STATE OF NEW YORK

5941--B

2025-2026 Regular Sessions

IN SENATE

March 4, 2025

Introduced by Sens. SKOUFIS, ADDABBO, BAILEY, BASKIN, CLEARE, COMRIE, COONEY, FERNANDEZ, GOUNARDES, GRIFFO, JACKSON, SCARCELLA-SPANTON -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the general business law and the insurance law, in relation to requiring peer-to-peer car sharing programs provide certain insurance coverage

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Subdivision 2 of section 901 of the general business law, as amended by chapter 129 of the laws of 2022, is amended to read as follows:

2. A peer-to-peer car sharing program administrator, during each peer-to-peer car sharing period for each shared vehicle that it facilitates the use and operation of, shall maintain insurance that provides financial responsibility coverage as follows:

(a) provide insurance coverage that [~~satisfies~~] **is three times** the financial responsibility requirements set forth in **the definition of "owners' policy of liability insurance" in subdivision four of section three hundred eleven of the vehicle and traffic law;**

(b) provide insurance coverage that satisfies the financial responsibility requirements set forth in section three thousand four hundred twenty of the insurance law, article fifty-one of the insurance law and such other requirements, rules or regulations that may apply for the purposes of satisfying the financial responsibility requirements with respect to the use or operation of a motor vehicle;

[~~(b) maintain additional insurance against loss from the liability imposed by law for damages during the car sharing period, including~~

EXPLANATION--Matter in **italics** (underscored) is new; matter in brackets [~~-~~] is old law to be omitted.

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~~damages for care and loss of services, because of bodily injury to or death of any person and injury to or destruction of property arising out of the ownership, maintenance, use or operation of a specific personal vehicle or vehicles within the state, or elsewhere in the United States or Canada, subject to a limit, exclusive of interest and costs, with respect to each such occurrence, of at least one million two hundred fifty thousand dollars because of bodily injury to or death of any person, and injury to or destruction of property;~~

~~(c) provide coverage in accordance with subsection (f) of section three thousand four hundred twenty of the insurance law, providing supplementary uninsured/underinsured motorist insurance for bodily injury, subject to a limit per occurrence in the amount of one million two hundred fifty thousand dollars because of bodily injury or death of any person;~~

~~(d)~~] (c) the insurance required under this subdivision need not be coterminous with the registration period of the shared vehicle insured; and

[~~(e)~~] (d) For purposes of article fifty-one of the insurance law, 11 NYCRR Part 65 and general liability claims, notice to the shared vehicle owner, shared vehicle driver, peer-to-peer car sharing program administrator, or any insurer of the shared vehicle owner, shared vehicle driver, or peer-to-peer car sharing program administrator of any claim shall be deemed notice to all appropriate parties and insurers. Any shared vehicle owner, shared vehicle driver, peer-to-peer car sharing program administrator, or any insurer of the shared vehicle owner, shared vehicle driver, or peer-to-peer car sharing program administrator receiving such notice shall provide such notice to all appropriate parties.

§ 2. Section 901 of the general business law is amended by adding two new subdivisions 8 and 9 to read as follows:

8. For each peer-to-peer car sharing period, a peer-to-peer car sharing program administrator shall:

(a) either provide the shared vehicle owner with additional liability insurance or provide the shared vehicle owner with the opportunity to purchase additional liability insurance pursuant to subparagraph (A) of paragraph one of subsection (d) of section two thousand one hundred thirty-one of the insurance law; and

(b) either provide the shared vehicle driver with additional liability insurance or provide the shared vehicle driver with the opportunity to purchase additional liability insurance pursuant to subparagraph (A) of paragraph one of subsection (d) of section two thousand one hundred thirty-one of the insurance law.

9. For each peer-to-peer car sharing period, a peer-to-peer car sharing administrator may offer the shared vehicle owner or the shared driver the opportunity to purchase additional insurance coverages described in subparagraph (B), (C) or (D) of paragraph one of subsection (d) of section two thousand one hundred thirty-one of the insurance law.

