

2020 Regular Session

HOUSE BILL NO. 532

BY REPRESENTATIVE JORDAN

1 AN ACT

2 To enact Subpart B-1 of Part IV of Chapter 4 of Title 22 of the Louisiana Revised Statutes  
3 of 1950, to be comprised of R.S. 22:1300.1 through 1300.13, relative to the  
4 regulation of peer-to-peer car sharing programs; to provide for the assumption of  
5 liability; to provide for the duties of peer-to-peer car sharing programs; to provide  
6 for liability policy requirements; to provide for primary liability; to provide for  
7 indemnification; to provide for the notification of the effect of liens; to provide for  
8 policy exclusions; to provide for the maintenance and disclosure of records; to  
9 provide for the exemption of vicarious liability in certain circumstances; to provide  
10 for a peer-to-peer car sharing program to have insurable interest; to provide  
11 consumer protection disclosures; to provide for the responsibility of special  
12 equipment; to provide for safety recall repairs; to provide for definitions; to provide  
13 for an effective date; and to provide for related matters.

14 Be it enacted by the Legislature of Louisiana:

15 Section 1. Subpart B-1 of Part IV of Chapter 4 of Title 22 of the Louisiana Revised  
16 Statutes of 1950, comprised of R.S. 22:1300.1 through 1300.13, is hereby enacted to read  
17 as follows:

18 SUBPART B-1. PEER-TO-PEER CAR SHARING PROGRAM ACT

19 §1300.1. Short Title

20 This Subpart shall be known and may be cited as the "Peer-to-Peer Car  
21 Sharing Program Act".

1           §1300.2. Definitions

2                   Except when a different meaning is expressly stated or clearly indicated by  
3           the context, the following terms, as used in this Subpart, have the following  
4           meanings:

5                   (1) "Car sharing delivery period" means the period of time during which a  
6           shared vehicle is being delivered to the location of the car sharing start time, if  
7           applicable, as documented by the governing car sharing program agreement.

8                   (2) "Car sharing period" means the period of time that commences with the  
9           car sharing delivery period or, if there is no car sharing delivery period, that  
10          commences with the car sharing start time and, in either case, ends at the car sharing  
11          termination time. "Car sharing period" does not mean rental period, or similar, as  
12          defined in R.S. 22:1762.

13                  (3) "Car sharing program agreement" means the terms and conditions  
14          applicable to a shared vehicle owner and a shared vehicle driver that govern the use  
15          of a shared vehicle through a peer-to-peer car sharing program. "Car sharing  
16          program agreement" does not mean a rental agreement, automobile rental contract,  
17          or similar, as defined in R.S. 22:1523, 1762, or R.S. 47:551.

18                  (4) "Car sharing start time" means the time when the shared vehicle becomes  
19          subject to the control of the shared vehicle driver at or after the time the reservation  
20          of a shared vehicle is scheduled to begin as documented in the records of a peer-to-  
21          peer car sharing program.

22                  (5) "Car sharing termination time" means the earliest of the following events:

23                   (a) The expiration of the agreed-upon time period established for the use of  
24          a shared vehicle according to the terms of the car sharing program agreement if the  
25          shared vehicle is delivered to the location agreed upon in the car sharing program  
26          agreement.

27                   (b) When the shared vehicle is returned to a location as alternatively agreed  
28          upon by the shared vehicle owner and shared vehicle driver as communicated  
29          through a peer-to-peer car sharing program.

1                   (c) When the shared vehicle owner or the shared vehicle owner's authorized  
 2                   designee takes possession and control of the shared vehicle.

3                   (6) "Peer-to-peer car sharing" means the authorized use of a vehicle by an  
 4                   individual other than the vehicle's owner through a peer-to-peer car sharing program.  
 5                   "Peer-to-peer car sharing" does not mean rental motor vehicle, rental vehicle,  
 6                   vehicle, or similar, as defined in R.S. 22:1523 or 1762.

7                   (7) "Peer-to-peer car sharing program" means a business platform that  
 8                   connects vehicle owners with drivers to enable the sharing of vehicles for financial  
 9                   consideration. "Peer-to-peer car sharing program" does not mean a service provider  
 10                  that is solely providing hardware or software as a service to a person or entity that  
 11                  is not effectuating payment of financial consideration for use of a shared vehicle.  
 12                  "Peer-to-peer car sharing program" does not mean lessor, rental company, or similar,  
 13                  as defined in R.S. 22:1523 or 1762.

