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2 93rd General Assembly
3 Regular Session, 2021
4

A Bill

SENATE BILL 351

5 By: Senator Irvin
6 By: Representative Evans
7

For An Act To Be Entitled

9 AN ACT TO REGULATE PEER-TO-PEER CAR-SHARING PROGRAMS;
10 TO CREATE THE PEER-TO-PEER CAR-SHARING PROGRAM
11 INSURANCE COVERAGE ACT; AND FOR OTHER PURPOSES.
12
13

Subtitle

15 TO REGULATE PEER-TO-PEER CAR-SHARING
16 PROGRAMS; AND TO CREATE THE PEER-TO-PEER
17 CAR-SHARING PROGRAM INSURANCE COVERAGE
18 ACT.
19
20

21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
22

23 SECTION 1. Arkansas Code § 14-359-109(b), concerning the authority of
24 a commissioner of a municipal airport commission, is amended to add an
25 additional subdivision to read as follows:

26 (3)(A)(i) If a peer-to-peer car-sharing program conducts
27 business at a municipal airport or otherwise uses municipal airport
28 facilities in this state, a peer-to-peer car-sharing program shall enter into
29 a written agreement with a municipal airport before:

30 (a) Listing, publishing, or advertising a
31 motor vehicle located on a municipal airport property or at a municipal
32 airport facility;

33 (b) Facilitating the use of a motor vehicle to
34 transport a municipal airport customer to or from a municipal airport
35 property or a municipal airport facility, regardless of where the use is
36 initiated; or



1 (c) Promoting or marketing a motor vehicle to
2 transport a municipal airport customer to or from a municipal airport
3 property or a municipal airport facility, regardless of where the
4 transportation is initiated.

5 (ii) The written agreement described in subdivision
6 (b)(3)(A)(i) of this section shall impose the same or reasonably similar
7 standards, regulations, procedures, fees, and access requirements as
8 applicable to a motor vehicle rental company on a peer-to-peer car-sharing
9 program, as determined at the discretion of the municipal airport.

10 (B) If a peer-to-peer car-sharing program fails or refuses
11 to enter into a written agreement with a municipal airport as described in
12 subdivision (b)(3)(A) of this section or performs, participates in, or
13 undertakes any action stated in subdivisions (b)(3)(A)(i)(a) and (b) of this
14 section before entering into a written agreement with a municipal airport,
15 the municipal airport may obtain injunctive relief and damages against the
16 peer-to-peer car-sharing program.

17 (C) As used in this subdivision (b)(3):

18 (i) "Municipal airport" includes an entity
19 responsible for regulating commerce at the municipal airport; and

20 (ii)(a) "Peer-to-peer car-sharing program" means a
21 business platform that connects a motor vehicle owner with a driver to enable
22 the sharing of a motor vehicle for financial consideration.

23 (b) "Peer-to-peer car-sharing program" does
24 not include:

25 (1) A service offered by a rental car
26 company; or

27 (2) A service provider that is solely
28 providing hardware or software as a service to a person or entity that is not
29 resulting in payment of financial consideration for use of a shared vehicle.

30
31 SECTION 2. Arkansas Code § 14-362-109(19), concerning the power of a
32 regional airport authority to regulate access to a regional airport, is
33 amended to add an additional subdivision to read as follows:

34 (D)(i)(a) If a peer-to-peer car-sharing program conducts
35 business at a regional airport or otherwise uses regional airport facilities
36 in this state, the peer-to-peer car-sharing program shall enter into a

1 written agreement with the regional airport before:

2 (1) Listing, publishing, or advertising
3 a motor vehicle located on a regional airport property or at a regional
4 airport facility;

5 (2) Facilitating the use of a motor
6 vehicle to transport a regional airport customer to or from a regional
7 airport property or a regional airport facility, regardless of where the use
8 is initiated; or

9 (3) Promoting or marketing a motor
10 vehicle to transport a regional airport customer to or from a regional
11 airport property or a regional airport facility, regardless of where the
12 transportation is initiated.

