insurance policies while driving for hire. This is due to a common exclusion in most personal auto policies for claims arising while driving for hire, a practice sometimes referred to as livery service.

TNCs have grown in popularity because of technological advances that use online apps and other cyber platforms to connect paying passengers and drivers who use their personal vehicles to provide transportation.

Drivers of TNCs should be aware that while every personal automobile insurance policy differs, nearly all contain exclusions for livery. If a policy contains a livery exclusion, this means that the policy generally will not provide coverage for liability incurred while driving passengers in exchange for remuneration, other than an expense-sharing arrangement, such as a carpool.

The Department advises drivers to carefully read their policy to determine specific exclusions and to contact a broker or agent to discuss their insurance needs when driving for a TNC.

For more information on this issue or any insurance issue in Connecticut, contact the Connecticut Insurance Department:

Email: cid.ca@ct.gov

Ask a question or file a complaint [online](#)

Consumer Helpline: 800-203-3447 or 860-297-3900

