



Kansas Association of Property & Casualty Insurance Companies Inc.

March 20, 2015

HB 2286

Before the House Insurance Committee

Testimony by Marlee Carpenter, Kansas Association of Property and Casualty Insurance Companies (KAPCIC)

Mr. Chair and Members of the Committee;

Thank you for the opportunity to testify on behalf of the Kansas Association of Property and Casualty Insurance Companies (KAPCIC), our state trade association for domestic property and casualty insurance companies.

KAPCIC members oppose the insurance provision proposed in HB 2286. KAPCIC members want to ensure that there are no gaps in insurance coverage for drivers that choose to participate in ridesharing agreements. Ride-sharing companies allow private drivers to log into the company's mobile application to locate and pick up customers. Currently, Uber operate in Kansas and has more than 530 vehicles that are part of their network and the number continues to rise.

KAPCIC members believe that there is a gap in insurance coverage in Phase 1 of the ride-sharing transaction—when the app is on and a driver is waiting to be matched with a ride. A personal auto policy will not cover this phase of the transaction because of the commercial livery exclusion and it is unclear if the Uber policy will apply. KAPCIC members want to ensure that there are no gaps in coverage and that Kansas consumers, drivers, lienholders and insurance companies are protected and their responsibilities are clearly defined in Kansas law.

KAPCIC members support free enterprise and new and innovative companies operating in the state. KAPCIC members have no desire to regulate or prohibit these companies for operating in the state of Kansas. KAPCIC members only want to insure that there are no gaps in insurance and that all Kansans are protected.

KAPCIC opposed the insurance provisions in HB 2286 and supports provisions such as provisions that have been offered in Arizona or Missouri or that are drafted in HB 2249. Thank you for your time and I will be happy to answer any questions.