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HEALTH COVERAGE, INSURANCE AND FINANCIAL SERVICES

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**STATE OF MAINE
SENATE
130TH LEGISLATURE
FIRST SPECIAL SESSION**

COMMITTEE AMENDMENT “ ” to S.P. 470, L.D. 1420, “An Act To Adopt the Peer-to-Peer Car Sharing Program Model Act”

Amend the bill by striking out the title and substituting the following:

'An Act To Conform State Law to the Peer-to-Peer Car Sharing Program Model Act'

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

'Sec. 1. 24-A MRSA §7402, sub-§5, ¶B, as enacted by PL 2019, c. 367, §1, is amended to read:

B. When the shared vehicle is returned to a location as alternatively agreed upon by the shared vehicle owner and shared vehicle driver as communicated through a program, as long as the alternatively agreed location is incorporated into the car sharing program agreement; and

Sec. 2. 24-A MRSA §7402, sub-§8, as enacted by PL 2019, c. 367, §1, is amended to read:

8. Peer-to-peer car sharing. "Peer-to-peer car sharing" means the authorized use of a motor vehicle by an individual other than the registered owner through a program. "Peer-to-peer car sharing" does not include the business of renting motor vehicles within the meaning of Title 29-A, section 254.

Sec. 3. 24-A MRSA §7402, sub-§9, as enacted by PL 2019, c. 367, §1, is amended to read:

9. Peer-to-peer car sharing program; program. "Peer-to-peer car sharing program" or "program" means a business, including a business platform, that, digitally or otherwise, connects registered owners of motor vehicles with individuals to enable the sharing of motor vehicles for financial consideration. "Peer-to-peer car sharing program" does not include the business of renting motor vehicles within the meaning of Title 29-A, section 254.

COMMITTEE AMENDMENT

1 **Sec. 4. 24-A MRSA §7402, sub-§11**, as enacted by PL 2019, c. 367, §1, is amended
2 to read:

3 **11. Shared vehicle.** "Shared vehicle" means a motor vehicle that is: available for
4 sharing through a peer-to-peer car sharing program.

5 ~~A. Available for sharing through a peer-to-peer car sharing program;~~

6 ~~B. Used nonexclusively for peer-to-peer car sharing pursuant to a car sharing program~~
7 ~~agreement; and~~

8 ~~C. Used by the shared vehicle owner for personal use outside of peer-to-peer car~~
9 ~~sharing.~~

10 **Sec. 5. 24-A MRSA §7402, sub-§12**, as enacted by PL 2019, c. 367, §1, is amended
11 to read:

12 **12. Shared vehicle driver.** "Shared vehicle driver" means an individual authorized
13 to use a shared vehicle by the shared vehicle owner under a car sharing program agreement.

14 **Sec. 6. 24-A MRSA §7402, sub-§13**, as enacted by PL 2019, c. 367, §1, is amended
15 to read:

16 **13. Shared vehicle owner.** "Shared vehicle owner" means the registered owner of a
17 shared vehicle, or a person or entity designated by the registered owner of a vehicle made
18 available for sharing to shared vehicle drivers through a peer-to-peer car sharing program.
19 "Shared vehicle owner" does not include a person engaged in the business of renting motor
20 vehicles within the meaning of Title 29-A, section 254.

21 **Sec. 7. 24-A MRSA §7403**, as enacted by PL 2019, c. 367, §1, is repealed.

22 **Sec. 8. 24-A MRSA §7403-A** is enacted to read:

23 **§7403-A. Insurance requirements for peer-to-peer car sharing**

24 **1. Insurance coverage during car sharing period; liability.** The following
25 requirements apply to insurance coverage and liability during a car sharing period.

26 A. A peer-to-peer car sharing program shall assume the liability, except as provided
27 in paragraph B, of a shared vehicle owner for bodily injury or property damage to 3rd
28 parties or uninsured and underinsured motorists or personal injury protection losses
29 during the car sharing period in an amount stated in the car sharing program agreement
30 as long as the amount is not less than minimum requirements in Title 29-A, section
31 1605.

