

1 NAMED INSURED, BUT DOES NOT INCLUDE A MOTOR VEHICLE WITH FEWER THAN FOUR
2 WHEELS.

3 (E) "PERSONAL MOTOR VEHICLE SHARING" MEANS THE USE OF PRIVATE PASSEN-
4 GER MOTOR VEHICLES BY PERSONS OTHER THAN THE VEHICLES' OWNER, IN
5 CONNECTION WITH A PERSONAL MOTOR VEHICLE SHARING PROGRAM.

6 (F) "PERSONAL MOTOR VEHICLE SHARING PROGRAM" OR "PROGRAM" MEANS A
7 PROGRAM ENGAGED IN FACILITATING THE SHARING OF PRIVATE PASSENGER MOTOR
8 VEHICLES.

9 (G) "PERSONAL MOTOR VEHICLE SHARING OWNER" OR "OWNER" MEANS A PERSON,
10 OTHER THAN A LIENHOLDER, HAVING THE PROPERTY IN OR TITLE TO THE PERSONAL
11 PASSENGER MOTOR VEHICLE.

12 (H) "PERSONAL MOTOR VEHICLE SHARING RENTER" OR "RENTER" MEANS A
13 PERSON, OTHER THAN THE PERSONAL MOTOR VEHICLE SHARING OWNER, WHO RENTS
14 THE PERSONAL MOTOR VEHICLE SHARING OWNER'S VEHICLE THROUGH A PERSONAL
15 MOTOR VEHICLE SHARING PROGRAM.

16 (I) "SHARING PERIOD" SHALL HAVE THE MEANING SET FORTH IN SUBSECTION
17 (C) OF SECTION THREE THOUSAND FIVE HUNDRED THREE OF THIS ARTICLE.

18 (J) "GROUP POLICY" MEANS AN INSURANCE POLICY ISSUED PURSUANT TO
19 SECTION THREE THOUSAND FIVE HUNDRED FOUR OF THIS ARTICLE.

20 (K) "PERMISSIVE USER" MEANS ANY PERSON USING OR OPERATING A PERSONAL
21 PASSENGER MOTOR VEHICLE WITH THE PERMISSION, EXPRESS OR IMPLIED, OF A
22 RENTER IN ACCORDANCE WITH SECTION THREE HUNDRED EIGHTY-EIGHT OF THE
23 VEHICLE AND TRAFFIC LAW.

24 S 3502. REQUIREMENTS FOR DOING BUSINESS. (A) NO PERSONAL PASSENGER
25 MOTOR VEHICLE INSURED SHALL BE CLASSIFIED AS A COMMERCIAL VEHICLE, FOR-
26 HIRE VEHICLE, PERMISSIVE USE VEHICLE, TAXICAB, LIVERY OR ANY OTHER TYPE
27 OF VEHICLE OPERATED FOR COMMERCIAL USE SOLELY BECAUSE THE PERSONAL MOTOR
28 VEHICLE SHARING OWNER ALLOWS IT TO BE USED FOR PERSONAL MOTOR VEHICLE
29 SHARING WHEN THE OWNER IS A PARTY TO A VALID CONTRACT WITH A PERSONAL
30 MOTOR VEHICLE SHARING PROGRAM, AND THE OWNER HAS NOT KNOWINGLY PLACED
31 THE PERSONAL PASSENGER MOTOR VEHICLE INTO USE AS A COMMERCIAL VEHICLE OR
32 AS A VEHICLE FOR HIRE BY A PERSONAL MOTOR VEHICLE SHARING RENTER WHILE
33 ENGAGED IN PERSONAL MOTOR VEHICLE SHARING.

34 (B) A PROGRAM SHALL, FOR EACH PERSONAL PASSENGER MOTOR VEHICLE THAT IT
35 FACILITATES THE USE OF, DO ALL OF THE FOLLOWING:

