

# D R A F T

## SUMMARY

Requires insurance coverage for motor vehicles made available as part of peer-to-peer car sharing arrangement. Specifies coverage requirements and apportions responsibility for coverage among car sharing program operator, shared vehicle owner and shared vehicle driver.

Requires certain disclosures to shared vehicle owner and shared vehicle driver in car sharing program agreement. Requires shared vehicle owner to address recall notices for defects that affect safety of shared vehicle.

## A BILL FOR AN ACT

1  
2 Relating to peer-to-peer car sharing arrangements; creating new provisions;  
3 and repealing ORS 742.585, 742.590, 742.595 and 742.600.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. Sections 2 to 15 of this 2023 Act are added to and made**  
6 **a part of ORS chapter 742.**

7 **SECTION 2. As used in sections 2 to 15 of this 2023 Act:**

8 (1) **“Car sharing delivery period” means the time during which a**  
9 **shared vehicle is being delivered to a location where a car sharing**  
10 **period begins.**

11 (2) **“Car sharing period” means a period of time that:**

12 (a) **Begins when a car sharing delivery period begins or, in the ab-**  
13 **sence of a car sharing delivery period, when a shared vehicle arrives**  
14 **at the location in which the shared vehicle will become subject to the**  
15 **control of a shared vehicle driver at or after the time specified in a**  
16 **reservation for the shared vehicle; and**

17 (b) **Ends at the car sharing termination time.**

18 (3)(a) **“Car sharing program agreement” means the terms and con-**

1 **ditions that set forth the duties of a shared vehicle owner and a shared**  
2 **vehicle driver with respect to use of a shared vehicle through a peer-**  
3 **to-peer car sharing program.**

4 **(b) “Car sharing program agreement” does not include a rental**  
5 **agreement, as defined in ORS 646A.140.**

6 **(4) “Car sharing program operator” means a person that owns and**  
7 **engages in the business of operating a peer-to-peer car sharing pro-**  
8 **gram for use by residents of this state.**

9 **(5) “Car sharing termination time” means the time at which the**  
10 **earliest of the following events occurs:**

11 **(a) A shared vehicle driver delivers a shared vehicle to a location**  
12 **specified in a car sharing program agreement after the expiration of**  
13 **the period during which the shared vehicle driver may use the shared**  
14 **vehicle under the terms and conditions of the car sharing program**  
15 **agreement;**

16 **(b) A shared vehicle driver delivers a shared vehicle to a location**  
17 **other than the location specified in the car sharing program agree-**  
18 **ment if the shared vehicle owner and the shared vehicle driver agree**  
19 **upon the alternative location through the peer-to-peer car sharing**  
20 **program; or**

21 **(c) The shared vehicle owner, or a designee of the shared vehicle**  
22 **owner, takes possession and control of the shared vehicle.**

23 **(6)(a) “Peer-to-peer car sharing arrangement” means a motor vehi-**  
24 **cle owner’s authorization for another person to use the motor vehicle**  
25 **under the terms and conditions of a car sharing program agreement**  
26 **that is communicated through a peer-to-peer car sharing program.**

27 **(b) “Peer-to-peer car sharing arrangement” does not include leasing**  
28 **a motor vehicle or renting a motor vehicle from a car rental company,**  
29 **as defined in ORS 803.219.**

30 **(7)(a) “Peer-to-peer car sharing program” means a method by**  
31 **which, for consideration, an owner of a motor vehicle can communi-**

1 cate with and authorize another person to use the motor vehicle under  
2 the terms and conditions of a car sharing program agreement.

3 (b) “Peer-to-peer car sharing program” does not include business in  
4 which a rental company, as defined in ORS 646A.140, or a car rental  
5 company, as defined in ORS 803.219, engages.

6 (8)(a) “Shared vehicle” means a motor vehicle that a shared vehicle  
7 owner makes available for use under the terms and conditions of a car  
8 sharing program agreement and through a peer-to-peer car sharing  
9 program.

10 (b) “Shared vehicle” does not include a motor vehicle that a car  
11 rental company, as defined in ORS 803.219, rents or makes available  
12 for rent.

13 (9)(a) “Shared vehicle driver” means an individual who has author-  
14 ization from a shared vehicle owner to drive a shared vehicle under  
15 the terms and conditions of a car sharing program agreement.

16 (b) “Shared vehicle driver” does not mean authorized driver or  
17 renter, both as defined in ORS 646A.140.

18 (10)(a) “Shared vehicle owner” means the registered owner of a  
19 motor vehicle who makes the motor vehicle available for sharing un-  
20 der the terms and conditions of a car sharing program agreement and  
21 communicates the availability of the motor vehicle by means of a  
22 peer-to-peer car sharing program, or a designee of the registered  
23 owner that the registered owner authorizes to make the motor vehicle  
24 available for sharing as described in this subsection.