32 B. Notwithstanding the definition of "car sharing termination time" as set forth in
33 section 7402, subsection 5, the assumption of liability under paragraph A does not
34 apply when:

35 (1) A shared vehicle owner makes an intentional or fraudulent material
36 misrepresentation or omission to the peer-to-peer car sharing program before the
37 car sharing period in which the loss occurred; or

38 (2) A shared vehicle owner is acting in concert with a shared vehicle driver who
39 fails to return the shared vehicle pursuant to the terms of car sharing program
40 agreement.

1 C. Notwithstanding the definition of "car sharing termination time" as set forth in
2 section 7402, subsection 5, the assumption of liability under paragraph A applies to
3 bodily injury or property damage to 3rd parties or uninsured and underinsured motorist
4 or personal injury protection losses as required by Title 29-A, section 1605.

5 D. A peer-to-peer car sharing program shall ensure that, during each car sharing period,
6 the shared vehicle owner and the shared vehicle driver are insured under a motor
7 vehicle liability insurance policy that provides insurance coverage in amounts not less
8 than the minimum amounts set forth in Title 29-A, section 1605 and:

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

11 (2) Does not exclude use of a shared vehicle by a shared vehicle driver.

12 E. The requirement for insurance coverage described under paragraph D may be
13 satisfied by providing evidence of a motor vehicle liability insurance maintained by:

14 (1) A shared vehicle owner;

15 (2) A shared vehicle driver;

16 (3) A peer-to-peer car sharing program; or

17 (4) A shared vehicle owner, a shared vehicle driver and a peer-to-peer car sharing
18 program collectively.

19 F. Insurance coverage that meets the requirements of paragraph D and obtained in
20 accordance with paragraph E must be primary coverage during each car sharing period
21 and, in the event that a claim occurs in another state with minimum financial
22 responsibility limits higher than in Title 29-A, section 1605, during the car sharing
23 period the coverage maintained under paragraph E must satisfy the difference in
24 minimum coverage amounts up to the applicable policy limits.

25 G. The insurer, insurers or peer-to-peer car sharing program providing coverage in
26 accordance with paragraph D or E shall assume primary liability for a claim when:

27 (1) A dispute exists as to who was in control of the shared motor vehicle at the
28 time of the loss and the peer-to-peer car sharing program does not have available,
29 did not retain or fails to provide the information required by section 7404-A
30 subsection 4; or

31 (2) A dispute exists as to whether the shared vehicle was returned to the
32 alternatively agreed upon location as required under section 7402, subsection 5,
33 paragraph B.

34 H. If insurance maintained by a shared vehicle owner or shared vehicle driver in
35 accordance with paragraph E has lapsed or does not provide the required coverage,
36 insurance maintained by a peer-to-peer car sharing program must provide the coverage
37 required by paragraph D beginning with the first dollar of a claim, and the peer-to-peer
38 car sharing program has the duty to defend that claim except under circumstances set
39 forth in paragraph B.

40 I. Coverage under a motor vehicle liability insurance policy maintained by the peer-
41 to-peer car sharing program may not be dependent on another insurer's first denying a
42 claim or a requirement in another insurance policy to first deny a claim.

1 **2. Exclusions in motor vehicle liability insurance policies.** An insurer that writes
2 motor vehicle liability insurance in the State may exclude any and all coverage and the duty
3 to defend or indemnify for any claim afforded under a shared vehicle owner's motor vehicle
4 liability insurance policy, including but not limited to:

5 A. Liability coverage for bodily injury and property damage;

6 B. Personal injury protection coverage;

7 C. Uninsured and underinsured motorist coverage;

8 D. Medical payments coverage;

9 E. Comprehensive physical damage coverage; and

10 F. Collision physical damage coverage.

11 This subsection does not invalidate or limit an exclusion contained in a motor vehicle
12 liability insurance policy, including any insurance policy in use or approved for use that
13 excludes coverage for motor vehicles made available for rent, sharing or hire or for any
14 business use. This subsection does not invalidate, limit or restrict an insurer's ability under
15 existing law to underwrite any insurance policy or to cancel or not renew any insurance
16 policy.