36 (1) DURING THE SHARING PERIOD FOR A PERSONAL PASSENGER MOTOR VEHICLE
37 ENGAGED IN PERSONAL MOTOR VEHICLE SHARING, PROCURE GROUP INSURANCE
38 COVERAGE FOR EACH VEHICLE AND AUTHORIZED OPERATOR OF THE VEHICLE. SUCH
39 INSURANCE SHALL, AT A MINIMUM, PROVIDE FOR EACH VEHICLE COVERAGE AT
40 LEAST EQUAL TO THE MINIMUM INSURANCE REQUIREMENTS FOR PRIVATE PASSENGER
41 MOTOR VEHICLES AS PROVIDED BY SECTION THREE HUNDRED FORTY-FIVE OF THE
42 VEHICLE AND TRAFFIC LAW, SUBSECTION (A) OF SECTION THREE THOUSAND FIVE
43 HUNDRED FOUR OF THIS ARTICLE, SECTION THREE THOUSAND FOUR HUNDRED TWENTY
44 OF THIS CHAPTER, ARTICLE FIFTY-ONE OF THIS CHAPTER AND SUCH OTHER LAWS
45 OF THE STATE WITH RESPECT TO MANDATORY LIABILITY AND FIRST-PARTY BENE-
46 FITS COVERAGE, OR COVERAGE AS OTHERWISE REQUIRED UNDER THIS ARTICLE. THE
47 PROGRAM SHALL PROVIDE LIABILITY COVERAGE OF ONE MILLION DOLLARS. THE
48 PROGRAM SHALL ALSO PROVIDE PROPERTY AND CASUALTY COVERAGE INCLUDING
49 COMPREHENSIVE AND COLLISION PROTECTION, AS FURTHER DESCRIBED IN
50 SUBSECTION (D) OF SECTION THREE THOUSAND FIVE HUNDRED FOUR OF THIS ARTI-
51 CLE;

52 (2) PROVIDE THE PERSONAL MOTOR VEHICLE SHARING OWNER WITH PROOF OF
53 COMPLIANCE WITH THE INSURANCE REQUIREMENTS OF THIS SECTION AND THE
54 REQUIREMENTS OF SECTIONS THREE HUNDRED ELEVEN AND THREE HUNDRED
55 FORTY-FIVE OF THE VEHICLE AND TRAFFIC LAW AND ARTICLE FIFTY-ONE OF THIS
56 CHAPTER IN SUCH FORM AS THE COMMISSIONER MAY PRESCRIBE OR APPROVE. A

1 COPY OF SUCH PROOF SHALL BE MAINTAINED IN THE VEHICLE BY THE PERSONAL
2 MOTOR VEHICLE SHARING OWNER DURING ANY TIME WHEN THE VEHICLE IS OPERATED
3 BY THE RENTER OR AUTHORIZED OPERATOR PURSUANT TO A PERSONAL MOTOR VEHIC-
4 CLE SHARING PROGRAM;

5 (3) SHALL NOT PERMIT THE VEHICLE TO BE OPERATED FOR COMMERCIAL USE OR
6 AS A VEHICLE FOR HIRE BY A PERSONAL MOTOR VEHICLE SHARING RENTER OR
7 AUTHORIZED OPERATOR WHILE ENGAGED IN PERSONAL MOTOR VEHICLE SHARING;

8 (4) PROVIDE EACH PERSONAL MOTOR VEHICLE RENTER AND AUTHORIZED OPERATOR
9 FOR EACH VEHICLE RENTAL TRANSACTION UNDER THE PERSONAL MOTOR VEHICLE
10 SHARING PROGRAM AT THE TIME OF EACH RENTAL:

11 (A) ACCESS TO THE INSURANCE IDENTIFICATION CARD AS DEFINED IN SUBDIVI-
12 SION TEN OF SECTION THREE HUNDRED ELEVEN OF THE VEHICLE AND TRAFFIC LAW
13 APPLICABLE TO SUCH PERSONAL PASSENGER MOTOR VEHICLE AND SUCH OTHER
14 DOCUMENTATION TO BE CARRIED IN THE VEHICLE AT ALL TIMES DURING THE SHAR-
15 ING PERIOD, STATING IN SUCH FORM AS THE COMMISSIONER MAY PRESCRIBE OR
16 APPROVE THAT INSURANCE COVERAGE REFERRED TO IN PARAGRAPH ONE OF THIS
17 SUBSECTION IS IN FULL FORCE AND EFFECT; AND

18 (B) MEANS OF COMMUNICATION, IN SUCH FORM AS THE COMMISSIONER MAY
19 PRESCRIBE OR APPROVE, BY WHICH A POLICE OFFICER, THE DEPARTMENT OF MOTOR
20 VEHICLES OR OTHER OFFICER OF THIS STATE OR ANY POLITICAL SUBDIVISION
21 THEREOF MAY CONFIRM IN REAL TIME THAT THE INSURANCE COVERAGE PROVIDED
22 FOR IN PARAGRAPH ONE OF THIS SUBSECTION IS IN EFFECT;

23 (5) SHALL COMPLY WITH THE REQUIREMENTS OF SUBDIVISION TWO OF SECTION
24 THREE HUNDRED TWELVE OF THE VEHICLE AND TRAFFIC LAW;

25 (6) REQUIRE THAT THE VEHICLES USED IN THE PERSONAL MOTOR VEHICLE SHAR-
26 ING PROGRAM ARE LIMITED TO PERSONAL PASSENGER MOTOR VEHICLES;