13 (b) The written agreement described in
14 subdivision (19)(D)(i)(a) of this section shall impose the same or reasonably
15 similar standards, regulations, procedures, fees, and access requirements as
16 applicable to a motor vehicle rental company on a peer-to-peer car-sharing
17 program, as determined at the discretion of the regional airport.

18 (ii) If a peer-to-peer car-sharing program fails or
19 refuses to enter into a written agreement with a regional airport as
20 described in subdivision (19)(D)(i) of this section or performs, participates
21 in, or undertakes any action stated in subdivisions (19)(D)(i)(a)(1) and (2)
22 of this section before entering into a written agreement with a regional
23 airport, the regional airport may obtain injunctive relief and damages
24 against the peer-to-peer car-sharing program.

25 (iii) As used in this subdivision (19)(D):

26 (a) "Regional airport" includes an entity
27 responsible for regulating commerce at the regional airport; and

28 (b)(1) "Peer-to-peer car-sharing program"
29 means a business platform that connects a motor vehicle owner with a driver
30 to enable the sharing of a motor vehicle for financial consideration.

31 (2) "Peer-to-peer car-sharing program"
32 does not include:

33 (A) A service offered by a rental
34 car company; or

35 (B) A service provider that is
36 solely providing hardware or software as a service to a person or entity that

1 is not resulting in payment of financial consideration for use of a shared
 2 vehicle.

3
 4 SECTION 3. Arkansas Code Title 23, Chapter 89, Subchapter 2, is
 5 amended to add an additional section to read as follows:

6 23-89-217. Insurance coverage for peer-to-peer car-sharing programs –
 7 Definitions.

8 (a) As used in this section:

9 (1) "Car-sharing delivery period" means the period of time
 10 during which a shared vehicle is being delivered to the location of the car-
 11 sharing start time, if applicable, as documented by a car-sharing program
 12 agreement;

13 (2) "Car-sharing period" means a period of time:

14 (A) That commences with the car-sharing delivery period
 15 and ends at the car-sharing termination time; or

16 (B) If there is no car-sharing delivery period, that
 17 commences with the car-sharing start time and ends at the car-sharing
 18 termination time;

19 (3)(A) "Car-sharing program agreement" means the terms and
 20 conditions applicable to a shared-vehicle owner and a shared-vehicle driver
 21 that govern the use of a shared vehicle through a peer-to-peer car-sharing
 22 program.

23 (B) "Car-sharing program agreement" does not mean a rental
 24 car agreement with a rental car company;

25 (4) "Car-sharing start time" means the time when a shared
 26 vehicle becomes subject to the control of the shared-vehicle driver at or
 27 after the time the reservation of a shared vehicle is scheduled to begin as
 28 documented by a car-sharing program agreement;

29 (5) "Car-sharing termination time" means the earliest of the
 30 following events:

31 (A) The expiration of the agreed-upon period of time
 32 established for the use of a shared vehicle according to the terms of the
 33 car-sharing program agreement if the shared vehicle is delivered to the
 34 location agreed to in the car-sharing program agreement;

35 (B) The return of the shared vehicle to a location as
 36 alternatively agreed upon by the shared-vehicle owner and the shared-vehicle

1 driver as communicated through a peer-to-peer car-sharing program agreement;
2 or

3 (C) The taking of possession and control of the shared
4 vehicle by the shared-vehicle owner or the shared-vehicle owner's authorized
5 designee;

6 (6)(A) "Peer-to-peer car sharing" means the authorized use of a
7 motor vehicle by an individual other than the motor vehicle's owner through a
8 peer-to-peer car-sharing program.

9 (B) "Peer-to-peer car sharing" does not include the
10 services offered by a rental car company;

11 (7)(A) "Peer-to-peer car-sharing program" means a business
12 platform that connects a motor vehicle owner with a driver to enable the
13 sharing of a motor vehicle for financial consideration.

