

1 AN ACT concerning ~~transportation insurance~~.
2 Be it enacted by the Legislature of the State of X:
3 [(New Act) / or / (The statutes of the jurisdiction are hereby amended as follows)]:
4

Commented [A1]: Believe this makes sense since these provisions only relate to insurance.

5 **Chapter 1. Short Title**

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

8 **Chapter 2. Definitions**

9 **Application of definitions**

10 Sec. 1. Except as ~~otherwise provided~~ incorporated by express reference, the definitions in
11 this chapter apply ~~throughout exclusively to this insurance~~ article.

Commented [A2]: This just tightens up and confirms that the definitions pertain solely to the insurance section of law.

12 **“Peer-to-Peer Car Sharing”**

13 Sec. 2. “Peer-to-Peer Car Sharing” means the authorized use of a vehicle by an
14 Individual other than the vehicle’s owner through a peer-to-peer car sharing
15 Program. ~~“Peer-to-Peer Car Sharing” does not mean rental car or rental activity as~~
16 ~~defined in _____.~~

Commented [A3]: We are fine with separate definitions for peer-to-peer companies for insurance reasons. But, we believe they should be defined by what they are...not what they are not. Don't want to risk any unintended consequences with that language. Same rationale for striking language in subsequent definitions.

17 **“Peer-to-Peer Car Sharing Program”**

18 Sec. 3. “Peer-to-Peer Car Sharing Program” means a ~~business platform person or entity~~
19 that
20 Connects vehicle owners with drivers to ~~enable facilitate~~ the sharing of vehicles for
21 Financial consideration. ~~Peer-to-peer car sharing program is not a Transportation~~
22 ~~Network Company as defined in [insert statutory citation for TNC definition].~~ ~~Peer-to-~~
23 ~~Peer-Car-Sharing-Program” does not mean rental~~
24 ~~Car company as defined in _____.~~

Commented [A4]: The sharing economy has created some confusion of various forms of “sharing”. This ensures peer-to-peer car-sharing doesn't get confused with ride-sharing or other hourly based car sharing that isn't a peer-to-peer transaction.

25 **“Car Sharing Program Agreement”**

26 Sec. 4. “Car Sharing Program Agreement” means the ~~terms and conditions contract~~
27 ~~applicable to between~~ a shared vehicle owner and a shared vehicle driver that governs
28 the
29 use of a shared vehicle through a peer-to-peer car sharing program. ~~“Car Sharing~~
30 ~~Program Agreement” does not mean rental car agreement, or similar, as defined in~~
31 ~~_____.~~

32 **“Shared Vehicle”**

33 Sec. 5. “Shared vehicle” means a vehicle that is available for sharing through a
34 peer-to-peer car sharing program. ~~“Shared vehicle” does not mean rental car or~~
35 ~~rental vehicle as defined in [insert citation to the State’s statutory definition of~~
36 ~~“rental car” or the equivalent term in that State’s laws].~~

1 **“Shared Vehicle Driver”**

2 Sec. 6. “Shared Vehicle Driver” means an individual who has been authorized to
3 drive the shared vehicle by the shared vehicle owner under a car sharing program
4 agreement.

5 **“Shared Vehicle Owner”**

6 Sec. 7. “Shared Vehicle Owner” means the registered owner, or a person or entity
7 designated by the registered owner, of a vehicle made available for sharing to
8 shared vehicle drivers through a peer-to-peer car sharing program.

9 **“Car Sharing Delivery Period”**

10 Sec. 9. “Car Sharing Delivery Period” means the period of time during which a
11 shared vehicle is being delivered to the location of the car sharing start time, if
12 applicable, as documented by the governing car sharing program agreement.

13 **“Car Sharing Period”**

14 Sec. 10. “Car Sharing Period” means the period of time that commences with the
15 car sharing delivery period or, if there is no car sharing delivery period, that
16 commences with the car sharing start time and in either case ends at the car
17 sharing termination time.

18 **“Car Sharing Start Time”**

19 Sec. 11. “Car Sharing Start Time” means the time when the shared vehicle
20 becomes subject to the control of the shared vehicle driver at or after the time the
21 reservation of a shared vehicle is scheduled to begin as documented in the records
22 of a peer-to-peer car sharing program.