27 (7) FACILITATE THE INSTALLATION, OPERATION AND MAINTENANCE OF ITS OWN
28 SIGNAGE AND COMPUTER HARDWARE AND SOFTWARE TO THE EXTENT NECESSARY FOR
29 THE PERSONAL PASSENGER MOTOR VEHICLE TO BE USED IN THE PROGRAM;

30 (8) INDEMNIFY AND HOLD HARMLESS THE PERSONAL MOTOR VEHICLE SHARING
31 OWNER FOR THE COST OF DAMAGE OR THEFT OF EQUIPMENT INSTALLED BY THE
32 PROGRAM UNDER PARAGRAPH SEVEN OF THIS SUBSECTION AND FOR ANY DAMAGE
33 CAUSED TO THE PERSONAL PASSENGER MOTOR VEHICLE BY THE INSTALLATION,
34 OPERATION OR MAINTENANCE OF SUCH EQUIPMENT;

35 (9) COLLECT, MAINTAIN AND MAKE AVAILABLE TO THE PERSONAL MOTOR VEHICLE
36 SHARING OWNER, THE PERSONAL MOTOR VEHICLE SHARING OWNER'S PRIMARY MOTOR
37 VEHICLE LIABILITY INSURER, THE RENTER'S AND AUTHORIZED OPERATOR'S PRIMA-
38 RY AUTOMOBILE INSURER IF APPLICABLE, ANY APPLICABLE EXCESS OR UMBRELLA
39 INSURER, AND THIRD PARTIES INVOLVED IN ACCIDENTS WITH A RENTER, IN
40 INSTANCES WHERE AN INSURANCE CLAIM HAS BEEN FILED WITH THE PROGRAM'S
41 GROUP INSURER, THE FOLLOWING INFORMATION PERTAINING TO INCIDENTS WHICH
42 OCCURRED DURING THE RENTER'S SHARING PERIOD:

43 (A) VERIFIABLE RECORDS OF THE PROGRAM USE PERIOD FOR EACH PERSONAL
44 PASSENGER MOTOR VEHICLE, AND VERIFIABLE ELECTRONIC RECORDS OF THE TIME,
45 INITIAL AND FINAL LOCATIONS OF THE VEHICLE, AND MILES DRIVEN DURING THE
46 PROGRAM USE PERIOD IN WHICH SUCH INCIDENT OCCURRED;

47 (B) ANY AND ALL INFORMATION RELEVANT TO THE CLAIM, INCLUDING PAYMENTS
48 BY THE PROGRAM CONCERNING ACCIDENTS, DAMAGES AND INJURIES; AND

49 (C) THE PROGRAM SHALL ALSO PROVIDE THE DEPARTMENT OF MOTOR VEHICLES
50 WITH A LIST OF THE PERSONAL PASSENGER MOTOR VEHICLES THAT PARTICIPATE IN
51 THE PROGRAM WHICH SHALL BE UPDATED BY THE PROGRAM EACH TIME A NEW OWNER
52 BECOMES A PARTY TO A VALID CONTRACT WITH THE PROGRAM.

53 (10) ENSURE THAT THE PERSONAL MOTOR VEHICLE SHARING OWNER, RENTER AND
54 AUTHORIZED OPERATOR ARE GIVEN NOTICE PRIOR TO THE FIRST USE OR OPERATION
55 OF A MOTOR VEHICLE PURSUANT TO ENROLLMENT IN A PERSONAL MOTOR VEHICLE
56 SHARING PROGRAM, THAT:

1 (A) DURING THE SHARING PERIOD, THE PERSONAL MOTOR VEHICLE SHARING
2 OWNER'S INSURER MAY EXCLUDE ANY AND ALL COVERAGE AFFORDED TO ITS POLICY
3 AND THE PERSONAL MOTOR VEHICLE SHARING OWNER'S INSURER SHALL HAVE THE
4 RIGHT TO NOTIFY AN INSURED THAT IT SHALL HAVE NO DUTY TO DEFEND OR
5 INDEMNIFY ANY PERSON OR ORGANIZATION FOR LIABILITY FOR ANY LOSS THAT
6 OCCURS DURING THE SHARING PERIOD; AND

7 (B) THE GROUP POLICY AND PHYSICAL DAMAGE COVERAGE CONTRACT MAY NOT
8 PROVIDE COVERAGE OUTSIDE OF THE SHARING PERIOD.

9 (11) SHALL NOT CHARGE FEES ASSOCIATED WITH A CLAIM ABOVE AND BEYOND
10 THE DEDUCTIBLE AS REQUIRED IN THE GROUP POLICY.

