

**First Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 19-0683.02 Jery Payne x2157

SENATE BILL 19-090

SENATE SPONSORSHIP

Scott, Donovan

HOUSE SPONSORSHIP

(None),

Senate Committees

Business, Labor, & Technology

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE OPERATION OF PEER-TO-PEER MOTOR VEHICLE**
102 **SHARING BUSINESSES.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The bill regulates peer-to-peer car sharing programs, including the following:

- ! Requires the shared car to be covered by insurance from the owner, driver, or program;
- ! Makes the insurance that satisfies the required coverage the primary insurance;

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

1 42-1-102 (58).

2 (2) "CAR SHARING" MEANS THE AUTHORIZED USE OF A SHARED
3 CAR BY PERSONS OTHER THAN THE SHARED CAR'S OWNER, FACILITATED BY
4 A CAR SHARING PROGRAM.

5 (3) (a) "CAR SHARING AGREEMENT" MEANS THE TERMS AND
6 CONDITIONS THAT APPLY TO A SHARED CAR OWNER AND A SHARED CAR
7 DRIVER AND THAT GOVERN THE USE OF A SHARED CAR.

8 (b) "CAR SHARING AGREEMENT" EXCLUDES A RENTAL AGREEMENT
9 AS DEFINED IN SECTION 6-1-201.

10 (4) (a) "CAR SHARING PROGRAM" MEANS A PERSON THAT IS IN THE
11 BUSINESS OF OPERATING AN ONLINE PLATFORM TO CONNECT THIRD-PARTY
12 VEHICLE OWNERS WITH THIRD-PARTY VEHICLE DRIVERS TO ENABLE
13 PEER-TO-PEER CAR SHARING WITHIN COLORADO.

14 (b) "CAR SHARING PROGRAM" EXCLUDES:

15 (I) THE REGISTERED OWNER OF THE CAR INVOLVED IN CAR
16 SHARING FACILITATED BY A CAR SHARING PROGRAM; AND

17 (II) A LESSOR AS DEFINED IN SECTION 6-1-201.

18 (5) "DELIVERY PERIOD" MEANS THE TIME WHEN A SHARED CAR IS
19 BEING DELIVERED TO THE LOCATION OF THE CAR SHARING START TIME, AS
20 DOCUMENTED BY THE GOVERNING CAR SHARING AGREEMENT.

21 (6) (a) "SHARED CAR" MEANS A MOTOR VEHICLE THAT IS
22 AVAILABLE FOR SHARING THROUGH A CAR SHARING PROGRAM.

23 (b) "SHARED CAR" EXCLUDES A RENTAL MOTOR VEHICLE AS
24 DEFINED IN SECTION 6-1-201.

25 (7) (a) "SHARED CAR DRIVER" MEANS AN INDIVIDUAL WHO HAS
26 BEEN AUTHORIZED TO DRIVE THE SHARED CAR BY A CAR SHARING
27 PROGRAM UNDER A CAR SHARING AGREEMENT.

1 (b) "SHARED CAR DRIVER" EXCLUDES A LESSEE AS DEFINED IN
2 SECTION 6-1-201.

3 (8) "SHARED CAR OWNER" MEANS A PERSON THAT MAKES A
4 SHARED CAR AVAILABLE FOR SHARING TO SHARED CAR DRIVERS THROUGH
5 A CAR SHARING PROGRAM.

6 (9) "SHARING PERIOD" MEANS THE TIME THAT BEGINS AT THE
7 SHARING START TIME AND ENDS AT THE SHARING TERMINATION TIME.

8 (10) "SHARING START TIME" MEANS THE TIME WHEN A SHARED
9 CAR DRIVER TAKES POSSESSION AND CONTROL OF THE SHARED CAR. THE
10 SHARING START TIME MAY BE AT OR AFTER THE TIME THE RESERVATION OF
11 A SHARED CAR IS SCHEDULED TO BEGIN UNDER A CAR SHARING
12 AGREEMENT.

