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CONSUMER ALERT: NH Insurance Department Urges Caution For Drivers, Passengers of Ride-Share Programs

CONCORD, NH – The New Hampshire Insurance Department cautions residents who consider signing up for fee-based services that connect drivers, riders, and vehicle owners for car-sharing and ride-sharing. Residents may be at risk if they participate in these programs without the proper insurance coverage.

Ride-share companies connect passengers with drivers who are using personal, non-commercial vehicles. Examples include companies such as Uber, Sidecar, Wingz, and Lyft, whose mobile apps even take care of payment between customer and driver.

Typically, a commercial automobile insurance policy is necessary to provide a vehicle for rent or to transport property or passengers for compensation, and drivers providing these services may not be aware that their personal automobile insurance policy may not cover the service. The Department advises residents that their personal auto insurance policies may not protect them as a passenger or driver in a ride-share program.

“I urge New Hampshire residents to consider the risk involved,” said New Hampshire Insurance Commissioner Roger Sevigny. “Car owners should check with their insurers before participating in a program like this to be sure they are covered. If they are not, they may have to pay out of their own pockets for damages and injuries, should there be an accident. And riders should be aware that, in the event of an accident, they may not have recourse to damages, as they would through a traditional taxi service.”

The New Hampshire Insurance Department urges residents to take the following steps when considering using this type of service:

Vehicle owners and drivers should:

- Review any type of agreement carefully.
- Obtain a copy of the policy and ask their agent or insurance company to discern whether it covers ride-share activities.

Passengers should:

- Find out who would be responsible if they were injured and whether insurance coverage would be available. The Department urges passengers in these situations not to waive their rights.
- Call the New Hampshire Insurance Department at (800) 852-3416 with questions.

Please note: A traditional car-pooling arrangement by friends or neighbors who share the cost of gasoline or take turns driving is not the situation being addressed in this alert. Those types of arrangements typically are not a problem. If in doubt about an activity, before engaging in the activity, exercise caution and seek information by contacting your agent, insurance company, or the New Hampshire Insurance Department.

The New Hampshire Insurance Department's mission is to promote and protect the public good by ensuring the existence of a safe and competitive insurance marketplace through the development and enforcement of the insurance laws of the State of New Hampshire. For more information, visit www.nh.gov/insurance.

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