11 S 3503. LIABILITY PROVISIONS. (A) NOTWITHSTANDING ANY OTHER PROVISION
12 OF LAW OR ANY PROVISION IN A PERSONAL MOTOR VEHICLE SHARING OWNER'S
13 AUTOMOBILE INSURANCE POLICY, IN THE EVENT OF A LOSS OR INJURY THAT
14 OCCURS DURING THE SHARING PERIOD, AS DEFINED IN THIS SECTION, OR WHILE
15 THE PERSONAL PASSENGER MOTOR VEHICLE IS OTHERWISE UNDER THE CONTROL OF A
16 PERSONAL MOTOR VEHICLE SHARING PROGRAM, THE PROGRAM IS LIABLE. THIS
17 LIABILITY WILL EXTEND TO ALL PERMISSIVE USERS OF THE SHARED VEHICLE
18 DURING THE SHARING PERIOD.

19 (B) SECTION THREE HUNDRED EIGHTY-EIGHT OF THE VEHICLE AND TRAFFIC LAW
20 SHALL APPLY TO THE VEHICLE'S OWNER WHILE THE VEHICLE IS UNDER THE
21 POSSESSION AND CONTROL OF A PERSONAL MOTOR VEHICLE SHARING RENTER OR
22 OTHERWISE UNDER THE CONTROL OF A PERSONAL MOTOR VEHICLE SHARING PROGRAM.
23 NOTHING IN THIS SECTION SHALL LIMIT THE LIABILITY OF THE PROGRAM FOR ITS
24 ACTS OR OMISSIONS, OR LIMIT THE LIABILITY OF THE PERSONAL MOTOR VEHICLE
25 SHARING RENTER FOR THE RENTER'S ACTS OR OMISSIONS, THAT RESULT IN INJURY
26 TO ANY PERSONS AS A RESULT OF THE USE OR OPERATION OF A MOTOR VEHICLE
27 WHILE IN CUSTODY OF A PERSONAL MOTOR VEHICLE SHARING PROGRAM. NOTHING IN
28 THIS SECTION SHALL LIMIT THE ABILITY OF THE PERSONAL MOTOR VEHICLE SHAR-
29 ING PROGRAM TO, BY CONTRACT, SEEK INDEMNIFICATION FROM THE VEHICLE'S
30 REGISTERED OWNER FOR ANY CLAIMS PAID BY THE PERSONAL MOTOR VEHICLE SHAR-
31 ING PROGRAM FOR ANY LOSS OR INJURY RESULTING FROM FRAUD OR MATERIAL
32 INTENTIONAL MISREPRESENTATION BY THE PERSONAL MOTOR VEHICLE SHARING
33 OWNER, PROVIDED THAT THE PERSONAL MOTOR VEHICLE SHARING PROGRAM
34 DISCLOSES IN THE CONTRACT THAT:

35 (1) THE PERSONAL MOTOR VEHICLE SHARING PROGRAM IS ENTITLED TO SEEK
36 INDEMNIFICATION IN THESE CIRCUMSTANCES; AND

37 (2) THE PERSONAL MOTOR VEHICLE SHARING OWNER'S INSURANCE POLICY MAY
38 NOT PROVIDE DEFENSE OR INDEMNIFICATION FOR ANY LOSS OR INJURY RESULTING
39 FROM FRAUD OR MATERIAL INTENTIONAL MISREPRESENTATION. FOR THE PURPOSES
40 OF THIS SECTION A VEHICLE OWNER'S PARTICIPATION IN THE PERSONAL MOTOR
41 VEHICLE SHARING PROGRAM WILL NOT CONSTITUTE A FRAUD OR A MATERIAL
42 MISREPRESENTATION.

43 (C) A PROGRAM'S GROUP POLICY SHALL PROVIDE COVERAGE DURING THE SHARING
44 PERIOD AS RECORDED IN THE PROGRAM'S RECORDS FOR A PERSONAL MOTOR VEHICLE
45 SHARING OWNER'S MOTOR VEHICLE REGISTERED IN THIS STATE, FROM WHEN THE
46 RENTER TAKES POSSESSION AND CONTROL OF THE SHARED VEHICLE, OR WHEN
47 OTHERWISE UNDER THE CONTROL OF THE PROGRAM AND THE PROGRAM SHALL CONTIN-
48 UE TO BE LIABLE PURSUANT TO THIS SECTION UNTIL THE PERSONAL PASSENGER
49 MOTOR VEHICLE IS RETURNED TO A LOCATION AGREED TO BY THE PERSONAL MOTOR
50 VEHICLE SHARING OWNER AND RENTER, OR DESIGNATED BY THE PROGRAM. THE
51 SHARED VEHICLE WILL BE DEEMED TO BE IN CONTROL BY THE PROGRAM UNTIL THE
52 VEHICLE HAS BEEN RETURNED TO THE AGREED UPON LOCATION, IRRESPECTIVE OF
53 ANY TEMPORAL RESERVATION PERIOD.