23 **“Car Sharing Termination Time”**

24 Sec. 12. “Car Sharing Termination Time” means the earliest of the following
25 events:

- 26 (1) The expiration of the agreed upon period of time established for the use
27 of a shared vehicle according to the terms of the car sharing program
28 agreement if the shared vehicle is delivered to the location agreed upon in
29 the car sharing program agreement;
- 30 (2) When the shared vehicle is returned to a location as alternatively agreed
31 upon by the shared vehicle owner and shared vehicle driver as
32 communicated through a peer-to-peer car sharing program; or
- 33 (3) When the shared vehicle owner or the shared vehicle owner’s authorized
34 designee, takes possession and control of the shared vehicle.
- 35

1 **Chapter 3. Insurance**

2 **Insurance Coverage During Car Sharing Period**

3 Sec. 1. (a) A peer-to-peer car sharing program shall assume liability, except as
4 provided in subsection (b) of this chapter, of a shared vehicle owner for bodily
5 injury or property damage to third parties or uninsured and underinsured motorist
6 or personal injury protection losses during the car sharing period in an amount stated in
7 the peer-to-peer car sharing program agreement which amount may not
8 be less than those set forth in (State's financial responsibility law).

9 (b) Notwithstanding the definition of "car sharing termination time" as set forth in
10 Chapter 2 or 3 of this Act, the assumption of liability under subsection (a) of this
11 subsection does not apply to any shared vehicle owner when:

12 (i) A shared vehicle owner makes ~~an~~an intentional or fraudulent material
13 misrepresentation or an intentional or fraudulent material omission to the peer-to-
14 peer car sharing program

15 before the car sharing period in which the loss occurred, or

16 (ii) Acting Acts in concert with a shared vehicle driver who fails to return the
17 shared vehicle pursuant to he terms of car sharing program agreement.

18 (c) Notwithstanding the definition of "car sharing termination time" as set forth in
19 Chapter 2 or Chapter 3 of this Act, the assumption of liability under subsection
20 (a) of this section would apply to bodily injury, property damage, uninsured and
21 underinsured motorist or personal injury protection losses by damaged third parties
22 required by [*insert citation to the applicable state financial responsibility*
23 *law*]

24 (d) A peer-to-peer car sharing program shall ensure that, during each car sharing
25 period, ~~the shared vehicle owner and the shared vehicle driver are insured under a~~
26 ~~motor vehicle liability insurance policy that financial responsibility is provided insurance~~
27 ~~coverage in~~

28 amounts no less than the minimum amounts set forth in [*insert citation to*
29 *applicable statute establishing state minimum coverage*], ~~and that~~:

30 (1) Recognizes that the shared vehicle ~~insured under the policy~~ is
31 made available and used through a peer-to-peer car sharing
32 program; or

33 (2) Does not exclude use of a shared vehicle by a shared vehicle
34 Driver through peer-to-peer car sharing program.

Commented [A5]: This keeps misrepresentation and omission qualified in the same manner.

Commented [A6]: We prefer "financial responsibility" instead of policy to permit, if desired, a company to self-insure this business segment in lieu of holding a policy. Same for every change throughout document on this point.

1 (e) The insurance described under subsection (d) may be satisfied by motor
2 vehicle liability insurance, or other acceptable means of demonstrating financial
3 responsibility in this State, maintained by:

- 4 (1) A shared vehicle owner;
- 5 (2) A shared vehicle driver;
- 6 (3) A peer-to-peer car sharing program; or
- 7 (4) ~~Both~~ Any combination of a shared vehicle owner, a shared vehicle driver, and

8 a peer-to-peer
9 car sharing program.

10 (f) The ~~insurance~~ financial responsibility described in subsection (e) that is satisfying the
11 ~~insurance~~
12 requirement of subsection (d) shall be primary during each car sharing period.

13 (g) The peer-to-peer car sharing program shall assume primary liability for a
14 claim when it is in whole or in part providing the insurance required under
15 subsections (d) and (e) and:

- 16 (1) a dispute exists as to who was in control of the shared motor vehicle at the
17 time of the loss; and
- 18 (2) the peer-to-peer car sharing program does not have available, did not
19 retain, or fails to provide the information required by Section 5 of this
20 Chapter 3.