14 (B) "Peer-to-peer car-sharing program" does not include:

15 (i) A service offered by a rental car company; or

16 (ii) A service provider who is solely providing
17 hardware or software as a service to a person or entity that is not
18 effectuating payment of financial consideration for use of a shared vehicle;

19 (8) "Rental car company" means:

20 (A) A business engaged in the rental of motor vehicles
21 subject to § 27-16-605; and

22 (B) Is not a peer-to-peer car-sharing program;

23 (9)(A) "Shared vehicle" means a motor vehicle that is available
24 for sharing through a peer-to-peer car-sharing program.

25 (B) "Shared vehicle" does not include a rental vehicle
26 provided by a rental car company;

27 (10) "Shared-vehicle driver" means an individual who is
28 authorized to drive a shared vehicle by a shared-vehicle owner under a car-
29 sharing program agreement; and

30 (11) "Shared-vehicle owner" means the registered owner, or a
31 person or entity designated by the registered owner, of a motor vehicle made
32 available for sharing to a shared-vehicle driver through a peer-to-peer car-
33 sharing program.

34 (b)(1) An insurer that is licensed to write automobile liability
35 insurance in this state may exclude coverage and deny the duty to defend or
36 indemnify for a claim under a shared-vehicle owner's automobile liability

1 insurance policy.

2 (2)(A) The right to exclude all coverage under subdivision
 3 (b)(1) of this section may apply to any coverage included in a shared-vehicle
 4 owner’s automobile insurance policy, including without limitation:

5 (i) Liability coverage for bodily injury and
 6 property damage;

7 (ii) Uninsured and underinsured motorist coverage;

8 (iii) Medical payments coverage;

9 (iv) Comprehensive physical damage coverage; and

10 (v) Collision physical damage coverage.

11 (B) The exclusions in subdivision (b)(2)(A) of this
 12 section apply notwithstanding any requirement of the:

13 (i) Insurance laws of this state; or

14 (ii) Motor Vehicle Safety Responsibility Act, § 27-
 15 19-101 et seq.

16 (c)(1) An insurer that excludes coverage as described in subsection
 17 (b) of this section has no duty to defend or indemnify any claim expressly
 18 excluded in an automobile liability insurance policy.

19 (2) This section and the Motor Vehicle Safety Responsibility
 20 Act, § 27-19-101 et seq., do not invalidate or limit an exclusion contained
 21 in an automobile liability insurance policy, including without limitation a
 22 policy in use or approved for use in this state before the effective date of
 23 this section, which excludes coverage for a motor vehicle that is rented or
 24 that is engaged in a commercial use.

25 (d) An insurer that defends or indemnifies a claim against a shared
 26 vehicle that is excluded or not covered under the terms of an automobile
 27 liability insurance policy may seek recovery from an insurer that provides
 28 coverage required in § 27-25-103, except to the extent the shared vehicle is
 29 excluded or not covered under the terms of the other policy.

30 (e)(1) In a claims investigation involving a shared vehicle, an
 31 insurer of a peer-to-peer car-sharing program, an insurer of a shared-vehicle
 32 owner, and an insurer of a shared-vehicle driver shall cooperate with each
 33 other to facilitate the exchange of relevant information, including without
 34 limitation records that the peer-to-peer car-sharing program is required to
 35 collect under the Peer-to-Peer Car-Sharing Program Insurance Coverage Act, §
 36 27-25-101 et seq.

1 (2) An insurer of a peer-to-peer car-sharing program, an insurer
 2 of a shared-vehicle owner, and an insurer of a shared-vehicle driver shall
 3 disclose to each other a clear description of the coverage, exclusions, and
 4 limits provided by their respective policies.

5 (f)(1) Notwithstanding any other law to the contrary, a peer-to-peer
 6 car-sharing program has an insurable interest in a shared vehicle during a
 7 car-sharing period.

8 (2) A peer-to-peer car-sharing program may own and maintain as
 9 the named insured one (1) or more policies of automobile liability insurance
 10 that provides coverage for:

11 (A) Any liability assumed by a peer-to-peer car-sharing
 12 program under a peer-to-peer car-sharing program agreement;

13 (B) Any liability of a shared-vehicle owner; or

14 (C) Damage or loss to a shared vehicle or any liability of
 15 a shared-vehicle driver.

