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FOR HLIF REVIEW 7/15/20  
MAJORITY STP-A (12)

L.D. 2027

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Date:

(Filing No. S- )

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**HEALTH COVERAGE, INSURANCE AND FINANCIAL SERVICES**

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Reproduced and distributed under the direction of the Secretary of the Senate.

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**STATE OF MAINE**

6

**SENATE**

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**129TH LEGISLATURE**

8

**SECOND SPECIAL SESSION**

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COMMITTEE AMENDMENT “ ” to S.P. 717, L.D. 2027, Bill, “An Act To Clarify Insurance Requirements under the Peer-to-peer Car Sharing Insurance Act”

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Amend the bill by striking out everything after the enacting clause and before the emergency clause and inserting the following:

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**Sec. 1. 24-A MRSA §7403, sub-§4, ¶A**, as enacted by PL 2019, c. 367, §1, is amended by amending subparagraph (2) to read:

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(2) Beginning June 1, 2020 2021, property and casualty coverage, including comprehensive and collision protection, for physical loss to the shared vehicle during the time that the vehicle is in the custody of the provider or shared vehicle driver in an amount not less than the replacement cost of the shared vehicle;

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**Sec. 2. 24-A MRSA §7404, sub-§1**, as enacted by PL 2019, c. 367, §1, is amended to read:

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**1. Provider liable as if owner.** Notwithstanding any provision of law to the contrary or any provision in a motor vehicle insurance policy, in the event a loss or injury occurs during a car sharing period or while a motor vehicle is under the control of a provider, ~~the provider is deemed the owner of the motor vehicle under Title 29-A, section 1652 and any provision of law that may impose liability upon the owner of a motor vehicle solely based on ownership of the motor vehicle shall assume the liability of the shared vehicle owner for bodily injury or property damage to 3rd parties or uninsured or underinsured motorist losses during the car sharing period in an amount stated in the car sharing program agreement, which may not be less than 3 times the minimum requirements for liability in Title 29-A, section 1605.~~ The provider retains liability regardless of any lapse in the provider's policy or whether that liability is covered under the provider's policy or any other insurance policy under which the provider is insured.

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**Sec. 3. 24-A MRSA §7404, sub-§3** is enacted to read:

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**3. Fraud or material misrepresentation.** The assumption of liability in subsection 1 and the insurer's duty to defend and indemnify required in subsection 2 do not apply to a provider when a shared vehicle owner or shared vehicle driver commits intentional

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1 fraud or makes a material misrepresentation to the provider and the loss or injury during a  
2 car sharing period or while a motor vehicle is under the control of the provider resulted  
3 from the fraud or material misrepresentation.

4 **Sec. 4. 24-A MRSA §7404, sub-§4** is enacted to read:

5 **4. Third parties.** Notwithstanding subsection 3, the assumption of liability under  
6 subsection 1 applies to bodily injury, property damage or uninsured and underinsured  
7 motorist losses to 3rd parties.

8 **Sec. 5. 24-A MRSA §7405, sub-§3,** as enacted by PL 2019, c. 367, §1, is  
9 amended to read:

10 **3. Filing of rates and forms; placement.** For the purposes of any insurance policy  
11 written in accordance with this section, the insurer shall file rates and forms with the  
12 superintendent for approval, except that, if an insurance policy is placed with a surplus  
13 lines insurer, the insurer is only required to file forms with the superintendent for  
14 approval.

15 **Sec. 6. Retroactivity.** That section of this Act that amends the Maine Revised  
16 Statutes, Title 24-A, section 7403, subsection 4, paragraph A applies retroactively to June  
17 1, 2020.'

technical  
change

**SUMMARY**

19 This amendment replaces the bill and is the majority report of the committee. The  
20 amendment makes the following changes to clarify the Peer-to-peer Car Sharing  
21 Insurance Act.

22 1. It extends the date for a peer-to-peer car sharing program provider to secure  
23 property and casualty coverage, including comprehensive and collision insurance  
24 coverage for physical loss to a shared vehicle during the time that the vehicle is in the  
25 custody of the provider or shared vehicle driver from June 1, 2020 to June 1, 2021 and  
26 makes it clear that the change is retroactive to June 1, 2020.

27 2. It makes clear the peer-to-peer car sharing program provider assumes the liability  
28 of the shared vehicle owner for bodily injury or property damage to 3rd parties or  
29 uninsured or underinsured motorist losses during a car sharing period in an amount stated  
30 in the car sharing program agreement, which may not be less than 3 times the State's  
31 minimum financial responsibility requirements.

32 3. It provides that a peer-to-peer car sharing program provider is not liable for a loss  
33 or injury during a car sharing period or while a motor vehicle is under the control of a  
34 provider and the insurer of such a provider does not have a duty to defend and indemnify  
35 a shared vehicle owner or shared vehicle driver when a shared vehicle owner or shared  
36 vehicle driver commits intentional fraud or makes a material misrepresentation to a  
37 provider and the loss or injury resulted from the fraud or material misrepresentation,  
38 except for bodily injury, property damage or uninsured and underinsured motorist losses  
39 to 3rd parties.

40 4. It clarifies that, if an insurance policy is placed with a surplus lines insurer, the  
41 insurer is only required to file forms with the Superintendent of Insurance for approval.

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# 129th MAINE LEGISLATURE

LD 2027

LR 2931(02)

**An Act To Clarify Insurance Requirements under the Peer-to-peer Car Sharing Insurance Act**

**Fiscal Note for Bill as Amended by Committee Amendment " "**

**Committee: Health Coverage, Insurance and Financial Services**

**Fiscal Note Required: No**

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## Fiscal Note

No fiscal impact

R.d.S.

