

***** Act 223 of 2024 THIS NEW ACT IS EFFECTIVE OCTOBER 17, 2025 *****

PEER-TO-PEER CAR SHARING PROGRAM ACT

Act 223 of 2024

AN ACT to provide for peer-to-peer car sharing; to impose obligations on and provide rights to persons that operate peer-to-peer car sharing, shared vehicle owners, and shared vehicle drivers; to provide for liability for personal injuries and property damage in peer-to-peer car sharing; to provide for responsibilities of insurers; and to provide remedies.

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

The People of the State of Michigan enact:

CHAPTER 1 SHORT TITLE

***** 257.2201.new THIS NEW SECTION IS EFFECTIVE OCTOBER 17, 2025 *****

257.2201.new Short title.

Sec. 1.

This act may be cited as the "peer-to-peer car sharing program act".

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

CHAPTER 3 DEFINITIONS

***** 257.2203.new THIS NEW SECTION IS EFFECTIVE OCTOBER 17, 2025 *****

257.2203.new Definitions.

Sec. 3.

As used in this act:

(a) "Automobile insurance" means that term as defined in section 3303 of the insurance code of 1956, 1956 PA 218, MCL 500.3303.

(b) "Car sharing delivery period" means the period of time during which a shared vehicle is being delivered to the location of the car sharing start time, if applicable, as documented by the governing car sharing program agreement.

(c) "Car sharing period" means the period of time that commences with the car sharing delivery period or, if there is no car sharing delivery period, that commences with the car sharing start time and in either case ends at the car sharing termination time.

(d) "Car sharing program agreement" means the terms and conditions applicable to a shared vehicle owner, a shared vehicle driver, and a peer-to-peer car sharing program that govern the use of a shared vehicle through a peer-to-peer car sharing program. Car sharing program agreement does not mean or include either of the following:

(i) A car rental agreement by a car rental company, as that term is defined in section 3h of the Michigan consumer protection act, 1976 PA 331, MCL 445.903h, or a similar agreement.

(ii) An agreement for a transportation network company prearranged ride, as that term is defined in section 2 of the limousine, taxicab, and transportation network company act, 2016 PA 345, MCL 257.2102.

(e) "Car sharing start time" means the time when the shared vehicle becomes subject to the control of the shared vehicle driver at or after the time the reservation of a shared vehicle is scheduled to begin as documented in the records of a peer-to-peer car sharing program.

(f) "Car sharing termination time" means, except as provided in section 41, the earliest of the following:

(i) The time the agreed-on period of time established for the use of the shared vehicle expires according to the terms of the car sharing program agreement if the shared vehicle is delivered to the location agreed on in the car sharing program agreement.

(ii) The time of the return of the shared vehicle to a location that is alternatively agreed on by the shared vehicle owner and shared vehicle driver, as communicated through the peer-to-peer car sharing program, which alternatively agreed-on location must be incorporated into the car sharing program agreement.

(iii) The time the shared vehicle owner or the shared vehicle owner's authorized designee takes possession and control of the shared vehicle.

(g) "Peer-to-peer car sharing" means the authorized use of a vehicle by an individual other than the vehicle's owner through a peer-to-peer car sharing program. Peer-to-peer car sharing does not include either of the following:

(i) Car rental or rental activity by a car rental company, as that term is defined in section 3h of the Michigan consumer protection act, 1976 PA 331, MCL 445.903h.

(ii) A transportation network company prearranged ride, as that term is defined in section 2 of the limousine, taxicab, and transportation network company act, 2016 PA 345, MCL 257.2102.

(h) "Peer-to-peer car sharing program" means a person that connects vehicle owners with drivers to enable the sharing of vehicles for financial consideration. Peer-to-peer car sharing program does not mean or include any of the following:

(i) A car rental company, as that term is defined in section 3h of the Michigan consumer protection act, 1976 PA 331, MCL 445.903h.

(ii) A transportation network company, as that term is defined in section 2 of the limousine, taxicab, and transportation network company act, 2016 PA 345, MCL 257.2102.

(iii) A service provider that is solely providing hardware or software as a service to a person that is not effectuating payment of financial consideration for the use of a shared vehicle.

(i) "Person" means an individual, partnership, corporation, association, or other legal entity.