14                  (8) "Shared vehicle" means a vehicle that is available for sharing through a  
 15                  peer-to-peer car sharing program. "Shared vehicle" does not mean rental motor  
 16                  vehicle, rental vehicle, vehicle, or similar, as defined in R.S. 22:1523 or 1762.

17                  (9) "Shared vehicle driver" means an individual who has been authorized to  
 18                  drive the shared vehicle by the shared vehicle owner under a car sharing program  
 19                  agreement. "Shared vehicle driver" does not mean lessee, renter, or similar, as  
 20                  defined in R.S. 22:1523 or 1762.

21                  (10) "Shared vehicle owner" means the registered owner, or a person or  
 22                  entity designated by the registered owner, of a vehicle made available for sharing  
 23                  to shared vehicle drivers through a peer-to-peer car sharing program. "Shared  
 24                  vehicle owner" does not mean lessor, rental company, or similar, as defined in R.S.  
 25                  22:1523 or 1762.

26                  §1300.3. Insurance coverage during car sharing period

27                  A. A peer-to-peer car sharing program shall assume liability, except as  
 28                  provided in Subsection B of this Section, of a shared vehicle owner for bodily injury  
 29                  or property damage to third parties or uninsured or underinsured motorist or personal  
 30                  injury protection losses during the car sharing period in an amount stated in the peer-

1 to-peer car sharing program agreement which amount may not be less than those set  
 2 forth in the Motor Vehicle Safety Responsibility Law, R.S. 32:851 et seq.

3 B. Notwithstanding the definition of "car sharing termination time" as set  
 4 forth in R.S. 22:1300.2, the assumption of liability pursuant to Subsection A of this  
 5 Section:

6 (1) Does not apply to any shared vehicle owner when:

7 (a) A shared vehicle owner makes an intentional or fraudulent material  
 8 misrepresentation or omission to the peer-to-peer car sharing program before the car  
 9 sharing period in which the loss occurred.

10 (b) A shared vehicle owner acts in concert with a shared vehicle driver who  
 11 fails to return the shared vehicle pursuant to the terms of the car sharing program  
 12 agreement.

13 (2) Does apply to bodily injury, property damage, uninsured or underinsured  
 14 motorist, or personal injury protection losses sustained by damaged third parties  
 15 required by the Motor Vehicle Safety Responsibility Law, R.S. 32:851 et seq.

16 C. A peer-to-peer car sharing program shall ensure that, during each car  
 17 sharing period, the shared vehicle owner and the shared vehicle driver are insured  
 18 under a motor vehicle liability policy that provides insurance coverage in amounts  
 19 equal to or greater than the minimum amounts set forth in R.S. 32:900, and that the  
 20 policy either:

21 (1) Specifies that the motor vehicle liability policy provides coverage if the  
 22 insured vehicle is made available and used by a shared vehicle driver through a peer-  
 23 to-peer car sharing program.

24 (2) Does not exclude coverage if the insured vehicle is made available as a  
 25 shared vehicle and used by a shared vehicle driver in a peer-to-peer car sharing  
 26 program.

27 D. The insurance set forth in Subsection C shall be primary during each car  
 28 sharing period and satisfied by a motor vehicle liability policy maintained by one  
 29 of the following:

1                   (1) The shared vehicle owner.

2                   (2) The shared vehicle driver.

3                   (3) The peer-to-peer car sharing program.

4                   (4) Any combinations of the persons described in Paragraphs (1) through (3)  
5 of this Subsection.

6                   E. The peer-to-peer car sharing program shall assume primary liability for  
7 a claim when all of the following criteria are met:

8                   (1) The peer-to-peer car sharing program is providing, in whole or in part,  
9 the insurance required pursuant to Subsections C and D of this Section.

10                  (2) A dispute exists as to who was in control of the shared vehicle at the time  
11 of the loss.

12                  (3) The peer-to-peer car sharing program does not have available, did not  
13 retain, or fails to provide the information required by R.S. 22:1300.6.

14                  F. The insurer of the shared vehicle shall indemnify the peer-to-peer car  
15 sharing program to the extent of its obligation, if any, under the applicable insurance  
16 policy, if it is determined that the owner of the shared vehicle was in control of the  
17 shared vehicle at the time of the loss.