16 (g) This section does not:

17 (1) Require that a personal automobile liability insurance
 18 policy provide coverage during a car-sharing period;

19 (2) Create liability on a peer-to-peer car-sharing program to
 20 maintain insurance coverage beyond the extent mandated by § 27-25-103; or

21 (3) Preclude an insurer from providing coverage for a peer-to-
 22 peer car-sharing program or a shared-vehicle owner if the insurer chooses to
 23 do so by contract or endorsement.

24
 25 SECTION 4. Arkansas Code § 26-52-103(21), concerning the definition of
 26 "marketplace facilitator", is amended to read as follows:

27 (21)(A) "Marketplace facilitator" means a person that
 28 facilitates the sale of tangible personal property, taxable services, a
 29 digital code, a digital magazine, or specified digital products by:

30 ~~(A)(i)~~ Listing or advertising tangible personal
 31 property, taxable services, a digital code, a digital magazine, or specified
 32 digital products for sale in a forum; and

33 ~~(B)(ii)~~ Either directly or indirectly through an
 34 agreement or arrangement with a third party, collecting payment from a
 35 purchaser and transmitting the payment to the person selling the tangible
 36 personal property, taxable services, a digital code, or specified digital

1 products, regardless of whether the person receives compensation or other
2 consideration in exchange for the person's services in collecting and
3 transmitting the payment;

4 (B) "Marketplace facilitator" includes a peer-to-peer car-
5 sharing program as defined in the Peer-to-Peer Car-Sharing Program Insurance
6 Coverage Act, § 27-25-101 et seq.;

7
8 SECTION 5. Arkansas Code § 26-63-302(a)(1)(B), concerning the special
9 excise tax on the rental of a motor vehicle that is leased for a period of
10 less than thirty (30) days, is amended to read as follows:

11 (B)(i) The rental vehicle tax is levied on the gross
12 receipts or gross proceeds derived from the rental of a motor vehicle
13 required to be licensed that is leased for a period of less than thirty (30)
14 days.

15 (ii) The gross receipts or gross proceeds described
16 in subdivision (a)(1)(B)(i) of this section include gross receipts or gross
17 proceeds from a peer-to-peer car-sharing program as defined in the Peer-to-
18 Peer Car-Sharing Program Insurance Coverage Act, § 27-25-101 et seq.

19
20 SECTION 6. Arkansas Code Title 27 is amended to add an additional
21 chapter to read as follows:

22 CHAPTER 25

23 PEER-TO-PEER CAR-SHARING PROGRAM INSURANCE COVERAGE ACT

24
25 27-25-101. Title.

26 This chapter shall be known and may be cited as the "Peer-to-Peer Car-
27 Sharing Program Insurance Coverage Act".

28
29 27-25-102. Definitions.

30 As used in this chapter:

31 (1) "Car-sharing delivery period" means the period of time
32 during which a shared vehicle is being delivered to the location of a car-
33 sharing start time, if applicable, as documented by a car-sharing program
34 agreement;

35 (2) "Car-sharing period" means a period of time:

36 (A) That commences with the car-sharing delivery period

1 and ends at the car-sharing termination time; or

2 (B) If there is no car-sharing delivery period, that
3 commences with the car-sharing start time and ends at the car-sharing
4 termination time;

5 (3)(A) "Car-sharing program agreement" means the terms and
6 conditions applicable to a shared-vehicle owner and a shared-vehicle driver
7 that govern the use of a shared vehicle through a peer-to-peer car-sharing
8 program.

