AN ACT concerning transportation.

Be it enacted by the [Legislature of the State of ____]:

Part One

[DRAFTING NOTE: PART ONE IS INTENDED TO CREATE A NEW SECTION OF INSURANCE STATUTE APPLICABLE ONLY TO PEER-TO-PEER SHARING ACTIVITY]

Title [insert insurance title] is amended by adding new [appropriate Section/Chapter/etc.] as follows:

Chapter 1. Short Title

This Article may be cited as the Peer-to-Peer Vehicle Sharing Program Act.

Chapter 2. Definitions

Unless incorporated by express reference, the definitions in this Chapter apply to this Insurance Title exclusively.

(a) “Peer-to-Peer Vehicle Sharing” or “Sharing” means the authorized use of Peer-to-Peer Vehicle by an individual other than Peer-to-Peer Vehicle Owner through Peer-to-Peer Car Sharing Program.

(b) “Peer-to-Peer Vehicle Sharing Program” or “Program” means a person or entity that connects Peer-to-Peer Vehicle Owners with Peer-to-Peer Vehicle Drivers to facilitate the sharing of Peer-to-Peer Vehicles for consideration. Program is not a Transportation Network Company as defined in [INSERT STATUTORY CITATION FOR TNC DEFINITION].

(c) “Peer-to-Peer Vehicle Sharing Program Agreement” or “Agreement” means an agreement established through Program that serves as a contract between Program, Owner, and Driver and describes the specific terms and conditions of the Agreement that govern the use of Peer-to-Peer Vehicle facilitated by Program, including the Sharing Period and location or locations for transfer of control of Vehicle.
(d) “Peer-to-Peer Vehicle” or “Vehicle” means a personal motor vehicle that is available for use through Peer-to-Peer Vehicle Sharing Program for a Sharing Period of 30 days or less which is registered as a private passenger vehicle under the laws of this or another State.

(e) “Peer-to-Peer Vehicle Driver” or “Driver” means an individual who has been authorized to drive Peer-to-Peer Vehicle by Peer-to-Peer Vehicle Owner under Peer-to-Peer Vehicle Sharing Program Agreement.

(f) “Peer-to-Peer Vehicle Owner” or “Owner” means the registered owner of Peer-to-Peer Vehicle made available for sharing facilitated by Peer-to-Peer Vehicle Sharing Program.

(g) “Peer-to-Peer Vehicle Delivery Period” or “Delivery Period” means the period of time during which Peer-to-Peer Vehicle is being delivered to the location of Peer-to-Peer Vehicle Start Time, if applicable, as documented by Peer-to-Peer Vehicle Sharing Program Agreement.

(h) “Peer-to-Peer Vehicle Sharing Period” or “Sharing Period” means the period of time that commences with Peer-to-Peer Vehicle Delivery Period or, if there is no Peer-to-Peer Vehicle Delivery Period, that commences with Peer-to-Peer Vehicle Sharing Start Time and, in either case, ends at Peer-to-Peer Sharing Termination Time.

(i) “Peer-to-Peer Vehicle Sharing Start Time” or “Start Time” means the time when Peer-to-Peer Vehicle becomes subject to the control of Peer-to-Peer Vehicle Driver at or after the time the reservation of Peer-to-Peer Vehicle Sharing Program Agreement is scheduled to begin as documented in the records of Peer-to-Peer Vehicle Sharing Program.

(j) “Peer-to-Peer Vehicle Sharing Termination Time” or “Termination Time” means the earliest of the following events:

1. The expiration of the agreed upon period of time established for the use of Peer-to-Peer Vehicle according to the terms of Vehicle Sharing Program Agreement, if Peer-to-Peer Vehicle is delivered to the location agreed upon in Peer-to-Peer Vehicle Sharing Program Agreement;

2. When Peer-to-Peer Vehicle is returned to a location as alternatively agreed upon by Peer-to-Peer Vehicle Owner and Peer-to-Peer Vehicle Driver as communicated through Peer-to-Peer Vehicle Sharing Program; or
(3) When Peer-to-Peer Vehicle Owner, or authorized designee, takes possession and control of Peer-to-Peer Vehicle.

