

STATE OF NEW YORK

5941--A

2025-2026 Regular Sessions

IN SENATE

March 4, 2025

Introduced by Sens. SKOUFIS, ADDABBO, BAILEY, BASKIN, CLEARE, COMRIE, COONEY, FERNANDEZ, GOUNARDES, 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

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:

- 1 Section 1. Subdivision 2 of section 901 of the general business law,
2 as amended by chapter 129 of the laws of 2022, is amended to read as
3 follows:
- 4 2. A peer-to-peer car sharing program administrator, during each peer-
5 to-peer car sharing period for each shared vehicle that it facilitates
6 the use and operation of, shall maintain insurance that provides finan-
7 cial responsibility coverage as follows:
- 8 (a) provide insurance coverage that satisfies the financial responsi-
9 bility requirements set forth in the definition of "owners' policy of
10 liability insurance" in subdivision four of section three hundred eleven
11 of the vehicle and traffic law;
- 12 (b) provide insurance coverage that satisfies the financial responsi-
13 bility requirements set forth in section three thousand four hundred
14 twenty of the insurance law, article fifty-one of the insurance law and
15 such other requirements, rules or regulations that may apply for the
16 purposes of satisfying the financial responsibility requirements with
17 respect to the use or operation of a motor vehicle;
- 18 [~~(b) maintain additional insurance against loss from the liability~~
19 ~~imposed by law for damages during the car sharing period, including~~
20 ~~damages for care and loss of services, because of bodily injury to or~~
21 ~~death of any person and injury to or destruction of property arising out~~

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

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~~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;~~

~~(e) 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;

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

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

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

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

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

21 § 2131. Limited license for rental vehicle companies, peer-to-peer car
22 sharing program administrators, wireless communications equipment
23 vendors and self-service storage companies. (a) The superintendent may
24 issue to a rental vehicle company, a peer-to-peer car sharing program
25 administrator, a wireless communications equipment vendor, a self-ser-
26 vice storage company or to a franchisee of a rental vehicle company, a
27 wireless communications equipment vendor, or a self-service storage
28 company which has complied with the requirements of this section, a
29 limited license authorizing the licensee, known as a "limited licensee"
30 for the purpose of this article, to act as agent, with reference to the
31 kinds of insurance specified in this section, of any insurer authorized
32 to write such kinds of insurance in this state.

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

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

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

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

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

54 (2) after notice and hearing impose such other penalties, including
55 suspending the transaction of insurance at specific locations where

1 violations of this article have occurred, as the superintendent deems
2 necessary or convenient to carry out the purposes of this section.

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

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

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

22 (B) accident and health insurance that provides coverage to renters
23 and other vehicle occupants, in excess to the standard first party bene-
24 fits provided pursuant to article fifty-one of this chapter, for acci-
25 dental death and/or dismemberment and for medical expenses resulting
26 from an accident that occurs during the rental period or during the
27 peer-to-peer car sharing period;

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

33 (D) any other coverage [~~which~~] that the superintendent may approve as
34 meaningful and appropriate in connection with the rental of motor vehi-
35 cles; or

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

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

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

51 (B) any other coverage that the superintendent may approve as meaning-
52 ful and appropriate in connection with the rental of storage space.

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

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

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

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

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

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

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

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

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

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

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

33 (f) Rates and forms for insurance under this section shall be subject
34 to article twenty-three of this chapter. Any brochures or other written
35 materials used in connection with insurance under this section shall be
36 filed with the superintendent for review and shall include disclosure of
37 the claims filing process, premium, deductible amounts and limits and
38 shall be prominently displayed in the brochure or other written materi-
39 als with at least twelve-point type bold headings. Any such brochures
40 or other written materials shall also be subject to section three thou-
41 sand one hundred two of this chapter, provided, however, that any poli-
42 cy, certificate or other evidence of insurance coverage, whether or not
43 contained in such brochure, shall not be subject to section three thou-
44 sand one hundred two of this chapter, but shall be written in a clear
45 and coherent manner and whenever practicable shall use words with common
46 and everyday meaning to facilitate readability and to aid the policy-
47 holder in understanding the coverage provided.

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

53 (h) Each company or franchisee licensed pursuant to this section shall
54 conduct a training program, which shall be submitted to the superinten-
55 dent for approval prior to use, and which shall meet the following mini-
56 mum standards:

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

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

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

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

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

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

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

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

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

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

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

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