17 **3. Exemption; vicarious liability.** A peer-to-peer car sharing program and a shared
18 vehicle owner are exempt from vicarious liability consistent with 49 United States Code,
19 Section 30106 and under any state or local law that imposes liability solely based on vehicle
20 ownership.

21 **4. Contribution against indemnification.** An insurer that defends or indemnifies a
22 claim against a shared vehicle that is excluded under the terms of its policy has the right to
23 seek recovery against the insurer of the peer-to-peer car sharing program if the claim is:

24 A. Made against the shared vehicle owner or the shared vehicle driver for loss or injury
25 that occurs during the car sharing period; and

26 B. Excluded under the terms of its policy.

27 **5. Insurable interest.** Notwithstanding any other law, statute, rule or regulation to
28 the contrary, a peer-to-peer car sharing program has an insurable interest in a shared vehicle
29 during the car sharing period. This section does not impose liability on a peer-to-peer car
30 sharing program to maintain the coverage mandated by subsection 1. A peer-to-peer car
31 sharing program may own and maintain as the named insured one or more policies of motor
32 vehicle liability insurance that provides coverage for:

33 A. Liabilities assumed by the peer-to-peer car sharing program under a peer-to-peer
34 car sharing program agreement;

35 B. Any liability of the shared vehicle owner;

36 C. Damage or loss to the shared motor vehicle; or

37 D. Any liability of the shared vehicle driver.

38 **6. Construction.** This section does not limit the liability of the peer-to-peer car
39 sharing program for any act or omission of the peer-to-peer car sharing program itself that
40 results in injury to any person as a result of the use of a shared vehicle through a peer-to-
41 peer car sharing program or limit the ability of a peer-to-peer car sharing program to, by

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

4 **Sec. 9. 24-A MRSA §7404**, as enacted by PL 2019, c. 367, §1, is repealed.

5 **Sec. 10. 24-A MRSA §7404-A** is enacted to read:

6 **§7404-A. Responsibilities of peer-to-peer car sharing programs**

7 **1. General disclosures.** Each car sharing program agreement made in the State must
8 disclose to the shared vehicle owner and the shared vehicle driver:

9 A. Any right of the peer-to-peer car sharing program to seek indemnification from the
10 shared vehicle owner or the shared vehicle driver for economic loss sustained by the
11 peer-to-peer car sharing program resulting from a breach of the terms and conditions
12 of the car sharing program agreement;

13 B. That a motor vehicle liability insurance policy issued to the shared vehicle owner
14 for the shared vehicle or to the shared vehicle driver does not provide a defense or
15 indemnification for any claim asserted by the peer-to-peer car sharing program;

16 C. That the peer-to-peer car sharing program's insurance coverage on the shared
17 vehicle owner and the shared vehicle driver is in effect only during each car sharing
18 period and that, for any use of the shared vehicle by the shared vehicle driver after the
19 car sharing termination time, the shared vehicle driver and the shared vehicle owner
20 may not have insurance coverage;

21 D. The daily rate, fees and, if applicable, any insurance or protection package costs
22 that are charged to the shared vehicle owner or the shared vehicle driver;

23 E. That the shared vehicle owner's motor vehicle liability insurance may not provide
24 coverage for a shared vehicle;

25 F. An emergency telephone number to personnel capable of fielding roadside
26 assistance and other customer service inquiries; and

27 G. If there are conditions under which a shared vehicle driver must maintain a personal
28 motor vehicle insurance policy with certain applicable coverage limits on a primary
29 basis in order to arrange for use of a shared vehicle.

30 **2. Notification of implications of lien.** At the time a vehicle owner registers as a
31 shared vehicle owner with a peer-to-peer car sharing program and prior to the time when
32 the shared vehicle owner makes a shared vehicle available for car sharing with the peer-to-
33 peer car sharing program, the peer-to-peer car sharing program shall notify the shared
34 vehicle owner that, if the shared vehicle has a lien against it, the use of the shared vehicle
35 through a peer-to-peer car sharing program, including use without physical damage
36 coverage, may violate the terms of the contract with the lienholder.

