E-BIKES CLAIMS LEAD TO REGULATORY CHANGES

by Sue C. Quimby, CPCU, AU, CIC, CPIW, DAE, CLP-A, ACR

The popularity of e-bikes continues to grow worldwide. Even before the pandemic in 2020, sales and popularity of e-bikes were surging. Worldwide sales are estimated to grow from $25.48 billion in 2025 to $49.98 billion by 2035. Recent dramatic increases in serious injuries to e-bike riders has led to expanded regulations in a number of states, including New Jersey and New York. Use of e-bikes may represent higher liability exposure than traditional manually pedal-operated bicycles. Helping clients understand the possible insurance implications and exposures of e-bikes is a value-added service of the professional insurance agent.



According to velo.outsideonline.com, 2024 saw a record number of deaths (23) from e-bike accidents in New York City. A California study revealed an 1800% increase in e-bike accidents from 2018-2023. Another study showed that nearly 1 in 8 e-bike accident victims succumbed to their injuries, and that e-bike accident rates are 37% higher than those for traditional bicycles.

Due to these trends, several states now require e-bikes to be registered. Other regulations include age restrictions (often age 15 and above) for riders. New Jersey requires driver's licenses, registration and insurance for Class 3 e-bikes, which have pedal / throttle assist, and speeds up to 28 mph. Riders under age 15 are banned from Class 3 e-bikes. Helmets are required for all riders of any type of e-bike. New York also requires riders to be a minimum of 16 years old and wear helmets. Travel may be done in bike lanes or streets with speed limits under 30 miles per hour.

Fire is another common cause of loss involving e-bikes, as the power source for an e-bike is a lithium battery. These are highly combustible, as they may undergo rapid and intense self-heating chain reactions, known as thermal runaways. Proper care is required to avoid fires. Most batteries must be charged separately – operation of the motorized bike will not recharge the battery. Batteries are usually removable, and the charger can be used in a standard power outlet. In 2023, New York City saw 237 e-bike fires, which killed 18 people and injured 150 (velo.outsideonline.com).

Thefts of e-bikes are on the rise, increasing 15% from 2023-2024. Their high value makes them a target for organized crime rings. It is difficult to determine how many e-bikes are actually stolen, as law enforcement may classify the thefts under bicycles, and not e-bikes. Thefts of uninsured e-bikes may not be reported at all. In some cases, it is just the battery that is taken. Locking the e-bike, removing the battery and keeping the e-bike inside whenever possible can help to reduce the possibility of theft. Some e-bikes have GPS systems that may help track the location of the stolen e-bike.

Standard homeowners policies offer very limited coverage for

damage to, theft, of or liability for operation of an e-bike that could be considered a motorized vehicle. Since in most jurisdictions no license is required to operate an e-bike, they are not required to be registered, and they have less than four wheels, a typical automobile insurance policy will not provide coverage. In fact e-bikes can be attractive transportation for those without a driver's license.

Insurance for e-bikes is becoming more common. Coverage is available for damage or theft of the e-bike itself, medical payments for injuries to the rider, and liability for injury to or damage to property of others. Coverage generally applies to owned e-bikes only, so care should be taken to procure coverage when renting an e-bike.

E-bike owners may be unaware that they need to be licensed, register the e-bike, and purchase specialty insurance coverage. Helping clients navigate the uninsured exposures and risks of e-bikes is another value-added service of the true insurance professional.

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