21 The shared motor vehicle's insurer shall indemnify the car sharing program to the
22 extent of its obligation under, if any, the applicable insurance policy, if it is
23 determined that the shared motor vehicle's owner was in control of the shared
24 motor vehicle at the time of the loss.

25 (h) If ~~insurance~~ financial responsibility maintained by a shared vehicle owner or shared
26 vehicle driver in
27 accordance with subsection (e) has lapsed or does not provide the required
28 ~~coverage~~ coverage, ~~insurance~~ financial responsibility maintained by a peer-to-peer car
29 sharing program shall
30 provide the coverage required by subsection (d) beginning with the first dollar of
31 a claim and have the duty to defend such claim except under circumstances as set
32 forth in Chapter 3 Section (1)(b).

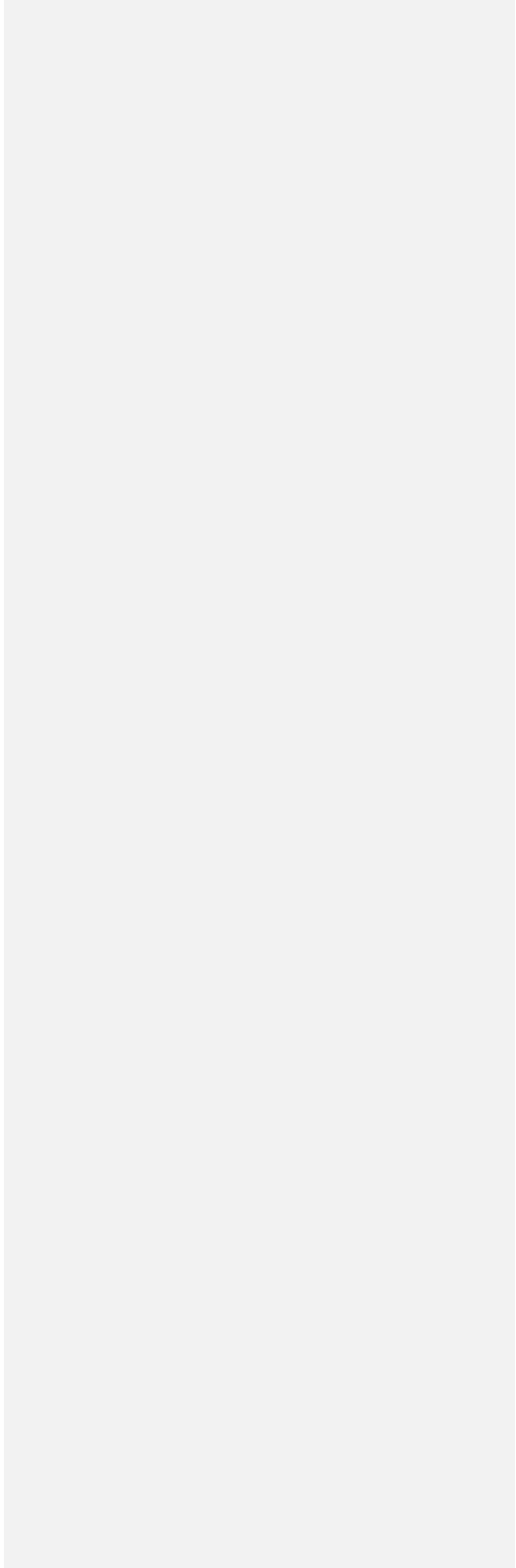
33 (i) ~~Coverage~~ Financial responsibility under an automobile insurance policy maintained by
34 the peer-to-peer
35 car sharing program shall not be dependent on another automobile insurer first
36 denying a claim nor shall another automobile insurance policy be required to first
37 deny a claim.

