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2 93rd General Assembly  
3 Regular Session, 2021  
4

As Engrossed: S3/15/21

# 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)(i) 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 (ii) The alternatively agreed upon location under  
3 subdivision (a)(5)(B)(i) of this section shall be incorporated into the peer-  
4 to-peer car-sharing program agreement; or

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

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

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

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

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

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

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

21 (8) "Rental car company" means:

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

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

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

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

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

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

36 (b)(1) An insurer that is licensed to write automobile liability

1 insurance in this state may exclude coverage and deny the duty to defend or  
2 indemnify for a claim under a shared-vehicle owner's automobile liability  
3 insurance policy.

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

7 (i) Liability coverage for bodily injury and  
8 property damage;

9 (ii) Personal injury protection coverage as  
10 described in § 23-89-202;

11 (iii) Uninsured and underinsured motorist coverage;

12 (iv) Medical payments coverage;

13 (v) Comprehensive physical damage coverage; and

14 (vi) Collision physical damage coverage.

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

17 (i) Insurance laws of this state; or

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

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

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

29 (3) This section does not invalidate, limit, or restrict an  
30 insurer's ability under existing law to:

31 (A) Underwrite an insurance policy; or

32 (B) Cancel and not renew an insurance policy.

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

1 excluded or not covered under the terms of the other policy.

2 (e)(1) Notwithstanding any other law to the contrary, a peer-to-peer  
 3 car-sharing program has an insurable interest in a shared vehicle during a  
 4 car-sharing period.

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

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

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

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

13 (f) This section does not:

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

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

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

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

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

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

30 ~~(B)~~(ii) Either directly or indirectly through an  
 31 agreement or arrangement with a third party, collecting payment from a  
 32 purchaser and transmitting the payment to the person selling the tangible  
 33 personal property, taxable services, a digital code, or specified digital  
 34 products, regardless of whether the person receives compensation or other  
 35 consideration in exchange for the person's services in collecting and  
 36 transmitting the payment;

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

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

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

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

17           SECTION 6. Arkansas Code Title 27 is amended to add an additional  
18 chapter to read as follows:

19                                   CHAPTER 25

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

21  
22                   27-25-101. Title.

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

25  
26                   27-25-102. Definitions.

27                   As used in this chapter:

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

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

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

35                   (B) If there is no car-sharing delivery period, that  
36 commences with the car-sharing start time and ends at the car-sharing



1 termination time;

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

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

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

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

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

17 (B)(i) The return of the shared vehicle to a location as  
18 alternatively agreed upon by the shared-vehicle owner and the shared-vehicle  
19 program agreement.

20 (ii) The alternatively agreed upon location under  
21 subdivision (a)(5)(B)(i) of this section shall be incorporated into the peer-  
22 to-peer car-sharing program agreement; 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, the  
23 insurance described in subsection (e) of this section that is used to satisfy  
24 the insurance requirement of subsection (d) of this section is considered the  
25 primary insurance policy during each car-sharing period and in the event that  
26 a claim occurs in another state with minimum financial responsibility limits  
27 that are higher than the limits in this state, during the car-sharing period,  
28 then the coverage maintained under subsection (c) of this section shall  
29 satisfy the difference in minimum coverage amounts, up to the applicable  
30 policy limits.

31 (g) The insurer or peer-to-peer car-sharing program providing coverage  
32 under subsections (d) and (e) of this section shall assume primary liability  
33 for a claim when:

34 (1) A dispute exists as to who was in control of the shared  
35 vehicle at the time of the loss and the peer-to-peer car-sharing program does  
36 not have available, did not retain, or fails to provide the information

1 required in § 27-25-106; or

2 (2) A dispute exists as to whether or not a shared vehicle was  
3 returned to the alternatively agreed-upon location as required under § 27-25-  
4 102(a)(5)(B)(i).

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

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

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

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

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

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

20 (j) This section does not limit the:

21 (1) Liability of a peer-to-peer car-sharing program for any act  
22 or omission of a peer-to-peer car-sharing program itself that results in  
23 injury to a person as a result of the use of a shared vehicle through a peer-  
24 to-peer car-sharing program; or

25 (2) Ability of a peer-to-peer car-sharing program to, by  
26 contract, seek indemnification from a shared-vehicle owner or a shared-  
27 vehicle driver for economic loss sustained by a peer-to-peer car-sharing  
28 program resulting from a breach of the terms and conditions of the car-  
29 sharing program agreement.

30  
31 27-25-104. Notification of implications of lien.

32 At the time when a motor vehicle owner registers as a shared-vehicle  
33 owner on a peer-to-peer car-sharing program and before the time when a  
34 shared-vehicle owner makes a shared vehicle available for car sharing on a  
35 peer-to-peer car-sharing program, a peer-to-peer car-sharing program shall  
36 notify the shared-vehicle owner that if the shared vehicle has a lien against

1 it, then the use of the shared vehicle through a peer-to-peer car-sharing  
2 program, including use without physical damage coverage, may violate the  
3 terms of the contract with the lienholder.