9 (B) "Car-sharing program agreement" does not mean a rental
10 car agreement with a rental car company;

11 (4) "Car-sharing start time" means the time when a shared
12 vehicle becomes subject to the control of the shared-vehicle driver at or
13 after the time the reservation of a shared vehicle is scheduled to begin as
14 documented by a car-sharing program agreement;

15 (5) "Car-sharing termination time" means the earliest of:

16 (A) The expiration of the agreed-upon period of time
17 established for the use of a shared vehicle according to the terms of the
18 car-sharing program agreement if the shared vehicle is delivered to the
19 location agreed to in the car-sharing program agreement;

20 (B) The return of the shared vehicle to a location as
21 alternatively agreed upon by the shared-vehicle owner and the shared-vehicle
22 driver as communicated through a peer-to-peer car-sharing program; or

23 (C) The taking of possession and control of the shared
24 vehicle by the shared-vehicle owner or the shared-vehicle owner's authorized
25 designee;

26 (6)(A) "Peer-to-peer car-sharing" means the authorized use of a
27 motor vehicle by an individual other than the motor vehicle's owner through a
28 peer-to-peer car-sharing program.

29 (B) "Peer-to-peer car-sharing" does not include the
30 services offered by a rental car company;

31 (7)(A) "Peer-to-peer car-sharing program" means a business
32 platform that connects a motor vehicle owner with a driver to enable the
33 sharing of a motor vehicle for financial consideration.

34 (B) "Peer-to-peer car-sharing program" does not include:

35 (i) A service offered by a rental car company; or

36 (ii) A service provider that is solely providing

1 hardware or software as a service to a person or entity that is not
 2 effectuating payment of financial consideration for use of a shared vehicle;

3 (8) "Rental car company" means:

4 (A) A business engaged in the rental of motor vehicles
 5 that is subject to § 27-16-605; and

6 (B) Is not a peer-to-peer car-sharing program;

7 (9)(A) "Shared vehicle" means a motor vehicle that is available
 8 for sharing through a peer-to-peer car-sharing program.

9 (B) "Shared vehicle" does not include a rental vehicle
 10 provided by a rental car company;

11 (10) "Shared-vehicle driver" means an individual who is
 12 authorized to drive a shared vehicle by a shared-vehicle owner under a car-
 13 sharing program agreement; and

14 (11) "Shared-vehicle owner" means the registered owner, or a
 15 person or entity designated by the registered owner, of a motor vehicle made
 16 available for sharing to a shared-vehicle driver through a peer-to-peer car-
 17 sharing program.

18
 19 27-25-103. Insurance coverage during car-sharing period.

20 (a) Except as provided in subsection (b) of this section, a peer-to-
 21 peer car-sharing program shall assume the liability for a shared-vehicle
 22 owner for bodily injury or property damage to third parties or uninsured and
 23 underinsured motorist losses during the car-sharing period in an amount, as
 24 stated in the peer-to-peer car-sharing program agreement, which shall not be
 25 less than the amount stated in subsection (d) of this section.

26 (b) Notwithstanding the car-sharing termination time, the assumption
 27 of liability under subsection (a) of this section does not apply to a shared-
 28 vehicle owner if:

29 (1) A shared-vehicle owner makes an intentional or fraudulent
 30 material misrepresentation or omission concerning coverage or the shared
 31 vehicle to the peer-to-peer car-sharing program before the car-sharing period
 32 in which the loss occurred; or

33 (2) A shared-vehicle owner has acted in concert with a shared-
 34 vehicle driver who fails to return the shared vehicle under the terms of the
 35 car-sharing program agreement.

36 (c) Notwithstanding the car-sharing termination time, the assumption

1 of liability under subsection (a) of this section applies to bodily injury,
 2 property damage, uninsured and underinsured motorist coverage, or losses
 3 suffered by damaged third parties as applicable to the minimum coverage
 4 required in § 27-22-104 by a shared-vehicle owner.

5 (d) A peer-to-peer car-sharing program shall ensure that during each
 6 car-sharing period, a shared-vehicle owner and a shared-vehicle driver are
 7 insured under an automobile liability insurance policy that:

8 (1) Provides insurance coverage in amounts no less than the
 9 minimum coverage required in § 27-22-104;

10 (2) Recognizes that the shared vehicle insured under the
 11 automobile liability insurance policy is made available and used through a
 12 peer-to-peer car-sharing program; and

13 (3) Does not exclude the use of a shared vehicle by a shared-
 14 vehicle driver.