38 (j) Nothing in this Chapter:

- 39 (1) Limits the liability of the peer-to-peer car sharing program for any act or

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omission of the peer-to-peer car sharing program itself that results in
injury to any person as a result of the use of a shared vehicle through a



1 peer-to-peer car sharing program; or

2 (2) Limits the ability of the peer-to-peer car sharing program to, by contract,
3 seek indemnification from the shared vehicle owner or the shared vehicle
4 driver for economic loss sustained by the peer-to-peer car sharing program
5 resulting from a breach of the terms and conditions of the car sharing
6 program agreement.

7
8 **Notification of Implications of Lien**

9 Sec. 2. At the time when a vehicle owner registers as a shared vehicle owner on a
10 peer-to-peer car sharing program and prior to the time when the shared vehicle
11 owner makes a shared vehicle available for car sharing on the peer-to-peer
12 sharing program, the peer-to-peer car sharing program shall notify the shared
13 vehicle owner that, if the shared vehicle has a lien against it, the use of the shared
14 vehicle through a peer-to-peer car sharing program, including use without
15 physical damage coverage, may violate the terms of the contract with the
16 lienholder.

17
18 **Exclusions in Motor Vehicle Liability Insurance Policies**

19 Sec. 3. An authorized insurer that writes motor vehicle liability insurance in the
20 State may exclude any and all coverage and the duty to defend or indemnify for
21 any claim afforded under a shared vehicle owner's motor vehicle liability
22 insurance policy, including but not limited to:

- 23 a. liability coverage for bodily injury and property damage;
- 24 b. personal injury protection coverage as defined in [CITE STATUTE];
- 25 c. uninsured and underinsured motorist coverage;
- 26 d. medical payments coverage;
- 27 e. comprehensive physical damage coverage; and
- 28 f. collision physical damage coverage

29 Nothing in this Article invalidates or limits an exclusion contained in a motor
30 vehicle liability insurance policy, including any insurance policy in use or
31 approved for use that excludes coverage for motor vehicles made available for
32 rent, sharing, or hire or for any business use.

33
34 **Recordkeeping; Use of Vehicle in Car Sharing**

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1 Sec. 5. A peer-to-peer car sharing program shall collect and verify records
2 pertaining to the use of a vehicle, including, but not limited to, times used, fees
3 paid by the shared vehicle driver, and revenues received by the shared vehicle
4 owner. Pursuant to all applicable federal and state privacy obligations a peer-to-peer car
5 sharing program shall ~~and~~ provide that information upon request to the shared vehicle
6 owner, _____ the
7 shared vehicle owner's insurer, or the shared vehicle driver's insurer to facilitate a
8 claim coverage investigation. The peer-to-peer car sharing program shall retain
9 the records for a time period not less than the applicable longer of either personal injury _
10 _____ or property damage] statute of _____ limitations.

Commented [A7]: Just tightens up privacy requirements.

12 **Exemption; Vicarious Liability**

13 Sec. 6. A peer-to-peer car sharing program and a shared vehicle owner shall be
14 exempt from vicarious liability in accordance with 49 U.S.C. § 30106 and under
15 any state or local law that imposes liability solely based on vehicle ownership.

17 **Contribution against Indemnification**

18 Sec. 7. A motor vehicle insurer that defends or indemnifies a claim against a
19 shared vehicle that is excluded under the terms of its policy shall have the right to
20 seek contribution against the motor vehicle insurer of the peer-to-peer car sharing
21 program if the claim is: (1) made against the shared vehicle owner or the shared
22 vehicle driver for loss or injury that occurs during the car sharing period; and (2)
23 excluded under the terms of its policy.

25 **Insurable Interest**

26 Sec. 8. (a) Notwithstanding any other law, statute, rule or regulation to the
27 contrary, a peer-to-peer car sharing program shall have an insurable interest in a
28 shared vehicle during the car sharing period.
29 (b) Nothing in this section creates liability on a Peer-to-Peer Car Sharing Program
30 to maintain the coverage mandated by this Chapter 3, Sec. 1.
31 (c) A peer-to-peer car sharing program may own and maintain as the named
32 insured one or more policies of motor vehicle liability insurance that provides
33 coverage for:
34 (i) liabilities assumed by the peer-to-peer car sharing program under a
35 peer-to-peer car sharing program agreement; or
36 (ii) any liability of the shared vehicle owner; or
37 (iii) damage or loss to the shared motor vehicle; or
38 (iv) any liability of the
39 _____ shared vehicle driver.