Chapter 3. Program Liability

Sec. 1. Liability During Peer-to-Peer Vehicle Sharing Period

(a) Notwithstanding any other provision of law, or any provision in Owner’s policy of motor vehicle liability insurance, in the event of a loss or injury that occurs during Sharing Period, Program shall:

(1) Assume the liability of Owner for any bodily injury or property damage to third parties, uninsured and underinsured motorist benefits, and personal injury protection losses during Sharing Period in an amount stated in Agreement, and which amount may not be less than those set forth in (state’s minimum required financial responsibility statute(s));

(2) Retain such liability irrespective of a lapse in, or otherwise absence of, any coverage under which Program is insured; and

(b) Notwithstanding the definition of “Peer-to-Peer Vehicle Sharing Termination Time” as set forth in Chapter 2 of this Act, Program shall not be liable when Owner:

(1) Makes a material, intentional or fraudulent misrepresentation, or material, intentional or fraudulent omission, to Program before Sharing Period in which the loss occurred, or

(2) Acts in concert with Driver who fails to return Vehicle pursuant to the terms of Agreement.

Sec. 2. Required Coverage

(a) Program shall ensure that, during each Sharing Period, financial responsibility for Vehicle is provided in amounts no less than the minimum amounts set forth in [insert citation to applicable statute establishing state minimum coverage], that:

(1) Recognizes that Vehicle is made available and used through Program; or

(2) Does not exclude use of Vehicle by Driver through Program.

(b) The financial responsibility required under subsection (a) may be satisfied by motor
vehicle liability insurance, or other acceptable means of demonstrating financial responsibility in this State, voluntarily maintained by:

(1) Owner;

(2) Driver;

(3) Program; or

(4) Any combination of Owner, Driver, and Program.

(c) The financial responsibility required in subsection (a), satisfied pursuant to subsection (b), shall be primary for losses during Sharing Period.

(d) Program shall:

(1) Afford primary financial responsibility for a claim when it is in whole or in part providing the financial responsibility required under Section 1 if:

   (i) A dispute exists as to who was in control of Vehicle at the time of the loss; and

   (ii) Program does not have available, did not retain, or fails to provide the information required by Section 5 of this Act; and

(2) Be indemnified by Owner’s personal policy of motor vehicle liability insurance to the extent of such policy’s obligation, if any, if it is determined that Owner was in control of Vehicle at the time of the loss.

(e) If insurance maintained by Owner or Driver in accordance with subsection (b) has lapsed or does not provide the required financial responsibility, Program, or its insurer, shall provide the coverage required by subsection (a) beginning with the first dollar of a claim and have the duty to defend such claim except under circumstances as set forth in Chapter 3, Section (1)(b).

(f) Financial responsibility maintained by Program shall not be dependent on another automobile insurer first denying a claim nor shall another automobile insurance policy be required to first deny a claim.

(j) Nothing in this Chapter:
(1) Limits the liability of Program for any act or omission of Program itself that
results in injury to any person as a result of the use of Vehicle through Program;
or

(2) Limits the ability of Program to, by contract, seek indemnification from
Owner or Driver for economic loss sustained by Program resulting from a
breach of the terms and conditions of Agreement.

Sec. 3. Notification of Implications of Lien

At the time Owner registers Vehicle for use through Program and again prior to the
time Owner makes Vehicle available for use through Program, Program shall notify
Owner that, if Vehicle has a lien against it, the use of Vehicle through Program,
including use without physical damage coverage, may violate the terms of the contract
with the lienholder.

Sec. 4. Exclusions in Motor Vehicle Liability Insurance Policies

(a) An authorized insurer that writes motor vehicle liability insurance in this State may
exclude any and all coverage and the duty to defend or indemnify for any claim
afforded under Owner's motor vehicle liability insurance policy, including but not limited
to:

(1) liability coverage for bodily injury and property damage;

(2) personal injury protection coverage as defined in [cite statute];

(3) uninsured and underinsured motorist coverage;

(4) medical payments coverage;

(5) comprehensive physical damage coverage; and

(6) collision physical damage coverage.