15 (e) The insurance requirement described in subsection (d) of this
 16 section may be satisfied by automobile liability insurance maintained by:

17 (1) A shared-vehicle owner;

18 (2) A shared-vehicle driver;

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

20 (4) Any combination of the persons or entities described in
 21 subdivisions (e)(1)-(3) of this section.

22 (f) Except as otherwise provided for in this section:

23 (1) The insurance described in subsection (e) of this section
 24 that is used to satisfy the insurance requirement of subsection (d) of this
 25 section is considered the primary insurance policy during each car-sharing
 26 period;

27 (2) If coverage is applicable through more than one (1)
 28 automobile liability insurance policy as stated in subdivision (e)(4) of this
 29 section, unless one (1) policy contains a provision affirmatively stating
 30 that the policy's coverage is primary and is considered primary during the
 31 car-sharing period, the order of priority of coverage is as follows:

32 (A) A policy maintained by the shared-vehicle driver is
 33 first in priority;

34 (B) A policy maintained by the peer-to-peer car-sharing
 35 program is next in priority; and

36 (C) A policy maintained by the shared-vehicle owner is

1 last in priority; and

2 (3) If coverage is applicable through more than one (1)
 3 automobile liability insurance policy as stated in subdivision (e)(4) of this
 4 section and more than one (1) of those policies contain a provision
 5 affirmatively stating that the policy’s coverage is primary, then the order
 6 of priority of coverage is as described in subdivisions (f)(2)(A)-(C) of this
 7 section.

8 (g)(1) A peer-to-peer car-sharing program shall assume primary
 9 liability for a claim if:

10 (A) A peer-to-peer car-sharing program is providing the
 11 insurance required under subsections (d) and (e) of this section;

12 (B) A dispute exists as to who was in control of the
 13 shared vehicle at the time of the loss; or

14 (C) A peer-to-peer car-sharing program does not have
 15 available, did not retain, or fails to provide the information required in §
 16 27-25-106.

17 (2) A peer-to-peer car-sharing program may seek indemnity from a
 18 shared-vehicle owner if the shared-vehicle owner is determined to have been
 19 the operator of the shared vehicle at the time of the loss.

20 (h) If automobile liability insurance maintained by a shared-vehicle
 21 owner or a shared-vehicle driver according to subsection (e) of this section
 22 has lapsed or does not provide the coverage required by subsection (d) of
 23 this section, then:

24 (1) Insurance maintained by a peer-to-peer car-sharing program
 25 shall provide the coverage required in subsection (d) of this section
 26 beginning with the first dollar of a claim; and

27 (2) Except under circumstances described in subsection (b) of
 28 this section, a peer-to-peer car-sharing program has the duty to defend a
 29 claim.

30 (i) Coverage under an automobile liability insurance policy maintained
 31 by a peer-to-peer car-sharing program is not dependent on:

32 (1) Another insurer first denying a claim; or

33 (2) An automobile liability insurance policy being required to
 34 first deny a claim.

35 (j) This section does not limit the:

36 (1) Liability of a peer-to-peer car-sharing program for any act

1 or omission of a peer-to-peer car-sharing program itself that results in
2 injury to a person as a result of the use of a shared vehicle through a peer-
3 to-peer car-sharing program;

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

9 (3) Obligations of a shared-vehicle owner to comply with this
10 chapter.

11
12 27-25-104. Notification of implications of lien.

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

21
22 27-25-105. Applicability to exclusions in automobile liability
23 insurance policies.

24 This chapter does not invalidate or limit an exclusion contained in an
25 automobile liability insurance policy, including without limitation any
26 insurance policy in use or approved for use that excludes coverage for an
27 automobile made available for rent, sharing, or hire or for any other
28 business use.

29
30 27-25-106. Record keeping – Use of vehicle in car-sharing program.

31 (a) A peer-to-peer car-sharing program shall collect, verify, and
32 maintain the records necessary to comply with § 27-25-105 for a time period
33 not less than the applicable bodily injury or property damage statute of
34 limitations.

