

Susan Bell
Commissioner

P.O. Box 110800
Juneau, AK 99811-0800

www.commerce.alaska.gov

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STATE OF ALASKA

DEPARTMENT OF COMMERCE,
COMMUNITY & ECONOMIC DEVELOPMENT

Leslye Langla
Special Assistant

907.269.8159
leslye.langla@alaska.gov

Press Release

COMMISSIONER'S OFFICE

FOR IMMEDIATE RELEASE
June 4, 2014

No. 14-017

State Warns of Rideshare Risk for Passengers and Drivers

Anchorage— Alaska Division of Insurance (DOI) joins 14 other states in issuing a warning about the risks of rideshare and vehicle-sharing programs and urges Alaskans to be informed of the risks before participating in these type of programs.

Vehicle-sharing programs use an online platform to connect renters with vehicle owners who offer short-term rentals (an hour to a few days) of privately owned vehicles. **Ride-sharing programs**, or transportation network companies/TNCs, use an online service to connect passengers with drivers who use their personal vehicles for pre-arranged taxi-like transportation services for hire. **The Division wants Alaskans to know that these programs may result in a denial of insurance for participating vehicle owners, drivers, and passengers.**

Personal auto insurance is not intended to cover individuals who use their vehicles for commercial purposes. Most personal auto policies will not cover an accident that occurs when someone uses their personal vehicles for commercial purpose. Recently some insurers have amended their personal auto policies excluding specific vehicle-sharing and ride-sharing activities.

Alaskans who either provide their vehicle for rent or use it to transport passengers or property for compensation may need a commercial auto policy to ensure they have the proper insurance to protect for vehicle use in either type of program. This includes the insurance for an auto, motorhome, motorcycle or any other motorized vehicle that is used to participate in these programs.

If you are a participant in a vehicle-sharing or ride sharing program who separately insures an owned vehicle in Alaska, you should have at least minimal liability coverage for vehicles rented in the U.S. or Canada, as required by AS 21.96.020(f)(2); consumers may choose to purchase additional collision, comprehensive, or non-owned vehicle coverage, that would apply while renting from another individual.

The Division of Insurance regulates the insurance industry to protect Alaskan consumers. For more information, visit <http://commerce.alaska.gov/dnn/ins/Home.aspx> or call 1-800-467-8725. For additional information about DCCED, visit commerce.alaska.gov.

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