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3 **Chapter 4. Consumer Protections**

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2 **Disclosures**

3 Sec. 1. Each car sharing program agreement made in the State shall disclose to the shared
4 vehicle owner and the shared vehicle driver:

- 5 (a) Any right of the peer-to-peer car sharing program to seek indemnification
6 from the shared vehicle owner or the shared vehicle driver for economic loss
7 sustained by the peer-to-peer car sharing program resulting from a breach of the
8 terms and conditions of the car sharing program agreement;
- 9 (b) That a motor vehicle liability insurance policy issued to the shared vehicle
10 owner for the shared vehicle or to the shared vehicle driver does not provide a
11 defense or indemnification for any claim asserted by the peer-to-peer car sharing
12 program;
- 13 (c) That the peer-to-peer car sharing program's insurance coverage on the shared
14 vehicle owner and the shared vehicle driver is in effect only during each car
15 sharing period and that, for any use of the shared vehicle by the shared vehicle
16 driver after the car sharing termination time, the shared vehicle driver and the
17 shared vehicle owner may not have insurance coverage;
- 18 (d) The daily rate, fees, and if applicable, any insurance or protection package
19 costs that are charged to the shared vehicle owner or the shared vehicle driver.
- 20 (e) That the shared vehicle owner's motor vehicle liability insurance may not
21 provide coverage for a shared vehicle.
- 22 (f) An emergency telephone number to personnel capable of fielding roadside
23 assistance and other customer service inquiries.

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

27 **Driver's License Verification and Data Retention**

28 Sec. 2. (a) A peer-to-peer car sharing program may not enter into a peer-to-peer car
29 sharing program agreement with a driver unless the driver who will operate the shared
30 vehicle:

- 31 (1) Holds a driver's license issued under _____ that authorizes the driver to
32 operate vehicles of the class of the shared vehicle; or
- 33 (2) Is a nonresident who:
- 34 (i) Has a driver's license issued by the state or country of the driver's
35 residence that authorizes the driver in that state or country to drive
36 vehicles of the class of the shared vehicle; and
- 37

Commented [A8]: Believe this could lead to higher insurance limits for customers.

- (ii) Is at least the same age as that required of a resident to drive; or
(3) Otherwise is specifically authorized by _____ to drive vehicles of the class of the shared vehicle.

(b) A peer-to-peer car sharing program shall keep a record of:

- (1) The name and address of the shared vehicle driver;
(2) The number of the driver's license of the shared vehicle driver and each other person, if any, who will operate the shared vehicle; and
(3) The place of issuance of the driver's license.

Responsibility for Equipment

Sec. 3. A peer-to-peer car sharing program shall have sole responsibility for any equipment, such as a GPS system or other special equipment that is put in or on the vehicle to monitor or facilitate the car sharing transaction, and shall agree to indemnify and hold harmless the vehicle owner for any damage to or theft of such equipment during the sharing period not caused by the 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 such equipment that occurs during the sharing period.

Chapter 5. Limitation

~~Nothing in this Chapter [cite new peer-to-peer car sharing act] shall be construed to affect the applicability of any other section of law on transactions between peer-to-peer car sharing program and peer-to-peer car sharing driver.~~

Automobile Safety Recalls

~~Sec. 4. (a) At the time when a vehicle owner registers as a shared vehicle owner on a peer-to-peer car sharing program and prior to the time when the shared vehicle owner makes a shared vehicle available for car sharing on the peer-to-peer car sharing program, the peer-to-peer car sharing program shall:~~

~~(1) Verify that the shared vehicle does not have any safety recalls on the vehicle for which the repairs have not been made; and~~

~~(2) Notify the shared vehicle owner of the requirements under subsection (b) of this section.~~

