

PEER-TO-PEER CAR SHARING PROGRAM ACT (EXCERPT)
Act 223 of 2024

257.2241 Peer-to-peer car sharing program; assumption of liability; exception; automobile insurance policy requirements; applicability of chapter.

Sec. 41.

(1) Except as provided in subsection (2), a peer-to-peer car sharing program shall assume the liability of a shared vehicle owner for bodily injury and property damage to third parties during the car sharing period in amounts stated in the car sharing program agreement, which may not be less than those required under section 3009 of the insurance code of 1956, 1956 PA 218, MCL 500.3009.

(2) Notwithstanding the definition of car sharing termination time in section 3, the assumption of liability under subsection (1) does not apply to a shared vehicle owner if the shared vehicle owner does either of the following:

(a) Makes an intentional or fraudulent material misrepresentation or omission to the peer-to-peer car sharing program before the car sharing period in which the loss occurred.

(b) Acts in concert with the shared vehicle driver who fails to return the shared vehicle in accordance with the terms of the car sharing program agreement.

(3) Notwithstanding the definition of car sharing termination time in section 3, the assumption of liability under subsection (1) applies to financial responsibility requirements described in chapter V of the Michigan vehicle code, 1949 PA 300, MCL 257.501 to 257.532, and requirements for insurance coverage for bodily injury to and damage to the property of third parties under section 3009 of the insurance code of 1956, 1956 PA 218, MCL 500.3009.

(4) A peer-to-peer car sharing program shall ensure that, during each car sharing period, the shared vehicle owner and the shared vehicle driver are insured under an automobile insurance policy that either recognizes that the shared vehicle insured under the policy is made available and used through a peer-to-peer car sharing program or that does not exclude use of a shared vehicle by a shared vehicle owner or a shared vehicle driver. The peer-to-peer car sharing program shall ensure that the automobile insurance required under this section provides all of the following:

(a) For the shared vehicle owner, all of the following:

(i) Residual third-party liability insurance as required under section 3101 of the insurance code of 1956, 1956 PA 218, MCL 500.3101, in the amounts required under section 3009 of the insurance code of 1956, 1956 PA 218, MCL 500.3009.

(ii) Personal protection insurance and property protection insurance of the types and in the amounts required by chapter 31 of the insurance code of 1956, 1956 PA 218, MCL 500.3101 to 500.3179, except that the peer-to-peer car sharing program is not required to ensure that the shared vehicle owner has personal protection insurance benefits if the shared vehicle owner has elected to not maintain coverage for personal protection insurance benefits under section 3107d of the insurance code of 1956, 1956 PA 218, MCL 500.3107d, or if an exclusion applies to the vehicle under section 3109a(2) of the insurance code of 1956, 1956 PA 218, MCL 500.3109a.

(b) For the shared vehicle driver, residual third-party liability insurance as required under section 3101 of the insurance code of 1956, 1956 PA 218, MCL 500.3101, in the amounts required under section 3009 of the insurance code of 1956, 1956 PA 218, MCL 500.3009.

(5) All of the following apply to the insurance required under subsection (4):

(a) The insurance may be placed with an insurer licensed under chapter 4 of the insurance code of 1956, 1956 PA 218, MCL 500.402 to 500.480, or, if the insurance is maintained by a peer-to-peer car sharing program, an eligible unauthorized insurer under chapter 19 of the insurance code of 1956, 1956 PA 218, MCL 500.1901 to 500.1955.

(b) The insurance satisfies the financial responsibility requirements described in chapter V of the Michigan vehicle code, 1949 PA 300, MCL 257.501 to 257.532.

(6) The insurance required under subsection (4) may be satisfied by automobile insurance maintained by any of the following:

(a) The shared vehicle owner.

(b) The shared vehicle driver.

(c) The peer-to-peer car sharing program.

(d) A combination of the shared vehicle owner, the shared vehicle driver, and the peer-to-peer car sharing program.

(7) The insurance described in subsection (6) that is satisfying the insurance requirement of subsection (4) must be primary during each car sharing period and if a claim occurs in another state with higher minimum financial responsibility limits during the car sharing period, the coverage maintained under subsection (6) must satisfy the difference in minimum coverage amounts, up to the applicable policy limits. The insurer, insurers, or peer-to-peer car sharing program providing coverage under subsection (6) shall assume primary liability for a claim when either

of the following occurs:

(a) A dispute exists as to who was in control of the shared vehicle at the time of the loss and the peer-to-peer car sharing program does not have available, did not retain, or fails to provide the information required by section 43.

(b) A dispute exists as to whether the shared vehicle was returned to the alternatively agreed-on location as required under section 3(f)(ii).

(8) If insurance maintained by a shared vehicle owner or shared vehicle driver in accordance with subsection (6) has lapsed or does not provide the required coverage, insurance maintained by the peer-to-peer car sharing program must provide the coverage required by subsection (4) beginning with the first dollar of a claim and provide the duty to defend the claim except under circumstances as set forth in subsection (2).

(9) Coverage under an automobile insurance policy maintained by a peer-to-peer car sharing program must not be dependent on another automobile insurer first denying a claim, and another automobile insurer must not be required to first deny a claim.

(10) This chapter does not do any of the following:

(a) Limit the liability of a peer-to-peer car sharing program for any act or omission of the peer-to-peer car sharing program itself that results in injury or damage to a person as a result of the use of a shared vehicle through a peer-to-peer car sharing program.

(b) Limit the ability of a peer-to-peer car sharing program to, by contract, seek indemnification from the shared vehicle owner or the shared vehicle driver for economic loss sustained by the peer-to-peer car sharing program that results from a breach of the terms and conditions of the car sharing program agreement.

History: 2024, Act 223, Eff. Oct. 17, 2025