§ 3. Subdivision 1 of section 905 of the general business law, as amended by chapter 129 of the laws of 2022, is amended to read as follows:

1. Each peer-to-peer car sharing program agreement made in this state shall disclose and separately state or itemize to the shared vehicle owner and the shared vehicle driver:

(a) the daily rate, fees, and, if applicable, any insurance or protection package costs that shall be charged to the shared vehicle owner or the shared vehicle driver; [~~and~~]

(b) an emergency telephone number to contact personnel capable of providing roadside assistance and handling other customer service inquiries;

(c) the coverage, limits, and exclusions that the group policy provides;

(d) a description of the additional insurance coverages that the peer-to-peer car sharing program administrator provides or offers pursuant to section two thousand one hundred thirty-one of the insurance law;

(e) a statement that for each peer-to-peer car sharing period, a peer-to-peer car sharing program administrator must either provide additional liability insurance or offer the shared vehicle owner and shared vehicle driver with the opportunity to purchase additional liability insurance pursuant to subparagraph (A) of paragraph one of subsection (d) of section two thousand one hundred thirty-one of the insurance law; and

(f) a statement describing any additional insurance that a peer-to-peer car sharing administrator may provide a shared vehicle owner or a shared vehicle driver with the opportunity to purchase pursuant to section two thousand one hundred thirty-one of the insurance law.

§ 4. Section 2131 of the insurance law, as amended by chapter 582 of the laws of 2023, the section heading, subsections (a), (d), (e), (f), (h) and (i) as amended by chapter 368 of the laws of 2010, subsection (g) as amended by chapter 426 of the laws of 2005, is amended to read as follows:

§ 2131. Limited license for rental vehicle companies, peer-to-peer car sharing program administrators, wireless communications equipment vendors and self-service storage companies. (a) The superintendent may issue to a rental vehicle company, a peer-to-peer car sharing program administrator, a wireless communications equipment vendor, a self-service storage company or to a franchisee of a rental vehicle company, a wireless communications equipment vendor, or a self-service storage company which has complied with the requirements of this section, a limited license authorizing the licensee, known as a "limited licensee" for the purpose of this article, to act as agent, with reference to the kinds of insurance specified in this section, of any insurer authorized to write such kinds of insurance in this state.

(b) The prerequisites for issuance of a limited license under this section shall be the filing with the superintendent of the following:

(1) an application, signed by an officer of the applicant, for the limited license in such form or forms, and supplements thereto, and containing such information, as the superintendent may prescribe; and

(2) an appointment of a limited licensee by the appointing insurer, in a format approved by the superintendent, no more than fifteen days after the date the agency contract is executed or the first insurance contract is submitted, whichever is later, stating that it has satisfied itself that the named applicant is trustworthy and competent to act as its insurance agent for this limited purpose and that the insurer will appoint such applicant to act as the agent in reference to the doing of such kind or kinds of insurance which are permitted by this section, if the limited license applied for is issued by the superintendent. Such appointment shall be subscribed by an officer or managing agent of such insurer and affirmed as true under the penalties of perjury.

(c) In the event that any provision of this chapter is violated, the superintendent may:

(1) revoke or suspend a limited license issued under this section in accordance with the provisions of section two thousand one hundred ten of this article; or

(2) after notice and hearing impose such other penalties, including suspending the transaction of insurance at specific locations where violations of this article have occurred, as the superintendent deems necessary or convenient to carry out the purposes of this section.