18                  G. If insurance maintained by a shared vehicle owner or shared vehicle  
19 driver pursuant to Subsection D of this Section has lapsed or does not provide the  
20 required coverage, insurance maintained by a peer-to-peer car sharing program shall  
21 provide the coverage required by Subsection C of this Section beginning with the  
22 first dollar of a claim and have the duty to defend the claim except under  
23 circumstances set forth in R.S. 22:1300.7.

24                  H. Coverage under a motor vehicle liability policy maintained by the peer-  
25 to-peer car sharing program is not dependent on whether another motor vehicle  
26 insurer first denies a claim nor is another motor vehicle insurer required to first deny  
27 a claim.

1 I. Nothing in this Subpart:

2 (1) Limits the liability of a peer-to-peer car sharing program for any act or  
 3 omission of the peer-to-peer car sharing program that results in injury to any person  
 4 as a result of the use of a shared vehicle through a peer-to-peer car sharing program.

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

9 (3) Limits the applicability of state dealer franchise laws as set forth in R.S.  
 10 32:1251 through 1269.

11 §1300.4. Notification of implications of lien

12 When a vehicle owner registers as a shared vehicle owner on a peer-to-peer  
 13 car sharing program and before a shared vehicle owner makes a shared vehicle  
 14 available for sharing on the peer-to-peer car sharing program, a peer-to-peer car  
 15 sharing program shall notify the shared vehicle owner that if the shared vehicle has  
 16 a lien against it, the use of the shared vehicle through a peer-to-peer car sharing  
 17 program, including use without physical damage coverage, may violate the terms of  
 18 the contract with the lienholder.

19 §1300.5. Exclusions in motor vehicle liability policy

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

24 (1) Liability coverage for bodily injury and property damage.

25 (2) Uninsured and underinsured motorist coverage.

26 (3) Medical payments coverage.

27 (4) Comprehensive coverage.

28 (5) Collision coverage.

1           B. Nothing in this Subpart invalidates or limits an exclusion contained in a  
2           motor vehicle liability policy, including any policy in use or approved for use that  
3           excludes coverage for motor vehicles made available for rent, sharing, or hire or for  
4           any business use.

5           §1300.6. Recordkeeping; use of vehicle in car sharing

6           A peer-to-peer car sharing program shall collect and verify records pertaining  
7           to the use of a shared vehicle, including but not limited to times used, fees paid by  
8           the shared vehicle driver, and revenues received by the shared vehicle owner. The  
9           peer-to-peer car sharing program shall provide that information upon request to the  
10           shared vehicle owner, the shared vehicle owner's insurer, or the shared vehicle  
11           driver's insurer to facilitate a claim coverage investigation. The peer-to-peer car  
12           sharing program shall retain the records for at least the length of the liberative  
13           prescription period set forth in Civil Code Article 3492.

14           §1300.7. Exemption; vicarious liability

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

18           §1300.8. Contribution against indemnification

19           A motor vehicle insurer that defends or indemnifies a claim against a shared  
20           vehicle that is excluded under the terms of its policy shall have the right to seek  
21           contribution against the motor vehicle insurer of the peer-to-peer car sharing  
22           program if the claim is both of the following:

23           (1) Made against the shared vehicle owner or the shared vehicle driver for  
24           loss or injury that occurs during the car sharing period.

25           (2) Excluded under the terms of its policy.

26           §1300.9. Insurable interest

27           A. Notwithstanding any other provision of law to the contrary, a peer-to-peer  
28           car sharing program shall have an insurable interest in a shared vehicle during the  
29           car sharing period.

1           B. Nothing in this Section creates liability on a peer-to-peer car sharing  
2           program to maintain the coverage mandated by R.S. 22:1300.3.

3           C. A peer-to-peer car sharing program may own and maintain as the named  
4           insured one or more policies of motor vehicle liability insurance that provides  
5           coverage for any of the following:

6                   (1) Liabilities assumed by the peer-to-peer car sharing program under a peer-  
7                   to-peer car sharing program agreement.

8                   (2) Any liability of the shared vehicle owner.

9                   (3) Damage or loss to the shared motor vehicle.

10                  (4) Any liability of the shared vehicle driver.

11           §1300.10. Consumer protections disclosures

12                   Each car sharing program agreement made in this state shall disclose to the  
13                   shared vehicle owner and the shared vehicle driver all of the following:

14                   (1) Any right of the peer-to-peer car sharing program to seek indemnification  
15                   from the shared vehicle owner or the shared vehicle driver for economic loss  
16                   sustained by the peer-to-peer car sharing program resulting from a breach of the  
17                   terms and conditions of the car sharing program agreement.