13 (11) "SHARING TERMINATION TIME" MEANS THE EARLIEST OF:

14 (a) THE EXPIRATION OF THE AGREED PERIOD OF TIME ESTABLISHED
15 FOR THE USE OF A SHARED CAR IN THE GOVERNING CAR SHARING
16 AGREEMENT;

17 (b) THE TIME THE INTENT TO TERMINATE THE USE OF THE SHARED
18 CAR IS VERIFIABLY COMMUNICATED TO THE CAR SHARING PROGRAM; OR

19 (c) THE TIME THE SHARED CAR OWNER, OR THE SHARED CAR
20 OWNER'S AUTHORIZED DESIGNEE, TAKES POSSESSION AND CONTROL OF THE
21 SHARED CAR.

22 **6-1-1203. Insurance coverage during car sharing period.** (1) A
23 CAR SHARING PROGRAM SHALL ENSURE THAT, DURING EACH SHARING
24 PERIOD, THE SHARED CAR IS INSURED UNDER AN AUTOMOBILE LIABILITY
25 INSURANCE POLICY THAT:

26 (a) RECOGNIZES THAT THE CAR INSURED UNDER THE POLICY IS A
27 SHARED CAR; AND

1 (b) PROVIDES INSURANCE COVERAGE THAT IS NOT LESS THAN THE
2 MINIMUM AMOUNT OF FINANCIAL RESPONSIBILITY REQUIRED BY ARTICLE
3 7 OF TITLE 42.

4 (2) THE FINANCIAL RESPONSIBILITY REQUIRED IN SUBSECTION (1)
5 OF THIS SECTION MAY BE SATISFIED BY AUTOMOBILE LIABILITY INSURANCE
6 THAT IS AT LEAST THE MINIMUM AMOUNT OF FINANCIAL RESPONSIBILITY
7 REQUIRED BY ARTICLE 7 OF TITLE 42 AND THAT IS MAINTAINED BY ANY
8 ONE OR A COMBINATION OF THE FOLLOWING:

- 9 (a) A SHARED CAR OWNER;
- 10 (b) A SHARED CAR DRIVER; OR
- 11 (c) A CAR SHARING PROGRAM.

12 (3) THE INSURANCE DESCRIBED IN SUBSECTION (2) OF THIS
13 SECTION THAT SATISFIES THE INSURANCE REQUIREMENT IN SUBSECTION (1)
14 OF THIS SECTION IS THE PRIMARY COVERAGE DURING THE SHARING PERIOD.

15 (4) THIS SECTION DOES NOT:

16 (a) LIMIT THE LIABILITY OF THE CAR SHARING PROGRAM FOR AN
17 ACT OR OMISSION OF THE CAR SHARING PROGRAM THAT RESULTS IN
18 BODILY INJURY TO ANY PERSON AS A RESULT OF THE USE OF A SHARED
19 VEHICLE THROUGH A CAR SHARING PROGRAM; OR

20 (b) LIMIT THE ABILITY OF THE CAR SHARING PROGRAM TO
21 CONTRACT FOR INDEMNIFICATION FROM THE SHARED CAR OWNER OR THE
22 SHARED CAR DRIVER FOR ECONOMIC LOSS SUSTAINED BY THE CAR
23 SHARING PROGRAM CAUSED BY A BREACH OF THE TERMS AND CONDITIONS
24 OF THE CAR SHARING AGREEMENT.

25 **6-1-1204. Notification of implications of lien.** WHEN A CAR
26 OWNER REGISTERS AS A SHARED CAR OWNER ON A CAR SHARING PROGRAM
27 AND BEFORE THE SHARED CAR IS MADE AVAILABLE FOR CAR SHARING, THE

1 CAR SHARING PROGRAM SHALL NOTIFY THE SHARED CAR OWNER THAT, IF
2 THE SHARED CAR HAS A LIEN AGAINST IT, THE USE OF THE SHARED CAR
3 THROUGH A CAR SHARING PROGRAM, INCLUDING USE WITHOUT PHYSICAL
4 DAMAGE COVERAGE, MAY VIOLATE THE TERMS OF THE CONTRACT WITH
5 THE LIENHOLDER.