25 (b) “Shared vehicle owner” does not include a rental company, as  
26 defined in ORS 646A.140, or a car rental company, as defined in ORS  
27 803.219.

28 **SECTION 3.** (1)(a) Except as provided in subsection (2) of this sec-  
29 tion, a car sharing program operator during a car-sharing period shall:

30 (A) Assume a shared vehicle owner’s liability for bodily injury to  
31 other persons and for damage to the property of other persons;

1 (B) Provide uninsured motorist coverage, as defined in ORS 742.500,  
2 to the shared vehicle owner; and

3 (C) Provide personal injury protection benefits to the shared vehicle  
4 driver.

5 (b) A car sharing program agreement between a shared vehicle  
6 owner and a car sharing program operator governs the limits of the  
7 liability and coverage described in paragraph (a) of this subsection,  
8 except that the limits of liability and the coverage must comply with  
9 the financial responsibility requirements specified in the Oregon Ve-  
10 hicle Code.

11 (c) A car sharing program operator's assumption of liability under  
12 paragraph (a) of this subsection must, at a minimum, require the  
13 minimum payments specified in ORS 806.070.

14 (2) Except to the extent that the financial responsibility provisions  
15 of the Oregon Vehicle Code require otherwise, the duties of a car  
16 sharing program operator under subsection (1)(a) of this section do  
17 not apply if:

18 (a) A shared vehicle owner makes an intentional or fraudulent  
19 misrepresentation or omission with respect to a material provision in  
20 a car sharing program agreement or to a car sharing program operator  
21 before the car-sharing period in which a loss occurs; or

22 (b) A shared vehicle owner acts in concert with a shared vehicle  
23 driver in failing to return a shared vehicle in accordance with the  
24 provisions of the car sharing program agreement.

25 (3)(a) A car sharing program operator shall ensure that a motor  
26 vehicle liability insurance policy covers a shared vehicle owner and a  
27 shared vehicle driver during each car sharing period and:

28 (A) Provides primary coverage;

29 (B) Provides the coverages described at the amounts described in  
30 subsection (1) of this section;

31 (C) Recognizes that the motor vehicle that the motor vehicle li-

1 ability insurance policy covers is a shared vehicle that is available to  
2 and used by persons other than the shared vehicle owner under a  
3 peer-to-peer car sharing arrangement; and

4 (D) Does not exclude a shared vehicle driver's use of the shared  
5 vehicle.

6 (b) A car sharing program operator meets the requirement set forth  
7 in paragraph (a) of this subsection if:

8 (A) A shared vehicle owner or a shared vehicle driver maintains a  
9 motor vehicle liability insurance policy with the required coverage;

10 (B) The car sharing program operator maintains a motor vehicle  
11 liability insurance policy with the required coverage; or

12 (C) The motor vehicle liability insurance policies that two or more  
13 of the persons described in subparagraphs (A) and (B) of this para-  
14 graph maintain combine to provide the required coverage.

15 (c) In addition to providing coverages described at the amounts de-  
16 scribed in subsection (1) of this section, the motor vehicle insurance  
17 policy must include coverage that pays the difference between the  
18 minimum payment amounts set forth in ORS 806.070 and the minimum  
19 payments due under the financial responsibility laws of another state  
20 if:

21 (A) The other state's financial responsibility laws require higher  
22 minimum payments; and

23 (B) An event that gives rise to a claim occurs in the other state  
24 during a car sharing period.

25 (4)(a) Subject to subsection (2)(a) and (b) of this section, a car  
26 sharing program operator or an insurer shall assume primary liability  
27 for a claim if the car sharing program operator provides the motor  
28 vehicle liability insurance policy required under subsection (3) of this  
29 section, in whole or in part, and:

30 (A) A dispute exists as to who controlled the shared vehicle at the  
31 time of a loss and the car sharing program operator does not have

1 available, did not retain or fails to provide the information required  
2 under section 7 of this 2023 Act; or

3 (B) A dispute exists as to whether the shared vehicle was returned  
4 to a location, other than the location specified in the car sharing  
5 program agreement, upon which the shared vehicle owner and the  
6 shared vehicle driver agreed through the peer-to-peer car sharing  
7 program.

8 (b) Except under the circumstances described in subsection (2) of  
9 this section, the car sharing program operator shall provide coverage  
10 under the car sharing program operator's motor vehicle liability in-  
11 surance policy beginning with the first dollar of a claim, and shall  
12 defend against the claim, if the shared vehicle owner's or the shared  
13 vehicle driver's motor vehicle liability insurance policy has lapsed or  
14 does not provide the coverage required under subsection (3) of this  
15 section.