54 (D) THE INSURER OR INSURERS PROVIDING GROUP LIABILITY INSURANCE TO THE
55 PERSONAL MOTOR VEHICLE SHARING PROGRAM PURSUANT TO SUBSECTION (A) OF
56 SECTION THREE THOUSAND FIVE HUNDRED FOUR OF THIS ARTICLE AND GROUP PHYS-

1 ICAL DAMAGE INSURANCE TO THE PERSONAL MOTOR VEHICLE SHARING PROGRAM
2 PURSUANT TO SUBSECTION (D) OF SECTION THREE THOUSAND FIVE HUNDRED FOUR
3 OF THIS ARTICLE SHALL ASSUME LIABILITY FOR A CLAIM IN WHICH A DISPUTE
4 EXISTS REGARDING WHO WAS IN CONTROL OF THE VEHICLE WHEN THE LOSS
5 OCCURRED GIVING RISE TO THE CLAIM, AND THE PERSONAL MOTOR VEHICLE SHAR-
6 ING OWNER'S PRIVATE PASSENGER MOTOR VEHICLE INSURER SHALL INDEMNIFY THE
7 PERSONAL MOTOR VEHICLE SHARING PROGRAM'S GROUP INSURER OR INSURERS TO
8 THE EXTENT OF ITS OBLIGATION UNDER THE APPLICABLE INSURANCE POLICY, IF
9 IT IS DETERMINED THAT THE PERSONAL MOTOR VEHICLE SHARING OWNER WAS IN
10 CONTROL OF THE VEHICLE AT THE TIME OF THE LOSS. SUCH A DISPUTE AS TO
11 CONTROL SHALL BE ADJUDICATED PURSUANT TO SUBSECTION (B) OF SECTION FIVE
12 THOUSAND ONE HUNDRED FIVE OF THIS CHAPTER. THE PERSONAL MOTOR VEHICLE
13 SHARING PROGRAM SHALL NOTIFY THE PERSONAL MOTOR VEHICLE SHARING OWNER'S
14 PRIVATE INSURER OF ANY SUCH DISPUTE WITHIN FIFTEEN BUSINESS DAYS OF
15 BECOMING AWARE THAT SUCH A DISPUTE EXISTS.

16 (E) IN THE EVENT THAT A PERSONAL MOTOR VEHICLE SHARING OWNER OR A
17 PERSONAL MOTOR VEHICLE SHARING OWNER'S INSURER IS NAMED AS A DEFENDANT
18 IN A CIVIL ACTION FOR A LOSS OR INJURY THAT OCCURS DURING ANY TIME WITH-
19 IN THE SHARING PERIOD, OR OTHERWISE UNDER THE CONTROL OF A PERSONAL
20 MOTOR VEHICLE SHARING PROGRAM, THE PERSONAL MOTOR VEHICLE SHARING
21 PROGRAM'S GROUP LIABILITY INSURANCE INSURER UNDER SUBSECTION (A) OF
22 SECTION THREE THOUSAND FIVE HUNDRED FOUR OF THIS ARTICLE SHALL HAVE THE
23 DUTY TO DEFEND AND INDEMNIFY THE PERSONAL MOTOR VEHICLE SHARING OWNER
24 AND THE PERSONAL MOTOR VEHICLE SHARING OWNER'S INSURER, SUBJECT TO THE
25 PROVISIONS OF SUBSECTIONS (B) AND (D) OF THIS SECTION. THE PERSONAL
26 MOTOR VEHICLE SHARING PROGRAM SHALL NOTIFY THE PERSONAL PASSENGER MOTOR
27 VEHICLE'S PRIVATE OWNER AND HIS OR HER PRIVATE INSURANCE OF THE PROGRAM
28 INSURER'S DUTY TO DEFEND AND INDEMNIFY WITHIN FIFTEEN DAYS OF THE DUTY.