(d) The rental vehicle company, **peer-to-peer car sharing program administrator,** wireless communications equipment vendor, or self-service storage company, or franchisee licensed pursuant to subsection (a) of this section may act as agent for an authorized insurer only in connection with the rental of motor vehicles, **the sharing of a shared vehicle,** the sale or offering for sale of wireless communications equipment, or the rental of storage space, respectively, and only with respect to the following kinds of insurance:

(1) with respect to rental vehicle companies **and peer-to-peer car sharing program administrators**:

(A) excess liability insurance that provides coverage to the rental car company or franchisee and renters and other authorized drivers of rental vehicles, **or that provides coverage to the peer-to-peer car sharing program administrator, shared vehicles owners, or shared vehicle drivers, or a combination thereof,** in excess of the standard liability limits provided by the rental vehicle company in its rental agreement **or the peer-to-peer car sharing program agreement pursuant to article forty of the general business law**, for liability arising from the negligent operation of the rental vehicle **or the shared vehicle**;

(B) accident and health insurance that provides coverage to renters and other vehicle occupants, in excess to the standard first party benefits provided pursuant to article fifty-one of this chapter, for accidental death and/or dismemberment and for medical expenses resulting from an accident that occurs during the rental period **or during the peer-to-peer car sharing period**;

(C) personal effects insurance that provides coverage to renters and other vehicle occupants **or to shared vehicle owners or shared vehicle drivers, or a combination thereof, and other vehicle occupants,** for the loss of, or damage to, personal effects that occurs during the rental period **or peer-to-peer car sharing period**;

(D) any other coverage [~~which~~] **that** the superintendent may approve as meaningful and appropriate in connection with the rental of motor vehicles; or

(2) with respect to wireless communications equipment vendors, insurance issued to cover the loss, theft, mechanical failure, or malfunction of, or damage to, wireless communications equipment offered as either an individual policy issued to the consumer or as a group policy under which certificates or other evidence of coverage are issued to individual consumers who enroll in the program, provided however, that said insurance shall not extend to wireless services or service contracts governed by article seventy-nine of this chapter; or

(3) with respect to self-service storage companies, the following coverages offered as either an individual policy issued to the consumer or as a group policy:

(A) personal effects insurance that provides coverage to renters of storage spaces at the self-service storage company's facility for the loss of, or damage to, personal property stored at the facility, where the loss or damage occurs at the same facility during the rental period;

(B) any other coverage that the superintendent may approve as meaningful and appropriate in connection with the rental of storage space.

(e) No insurance may be issued pursuant to this section unless:

(1) with regard to the rental of vehicles only, the rental period of the rental agreement does not exceed thirty consecutive days; and

(2) at every location where rental vehicle agreements, wireless communications equipment agreements, or self-service storage agreements are executed, brochures or other written materials are readily available to the prospective consumer**, and with regard to a peer-to-peer car sharing program administrator, the administrator provides written materials,** that:

(A) summarize, clearly and correctly, the material terms of insurance coverage, including the identity of the insurer and, with regard to wireless communications equipment insurance, the agent licensed under subsection (b) of section two thousand one hundred three of this article;

(B) disclose that these policies may provide a duplication of coverage already provided by a renter's personal automobile insurance policy, homeowner's insurance policy, personal liability insurance policy, or other source of coverage;

(C) state that the purchase by the consumer of the kinds of insurance specified in this section is not required in order to rent a vehicle, **to share a shared vehicle,** to purchase or lease wireless communications equipment, or to rent storage space;

(D) describe the process for filing a claim in the event the consumer elects to purchase coverage;

(E) the price, deductible, benefits, exclusions and conditions or other limitations of such policies;

(F) disclose that the employee of the rental vehicle company, **peer-to-peer car sharing program administrator,** wireless communications equipment vendor or self-storage company is not qualified or authorized to evaluate the adequacy of the purchaser's existing coverages, unless otherwise licensed; and

(G) state that the customer may cancel the insurance at any time and any unearned premium will be refunded in accordance with applicable law.

(3) evidence of coverage is provided to every consumer who elects to purchase such coverage.