16 (5) Coverage under a motor vehicle liability insurance policy that  
17 a car sharing program operator provides may not require as a condi-  
18 tion of coverage that another insurer first deny a claim.

19 SECTION 4. Sections 2 to 15 of this 2023 Act do not:

20 (1) Limit the liability of a car sharing program operator for any act  
21 or omission by the car sharing program operator or liability for an  
22 injury to a person that arises as a result of using a shared vehicle  
23 through a car sharing program agreement; or

24 (2) Limit a car sharing program operator's ability to seek by con-  
25 tract indemnification from a shared vehicle owner or shared vehicle  
26 driver for economic losses that the car sharing program operator suf-  
27 fers as a result of a shared vehicle owner's or shared vehicle driver's  
28 breach of a car sharing program agreement.

29 SECTION 5. At the time a vehicle owner agrees with a car sharing  
30 program operator to make the owner's vehicle available for use as a  
31 shared vehicle through a peer-to-peer car sharing program and again

1 before the vehicle owner makes the vehicle available for use as a  
2 shared vehicle, the car sharing program operator shall notify the ve-  
3 hicle owner that use of a shared vehicle against which another person  
4 has a lien, including use as part of a peer-to-peer car sharing ar-  
5 rangement or without insurance coverage for physical damage to the  
6 shared vehicle, might violate the terms of the shared vehicle owner's  
7 contract with the lienholder.

8 **SECTION 6.** (1) An authorized insurer that issues motor vehicle li-  
9 ability insurance in this state may exclude any and all coverage under,  
10 and the duty to defend or indemnify any claim made under, a motor  
11 vehicle liability insurance policy in which the insured is a shared ve-  
12 hicle owner including, but not limited to:

13 (a) Liability coverage for bodily injury and property damage;

14 (b) Personal injury protection coverage under ORS 742.518 to 742.542;

15 (c) Uninsured and underinsured motorist coverage under ORS  
16 742.500 to 742.506;

17 (d) Medical payments coverage;

18 (e) Comprehensive physical damage coverage; and

19 (f) Collision physical damage coverage.

20 (2) This section does not limit, invalidate or restrict:

21 (a) An exclusion, including an exclusion of coverage for motor ve-  
22 hicles made available for rent, sharing or hire or for a business use,  
23 in any motor vehicle liability policy, including an existing motor ve-  
24 hicle liability policy or a motor vehicle liability policy approved for use  
25 in this state; or

26 (b) An insurer's ability to underwrite, cancel or decline to renew  
27 any insurance policy.

28 **SECTION 7.** A car sharing program operator shall collect and verify  
29 records of each use of a shared vehicle during a car sharing period and  
30 shall retain the records for at least two years. The car sharing pro-  
31 gram operator shall make the records available to the shared vehicle

1 owner and to insurers that issued motor vehicle liability insurance  
2 policies to the shared vehicle owner or the shared vehicle driver for  
3 the purposes of investigating, adjusting, negotiating, settling or liti-  
4 gating a claim. The records must include, at a minimum:

5 (1) The times in which a shared vehicle driver used the shared ve-  
6 hicle;

7 (2) The locations at which the shared vehicle driver picked up and  
8 dropped off the shared vehicle during a car sharing period;

9 (3) The fees that the shared vehicle driver paid; and

10 (4) The revenue that the shared vehicle owner received from use  
11 of the shared vehicle.

12 SECTION 8. The protection from liability that is set forth in 49  
13 U.S.C. 30106 for owners of motor vehicles that rent or lease the motor  
14 vehicle to other persons applies in this state to shared vehicle owners  
15 and to car sharing program operators.

16 SECTION 9. An insurer that defends against or indemnifies a claim  
17 against a shared vehicle owner under a motor vehicle liability insur-  
18 ance policy that excludes coverage for the claim may seek contribution  
19 against the insurer that issued a motor vehicle liability insurance  
20 policy to a car sharing program operator if:

21 (1) The claim is against the shared vehicle owner or the shared ve-  
22 hicle driver for a loss or injury that occurs during a car sharing pe-  
23 riod; and

24 (2) The motor vehicle liability insurance policy that the insurer is-  
25 sued to the car sharing program operator excludes coverage for the  
26 claim.

27 SECTION 10. (1) Notwithstanding any other law to the contrary, a  
28 car sharing program operator has an insurable interest in a shared  
29 vehicle during a car sharing period.

30 (2) A car sharing program operator may be a named insured in one  
31 or more motor vehicle liability insurance policies with coverage for:



1 (a) Liabilities that the car sharing program operator assumes under  
2 a car sharing program agreement;

3 (b) Any liability of a shared vehicle owner or shared vehicle driver;  
4 or

5 (c) Damage or loss with respect to a shared vehicle.

