

Rideshare Insurance Coverage Changes Under New California Law

A new California law reduces uninsured motorist coverage in some rideshare crashes, potentially affecting insurance recoveries in certain accident scenarios.

LOS ANGELES, CA, UNITED STATES, June 17, 2026 /EINPresswire.com/ -- A recent change in California law will reduce certain insurance protections previously associated with rideshare travel. The update may affect how insurance coverage applies to certain accident scenarios beginning in 2026.

For several years, passengers and other road users often assumed that substantial insurance protection applied when traveling through rideshare platforms. Many believed that a trip arranged through rideshare services automatically included a \$1 million insurance policy covering injuries from most crash scenarios.

However, attorneys note that a legislative change taking effect January 1, 2026, modifies one portion of that protection.

What Changed and What Didn't

The change stems from California Senate Bill 371, which reduces the mandatory uninsured and underinsured motorist (UM/UIM) coverage carried by rideshare companies in certain situations.

Under the revised law, the required uninsured/underinsured motorist (UM/UIM) coverage during passenger trips has been reduced from up to \$1 million to approximately \$60,000 per injured person and \$300,000 per accident.

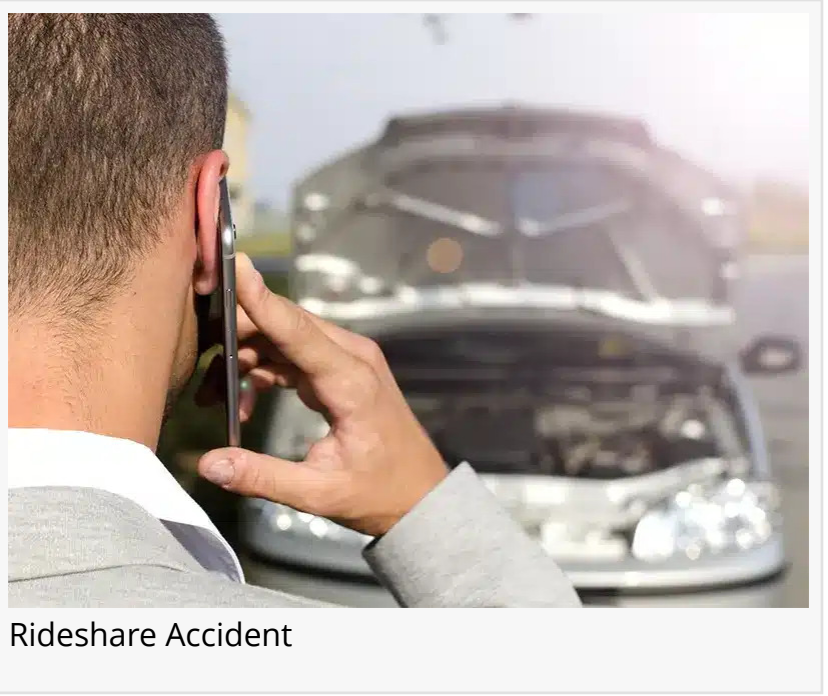


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The distinction is important because the reduction applies only to UM/UIM coverage. This type of policy serves as a safeguard when the driver responsible for a crash lacks sufficient insurance.

At the same time, the law does not reduce liability coverage when a rideshare driver causes a crash. In those circumstances, the \$1 million liability policy for rideshare operations generally remains in effect.

Attorneys say the update primarily affects cases where another driver, not the rideshare driver, is responsible for the collision and has inadequate insurance coverage.



Rideshare Accident

Who Is Affected



Changes in insurance requirements can affect how claims are evaluated and highlight the need to understand how coverage applies in different accident scenarios"

Cameron Brock, Managing Partner at Burg and Brock

The adjustment may affect several groups of people involved in rideshare-related roadway collisions.

Passengers in rideshare vehicles may be affected if they are injured in a [rideshare accident](#) caused by a driver with insufficient insurance. In those situations, UM/UIM coverage is typically intended to fill the gap between the responsible driver's insurance limits and the injured person's damages.

The change may also affect individuals outside the rideshare vehicle. Pedestrians, cyclists, and occupants of

other vehicles can be involved in collisions with rideshare vehicles or with drivers operating nearby. In certain circumstances, the availability of uninsured motorist coverage may affect how claims are resolved.

Traffic safety data continues to show that collisions remain a concern across California's transportation system. In densely populated regions such as Los Angeles, thousands of crashes occur each year, often involving multiple drivers and varying levels of insurance coverage.

Because rideshare vehicles operate alongside traditional traffic, incidents involving rideshare

drivers may involve several insurance policies and coverage categories, complicating the claims process and potentially affecting the compensation that victims receive.

Why This Matters

After a serious collision, insurance coverage can significantly influence the resolution of medical expenses and other losses.

Emergency medical care following a crash may include ambulance transportation, hospital treatment, and diagnostic testing. In severe cases, long-term rehabilitation and ongoing medical care may also be required.

When a collision involves a driver with insufficient insurance coverage, UM/UIM policies may provide an additional source of compensation for injured individuals.

Legal analysts say the reduction in coverage limits may affect how some claims are evaluated when uninsured or underinsured drivers are involved, potentially leading to lower compensation for injured parties and complicating the claims process.

In complex collisions, determining which insurance policies apply often requires reviewing the circumstances of the crash, the drivers involved, and the status of each vehicle at the time of the incident. In some cases, individuals involved in serious collisions consult a [Los Angeles Car accident lawyer](#) to review insurance coverage questions related to the accident.

Attorneys note that rideshare incidents often involve multiple parties and insurance carriers, which can complicate coverage determinations compared with standard two-vehicle crashes.

What Injured Victims Should Do

Because insurance coverage in rideshare-related crashes can depend on several factors, attorneys note that determining which policy applies often requires reviewing the details of the incident.

Key considerations may include the driver's identity and insurance status, the coverage category triggered by the crash, and the timing and circumstances of the accident.

These issues commonly arise in many types of roadway collisions, including rideshare incidents and multi-vehicle crashes. Individuals seeking to understand how insurance policies apply after a serious collision sometimes consult a [motor vehicle accident lawyer](#) to evaluate potential coverage sources.

The law took effect on January 1, 2026. Transportation analysts and legal professionals continue to review how the updated requirements may affect claims involving uninsured or underinsured

drivers in rideshare-related accidents.

About Burg & Brock

Burg & Brock is a California personal injury law firm that represents individuals involved in serious accidents and injury cases, including motor vehicle collisions, rideshare incidents, and other complex injury matters. The firm focuses on litigation involving catastrophic injuries and insurance disputes and serves clients throughout California.

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