(f) Rates and forms for insurance under this section shall be subject to article twenty-three of this chapter. Any brochures **or other written materials** used in connection with insurance under this section shall be filed with the superintendent for review and shall include disclosure of the claims filing process, premium, deductible amounts and limits and shall be prominently displayed in the brochure **or other written materials** with at least twelve-point type bold headings. Any such brochures **or other written materials** shall also be subject to section three thousand one hundred two of this chapter, provided, however, that any policy, certificate or other evidence of insurance coverage, whether or not contained in such brochure, shall not be subject to section three thousand one hundred two of this chapter, but shall be written in a clear and coherent manner and whenever practicable shall use words with common and everyday meaning to facilitate readability and to aid the policyholder in understanding the coverage provided.

(g) Any limited license issued under this section shall also authorize any salaried employee or any sales representative authorized by the licensee who, pursuant to subsection (h) of this section, is trained to act individually on behalf, and under the supervision, of the licensee with respect to the kinds of insurance specified in this section.

(h) Each company or franchisee licensed pursuant to this section shall conduct a training program, which shall be submitted to the superintendent for approval prior to use, and which shall meet the following minimum standards:

(1) each trainee shall receive basic instruction about the kinds of insurance specified in this section offered for purchase by prospective renters of rental vehicles, **shared vehicle owners, shared vehicle drivers,** purchasers or lessors of wireless communications equipment, or renters of storage space;

(2) each trainee shall be instructed with respect to the disclosures required under subsection (e) of this section and to acknowledge to a prospective renter of a rental vehicle, **shared vehicle owner, shared vehicle driver,** purchaser or lessor of wireless communications equipment, or renter of storage space that purchase of any such insurance specified in this section is not required in order for the consumer to rent a motor vehicle, **share a shared vehicle,** purchase or lease wireless communications equipment, or rent storage space;

(3) each trainee shall be instructed to acknowledge to a prospective consumer of the kinds of insurance specified in this section that the consumer may have insurance policies that already provide the coverage being offered by the rental vehicle company, the wireless communications equipment vendor, or self-service storage company pursuant to this section**, as applicable**; and

(4) with regard to wireless communications equipment insurance and self-service storage company insurance, training materials may be developed and provided by an agent licensed pursuant to subsection (b) of section two thousand one hundred three of this article.

(i) Limited licensees acting pursuant to and under the authority of this section shall comply with all applicable provisions of this article, except that notwithstanding section two thousand one hundred twenty of this article, a limited licensee pursuant to this section shall not be required to treat premiums collected from consumers purchasing such insurance when renting motor vehicles, **sharing a shared vehicle,** purchasing or leasing wireless communications equipment, or renting storage space as funds received in a fiduciary capacity, provided that:

(1) the insurer represented by the limited licensee has consented in writing, signed by the insurer's officer, that premiums need not be segregated from funds received by the rental vehicle company, **peer-to-peer car sharing program administrator,** wireless communications equipment vendor, or self-storage company on account of vehicle rental, **sharing of a shared vehicle,** wireless communications equipment purchase or lease, or storage space rental; and

(2) the charges for insurance coverage are itemized but not billed to the consumer separately from the charges for rental vehicles, **shared vehicles,** purchase or lease of wireless communications equipment, or storage space rental.

(j) No limited licensees under this section shall advertise, represent or otherwise hold itself or any of its employees themselves out as licensed insurance agents or brokers.

(k) The superintendent may issue a replacement for a currently in force license which has been lost or destroyed. Before such replacement license shall be issued, there shall be on file in the office of the superintendent a written application for such replacement license, affirming under penalty of perjury that the original license has been lost or destroyed, together with a fee of fifteen dollars.

(l) For purposes of this section "wireless communications equipment" shall mean wireless handsets, pagers, personal digital assistants, wireless telephones or wireless telephone batteries and other wireless devices and accessories related to such devices that are used to access wireless communications services and includes wireless services.

(m) For purposes of this section, "peer-to-peer car sharing program administrator", "peer-to-peer car sharing period", "shared vehicle", "shared vehicle driver", and "shared vehicle owner" shall have the meanings set forth in section nine hundred of the general business law.

§ 5. This act shall take effect on the one hundred eightieth day after it shall have become a law. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.