37 **3. Motor vehicle safety recalls.** This subsection applies to motor vehicle safety
38 recalls of shared vehicles.

39 A. At the time a vehicle owner registers as a shared vehicle owner with a peer-to-peer
40 car sharing program and prior to the time when the shared vehicle owner makes a
41 shared vehicle available for car sharing with the peer-to-peer car sharing program, the
42 peer-to-peer car sharing program shall:

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

3 (2) Notify the shared vehicle owner of the requirements under paragraph B.

4 B. If the shared vehicle owner has received an actual notice of a safety recall on the
5 vehicle, a shared vehicle owner may not make a vehicle available as a shared vehicle
6 with a peer-to-peer car sharing program until the safety recall repair has been made.

7 (1) When the notice of a safety recall is received while the shared vehicle is made
8 available with the peer-to-peer car sharing program, the shared vehicle owner shall
9 remove the shared vehicle as available with the peer-to-peer car sharing program,
10 as soon as practicably possible after receiving the notice of the safety recall and
11 until the safety recall repair has been made; and

12 (2) When the notice of a safety recall is received while the shared vehicle is being
13 used in the possession of a shared vehicle driver, as soon as practicably possible
14 after receiving the notice of the safety recall the shared vehicle owner shall notify
15 the peer-to-peer car sharing program about the safety recall so that the shared
16 vehicle owner may address the safety recall repair.

17 **4. Recordkeeping; use of vehicle in car sharing.** A peer-to-peer car sharing program
18 shall collect and verify records pertaining to the use of a vehicle, including, but not limited
19 to, times used, car sharing period pick up and drop off locations, fees paid by the shared
20 vehicle driver and revenues received by the shared vehicle owner, and shall provide that
21 information upon request to the shared vehicle owner, the shared vehicle owner's insurer
22 or the shared vehicle driver's insurer to facilitate a claim coverage investigation, settlement,
23 negotiation or litigation. The peer-to-peer car sharing program shall retain the records for
24 a time period not less than the applicable personal injury statute of limitations.

25 **5. Driver's license verification and data retention.** A peer-to-peer car sharing
26 program may not enter into a peer-to-peer car sharing program agreement with a driver
27 unless the driver who will operate the shared vehicle:

28 A. Holds a driver's license issued under Title 29-A, section 1251 that authorizes the
29 driver to operate vehicles of the class of the shared vehicle; or

30 B. Is a nonresident who:

31 (1) Has a driver's license issued by the state or country of the driver's residence
32 that authorizes the driver in that state or country to drive vehicles of the class of
33 the shared vehicle; and

34 (2) Is at least the same age as that required of a resident of the State to drive; or

35 C. Otherwise is specifically authorized by Title 29-A, section 1251 to drive vehicles
36 of the class of the shared vehicle.

37 A peer-to-peer car sharing program shall keep a record of the name and address of the
38 shared vehicle driver; the number of the driver's license of the shared vehicle driver and
39 each other person, if any, who will operate the shared vehicle; and the place of issuance of
40 the driver's license.

41 **6. Responsibility for equipment.** A peer-to-peer car sharing program has sole
42 responsibility for any equipment, such as a GPS system or other special equipment that is

1 put in or on the vehicle to monitor or facilitate the car sharing transaction, and shall agree
2 to indemnify and hold harmless the vehicle owner for any damage to or theft of such
3 equipment during the sharing period not caused by the vehicle owner. The peer- to-peer
4 car sharing program has the right to seek indemnity from the shared vehicle driver for any
5 loss or damage to such equipment that occurs during the sharing period.

6 **Sec. 11. 24-A MRSA §7405**, as enacted by PL 2019, c. 367, §1, is repealed.'

7 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section
8 number to read consecutively.

9 **SUMMARY**

10 This amendment, which is the majority report of the committee, replaces the concept
11 draft. The amendment makes changes to the current Peer-to-peer Car Sharing Insurance
12 Act to align with the model legislation adopted by the National Council of Insurance
13 Legislators.