4  
5 27-25-105. Applicability to exclusions in automobile liability  
6 insurance policies.

7 This chapter does not invalidate or limit an exclusion contained in an  
8 automobile liability insurance policy, including without limitation any  
9 insurance policy in use or approved for use that excludes coverage for an  
10 automobile made available for rent, sharing, or hire or for any other  
11 business use.

12  
13 27-25-106. Record keeping.

14 (a)(1) A peer-to-peer car-sharing program shall collect and verify  
15 records pertaining to the use of a shared vehicle, including without  
16 limitation times used, car-sharing period pick-up and drop-off locations,  
17 fees paid by the shared-vehicle driver, and revenues received by the shared-  
18 vehicle owner.

19 (2) The information compiled under subdivision (a)(1) of this  
20 section shall be provided upon request to the shared-vehicle owner, the  
21 shared-vehicle owner's insurer, or the shared-vehicle driver's insurer to  
22 facilitate a claim coverage investigation, settlement, negotiation, or  
23 litigation.

24 (b) The peer-to-peer car-sharing program shall retain the records for  
25 a time period not less than the applicable personal injury statute of  
26 limitations.

27  
28 27-25-107. Exemption – Vicarious liability.

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

33  
34 27-25-108. Indemnification.

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

1           (1) Any right of the peer-to-peer car-sharing program to seek  
2 indemnification from a shared-vehicle owner or a shared-vehicle driver for  
3 economic loss sustained by the peer-to-peer car-sharing program resulting  
4 from a breach of the terms and conditions of the car-sharing program  
5 agreement;

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

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

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

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

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

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

27  
28           27-25-109. Driver license verification – Data retention.

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

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

35           (2) Is a nonresident who:

36           (A) Has a driver's license issued by the state or country

1 of the driver's residence that authorizes the driver in that state or country  
2 to drive a motor vehicle of the class of the shared vehicle; and

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

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

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

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

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

11 (3) The place of issuance of the driver's license of the shared-  
12 vehicle driver.

13 27-25-110. Responsibility for equipment.

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

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

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

27  
28 27-25-111. Automobile safety recalls.

29 (a) At the time when a vehicle owner registers as a shared-vehicle  
30 owner in a peer-to-peer car-sharing program and before the time when a  
31 shared-vehicle owner makes a shared vehicle available for car sharing through  
32 the peer-to-peer car-sharing program, the peer-to-peer car-sharing program  
33 shall:

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

36 (2) Notify the shared-vehicle owner of the requirements under

1 subsection (b) of this section.

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

6 (2)(A) If a shared-vehicle owner receives an actual notice of a  
7 safety recall on a shared vehicle while the shared vehicle is made available  
8 through the peer-to-peer car-sharing program, then the shared-vehicle owner  
9 shall remove the shared vehicle as available on the peer-to-peer car-sharing  
10 program as soon as practicably possible after receiving the notice of the  
11 safety recall.

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

15 (3) If a shared-vehicle owner receives an actual notice of a  
16 safety recall while the shared vehicle is being used and is in the possession  
17 of the shared-vehicle driver, then, as soon as practicably possible after  
18 receiving the notice of the safety recall, the shared-vehicle owner shall  
19 notify the peer-to-peer car-sharing program about the safety recall so that  
20 the shared-vehicle owner may address the safety recall repair.

21  
22 27-25-112. Conflicts.

23 (a) This chapter shall not expand or restrict the respective rights or  
24 obligations of or limitations on a motor vehicle manufacturer and licensed  
25 motor vehicle dealer as stated in the Arkansas Motor Vehicle Commission Act,  
26 § 23-112-101 et seq.

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

30  
31 27-25-113. Rules.

32 The Insurance Commissioner shall promulgate rules to implement this  
33 chapter.

34  
35 SECTION 7. Arkansas Code § 27-22-104(c)(3), concerning the exemptions  
36 from minimum insurance coverage requirements, is amended to read as follows:



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

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

3 (B) A motor vehicle when an insurer holds the title to the  
4 motor vehicle, except if the motor vehicle is used in 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.; and

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

10  
11 SECTION 8. TEMPORARY LANGUAGE. DO NOT CODIFY. Rules.

12 (a) The Insurance Commissioner shall promulgate rules necessary to  
13 implement this act.

14 (b)(1) When adopting the initial rules to implement this act, the  
15 final rule shall be filed with the Secretary of State for adoption under §  
16 25-15-204(f):

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

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

20 (2) The commissioner shall file the proposed rule with the  
21 Legislative Council under § 10-3-309(c) sufficiently in advance of January 1,  
22 2022, so that the Legislative Council may consider the rule for approval  
23 before January 1, 2022.

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26 /s/Irvin  
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