(b) Nothing in this Article invalidates or limits an exclusion contained in a motor
vehicle liability insurance policy, including any insurance policy in use or
approved for use that excludes coverage for motor vehicles made available for
rent, hire or for any business use, including Peer-to-Peer Vehicle Sharing.
Sec. 5. Recordkeeping
(a) Program shall collect and verify records pertaining to the use of Vehicle, including but not limited to Sharing Periods, fees paid by Driver, and revenues received by Owner.

(b) Pursuant to all applicable federal and state privacy obligations, and after receiving the informed consent of Owner and Driver, Program shall provide the information collected pursuant to subsection (a) upon request to Owner, Owner’s insurer, and Driver’s insurer to facilitate a claim coverage investigation. Providing notice of this Section in the Program Agreement shall constitute informed consent.

(c) Program shall retain the records required in this Section 5 for a time period not less than [insert the longer of the applicable property damage or personal injury statute of limitations] years.

Sec. 6. Contribution against Indemnification
A motor vehicle insurer that defends or indemnifies a claim arising from the operation of Vehicle that is excluded under the terms of its policy shall have the right to seek contribution against Program if the claim is made against Owner or Driver for loss or injury that occurs during Sharing Period.

Sec. 7. Insurable Interest
(a) Notwithstanding any other law, statute, rule or regulation to the contrary, Program shall have an insurable interest in Vehicle during Sharing Period.

(b) Nothing in this section shall impose liability on Program to maintain the coverage mandated by this Chapter 3, Sec. 1.

(c) Program may own and maintain as the named insured one or more policies of motor vehicle liability insurance that provides coverage for:

(1) Liabilities assumed by Program under Agreement;

(2) Liability of Owner;

(3) Damage or loss to Vehicle; or
(4) Liability of Driver.

Sec. 8. Vicarious Liability
Program and Owner shall be exempt from vicarious liability in accordance with 49 U.S.C. Section 30106 and under any state or local law that imposes liability solely based on vehicle ownership.

Chapter 4. Program Obligations
Sec. 1. Disclosures
(a) Each Agreement made in this State shall disclose to Owner and Driver:
   (1) Any right of Program to seek indemnification from Owner or Driver for economic loss sustained by Program resulting from a breach of the terms and conditions of Agreement;
   
   (2) That a motor vehicle liability insurance policy issued to Owner for Vehicle, or to Driver may not provide defense or indemnity for any claim asserted by Program;
   
   (3) That Program's financial responsibility afforded to Owner and Driver is available only during Sharing Period;
   
   (4) That, for any use of Vehicle by Driver after Termination Time, Driver and Owner may not have coverage;
   
   (5) The daily rate, fees, costs, and, if applicable, any insurance or protection package costs that are charged to Owner or Driver; and
   
   (6) That Owner's motor vehicle liability insurance may not provide coverage for Vehicle.

(b) Each Agreement made in this State shall disclose to Driver:
   (1) An emergency telephone number to personnel capable of fielding roadside assistance and other customer service inquiries.
(2) Any conditions under which Driver must maintain a personal automobile
insurance policy, and any required coverage limits, on a primary basis in order
to use Vehicle through Program.

Sec. 2. Responsibility for Equipment
Program shall have sole responsibility for any equipment, such as a GPS system or
other special equipment that is put in or on Vehicle to monitor or facilitate Sharing and
shall agree to indemnify and hold harmless Owner for any damage to or theft of such
system or equipment during Sharing Period not caused by Owner. Program has the
right to seek indemnity from Driver for any loss or damage to such system or
equipment that occurs during Sharing Period.

Sec. 3. Automobile Safety Recalls
(a) Program shall:
(1) At the time Owner registers Vehicle for use in Program, and prior to the time
when Owner makes Vehicle available for use in Program, Program shall:
   (i) Verify that Vehicle does not have any safety recalls for which the
   repairs have not been made; and
   (ii) Notify Owner of the requirements under subsection (b) of this Section
        4.

(2) Program shall periodically, and in no case less frequently than once in each
72-hour period, verify that Vehicle(s) available for use through Program are not
subject to an open safety recall for which repairs have not been made.