6 **6-1-1205. Exclusions for personal automobile liability**
7 **insurance policy.** (1) AN AUTHORIZED INSURER MAY EXCLUDE
8 COVERAGE AND THE DUTY TO DEFEND OR INDEMNIFY FOR ANY CLAIM
9 UNDER A SHARED CAR OWNER'S PERSONAL AUTOMOBILE LIABILITY
10 INSURANCE POLICY. THIS PART 12 DOES NOT INVALIDATE OR LIMIT AN
11 EXCLUSION CONTAINED IN AN AUTOMOBILE LIABILITY INSURANCE POLICY,
12 INCLUDING ANY INSURANCE POLICY THAT EXCLUDES COVERAGE FOR
13 MOTOR VEHICLES MADE AVAILABLE FOR RENT, SHARING, HIRE, OR
14 BUSINESS USE.

15 (2) AN AUTOMOBILE INSURER OF THE SHARED CAR OWNER THAT
16 DEFENDS OR INDEMNIFIES A SHARED CAR CLAIM HAS THE RIGHT TO
17 CONTRIBUTION AGAINST THE INSURER OF THE SHARED CAR PROGRAM IF
18 THE CLAIM IS:

19 (a) MADE AGAINST THE SHARED CAR OWNER OR THE SHARED CAR
20 DRIVER FOR DAMAGES OCCURRING DURING THE SHARING PERIOD; AND

21 (b) EXCLUDED UNDER THE TERMS OF THE SHARED CAR OWNER'S
22 INSURANCE POLICY.

23 **6-1-1206. Prohibition on cancellation of coverage for car**
24 **sharing - contribution against indemnification.** (1) EXCEPT AS
25 PROVIDED IN SUBSECTION (2) OF THIS SECTION, AN AUTOMOBILE INSURER
26 SHALL NOT REFUSE TO ISSUE OR RENEW, DENY, CANCEL, VOID, TERMINATE,
27 OR RESCIND A POLICY OF PERSONAL PRIVATE AUTOMOBILE LIABILITY

1 INSURANCE OF A SHARED CAR OWNER SOLELY ON THE BASIS THAT THE CAR
2 COVERED UNDER THE POLICY HAS BEEN MADE AVAILABLE FOR CAR
3 SHARING.

4 (2) AN AUTOMOBILE INSURER MAY REFUSE TO ISSUE OR RENEW,
5 DENY, CANCEL, VOID, TERMINATE, OR RESCIND A POLICY OF PERSONAL
6 PRIVATE AUTOMOBILE LIABILITY INSURANCE COVERING A SHARED CAR IF
7 THE APPLICANT OR POLICYHOLDER FAILS TO PROVIDE COMPLETE AND
8 ACCURATE INFORMATION ABOUT THE USE OF THE SHARED CAR THROUGH
9 THE CAR SHARING PROGRAM AS REQUESTED BY THE AUTOMOBILE INSURER
10 DURING THE APPLICATION OR RENEWAL PROCESS.

11 **6-1-1207. Record keeping.** A CAR SHARING PROGRAM SHALL
12 COLLECT AND VERIFY RECORDS CONCERNING THE USE OF A VEHICLE,
13 INCLUDING TIMES USED, FEES PAID BY THE SHARED CAR DRIVER, AND
14 REVENUES RECEIVED BY THE SHARED CAR OWNER. A CAR SHARING
15 PROGRAM SHALL PROVIDE THESE RECORDS UPON REQUEST TO THE SHARED
16 CAR OWNER OR, TO FACILITATE A CLAIM INVESTIGATION, TO THE SHARED
17 CAR OWNER'S INSURER OR THE SHARED CAR DRIVER'S INSURER. THE CAR
18 SHARING PROGRAM SHALL RETAIN THESE RECORDS FOR AT LEAST THE
19 DURATION OF THE APPLICABLE PERSONAL INJURY STATUTE OF
20 LIMITATIONS.

21 **6-1-1208. Federal law - vicarious liability.** A CAR SHARING
22 PROGRAM AND A SHARED CAR OWNER ARE EXEMPT FROM VICARIOUS
23 LIABILITY IN ACCORDANCE WITH 49 U.S.C. SEC. 30106 AND UNDER ANY
24 STATE OR LOCAL LAW THAT IMPOSES LIABILITY BASED ONLY ON VEHICLE
25 OWNERSHIP.