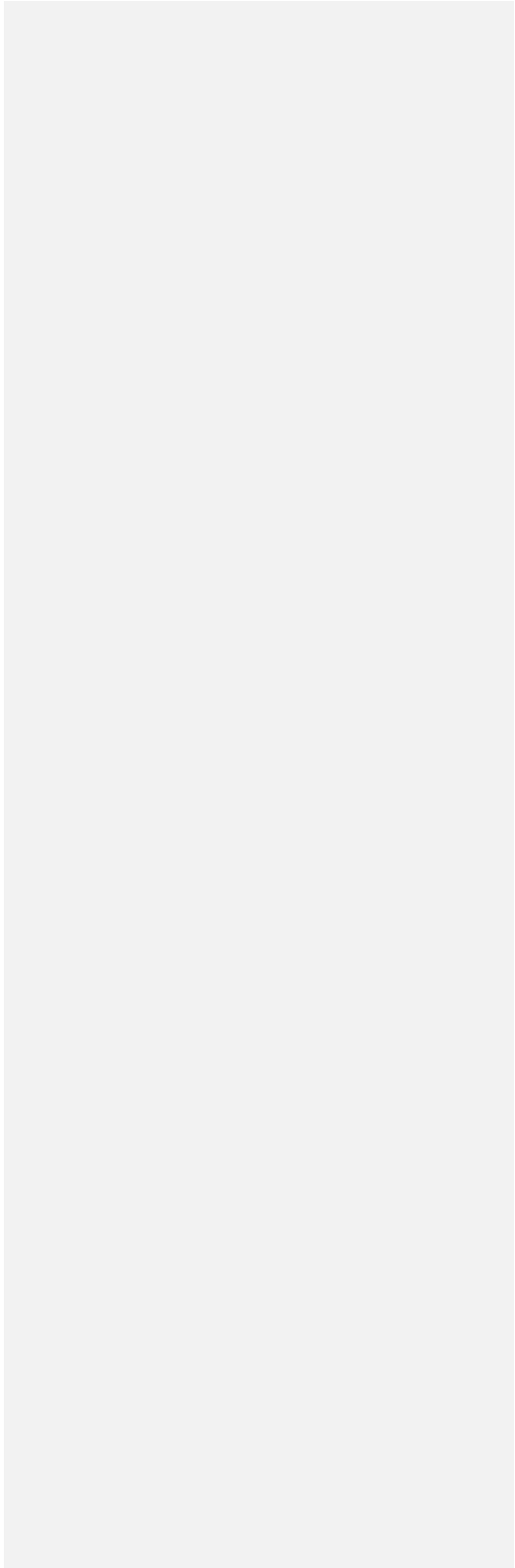
~~(b) (1) If the shared vehicle owner has received an actual notice of a safety recall on the vehicle, a shared vehicle owner may not make a vehicle available as a shared vehicle on a peer-to-peer car sharing program until the safety recall repair has been made.~~

~~(2) If a shared vehicle owner receives an actual notice of a safety recall on a shared vehicle while the shared vehicle is made available on the peer-to-peer car sharing program, the shared vehicle owner shall remove the shared vehicle~~

Commented [A9]: Again, simply reiterates that this law pertains to insurance section of law.

Commented [A10]: While a good component of the bill. Recalls are more of a consumer protection than an insurance-related issue. Should not be in insurance section. Therefore, this should be stricken.

1 _____ as available on the peer-to-peer car sharing program, as soon as practicably
2



1 ~~possible after receiving the notice of the safety recall and until the safety~~
2 ~~recall repair has been made.~~
3 ~~(3) If a shared vehicle owner receives an actual notice of a safety recall while~~
4 ~~the shared vehicle is being used in the possession of a shared vehicle driver, as~~
5 ~~soon as practicably possible after receiving the notice of the safety recall, the~~
6 ~~shared vehicle owner shall notify the peer-to-peer car sharing program about~~
7 ~~the safety recall so that the shared vehicle owner may address the safety recall~~
8 ~~repair.~~

9 Chapter 5. **Effective Date.**

10 Sec. 1. This Act shall take effect on the day that occurs [*the effective date should be at*
11 ~~Least *nine-six (96)* months after the Act becomes law—insert date here~~] after the date on which the
12 Act becomes law.

13 **Drafting Note**—~~The effective date of the should be a minimum of 9 months from the date the~~
14 ~~governor signs the legislation.~~

Commented [A11]: 6 months is plenty of time to comply.