(j) "Shared vehicle" means a vehicle that is available for sharing through a peer-to-peer car sharing program. Shared vehicle does not mean or include a rental car available to be rented by a car rental company, as that term is defined in section 3h of the Michigan consumer protection act, 1976 PA 331, MCL 445.903h.

(k) "Shared vehicle driver" means an individual who has been authorized to drive the shared vehicle by the shared vehicle owner under a car sharing program agreement.

(l) "Shared vehicle owner" means the registered owner, or a person designated by the registered owner, of a vehicle made available for sharing to shared vehicle drivers through a peer-to-peer car sharing program. Shared vehicle owner does not mean or include a car rental company, as that term is defined in section 3h of the Michigan consumer protection act, 1976 PA 331, MCL 445.903h.

(m) "Vehicle" means a motor vehicle as that term is defined in section 3101 of the insurance code of 1956, 1956 PA 218, MCL 500.3101.

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

CHAPTER 4 INSURANCE

***** 257.2241.new THIS NEW SECTION IS EFFECTIVE OCTOBER 17, 2025 *****

257.2241.new 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

***** 257.2242.new THIS NEW SECTION IS EFFECTIVE OCTOBER 17, 2025 *****

257.2242.new Registration as shared vehicle owner; notification of implications of lien on shared vehicle.

Sec. 42.

When a person registers as a shared vehicle owner with a peer-to-peer car sharing program and before the shared vehicle owner makes a shared vehicle available for car sharing through the peer-to-peer car sharing program, the peer-to-peer car sharing program shall notify the shared vehicle owner that, if the shared vehicle has a lien against it, the use of the shared vehicle through a peer-to-peer car sharing program, including use without comprehensive and collision coverage, may violate the terms of the contract with the lienholder.

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***** 257.2243.new THIS NEW SECTION IS EFFECTIVE OCTOBER 17, 2025 *****

257.2243.new Collection, verification, and retention of records pertaining to shared vehicle.

Sec. 43.

A peer-to-peer car sharing program shall collect and verify records that pertain to the use of a shared vehicle, including, but not limited to, times used, car sharing delivery and return locations, fees paid by the shared vehicle driver, and revenues received by the shared vehicle owner, and provide that information on request to the shared vehicle owner, the shared vehicle owner's insurer, or the shared vehicle driver's insurer to facilitate a claim coverage investigation, negotiation, settlement, or litigation. The peer-to-peer car sharing program shall retain the records for not less than 3 years.

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

***** 257.2244.new THIS NEW SECTION IS EFFECTIVE OCTOBER 17, 2025 *****

257.2244.new Vicarious liability; exemption.

Sec. 44.

A peer-to-peer car sharing program and a shared vehicle owner are exempt from vicarious liability, consistent with 49 USC 30106, under any state or local law that imposes liability based on vehicle ownership, including, but not limited to, section 401 of the Michigan vehicle code, 1949 PA 300, MCL 257.401.

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

CHAPTER 5
CONSUMER PROTECTION DISCLOSURES

***** 257.2251.new THIS NEW SECTION IS EFFECTIVE OCTOBER 17, 2025 *****

257.2251.new Consumer protection disclosure requirements.

Sec. 51.

A car sharing program agreement made in this state must disclose all of the following to the shared vehicle owner and the shared vehicle driver:

(a) Any right of the peer-to-peer car sharing program to 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.

(b) That an automobile insurance policy issued to the shared vehicle owner for the shared vehicle or to the shared vehicle driver does not provide a defense or indemnification for any claim asserted by the peer-to-peer car sharing program.

(c) That the peer-to-peer car sharing program's insurance coverage on the shared vehicle owner and the shared vehicle driver is in effect only during each car sharing period and that, for any use of the shared vehicle by the shared vehicle driver after the car sharing termination time, the shared vehicle driver and the shared vehicle owner may not have insurance coverage.

(d) The daily rate, fees, and, if applicable, any insurance or protection package costs that are charged to the shared vehicle owner or the shared vehicle driver.

(e) That the shared vehicle owner's automobile insurance may not provide coverage for a shared vehicle during the car sharing period and may exclude coverage and the duty to defend and indemnify for any claim arising out of the ownership, maintenance, or use of a shared vehicle afforded under the insurance.

(f) That the shared vehicle owner's or the shared vehicle driver's automobile insurance policy might already provide the coverage required by this act, depending on the terms of the policy.

