



United Policyholders

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August 20, 2014

Hon. Susan Bonilla
California State Assembly
State Capitol, Room 4140
Sacramento, CA 94249-0014

Re: AB 2293 (as amended) SUPPORT

Dear Assemblymember Bonilla,

We are writing to convey our support for the recently amended AB 2293.

As stated in our May 22, 2014 letter, AB 2293 will ensure that TNC drivers are adequately insured and that TNCs maintain the appropriate level of financial responsibility for their business operations. As a non-profit consumer organization, we value the innovative and competitive service that TNCs provide, but strongly support the establishment of liability insurance requirements that will protect passengers, drivers *and* TNCs in the event of an accident, and that will allow accident victims to be fully and fairly compensated without coverage battles and undue litigation. This bill accomplishes that objective.

AB 2293, as amended, provides TNC passengers and pedestrians the protection of \$100,000 and \$300,000 per person and per occurrence coverage during “Period 1” (*i.e., Ridesharing Application Open Waiting for a Match*) and makes the TNC liable for up to \$750,000 in excess for catastrophic cases. TNC drivers will be required to purchase a separate policy or endorsement for TNC use. While we favor the original language requiring the TNC’s \$1,000,000 liability policy to apply during all periods when a TNC driver makes him or herself available to pick up a fare, we support the compromise version of AB 2293.

This compromise was the result of extensive negotiations between TNC companies, public interest consumer groups, and other stakeholders. However, we understand that TNCs continue to oppose AB2293, as well as draft regulations before the California Public Utilities Commission, on which we and other stakeholders are also providing input. Nonetheless, we urge passage of AB 2293, as amended, because it is a reasonable compromise measure that incorporates the concerns and input of all parties and stakeholders while still achieving its stated objective: to provide adequate insurance coverage for TNC riders and pedestrians in case of an accident. We believe that AB2293, as amended, is the product of a fair legislative process and is good for California consumers, businesses, drivers, and injured pedestrians.

United Policyholders (“UP”) is a non-profit 501(c) (3) organization founded in California in 1991 that is a voice and an information resource for insurance consumers in all 50 states. Donations, foundation grants and volunteer attorneys and staff in all 50 states, support the organization’s work. UP is based in San Francisco but operates nationwide. UP does not sell insurance or accept funding from insurance companies.

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As a non-profit insurance consumer organization, we aim to protect the interests of insurance consumers with respect to insurance industry transparency, availability and quality of insurance coverage, as well as ensuring that policyholders have access to the civil justice system and adequate legal rights and remedies.

Thank you for your leadership on AB 2293 and for considering these additional letter comments in support.

Sincerely,

A handwritten signature in black ink that reads "Amy Bach". The signature is written in a cursive, flowing style.

Amy Bach, Esq.
Executive Director

Dan Wade, Esq.
Staff Attorney

cc:

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