6 (3) This section does not create liability for a car sharing program  
7 operator to maintain the coverage described in section 3 of this 2023  
8 Act.

9 SECTION 11. A car sharing program agreement must disclose to a  
10 shared vehicle owner and a shared vehicle driver:

11 (1) Whether a car sharing program operator has any right to seek  
12 indemnification from the shared vehicle owner or shared vehicle driver  
13 for economic loss that the car sharing program operator suffers as a  
14 result of a breach of the terms and conditions of the car sharing pro-  
15 gram agreement;

16 (2) Whether the motor vehicle liability insurance policy an insurer  
17 issues to a shared vehicle owner or shared vehicle driver defends  
18 against or indemnifies a claim the car sharing program operator may  
19 assert against the shared vehicle owner or shared vehicle driver;

20 (3) That the insurance coverage a car sharing program operator has  
21 for shared vehicles is in effect only during car sharing periods and that  
22 the shared vehicle owner and shared vehicle driver may not have in-  
23 surance coverage for any use of the shared vehicle after the car  
24 sharing termination time;

25 (4) The daily or hourly rate and fees for use of the shared vehicle,  
26 along with any insurance costs or other costs that the shared vehicle  
27 owner or shared vehicle driver must pay;

28 (5) That the shared vehicle owner's motor vehicle liability insurance  
29 policy might not cover use of the shared vehicle as part of a peer-to-  
30 peer car sharing arrangement;

31 (6) An emergency telephone number the shared vehicle owner or

1 shared vehicle driver can use for roadside assistance or customer ser-  
2 vice; and

3 (7) Any conditions under which a shared vehicle driver must main-  
4 tain a motor vehicle liability insurance policy with specified primary  
5 coverage limits in order to participate in a peer-to-peer car sharing  
6 arrangement.

7 SECTION 12. (1) A car sharing program operator may not enter into  
8 a car sharing program agreement with an individual unless the indi-  
9 vidual is 18 years of age or older and:

10 (a) Has a driver license issued in this state or another state or  
11 country that authorizes the individual to operate vehicles in the same  
12 class as the shared vehicle the individual will operate under the car  
13 sharing program agreement; or

14 (b) Has a specific authorization under ORS 807.020 to drive vehicles  
15 in the same class as the shared vehicle the individual will operate  
16 under the car sharing program agreement.

17 (2) A car sharing program operator shall keep a record of the name,  
18 address, driver license number and state that issued the driver license  
19 of the shared vehicle driver and of any other person who operates the  
20 shared vehicle.

21 SECTION 13. A car sharing program operator has sole responsibility  
22 for equipment the car sharing program operator installed in a shared  
23 vehicle and uses to facilitate or monitor the shared vehicle during a  
24 car sharing period and shall agree to indemnify and hold harmless the  
25 shared vehicle owner for damage to or theft of the equipment that the  
26 shared vehicle owner did not cause. A car sharing program operator  
27 may require indemnity from a shared vehicle driver for damage to or  
28 loss of the equipment that occurs during the car sharing period.

29 SECTION 14. (1) At the time a vehicle owner agrees with a car  
30 sharing program operator to make the owner's vehicle available for  
31 use as a shared vehicle through a peer-to-peer car sharing program

1 and again before the vehicle owner makes the vehicle available for use  
2 as a shared vehicle, a car sharing program operator shall verify that  
3 the motor vehicle that the owner will make available does not have  
4 any recalls for defects affecting the safety of the shared vehicle that  
5 the owner has not had repaired. An owner that receives actual notice  
6 of a recall for a defect that affects the motor vehicle's safety may not  
7 make the motor vehicle available as part of a peer-to-peer car sharing  
8 arrangement until the owner repairs the defect.

9 (2) A shared vehicle owner who receives actual notice of a recall for  
10 a defect that affects the safety of a shared vehicle that the shared  
11 vehicle owner has made available as part of a peer-to-peer car sharing  
12 arrangement shall, as soon as practicable, remove the shared vehicle  
13 from availability and may not make the shared vehicle available again  
14 until the shared vehicle owner has had the defect repaired.

15 (3) If a shared vehicle owner receives actual notice of a recall for  
16 a defect that affects the safety of a shared vehicle that is in the pos-  
17 session of a shared vehicle driver, the shared vehicle owner shall no-  
18 tify the car sharing program operator of the recall in order to have  
19 the defect repaired.

20 SECTION 15. The Director of the Department of Consumer and  
21 Business Services may adopt rules necessary to carry out the pro-  
22 visions of sections 2 to 15 of this 2023 Act.

23 SECTION 16. ORS 742.585, 742.590, 742.595 and 742.600 are repealed.  
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