(g) An emergency telephone number to personnel capable of fielding roadside assistance and other customer service inquiries.

(h) If there are conditions under which a shared vehicle driver must maintain a personal automobile insurance policy with certain applicable coverage limits on a primary basis in order to book a shared motor vehicle.

(i) That, in accordance with sections 3101 and 3102 of the insurance code of 1956, 1956 PA 218, MCL 500.3101 and 500.3102, the operation of a shared vehicle for more than 30 days in this state may require the shared vehicle driver to maintain security for payment of benefits as required under chapter 31 of the insurance code of 1956, 1956 PA 218, MCL 500.3101 to 500.3179, and that the failure to maintain required security might be subject to penalty as provided by law.

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

***** 257.2252.new THIS NEW SECTION IS EFFECTIVE OCTOBER 17, 2025 *****

257.2252.new Peer-to-peer car sharing program agreement; driver's license requirements; records.

Sec. 52.

(1) A peer-to-peer car sharing program shall not enter into a peer-to-peer car sharing program agreement with an individual unless the individual will operate the shared vehicle and satisfies 1 of the following:

(a) The individual holds a driver license issued under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923, that authorizes the individual to operate vehicles of the class of the shared vehicle in this state.

(b) The individual is a nonresident of this state to whom both of the following apply:

(i) The individual has a driver license issued by the state or country of the individual's residence that authorizes the individual to drive vehicles of the class of the shared vehicle in that state or country.

(ii) The individual is at least the same age as that required of a resident of this state to drive.

(c) The individual is otherwise specifically authorized by the law of this state to drive vehicles of the class of the shared vehicle.

(2) A peer-to-peer car sharing program shall keep a record of all of the following:

(a) The name and address of the shared vehicle driver.

(b) The number of the driver license of the shared vehicle driver and of each other individual, if any, who will operate the shared vehicle.

(c) The place of issuance of the driver licenses identified under subdivision (b).

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

***** 257.2253.new THIS NEW SECTION IS EFFECTIVE OCTOBER 17, 2025 *****

257.2253.new Responsibility for shared vehicle equipment; indemnification.

Sec. 53.

A peer-to-peer car sharing program has sole responsibility for any equipment, such as a GPS system or other special equipment that is put in or on the shared vehicle to monitor or facilitate the car sharing transaction, and shall agree to indemnify and hold harmless the shared vehicle owner for any damage to or theft of the equipment during the car sharing period not caused by the shared vehicle owner. The peer-to-peer car sharing program has the right to seek indemnity from the shared vehicle driver for any loss or damage to the equipment that occurs during the car sharing period.

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

***** 257.2254.new THIS NEW SECTION IS EFFECTIVE OCTOBER 17, 2025 *****

257.2254.new Safety recalls; verification and notification requirements.

Sec. 54.

(1) When a vehicle's registered owner registers as a shared vehicle owner with a peer-to-peer car sharing program and before the shared vehicle owner makes the shared vehicle available for car sharing through the peer-to-peer car sharing program, the peer-to-peer car sharing program shall do both of the following:

(a) Verify that the shared vehicle does not have any safety recalls on the vehicle for which the repairs have not been made.

(b) Notify the shared vehicle owner of the requirements under subsections (2) to (4).

(2) If a shared vehicle owner has received an actual notice of a safety recall on a shared vehicle, the shared vehicle owner shall not make the vehicle available as a shared vehicle through a peer-to-peer car sharing program until the safety recall repair has been made.

(3) If a shared vehicle owner receives an actual notice of a safety recall on a shared vehicle while the shared vehicle is made available through a peer-to-peer car sharing program, the shared vehicle owner shall remove the shared vehicle from being available through the peer-to-peer car sharing program as soon as practicable after receiving the notice and until the safety recall repair has been made.

(4) If a shared vehicle owner receives an actual notice of a safety recall while the shared vehicle is being used in the possession of a shared vehicle driver, as soon as practicable after receiving the notice, the shared vehicle owner shall notify the peer-to-peer car sharing program about the safety recall so that the shared vehicle owner may address the safety recall repair.

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

CHAPTER 7 EFFECTIVE DATE

***** 257.2271.new THIS NEW SECTION IS EFFECTIVE OCTOBER 17, 2025 *****

257.2271.new Effective date.

Sec. 71.

This act takes effect 9 months after it is enacted into law.

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