18                   (2) That a motor vehicle liability policy issued to the shared vehicle owner  
19                   for the shared vehicle or to the shared vehicle driver does not provide a defense or  
20                   indemnification for any claim asserted by the peer-to-peer car sharing program.

21                   (3) That the peer-to-peer car sharing program's insurance coverage on the  
22                   shared vehicle owner and the shared vehicle driver is in effect only during each car  
23                   sharing period and that, for any use of the shared vehicle by the shared vehicle driver  
24                   after the car sharing termination time, the shared vehicle driver and the shared  
25                   vehicle owner may not have insurance coverage.

26                   (4) The daily rate, fees, and if applicable, any insurance or protection  
27                   package costs that are charged to the shared vehicle owner or the shared vehicle  
28                   driver.



1                   (5) That the shared vehicle owner's motor vehicle liability insurance may not  
 2                   provide coverage for a shared vehicle.

3                   (6) An emergency telephone number to personnel capable of fielding  
 4                   roadside assistance and other customer service inquiries.

5                   (7) If there are conditions under which a shared vehicle driver must maintain  
 6                   a personal automobile insurance policy with certain applicable coverage limits on a  
 7                   primary basis in order to book a shared vehicle.

8                   §1300.11. Driver's license verification; data retention

9                   A. A peer-to-peer car sharing program shall not enter into a peer-to-peer car  
 10                   sharing program agreement with a driver unless the driver who will operate the  
 11                   shared vehicle meets one of the following criteria:

12                   (1) Holds a driver's license issued pursuant to R.S. 32:402 that authorizes the  
 13                   driver to operate vehicles of the same class as the shared vehicle.

14                   (2) Is a nonresident who meets both of the following criteria:

15                   (a) Holds a driver's license issued by the state or country of the driver's  
 16                   residence that authorizes the driver in that state or country to drive vehicles of the  
 17                   same class as the shared vehicle.

18                   (b) Is at least the same age as that required of a resident to drive vehicles of  
 19                   the same class as the shared vehicle.

20                   (3) Otherwise is specifically authorized by R.S. 32:401 et seq. to drive  
 21                   vehicles of the same class as the shared vehicle.

22                   B. A peer-to-peer car sharing program shall keep record of the following:

23                   (1) The name and address of the shared vehicle driver.

24                   (2) The number of the driver's license of the shared vehicle driver and each  
 25                   other person, if any, who will operate the shared vehicle.

26                   (3) The place of issuance of the driver's license.

27                   §1300.12. Responsibility for equipment

28                   A peer-to-peer car sharing program shall have sole responsibility for any  
 29                   equipment, such as a global positioning system (GPS) system or other special  
 30                   equipment that is put in or on the vehicle to monitor or facilitate the car sharing

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

6 §1300.13. Automobile safety recalls

7 A. At the time when a vehicle owner registers as a shared vehicle owner on  
8 a peer-to-peer car sharing program and prior to the time when the shared vehicle  
9 owner makes a shared vehicle available for car sharing on the peer-to-peer car  
10 sharing program, the peer-to-peer car sharing program shall:

11 (1) Verify that the shared vehicle does not have any safety recalls on the  
12 vehicle for which the repairs have not yet been made.

13 (2) Notify the shared vehicle owner of the requirements pursuant to  
14 Subsection B of this Section.

15 B.(1) If the shared vehicle owner has received an actual notice of a safety  
16 recall on the vehicle, a shared vehicle owner shall not make a vehicle available as a  
17 shared vehicle on a peer-to-peer car sharing program until the safety recall repair has  
18 been made.

19 (2) If a shared vehicle owner receives an actual notice of a safety recall on  
20 a shared vehicle while the shared vehicle is made available on the peer-to-peer car  
21 sharing program, the shared vehicle owner shall remove the shared vehicle as  
22 available on the peer-to-peer car sharing program as soon as practicably possible  
23 after receiving the notice of the safety recall and until the safety recall repair has  
24 been made.

25 (3) If a shared vehicle owner receives an actual notice of a safety recall while  
26 the shared vehicle is being used in the possession of a shared vehicle driver, as soon  
27 as practicably possible after receiving the notice of the safety recall, the shared

1            vehicle owner shall notify the peer-to-peer car sharing program about the safety recall so that the shared vehicle owner may address the safety recall repair.

\_\_\_\_\_  
SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
PRESIDENT OF THE SENATE

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_