29 (F) NO PERSONAL MOTOR VEHICLE SHARING OWNER'S POLICY OF INSURANCE THAT
30 IS SUBJECT TO SECTION THREE THOUSAND FOUR HUNDRED TWENTY-FIVE OF THIS
31 CHAPTER SHALL BE CANCELLED, VOIDED, TERMINATED, RESCINDED, OR NON-RE-
32 NEWED, SOLELY ON THE BASIS THAT THE PERSONAL PASSENGER MOTOR VEHICLE HAS
33 BEEN MADE AVAILABLE FOR PERSONAL VEHICLE SHARING PURSUANT TO A PERSONAL
34 VEHICLE SHARING PROGRAM THAT IS IN COMPLIANCE WITH THE PROVISIONS OF
35 THIS SECTION. FOR THE PURPOSES OF THIS SECTION PARTICIPATION IN THE
36 PERSONAL MOTOR VEHICLE SHARING PROGRAM SHALL NOT CONSTITUTE FRAUD OR
37 MISREPRESENTATION BY THE VEHICLE OWNER. PROVIDED, HOWEVER THAT THE
38 PROVISIONS OF THIS SUBSECTION SHALL NOT PERTAIN TO CANCELLATIONS IN
39 ACCORDANCE WITH THE PROVISIONS OF SUBSECTION (F) OF SECTION THREE THOU-
40 SAND FOUR HUNDRED TWENTY-FIVE OF THIS CHAPTER.

41 S 3504. GROUP INSURANCE FOR PERSONAL MOTOR VEHICLE SHARING PROGRAMS.

42 (A) AN INSURER WHICH IS AUTHORIZED OR ELIGIBLE TO DO BUSINESS IN THE
43 STATE MAY ISSUE, OR ISSUE FOR DELIVERY IN THIS STATE, A GROUP POLICY OF
44 LIABILITY AND PROPERTY AND CASUALTY INSURANCE TO A PERSONAL MOTOR VEHI-
45 CLE SHARING PROGRAM TO INSURE THE PERSONAL MOTOR VEHICLE SHARING
46 PROGRAM, RENTERS, AUTHORIZED OPERATORS AND OCCUPANTS OF THE PERSONAL
47 PASSENGER MOTOR VEHICLE, AS WELL AS THE PROGRAM'S AGENTS, EMPLOYEES,
48 DIRECTORS, OFFICERS AND ASSIGNS; AND

49 (1) SUCH GROUP POLICY SHALL PROVIDE FIRST PARTY COVERAGE, LIABILITY,
50 PROPERTY, COMPREHENSIVE, COLLISION, AND UNINSURED/UNDERINSURED MOTORIST
51 COVERAGE FOR THE PERSONAL PASSENGER MOTOR VEHICLE AND ITS RENTERS,
52 AUTHORIZED OPERATORS AND OCCUPANTS FOR CLAIMS AND DAMAGES RESULTING FROM
53 THE USE OR OPERATION OF THAT VEHICLE DURING THE SHARING PERIOD;

54 (2) SUCH GROUP POLICY SHALL BE PRIMARY WITH RESPECT TO ANY OTHER
55 INSURANCE AVAILABLE TO THE PERSONAL MOTOR VEHICLE SHARING OWNER AND

1 SHALL BE PRIMARY OVER ANY OTHER INSURANCE AVAILABLE TO THE PERSONAL
2 MOTOR VEHICLE SHARING RENTER;

3 (3) SUCH INSURER SHALL COMPLY WITH THE PROVISIONS OF SECTIONS THREE
4 HUNDRED TWELVE-A AND THREE HUNDRED THIRTEEN OF THE VEHICLE AND TRAFFIC
5 LAW; AND

6 (4) FOR THE PURPOSES OF GROUP INSURANCE WRITTEN UNDER THIS SECTION
7 ONLY, THE RATES CHARGED BY THE INSURER FOR GROUP LIABILITY INSURANCE AS
8 PROVIDED FOR IN THIS SECTION SHALL BE SUBJECT TO PRIOR APPROVAL IN
9 ACCORDANCE WITH SUBSECTION (B) OF SECTION TWO THOUSAND THREE HUNDRED
10 FIVE OF THIS CHAPTER.

11 (B) AN INSURER WHICH ISSUES AN INSURANCE POLICY DESCRIBED IN
12 SUBSECTION (A) OF THIS SECTION SHALL ISSUE SUCH POLICY IDENTIFYING THE
13 PERSONAL MOTOR VEHICLE SHARING PROGRAM AS THE NAMED INSURED; AND ANY
14 SUCH GROUP POLICY SHALL INCLUDE A PROVISION THAT PROVIDES COVERAGE,
15 WITHOUT PRIOR NOTICE TO THE INSURER, FOR ALL PERSONAL PASSENGER MOTOR
16 VEHICLES DURING THE SHARING PERIOD AND SUCH POLICY SHALL FURTHER INCLUDE
17 A PROVISION THAT SUCH VEHICLES' RENTERS, AUTHORIZED OPERATORS AND OCCU-
18 PANTS ARE INCLUDED AS INSURED UNDER THE POLICY TO THE SAME EXTENT THAT
19 THEY WOULD BE INSURED UNDER A PRIVATE PASSENGER MOTOR VEHICLE POLICY
20 ISSUED PURSUANT TO SECTION THREE THOUSAND FOUR HUNDRED TWENTY-FIVE OF
21 THIS CHAPTER AND SECTION THREE HUNDRED ELEVEN OF THE VEHICLE AND TRAFFIC
22 LAW.

