

# House Bill 3149

Sponsored by Representative CANNON; Senator DINGFELDER

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Establishes standards for personal vehicle sharing programs. Requires personal vehicle sharing program to provide motor vehicle liability insurance for periods when vehicle is in use by program. Prohibits motor vehicle liability insurers from cancelling policy or reclassifying use from private passenger motor vehicle to commercial use vehicle because of vehicle's use in personal vehicle sharing program.

## A BILL FOR AN ACT

1  
2 Relating to personal vehicle sharing.

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

4 **SECTION 1. Sections 2 to 5 of this 2011 Act are added to and made a part of the Insur-**  
5 **ance Code.**

6 **SECTION 2. As used in sections 2 to 5 of this 2011 Act:**

7 (1) **"Personal vehicle sharing" means the use of a private passenger motor vehicle by**  
8 **persons other than the vehicle's registered owner in connection with a personal vehicle**  
9 **sharing program.**

10 (2) **"Personal vehicle sharing program" means a legal entity qualified to do business in**  
11 **this state engaged in the business of facilitating the sharing of private passenger motor ve-**  
12 **hicles for noncommercial use by individuals within this state.**

13 (3) **"Private passenger motor vehicle" means a four-wheel passenger or station wagon**  
14 **type motor vehicle insured under a motor vehicle liability insurance policy covering a single**  
15 **individual or individuals residing in the same household as the named insured.**

16 **SECTION 3. For each vehicle that the program facilitates the use of, a personal vehicle**  
17 **sharing program shall:**

18 (1) **Provide insurance coverages for the vehicle and operator of the vehicle that are equal**  
19 **to or greater than the insurance coverages maintained by the vehicle's registered owner and**  
20 **reported to the program, at all times when the vehicle is engaged in personal vehicle sharing.**  
21 **However, the program may not provide liability coverage that is less than three times the**  
22 **minimum insurance requirement for private passenger motor vehicles.**

23 (2) **Provide the vehicle's registered owner with a proof of compliance with the insurance**  
24 **requirements of this section and the financial or future responsibility requirements of ORS**  
25 **chapter 806, a copy of which must be maintained in the vehicle by the vehicle's registered**  
26 **owner at all times when the vehicle is operated by any person other than the vehicle's reg-**  
27 **istered owner pursuant to the program.**

28 (3) **Collect, maintain and make available to the vehicle's registered owner, the vehicle's**  
29 **registered owner's primary motor vehicle liability insurer and any government agency as**  
30 **required by law, at the cost of the program, verifiable electronic records that identify the**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 date and time, initial and final locations of the vehicle and miles driven when the vehicle is  
2 under the control of a person other than the vehicle's registered owner pursuant to the  
3 program.

4 (4) Not knowingly permit the vehicle to be operated for commercial use by a personal  
5 vehicle sharing user while engaged in personal vehicle sharing.

6 (5) Ensure that the vehicle is a private passenger motor vehicle.

7 (6) Facilitate the installation, operation and maintenance of signage and computer hard-  
8 ware and software necessary for the vehicle to be used in the program.

9 (7) Indemnify the vehicle's registered owner for the cost of damage or theft of equipment  
10 installed under subsection (6) of this section and any damage caused to the vehicle by the  
11 installation, operation or maintenance of the equipment.

12 (8) Provide the vehicle's registered owner and any person operating the vehicle pursuant  
13 to the program with a disclosure that contains information explaining the requirements of  
14 this section.

15 **SECTION 4.** (1) Notwithstanding any provision in a private passenger motor vehicle's  
16 registered owner's motor vehicle liability insurance policy, in the event of any loss or injury  
17 that occurs at any time when the vehicle is under the operation and control of a person,  
18 other than the vehicle's registered owner, pursuant to a personal vehicle sharing program,  
19 or is otherwise under the control of a personal vehicle sharing program, the program shall  
20 assume all liability of the vehicle owner and shall be considered the vehicle owner for all  
21 purposes.

22 (2) Nothing in subsection (1) of this section limits the liability of a personal vehicle  
23 sharing program for any acts or omissions by the program that result in injury to any per-  
24 sons as a result of the use or operation of the program.

25 (3) A personal vehicle sharing program continues to be liable under subsection (1) of this  
26 section until:

27 (a) The vehicle is returned to a location designated by the program; and

28 (b)(A) The expiration of the time period established for the vehicle occurs;

29 (B) The intent to terminate the vehicle's personal vehicle sharing use is verifiably com-  
30 municated to the program; or

31 (C) The vehicle's registered owner takes possession and control of the vehicle.

32 (4)(a) A personal vehicle sharing program shall assume liability for a claim in which a  
33 dispute exists as to who was in control of a private passenger motor vehicle when the loss  
34 giving rise to the claim occurred.

35 (b) The insurer of the vehicle shall indemnify the program to the extent of the insurer's  
36 obligation under the applicable motor vehicle liability insurance policy, if it is determined  
37 that the vehicle's registered owner was in control of the vehicle at the time of the loss.

38 (5) If a private passenger motor vehicle's registered owner is named as a defendant in a  
39 civil action for any loss or injury that occurs at any time when the vehicle is under the op-  
40 eration and control of a person, other than the vehicle's registered owner, pursuant to a  
41 personal vehicle sharing program, or is otherwise under the control of a personal vehicle  
42 sharing program, the program shall have the duty to defend and indemnify the vehicle's  
43 registered owner.

44 (6) Notwithstanding any provision in a private passenger motor vehicle's registered  
45 owner's motor vehicle liability insurance policy, while the vehicle is under the operation and

1 control of a person, other than the vehicle's registered owner, pursuant to a personal vehicle  
2 sharing program, or is otherwise under the control of a personal vehicle sharing program:

3 (a) The insurer of the vehicle on file with the Department of Transportation may exclude  
4 any and all coverage afforded under the insurer's policy; and

5 (b) A primary or excess insurer of the owners, operators or maintainers of the vehicle  
6 may notify an insured that the insurer has no duty to defend or indemnify any person or  
7 organization for liability for any loss that occurs during use of the vehicle pursuant to a  
8 personal vehicle sharing program.

9 (7) A motor vehicle liability insurance policy for a private passenger motor vehicle may  
10 not be canceled, voided, terminated, rescinded or nonrenewed solely on the basis that the  
11 vehicle has been made available for personal vehicle sharing pursuant to a personal vehicle  
12 sharing program that is in compliance with the provisions of sections 2 to 5 of this 2011 Act.

13 **SECTION 5.** A private passenger motor vehicle insured by the vehicle's registered owner  
14 under a motor vehicle liability insurance policy may not be classified as a commercial motor  
15 vehicle, for-hire motor vehicle, permissive use motor vehicle or livery solely because the  
16 vehicle's registered owner allows the vehicle to be used for personal vehicle sharing if:

17 (1) The personal vehicle sharing is conducted under a personal vehicle sharing program.

18 (2) The annual revenue received by the vehicle's registered owner that was generated by  
19 the personal vehicle sharing does not exceed the annual expenses of owning and operating  
20 the vehicle, including depreciation, interest, lease payments, motor vehicle loan payments,  
21 insurance, maintenance, parking, fuel, cleaning, automobile repair and costs associated with  
22 personal vehicle sharing, including but not limited to the installation, operation and mainte-  
23 nance of computer hardware and software, signage identifying the vehicle as a personal ve-  
24 hicle sharing vehicle and any fees charged by a personal vehicle sharing program.

25 **SECTION 6.** Sections 2 to 5 of this 2011 Act apply to insurance policies issued or renewed  
26 on or after the effective date of this 2011 Act.

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