26 **6-1-1209. Insurable interest.** A CAR SHARING PROGRAM SHALL
27 HAVE AN INSURABLE INTEREST IN A SHARED CAR DURING THE SHARING

1 PERIOD. THIS SECTION DOES NOT CREATE LIABILITY FOR A CAR SHARING
2 PROGRAM FOR FAILURE TO MAINTAIN THE INSURANCE COVERAGE
3 REQUIRED IN SECTION 6-1-1203 IF INSURANCE COVERAGE IS MAINTAINED
4 IN COMPLIANCE WITH SECTION 6-1-1203 BY THE SHARED CAR DRIVER OR
5 THE SHARED CAR OWNER.

6 **6-1-1210. Required disclosures and notices.** (1) A CARSHARING
7 PROGRAM SHALL, FOR EACH SHARED CAR PARTICIPATING IN A CAR
8 SHARING AGREEMENT ON ITS PLATFORM, DO ALL OF THE FOLLOWING:

9 (a) PROVIDE THE SHARED CAR OWNER AND THE SHARED CAR
10 DRIVER WITH THE TERMS AND CONDITIONS OF THE CAR SHARING
11 AGREEMENT;

12 (b) DISCLOSE TO THE SHARED CAR DRIVER ANY COSTS OR FEES
13 THAT ARE CHARGED TO THE SHARED CAR DRIVER UNDER THE CAR SHARING
14 AGREEMENT;

15 (c) DISCLOSE TO THE SHARED CAR OWNER ANY COSTS OR FEES
16 THAT ARE CHARGED TO THE SHARED CAR OWNER UNDER THE CAR SHARING
17 AGREEMENT;

18 (d) PROVIDE AN EMERGENCY TELEPHONE NUMBER FOR A PERSON
19 CAPABLE OF FACILITATING ROADSIDE ASSISTANCE TO THE SHARED CAR
20 DRIVER;

21 (e) DISCLOSE ANY RIGHT OF THE CAR SHARING PROGRAM TO SEEK
22 INDEMNIFICATION FROM THE SHARED CAR OWNER OR THE SHARED CAR
23 DRIVER FOR ECONOMIC LOSS SUSTAINED BY THE CAR SHARING PROGRAM
24 CAUSED BY A BREACH OF THE CAR SHARING AGREEMENT;

25 (f) DISCLOSE THAT AN AUTOMOBILE LIABILITY INSURANCE POLICY
26 ISSUED TO THE SHARED CAR OWNER FOR THE SHARED CAR OR TO THE
27 SHARED CAR DRIVER DOES NOT PROVIDE A DEFENSE OR INDEMNIFICATION

1 FOR ANY CLAIM ASSERTED BY THE CAR SHARING PROGRAM;

2 (g) DISCLOSE THAT THE CAR SHARING PROGRAM'S INSURANCE
3 COVERAGE ON THE SHARED CAR OWNER AND THE SHARED CAR DRIVER IS
4 IN EFFECT ONLY DURING EACH SHARING PERIOD AND THAT THE SHARED
5 CAR MAY NOT HAVE INSURANCE COVERAGE FOR USE OF THE SHARED CAR
6 BY THE SHARED CAR DRIVER AFTER THE SHARING TERMINATION TIME;

7 (h) DISCLOSE ANY INSURANCE OR PROTECTION PACKAGE COSTS
8 THAT ARE CHARGED TO THE SHARED CAR OWNER OR THE SHARED CAR
9 DRIVER; AND

10 (i) DISCLOSE THAT THE SHARED CAR OWNER'S AUTOMOBILE
11 LIABILITY INSURANCE MIGHT NOT PROVIDE COVERAGE FOR A SHARED CAR.

12 **6-1-1211. Driver's license verification and data retention.**

13 (1) A CAR SHARING PROGRAM SHALL NOT ENTER INTO A CAR SHARING
14 AGREEMENT WITH A CAR SHARING DRIVER UNLESS THE DRIVER:

15 (a) HOLDS A DRIVER'S LICENSE, ISSUED UNDER ARTICLE 2 OF TITLE
16 42, THAT AUTHORIZES THE DRIVER TO OPERATE CARS OF THE CLASS OF THE
17 SHARED CAR; OR

18 (b) IS A NONRESIDENT WHO IS EXEMPT FROM LICENSURE UNDER
19 SECTION 42-2-102.