(b) Owner shall:
(1) Not make Vehicle available for use through Program if Owner has received
notice of a safety recall on Vehicle until the safety recall repair has been made.

(2) Upon receipt of notice of a safety recall on Vehicle when such Vehicle is
available for use through Program, remove Vehicle from availability as soon as
practically possible, and in no case more than 48 hours, after receiving the
notice of the safety recall and until the safety recall repair has been made.

(3) Upon receipt of notice of a safety recall on Vehicle, and in no case more
than 48 hours after such receipt, when such Vehicle is in the possession of
Driver, notify Program of the safety recall so that Program may notify Driver and
Vehicle can be removed from use until Owner effects the necessary safety
recall repair.

Sec. 4. Driver License Verification and Retention

[DRAFTING NOTE: IF A RENTAL STATUTE REGARDING DRIVER LICENSE VERIFICATION
EXISTS, AMEND SUCH STATUTE TO INCLUDE PEER-TO-PEER PROGRAM OBLIGATION AND
DISREGARD THIS SECTION 4. IF NO SUCH RENTAL STATUTE EXISTS, INCLUDE THE
FOLLOWING SECTION IN THIS NEW PEER-TO-PEER CHAPTER.]

(a) Program may not enter into Agreement with Driver unless every Driver of Vehicle:

(1) Holds a driver license issued in this State authorizing Driver to operate
vehicles of the class of Vehicle; or

(2) Is a nonresident who:

(i) Has a driver license issued by the state or country of Driver’s
residence that authorizes Driver in that state or country to drive vehicles
of the class of Vehicle; and

(ii) Is at least the same age as that required of a resident to drive in this
State.

(b) Program shall keep a record of:

(1) The name and address of Driver;

(2) The driver license number and place of issuance for every Driver who will
operate Vehicle.

Sec. 5. Consumer Transactions

[DRAFTING NOTE: THE FOLLOWING SECTION 5 IS INTENDED TO EXPRESSLY CAUSE
SHARING AND THE AGREEMENT TO BE CLASSIFIED AS CONSUMER TRANSACTIONS
UNDER THE CONSUMER DECEPTION/UNFAIR TRADE PRACTICES LAWS OF THE
APPLICABLE STATE. TO THE EXTENT APPLICABLE, REVISE IN ACCORDANCE WITH THE
APPROPRIATE LANGUAGE USED IN THOSE LAWS.]

(a) Sharing and Agreement are a consumer transaction for the purposes of [INSERT
STATUTORY CITATION TO CONSUMER DECEPTION/UNFAIR TRADE
PRACTICES LAWS]. Program and Owner are the suppliers and Driver is the
consumer for the purposes of those sections.
(b) Any violation of [INSERT CITATION TO SECTIONS OF P2P LEGISLATION REGARDING, AT LEAST, PROGRAM’S OBLIGATIONS REGARDING COLLECTING INFORMATION, MAKING DISCLOSURES, RECORDKEEPING, SAFETY RECALLS, AND RESPONSIBILITY FOR EQUIPMENT] is deemed an unfair or deceptive act in violation of [INSERT STATUTORY CITATION TO CONSUMER DECEPTION/UNFAIR TRADE PRACTICES LAWS]. A person injured by a violation of these sections has a cause of action and is entitled to the same relief available to a consumer under [INSERT STATUTORY CITATION TO CONSUMER DECEPTION/UNFAIR TRADE PRACTICES LAWS], and all the powers and remedies available to the attorney general to enforce [INSERT STATUTORY CITATION TO CONSUMER DECEPTION/UNFAIR TRADE PRACTICES LAWS] are available to the attorney general to enforce [INSERT STATUTORY CITATION TO SECTIONS OF P2P LEGISLATION REGARDING, AT LEAST, PROGRAM’S OBLIGATIONS REGARDING COLLECTING INFORMATION, MAKING DISCLOSURES, RECORDKEEPING, SAFETY RECALLS, AND RESPONSIBILITY FOR EQUIPMENT].