35 (b) Upon request by a shared-vehicle owner, an insurer of a shared-
36 vehicle owner, a shared-vehicle driver, or an insurer of a shared-vehicle

1 driver, for the purpose of assisting a claim coverage investigation,
2 settlement, negotiation, or litigation, a peer-to-peer car-sharing program
3 shall provide:

4 (1) The precise start and termination times for the car-sharing
5 period during which an event occurred giving rise to a claim;

6 (2) The information stated in § 27-25-109(b) for the car-sharing
7 period during which an event occurred giving rise to a claim; and

8 (3) For the period twelve (12) hours preceding and twelve (12)
9 hours following an event giving rise to a claim, the precise start and
10 termination times for all car-sharing periods other than the car-sharing
11 period disclosed under subdivision (b)(1) of this section and the information
12 stated in § 27-25-109(b) with respect to the car-sharing periods.

13
14 27-25-107. Exemption – Vicarious liability.

15 A peer-to-peer car-sharing program and a shared-vehicle owner are
16 exempt from vicarious liability under 49 U.S.C. § 30106, as it existed on
17 January 1, 2021, and under any state law or local ordinance that imposes
18 liability based solely on motor vehicle ownership.

19
20 27-25-108. Indemnification.

21 A car-sharing program agreement made in this state shall disclose to a
22 shared-vehicle owner and a shared-vehicle driver:

23 (1) Any right of the peer-to-peer car-sharing program to seek
24 indemnification from a shared-vehicle owner or a shared-vehicle driver for
25 economic loss sustained by the peer-to-peer car-sharing program resulting
26 from a breach of the terms and conditions of the car-sharing program
27 agreement;

28 (2) That an automobile liability insurance policy issued to a
29 shared-vehicle owner for the shared vehicle or to a shared-vehicle driver
30 does not provide a defense or indemnification for a claim asserted by a peer-
31 to-peer car-sharing program;

32 (3) That a peer-to-peer car-sharing program's insurance coverage
33 of a shared-vehicle owner and a shared-vehicle driver is in effect only
34 during each car-sharing period and that, for any use of the shared vehicle by
35 the shared-vehicle driver after the car-sharing termination time, the shared-
36 vehicle driver and the shared-vehicle owner may not have insurance coverage;

1 (4) The daily rate, fees, and if applicable, any insurance or
2 protection package costs that are charged to a shared-vehicle owner or a
3 shared-vehicle driver;

4 (5) That a shared-vehicle owner's automobile liability insurance
5 may not provide coverage for a shared vehicle;

6 (6) An emergency telephone number to personnel capable of
7 fielding matters related to roadside assistance and other customer service
8 inquiries; and

9 (7) Whether or not there are conditions under which a shared-
10 vehicle driver shall maintain a personal automobile liability insurance
11 policy with certain applicable coverage limits on a primary basis in order to
12 reserve or book a shared vehicle.

13
14 27-25-109. Driver license verification – Data retention.

15 (a) A peer-to-peer car-sharing program shall not enter into a peer-to-
16 peer car-sharing program agreement with a driver unless the driver who
17 operates a shared vehicle:

18 (1) Holds a driver's license issued under the laws of this state
19 that authorizes the driver to operate a motor vehicle of the class of the
20 shared vehicle;

21 (2) Is a nonresident who:

22 (A) Has a driver's license issued by the state or country
23 of the driver's residence that authorizes the driver in that state or country
24 to drive a motor vehicle of the class of the shared vehicle; and

25 (B) Is at least the same age as that required of a
26 resident of this state to drive; or

27 (3) Otherwise is specifically authorized by the laws of this
28 state to drive a motor vehicle of the class of the shared vehicle.

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

30 (1) The name and address of a shared-vehicle driver;

31 (2) The number of the driver's license of a shared-vehicle
32 driver and each other person, if any, who will operate a shared vehicle;

33 (3) The place of issuance of the driver's license of the shared-
34 vehicle driver; and

35 (4) The place of the pick-up and drop off locations for each
36 shared-vehicle use.

1
2 27-25-110. Responsibility for equipment.