20 (2) A CAR SHARING PROGRAM SHALL KEEP A RECORD OF:

21 (a) THE NAME AND ADDRESS OF THE SHARED CAR DRIVER;

22 (b) THE NUMBER OF THE DRIVER'S LICENSE OF EACH SHARED CAR
23 DRIVER; AND

24 (c) THE DATE AND PLACE OF ISSUANCE OF THE DRIVER'S LICENSE.

25 **6-1-1212. Responsibility for equipment.** A CAR SHARING
26 PROGRAM IS RESPONSIBLE FOR ANY EQUIPMENT, INCLUDING A GPS
27 SYSTEM, THAT IS PUT IN OR ON THE CAR TO MONITOR OR FACILITATE THE

1 CAR SHARING TRANSACTION. A CAR SHARING PROGRAM SHALL INDEMNIFY
2 AND HOLD HARMLESS THE SHARED CAR OWNER FOR ANY DAMAGE TO OR
3 THEFT OF THE EQUIPMENT DURING THE SHARING PERIOD, UNLESS CAUSED
4 BY THE SHARED CAR OWNER. THE CAR SHARING PROGRAM HAS THE RIGHT
5 TO BE INDEMNIFIED FROM THE SHARED CAR DRIVER FOR ANY LOSS OR
6 DAMAGE TO THE EQUIPMENT THAT OCCURS DURING THE SHARING PERIOD.

7 **6-1-1213. Safety recalls.** (1) WHEN A VEHICLE OWNER REGISTERS
8 AS A SHARED CAR OWNER ON A CAR SHARING PROGRAM AND BEFORE THE
9 SHARED CAR OWNER MAKES A SHARED CAR AVAILABLE FOR CAR SHARING,
10 THE CAR SHARING PROGRAM SHALL VERIFY THAT THE SHARED CAR DOES
11 NOT HAVE ANY OPEN SAFETY RECALLS THAT APPEAR IN THE NATIONAL
12 HIGHWAY TRAFFIC SAFETY ADMINISTRATION RECALL DATABASE UNDER
13 SECTION 49 CFR 573.15.

14 (2) IF THE SHARED CAR OWNER HAS ACTUAL NOTICE OF A SAFETY
15 RECALL ON THE SHARED CAR, THE SHARED CAR OWNER SHALL NOT MAKE
16 THE SHARED CAR AVAILABLE ON A CAR SHARING PROGRAM UNTIL THE
17 SAFETY RECALL REPAIR HAS BEEN MADE.

18 (3) IF A SHARED CAR OWNER HAS ACTUAL NOTICE OF A SAFETY
19 RECALL ON A SHARED CAR WHEN THE CAR IS AVAILABLE FOR SHARING ON
20 THE CAR SHARING PROGRAM, THE SHARED CAR OWNER SHALL REMOVE THE
21 SHARED CAR FROM AVAILABILITY ON THE CAR SHARING PROGRAM:

22 (a) AS SOON AS PRACTICABLE BUT NO LATER THAN SEVENTY-TWO
23 HOURS AFTER RECEIVING THE NOTICE OF THE SAFETY RECALL; AND

24 (b) UNTIL THE SAFETY RECALL REPAIR HAS BEEN MADE.

25 (4) IF A SHARED CAR OWNER HAS ACTUAL NOTICE OF A SAFETY
26 RECALL WHEN THE SHARED CAR IS IN THE POSSESSION OF A SHARED CAR
27 DRIVER, THE OWNER SHALL NOTIFY THE CAR SHARING PROGRAM AND THE

1 SHARED CAR DRIVER ABOUT THE SAFETY RECALL AS SOON AS
2 PRACTICABLE BUT NO LATER THAN SEVENTY-TWO HOURS AFTER
3 RECEIVING NOTICE OF THE SAFETY RECALL.

4 **SECTION 2. Act subject to petition - effective date -**
5 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
6 the expiration of the ninety-day period after final adjournment of the
7 general assembly (August 2, 2019, if adjournment sine die is on May 3,
8 2019); except that, if a referendum petition is filed pursuant to section 1
9 (3) of article V of the state constitution against this act or an item, section,
10 or part of this act within such period, then the act, item, section, or part
11 will not take effect unless approved by the people at the general election
12 to be held in November 2020 and, in such case, will take effect on the
13 date of the official declaration of the vote thereon by the governor.

14 (2) This act applies to car sharing that occurs on or after the
15 applicable effective date of this act.