(c) Program is not liable for a violation under [INSERT STATUTORY CITATION TO CONSUMER DECEPTION/UNFAIR TRADE PRACTICES LAWS] when the violation is the result of false, misleading, or inaccurate information provided to Program by Owner or Driver and Program reasonably relied on that information in good faith.

Section 6. [DRAFTING NOTE: TO THE EXTENT THAT THERE ARE ADDITIONAL STATE-SPECIFIC STATUTES APPLICABLE TO A RENTAL TRANSACTION/RENTAL VEHICLE/RENTAL COMPANY WITH REGARD TO CONSUMER PROTECTIONS, CREATE PARALLEL REQUIREMENTS IN ADDITIONAL SECTIONS TO THIS CHAPTER FOR PEER-TO-PEER. EXAMPLES: DAMAGE WAIVER LIMITATIONS, PRICING DISCLOSURE, AGE LIMITATIONS, REQUIRED NOTICES, LIMITED LINES INSURANCE LICENSE]

Chapter 5. Limitation

Nothing in this Chapter [cite new Peer-to-Peer Vehicle Sharing Act] shall be construed to affect the taxability of Peer-to-Peer Vehicle Sharing pursuant to [site relevant tax chapter(s)].

Part Two

[DRAFTING NOTE: PART TWO IS INTENDED TO APPLY TO ALL VEHICLE RENTAL AND PEER-TO-PEER VEHICLE SHARING ACTIVITY.]
Title [insert law containing rental definitions, or if none cite Transportation Title] is hereby amended as follows [add or amend as appropriate based on existing statutes]:

Chapter 1. Definitions

(a) The following terms have the same definition as in Title [cite new insurance Chapter from Part One] in this [cite appropriate Act/Chapter/Section].

   (1) “Peer-to-Peer Vehicle Sharing” or “Sharing”
   (2) “Peer-to-Peer Vehicle Sharing Program” or “Program”
   (3) “Peer-to-Peer Vehicle Sharing Program Agreement” or “Agreement”
   (4) “Peer-to-Peer Vehicle” or “Vehicle”
   (5) “Peer-to-Peer Vehicle Owner” or “Owner”
   (6) “Peer-to-Peer Vehicle Sharing Start Time” or “Start Time”

(b) "Motor Vehicle Rental Company" means:

   (1) Any entity or person engaged in the business of facilitating vehicle rental transactions in this State;
   (2) The term does not include Peer-to-Peer Vehicle Owner who makes no more than three motor vehicles available for Peer-to-Peer Vehicle Sharing through Peer-to-Peer Vehicle Sharing Program, or combination of Programs, during a 12-month period.

(c) "Vehicle Rental Transaction" means the transfer of possession of a motor vehicle, for consideration, without the transfer of ownership of the motor vehicle.

Chapter 2. Electronic notice and disclosure.

[DRAFTING NOTE: TO THE EXTENT THAT THERE ARE EXISTING STATE SPECIFIC STATUTES APPLICABLE TO AND CONTAINING RENTAL VEHICLE DISCLOSURE/SIGNAGE REQUIREMENTS, ADD THE FOLLOWING CHAPTER/SECTIONS REGARDING ELECTRONIC NOTICE AND DISCLOSURE. IF THERE ARE NO SUCH EXISTING STATE SPECIFIC STATUTES, CITE THE TRANSPORTATION TITLE AND AMEND IT BY ADDING THE FOLLOWING CHAPTER/SECTIONS]:

Sec. 1. Timeliness.

(a) A notice or disclosure required to be provided, delivered, posted or otherwise made available by Motor Vehicle Rental Company or Peer-to-Peer Sharing Program shall be
deemed timely and effectively made if the notice or disclosure is provided or delivered
electronically at or before the time required or included in a master or member
agreement in effect at the time of Vehicle Rental Transaction or Peer-to-Peer Sharing
Program Agreement.

(b) For purposes of this Chapter, a master or member agreement shall include, but not
be limited to, a service:

(1) Which is offered by Motor Vehicle Rental Company or Peer-to-Peer Sharing
Program that permits customers to bypass a retail service location and obtain a
product or service directly;

(2) Where Motor Vehicle Rental Company or Peer-to-Peer Sharing Program
does not require customers to execute an agreement at the time of service; or

(3) Where the customer does not receive the terms and conditions at the time
of service.

