

# INSURANCE FAQs

## SHARING ECONOMY

---



### Q. WHAT IS RIDESHARING?

A. Ridesharing is the term used to describe when a person receives payment for driving someone for a fee. Ridesharing services are usually arranged through an on-line application which is created by a Transportation Network Company (TNC) such as Lyft, Sidecar and Uber.

---

### Q. CAN MY INSURER DROP ME IF I DRIVE FOR A RIDESHARING COMPANY?

A. That depends on the terms of your automobile insurance policy. It is important to truthfully answer all questions asked by your insurer and to advise of any changes in your personal situation, including that you drive for a ridesharing service. Failing to do so may result in denial of a claim or cancellation of a policy. It would be best to speak with your insurer or insurance producer (also known as an agent) and let them know how you are using your car. They will be able to advise you on coverages and any exclusions that may apply.

“  
Ridesharing is the term used to describe when a person receives payment for driving someone for a fee.  
”

### Q. WHAT TYPE OF POLICY DO I NEED TO HAVE IF I AM A DRIVER FOR A RIDESHARING COMPANY (TNC)?

A. Your personal automobile policy may not provide coverage in the event you are legally responsible for damage or injuries to another, including your passengers. Your personal automobile policy may also not cover damage to your vehicle that happens while you are operating on the ridesharing app. Contact your insurer or insurance producer to find out what coverages are available for ridesharing and to determine if you need to purchase commercial automobile liability insurance.



# INSURANCE FAQs - SHARING ECONOMY

---

## Q. WHAT IS HOMESHARING?

A. Homesharing, or peer-to-peer home rental, is when a homeowner rents a room or their home to a stranger via an app or a website like Airbnb, VRBO, Roomorama and HomeAway.

---

## Q. DO I NEED TO INFORM MY HOMEOWNERS INSURER IF I USE MY HOME FOR HOMESHARING OR PEER-TO-PEER RENTAL?

A. Regularly renting out all or part of your home for a fee may be considered a home-based business. Your homeowners policy may not cover damage to your home or the items in your home caused by a paying guest; and may not protect you from liability if a guest suffers an injury. You should talk to the homesharing service and your insurer or insurance producer to determine if additional liability coverage or special landlord insurance is needed. Some homesharing companies offer host protection guarantees to cover disputes between owners and renters. The Maryland Insurance Administration does not regulate homesharing facilitators like Airbnb, etc.

---

## Q. WHAT TYPE OF POLICY DO I NEED IF I WANT TO SHARE MY HOME?

Consult with your insurer or insurance producer to analyze your risks and determine what type of coverage is needed to protect your personal property, liability, and your business activities.





# INSURANCE FAQs - SHARING ECONOMY

## Q. I AM CONSIDERING RENTING OUT MY SUMMER PROPERTY IN OCEAN CITY. WILL MY HOMEOWNERS INSURANCE COVER ME?

A. If you decide to rent out your vacation home for part of the year, the insurance policy on your second home may not cover damage that occurs while the home is being rented out.

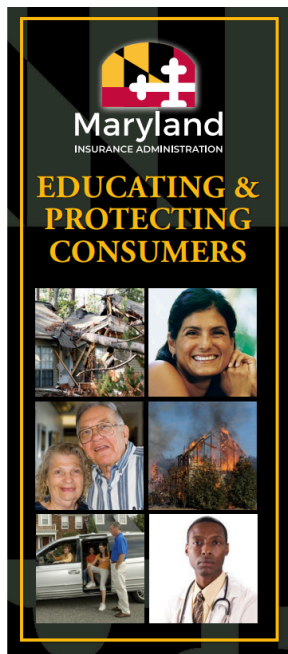
## Q. I BOOKED AN AIRBNB FOR AN UPCOMING VACATION. WILL MY HOMEOWNERS INSURANCE POLICY EXTEND COVERAGE TO THE PROPERTY?

A. Read your rental contract closely to determine what your responsibilities are and what coverage is available from the property owner and the peer-to-peer company. Consult with your insurer or insurance producer to determine if your policy provides coverage for damage that may occur at the rental property.

For more information on travel insurance, visit our website:



## ABOUT THE MARYLAND INSURANCE ADMINISTRATION



The Maryland Insurance Administration (MIA) is the state agency that regulates the business of insurance in Maryland. If you feel that your insurer or insurance producer acted improperly, you have the right to file a complaint. The MIA can investigate complaints that an insurer or insurance producer has:

- Denied or delayed payment of all portions of a claim
- Improperly terminated your insurance policy
- Raised your insurance premiums without proper notice or in excess of what the law allows
- Made false statements to you in connection with the sale of insurance or the processing of insurance claims
- Overcharged you for services, including premium finance charges

**Contact the Maryland Insurance Administration at:**

**200 St. Paul Place, Suite 2700**

**Baltimore, Maryland 21202**

**410-468-2000 | 800-492-6116 | 800-735-2258 TTY**



<https://insurance.maryland.gov/Consumer/Pages/FileAComplaint.aspx>



This consumer guide should be used for educational purposes only. It is not intended to provide legal advice or opinions regarding coverage under a specific insurance policy or contract; nor should it be construed as an endorsement of any product, service, person, or organization mentioned in this guide. Please note that policy terms vary based on the particular insurer and you should contact your insurer or insurance producer (agent or broker) for more information. This publication has been produced by the Maryland Insurance Administration (MIA) to provide consumers with general information about insurance-related issues and/or state programs and services. This publication may contain copyrighted material which was used with permission of the copyright owner. Publication herein does not authorize any use or appropriation of such copyrighted material without consent of the owner. All publications issued by the MIA are available free of charge on the MIA's website or by request. The publication may be reproduced in its entirety without further permission of the MIA provided the text and format are not altered or amended in any way, and no fee is assessed for the publication or duplication thereof. The MIA's name and contact information must remain clearly visible, and no other name, including that of the insurer or insurance producer reproducing the publication, may appear anywhere in the reproduction. Partial reproductions are not permitted without the prior written consent of the MIA. Persons with disabilities may request this document in an alternative format. Requests should be submitted in writing to the Director of Communications at the address listed above.