

The History of Insurance for Nonprofit Carsharing in New York

2006-present: Ithaca Carshare (At risk of Shutting Down)

Initially funded with a seed grant from NYSERDA, Ithaca Carshare takes two years from award to launch while searching for a viable insurance product. Philadelphia Insurance was found to be the sole company who would insure nonprofit carsharing in New York. Philadelphia has provided insurance from 2008 to the present with an anticipated sunset (non-renewal) in May, 2023.

2009-15: Buffalo Carshare (Shut Down)

Buffalo Carshare served a predominately low- and moderate-income member base. In 2015, Philadelphia Insurance dropped Buffalo Carshare (also funded by NYSERDA) and was unable to secure replacement insurance. The program had 900 dues-paying members at the time of shutdown. A for-profit operator, Zipcar, attempted to serve the Buffalo market but was unsuccessful in retaining an urban membership base.

2014-21: Capital Carshare (Albany) (Shut Down)

Philadelphia Insurance also dropped Capital Carshare, which was able to navigate the complex risk pool program and secure insurance, however *the insurance premiums went from \$1,900 to \$8,900 per month, for reduced coverage*. This was unsustainable for the small organization, which shut down in 2021.

2022: Floshare in Rochester & DriveCDTA in Albany (Just Launched)

Incubated by the City of Rochester and Capital District Transportation Authority. Both EV operations *rely on a costly third-party solution for insurance*. These services intend to transition to a nonprofit model, but will be challenged to do so with Risk-Retention Group prohibition.

2022: NYSERDA announces winners of EV Prize (Ithaca) & Clean Transportation Prize (Buffalo)

This funding will provide millions of dollars over a 3-year grant cycle that will enable carsharing to return to Buffalo, as well as fund the purchase of 9 new Electric Vehicles (EVs) for Ithaca Carshare. The money is intended to improve transportation outcomes for low income populations and reduce carbon emissions.

2023: All New York Nonprofit Carshares at Risk of Shutting Down

Currently, the recently launched Rochester and Albany carshares (which aim to become nonprofits), as well as a soon-to-be launched nonprofit carshare in Buffalo, run the risk of being short-lived pilots without the ability to procure affordable and reliable nonprofit insurance. Also, Ithaca Carshare is at risk of ceasing operations if they can't secure insurance by May 22, 2023.