Sec. 2. Acceptance.

(a) Electronic or written acceptance shall be deemed a valid form of acceptance of a
notice or disclosure.

(b) Acceptance shall remain effective until the time as the acceptance is affirmatively
withdrawn by the customer.

Sec. 3. Placement or stylistic display requirements.

A notice or disclosure made pursuant to this Chapter shall be exempt from placement
or stylistic display requirements, including, but not limited to, location, font size, typeset
or other specifically stated description, if the notice or disclosure is generally consistent
in appearance with the entirety of the communication in which it is contained.

Chapter 3. Airport Authorities; Ability to Regulate Peer-to-Peer Sharing, Motor Vehicle Rental

(a) Program, Owner using Program, or Motor Vehicle Rental Company shall, upon
request of an airport, including but not limited to any entity responsible for regulating
commerce at such airport within this state, enter into an agreement, which agreement
may be a concession agreement, prior to:
(1) listing Vehicle(s) or motor vehicles parked on airport property or at airport
facilities;
(2) facilitating the use of Vehicle(s) or motor vehicles to transport airport
customers to or from airport property or airport facilities, regardless of whether
that use is to be initiated or has a Start Time which occurs on or off of airport
property or airport facilities; or
(3) promoting or marketing Vehicle(s) or motor vehicles to transport airport
customers to or from airport property or airport facilities, regardless of whether
that transportation is to be initiated or has a Start Time which occurs on or off of
airport property or airport facilities.

(b) The agreement required in subsection (a) shall set forth reasonable standards,
regulations, procedures and fees applicable to Program and Peer-to-Peer Vehicle
Sharing and Motor Vehicle Rental Company.

Chapter 4. Electronic Verification

In the event Motor Vehicle Rental Company or Peer-to-Peer Sharing Program facilitates rental
or sharing via digital, electronic, or other means that allow customers to obtain possession of a
motor vehicle or Vehicle, as applicable, without in person contact with an agent or employee of
Motor Vehicle Rental Company or Peer-to-Peer Sharing Program, or where the customer does
not execute a contract at the time of the transaction, Motor Vehicle Rental Company or Peer-
to-Peer Sharing Program shall be deemed to have met all obligations to physically inspect and
compare a the customer's driver license pursuant to [any relevant driver license inspection
statute] when such provider:

(a) At the time the customer enrolls, or any time thereafter, in a membership program,
master agreement, or other means of establishing use of the provider’s services,
requires verification that the customer is a licensed driver; or

(b) Prior to the customer taking possession of the motor vehicle or Vehicle, as
applicable, the provider requires documentation that verifies the customer’s identity.

Part Three

[DRAFTING NOTE: PART THREE SHOULD INCLUDE STATE-SPECIFIC LANGUAGE FROM
LOCAL TAX COUNSEL TO ENSURE THE FOLLOWING:

1.) EACH STATE SALES TAX, STATE AND LOCAL RENTAL TAX, AND/OR ANY OTHER
TAXES/FEES THAT ARE OWED ON RENTAL TRANSACTIONS APPLY TO PEER-TO-PEER
VEHICLE SHARING TRANSACTIONS;]
2.) THE PROGRAM IS THE PARTY RESPONSIBLE FOR COLLECTING AND REMITTING ALL TAXES/FEES; AND

3.) NO ADDITIONAL OBLIGATION FALLS ON THE OWNER.

ADDITIONAL LANGUAGE MAY BE INCLUDED TO PROVIDE PEER-TO-PEER VEHICLE OWNER A MEANS TO RECOUP AN APPROPRIATE PORTION OF SALES TAX PAID ON THE PEER-TO-PEER VEHICLE AT TIME OF PURCHASE BASED ON THE SALES TAX COLLECTED ON THE PEER-TO-PEER VEHICLE SHARING ACTIVITY.]

Part Four

This Act shall take effect on the day that occurs 180 days after the date on which the Act becomes law.