



Kansas Insurance Department

Sandy Praeger, Commissioner of Insurance

FOR IMMEDIATE RELEASE

May 22, 2014

For more information, contact:

Bob Hanson

Director of Communications

785-296-7807

bhanson@ksinsurance.org

Consumer Alert:

Check out ridesharing services insurance liability, Commissioner says

TOPEKA, Kan. — Sandy Praeger, Kansas Commissioner of Insurance, is asking consumers to check with their insurance agents and companies regarding coverage concerns with ride-sharing or person-to-person transportation services in the Kansas City area.

Lyft, Inc., a ride-sharing service between individual, non-commercial drivers, began operating in the Kansas City Metro area in April, prompting concerns among local transportation and insurance officials about the coverage that participating drivers and riders have.

“We at the Kansas Insurance Department are encouraging consumers to review their coverage with agents or companies before agreeing to the ridesharing arrangements,” Commissioner Praeger said. “It’s important that consumers understand what their policies cover, and, if they are using their own vehicles this way, that the arrangement doesn’t jeopardize the renewability of their insurance coverage.”

Lyft is one of two San Francisco-based companies offering ridesharing services in many cities throughout the United States, including Kansas City and St. Louis. Currently, the company lists no Kansas cities where their service is offered; however, the map for their Kansas City, MO, coverage area extends into Johnson and Wyandotte counties.

Through a mobile computer application, prospective drivers and riders connect, with passengers making a payment through the app and Lyft taking a cut, according to a *Kansas City Business Journal* article. Media reports also say that Kansas City-area drivers have been cited for not having the proper permits needed for transportation service businesses.

Kansas consumers who have insurance questions can call the department’s Consumer Assistance Division at 800-432-2484, Commissioner Praeger said.

-30-

The Kansas Insurance Department, established in 1871, assists and educates consumers, regulates and reviews companies, and licenses agents selling insurance products in the state. More about the department is online at www.ksinsurance.org or at www.facebook.com/kansasinsurancedepartment.