23 (C) A GROUP POLICY AS PROVIDED FOR IN SUBSECTIONS (A) AND (B) OF THIS
24 SECTION SHALL ONLY BE ISSUED IN ACCORDANCE WITH THE PROVISIONS OF THIS
25 ARTICLE.

26 (D) AN INSURER WHICH IS AUTHORIZED OR ELIGIBLE TO DO BUSINESS IN THE
27 STATE MAY ISSUE A GROUP POLICY OF PHYSICAL DAMAGE INSURANCE TO A
28 PERSONAL MOTOR VEHICLE SHARING PROGRAM TO INSURE AGAINST PHYSICAL DAMAGE
29 OR LOSS TO PERSONAL PASSENGER MOTOR VEHICLES WHILE SUCH VEHICLES ARE IN
30 THE CUSTODY OF THE PERSONAL MOTOR VEHICLE SHARING PROGRAM, PERSONAL
31 MOTOR VEHICLE SHARING RENTER OR AUTHORIZED OPERATOR. SUCH GROUP POLICY
32 SHALL PROVIDE PRIMARY COVERAGE FOR PHYSICAL DAMAGE OR LOSS EITHER BY
33 COLLISION, COMPREHENSIVE, OR BOTH, TO THE PERSONAL PASSENGER MOTOR VEHI-
34 CLE WHILE IT IS IN THE CUSTODY OF THE PERSONAL MOTOR VEHICLE SHARING
35 PROGRAM, A PERSONAL MOTOR VEHICLE SHARING RENTER OR AUTHORIZED OPERATOR.

36 (E) AN INSURER WHICH ISSUES A GROUP INSURANCE POLICY DESCRIBED IN
37 SUBSECTION (D) OF THIS SECTION SHALL ISSUE SUCH POLICY IDENTIFYING THE
38 PERSONAL MOTOR VEHICLE SHARING PROGRAM AS THE NAMED INSURED, AND ANY
39 SUCH POLICY SHALL INCLUDE A PROVISION THAT PROVIDES PRIMARY COVERAGE,
40 WITHOUT PRIOR NOTICE TO THE INSURER, FOR ALL PERSONAL PASSENGER MOTOR
41 VEHICLES DURING THE SHARING PERIOD, AND SHALL FURTHER INCLUDE A
42 PROVISION THAT CLAIMS WILL BE ADJUSTED PURSUANT TO SECTION THREE THOU-
43 SAND FOUR HUNDRED TWELVE OF THIS CHAPTER, AND IT SHALL FURTHER INCLUDE
44 PHYSICAL DAMAGE COVERAGE FOR DAMAGE OR LOSS TO THE OWNER'S PERSONAL
45 PASSENGER MOTOR VEHICLE INCURRED DURING THE SHARING PERIOD AT A LEVEL NO
46 LESS THAN THAT OF THIRD PARTY PHYSICAL DAMAGE COVERAGE.

47 (F) A GROUP POLICY AS PROVIDED FOR IN SUBSECTIONS (D) AND (E) OF THIS
48 SECTION SHALL ONLY BE ISSUED IN ACCORDANCE WITH THE PROVISIONS OF THIS
49 SECTION.

50 (G) A GROUP POLICY SHALL NOT HAVE ANY DEDUCTIBLE OR ASSOCIATED FEES
51 EXCEEDING FIVE HUNDRED DOLLARS.

52 S 3. Subdivision 4 of section 311 of the vehicle and traffic law is
53 amended by adding a new paragraph (e) to read as follows:

54 (E) IN THE CASE OF A PERSONAL PASSENGER MOTOR VEHICLE THAT IS USED IN
55 CONNECTION WITH A PERSONAL MOTOR VEHICLE SHARING PROGRAM, A GROUP INSUR-
56 ANCE POLICY ISSUED PURSUANT TO SECTION THREE THOUSAND FIVE HUNDRED FOUR

1 OF THE INSURANCE LAW ON SUCH VEHICLE AND TO THE RENTERS AND AUTHORIZED
2 OPERATORS OF SUCH VEHICLES SHALL BE VALID FOR ANY TIME THAT THE VEHICLE
3 IS BEING USED IN CONNECTION WITH SUCH PERSONAL MOTOR VEHICLE SHARING
4 PROGRAM. FOR THE PURPOSES OF THIS PARAGRAPH, THE TERMS "PERSONAL PASSENGER
5 MOTOR VEHICLE" AND "PERSONAL MOTOR VEHICLE SHARING PROGRAM" SHALL
6 HAVE THE SAME MEANING AS SUCH TERMS ARE DEFINED BY SECTION THREE THOUSAND
7 FIVE HUNDRED ONE OF THE INSURANCE LAW.