FOR HHS REVIEW 7/15/20

MINORITY OTP-A (1)

L.D. 2027

(Filing No. S- )

HEALTH COVERAGE, INSURANCE AND FINANCIAL SERVICES

Reproduced and distributed under the direction of the Secretary of the Senate.

STATE OF MAINE
SENATE
129TH LEGISLATURE
SECOND SPECIAL SESSION

COMMITTEE AMENDMENT " " to S.P. 717, L.D. 2027, Bill, "An Act To Clarify Insurance Requirements under the Peer-to-peer Car Sharing Insurance Act"

Amend the bill by striking out everything after the enacting clause and before the emergency clause and inserting the following:

Sec. 1. 24-A MRSA §7403, sub-§4, ¶A, as enacted by PL 2019, c. 367, §1, is amended by amending subparagraph (2) to read:

(2) Beginning June 1, 2020 2021, property and casualty coverage, including comprehensive and collision protection, for physical loss to the shared vehicle during the time that the vehicle is in the custody of the provider or shared vehicle driver in an amount not less than the replacement cost of the shared vehicle;

Sec. 2. 24-A MRSA §7404, sub-§1, as enacted by PL 2019, c. 367, §1, is amended to read:

1. Provider liable as if owner. Notwithstanding any provision of law to the contrary or any provision in a motor vehicle insurance policy, in the event a loss or injury occurs during a car sharing period or while a motor vehicle is under the control of a provider, the provider is deemed the owner of the motor vehicle under Title 29-A, section 4652 and any provision of law that may impose liability upon the owner of a motor vehicle solely based on ownership of the motor vehicle shall assume the liability of the shared vehicle owner for bodily injury or property damage to 3rd parties or uninsured or underinsured motorist losses during the car sharing period. The provider retains liability regardless of any lapse in the provider's policy or whether that liability is covered under the provider's policy or any other insurance policy under which the provider is insured.

Sec. 3. 24-A MRSA §7404, sub-§3 is enacted to read:

3. Fraud or material misrepresentation. The assumption of liability in subsection 1 and the insurer's duty to defend and indemnify required in subsection 2 allow a provider to pursue a civil action against a shared vehicle owner or shared vehicle driver when the shared vehicle owner or shared vehicle driver commits intentional fraud or makes a material misrepresentation to the provider and the loss or injury during a car sharing

Handwritten note: A where language differs from majority report

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1 period or while a motor vehicle is under the control of the provider resulted from the  
2 fraud or material misrepresentation.

3 **Sec. 4. 24-A MRSA §7404, sub-§4** is enacted to read:

4 **4. Third parties.** The assumption of liability under subsection 1 applies to bodily  
5 injury, property damage or uninsured and underinsured motorist losses to 3rd parties.

6 **Sec. 5. 24-A MRSA §7405, sub-§3**, as enacted by PL 2019, c. 367, §1, is  
7 amended to read:

8 **3. Filing of rates and forms; placement.** For the purposes of any insurance policy  
9 written in accordance with this section, the insurer shall file rates and forms with the  
10 superintendent for approval, except that, if an insurance policy is placed with a surplus  
11 lines insurer, the insurer is only required to file forms with the superintendent for  
12 approval.

13 **Sec. 6. Retroactivity.** That section of this Act that amends the Maine Revised  
14 Statutes, Title 24-A, section 7403, subsection 4, paragraph A applies retroactively to June  
15 1, 2020.'

16 **SUMMARY**

17 This amendment replaces the bill and is the minority report of the committee. The  
18 amendment makes the following changes to clarify the Peer-to-peer Car Sharing  
19 Insurance Act.

20 1. It extends the date for a peer-to-peer car sharing program provider to secure  
21 property and casualty coverage, including comprehensive and collision insurance  
22 coverage for physical loss to a shared vehicle during the time that the vehicle is in the  
23 custody of the provider or shared vehicle driver from June 1, 2020 to June 1, 2021 and  
24 makes it clear that the change is retroactive to June 1, 2020.

25 2. It makes clear the peer-to-peer car sharing program provider assumes the liability  
26 of the shared vehicle owner for bodily injury or property damage to 3rd parties or  
27 uninsured or underinsured motorist losses during the car sharing period.

28 3. It provides that a peer-to-peer car sharing program provider may pursue a claim  
29 against a shared vehicle owner or shared vehicle driver when a shared vehicle owner or  
30 shared vehicle driver commits intentional fraud or makes a material misrepresentation to  
31 a provider and the loss or injury resulted from the fraud or material misrepresentation.

32 4. It clarifies that the liability provision applies to bodily injury, property damage or  
33 uninsured and underinsured motorist losses to 3rd parties notwithstanding when a shared  
34 vehicle owner or shared vehicle driver commits intentional fraud or makes a material  
35 misrepresentation to a provider and the loss or injury resulted from the fraud or material  
36 misrepresentation.

37 5. It clarifies that, if an insurance policy is placed with a surplus lines insurer, the  
38 insurer is only required to file forms with the Superintendent of Insurance for approval.

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differs from majority report  
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technical change (same as majority report)

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# 129th MAINE LEGISLATURE

LD 2027

LR 2931(03)

**An Act To Clarify Insurance Requirements under the Peer-to-peer Car Sharing Insurance Act**

**Fiscal Note for Bill as Amended by Committee Amendment " "**

**Committee: Health Coverage, Insurance and Financial Services**

**Fiscal Note Required: No**

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## Fiscal Note

No fiscal impact