3 (a)(1) A peer-to-peer car-sharing program has sole responsibility for
4 any equipment, including without limitation a global positioning device or
5 other special equipment that is installed by the peer-to-peer car-sharing
6 program in or on the motor vehicle to monitor or facilitate a car-sharing
7 transaction.

8 (2) A peer-to-peer car-sharing program shall agree to indemnify
9 and hold harmless a shared-vehicle owner for any damage to or theft of any
10 equipment installed by the peer-to-peer car-sharing program during the car-
11 sharing period not caused by the shared-vehicle owner.

12 (b) A peer-to-peer car-sharing program has the right to seek indemnity
13 from a shared-vehicle driver for any loss or damage to the equipment
14 installed by the peer-to-peer car-sharing program that occurs during the car-
15 sharing period.

16
17 27-25-111. Automobile safety recalls.

18 (a) At the time when a vehicle owner registers as a shared-vehicle
19 owner in a peer-to-peer car-sharing program and before the time when a
20 shared-vehicle owner makes a shared vehicle available for car sharing through
21 the peer-to-peer car-sharing program, the peer-to-peer car-sharing program
22 shall:

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

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

27 (b)(1) If a shared-vehicle owner has received an actual notice of a
28 safety recall on a shared vehicle, then a shared-vehicle owner shall not make
29 a motor vehicle available as a shared vehicle through a peer-to-peer car-
30 sharing program until the safety recall repair has been made.

31 (2)(A) If a shared-vehicle owner receives an actual notice of a
32 safety recall on a shared vehicle while the shared vehicle is made available
33 through the peer-to-peer car-sharing program, then the shared-vehicle owner
34 shall remove the shared vehicle as available on the peer-to-peer car-sharing
35 program as soon as practicably possible after receiving the notice of the
36 safety recall.

1 (B) Until the safety recall repair has been completed, a
 2 shared-vehicle owner shall not make a motor vehicle available as a shared
 3 vehicle through a peer-to-peer car-sharing program.

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

10
 11 27-25-112. Conflicts.

12 (a) This chapter shall not expand or restrict the respective rights or
 13 obligations of or limitations on a motor vehicle manufacturer and licensed
 14 motor vehicle dealer as stated in the Arkansas Motor Vehicle Commission Act,
 15 § 23-112-101 et seq.

16 (b) If this chapter conflicts with the Arkansas Motor Vehicle
 17 Commission Act, § 23-112-101 et seq., then the Arkansas Motor Vehicle
 18 Commission Act, § 23-112-101 et seq., shall control.

19
 20 27-25-113. Rules.

21 The Insurance Commissioner shall promulgate rules to implement this
 22 chapter.

23
 24 SECTION 7. Arkansas Code § 27-22-104(c)(3), concerning the exemptions
 25 from minimum insurance coverage requirements, is amended to read as follows:

26 (3) The following are exempt from the requirements of this subsection:

27 (A) A motor vehicle that is considered salvage;

28 (B) A motor vehicle when an insurer holds the title to the
 29 motor vehicle, except if the motor vehicle is used in a peer-to-peer car-
 30 sharing program as defined in the Peer-to-Peer Car-Sharing Program Insurance
 31 Coverage Act, § 27-25-101 et seq.; and

32 (C) A motor vehicle that is not driven out of the
 33 government-owned and government-operated storage facility under its own
 34 power.

35
 36 SECTION 8. TEMPORARY LANGUAGE. DO NOT CODIFY. Rules.

1 (a) The Insurance Commissioner shall promulgate rules necessary to
2 implement this act.

3 (b)(1) When adopting the initial rules to implement this act, the
4 final rule shall be filed with the Secretary of State for adoption under §
5 25-15-204(f):

6 (A) On or before January 1, 2022; or

7 (B) If approval under § 10-3-309 has not occurred by
8 January 1, 2022, as soon as practicable after approval under § 10-3-309.

9 (2) The commissioner shall file the proposed rule with the
10 Legislative Council under § 10-3-309(c) sufficiently in advance of January 1,
11 2022, so that the Legislative Council may consider the rule for approval
12 before January 1, 2022.

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