8 S 4. Section 312 of the vehicle and traffic law is amended by adding a
9 new subdivision 1-a to read as follows:

10 1-A. IN THE CASE OF FINANCIAL SECURITY PROCURED BY A PERSONAL MOTOR
11 VEHICLE SHARING PROGRAM AS SET FORTH IN SECTION THREE THOUSAND FIVE
12 HUNDRED FOUR OF THE INSURANCE LAW, THE PROGRAM SHALL PROVIDE THE COMMISSIONER
13 WITH PROOF OF FINANCIAL SECURITY IN THE FORM OF A GROUP INSURANCE
14 POLICY COVERING ITSELF AND THE OWNERS OF ALL MOTOR VEHICLES REGISTERED
15 IN THIS STATE THAT PARTICIPATE IN THE PROGRAM AS INSURED GROUP MEMBERS,
16 COVERING THOSE VEHICLES WHILE THEY ARE BEING USED IN CONJUNCTION WITH
17 THAT PROGRAM. NOTWITHSTANDING THE FOREGOING, NOTHING CONTAINED IN THIS
18 SUBDIVISION SHALL BE DEEMED TO SUPERSEDE THE REQUIREMENTS OF SUBDIVISION
19 ONE OF THIS SECTION.

20 S 5. Subdivision 1 of section 312-a of the vehicle and traffic law, as
21 amended by chapter 781 of the laws of 1983, is amended to read as
22 follows:

23 1. Upon issuance of an owner's policy of liability insurance, A GROUP
24 LIABILITY INSURANCE POLICY ISSUED TO A PERSONAL MOTOR VEHICLE SHARING
25 PROGRAM PURSUANT TO SECTION THREE THOUSAND FIVE HUNDRED FOUR OF THE
26 INSURANCE LAW or other financial security required by this chapter, an
27 insurer shall issue proof of insurance in accordance with the regulations
28 promulgated by the commissioner pursuant to paragraph (b) of
29 subdivision two of section three hundred thirteen of this article.

30 S 6. Paragraphs (a) and (b) of subdivision 2 of section 313 of the
31 vehicle and traffic law, as amended by chapter 509 of the laws of 1998,
32 are amended to read as follows:

33 (a) Upon the termination of an owner's policy of liability insurance
34 OR A GROUP LIABILITY INSURANCE POLICY ISSUED TO A PERSONAL MOTOR VEHICLE
35 SHARING PROGRAM PURSUANT TO SECTION THREE THOUSAND FIVE HUNDRED FOUR OF
36 THE INSURANCE LAW, other than an owner's policy of liability insurance
37 for a motorcycle, at the request of the insured or by cancellation by
38 the insurer, the insurer shall file a notice of termination with reference
39 to such policy, as opposed to any insured vehicle or vehicles under
40 such policy, with the commissioner not later than thirty days following
41 the effective date of such cancellation or other termination, in accordance
42 with the regulations required by paragraph (c) of this subdivision.
43 An insurer shall not file a notice of termination with the commissioner
44 except as required by this subdivision.

45 (b) Upon the issuance of an owner's policy of liability insurance OR A
46 GROUP LIABILITY INSURANCE POLICY ISSUED TO A PERSONAL MOTOR VEHICLE
47 SHARING PROGRAM PURSUANT TO SECTION THREE THOUSAND FIVE HUNDRED FOUR OF
48 THE INSURANCE LAW, the insurer shall file a notice or confirmation of
49 issuance with reference to such policy not later than fourteen days
50 following the effective date of such issuance, and not later than seven
51 days following the effective date for policies issued after January
52 first, two thousand one, in accordance with the regulations required by
53 paragraph (c) of this subdivision.

54 S 7. Consent orders. All consent orders agreed to by the department of
55 financial services, concerning allegations of unauthorized and/or unlawful
56 operation of a car sharing program in the state of New York, and

1 involving incidents which allegedly occurred prior to the effective date
2 of this act, shall be deemed, satisfied, expired, discontinued and non-
3 renewable by all parties, on and after the effective date of this act.
4 S 8. This act shall take effect immediately.