

**ONE HUNDRED EIGHTH LEGISLATURE - SECOND SESSION - 2024**  
**COMMITTEE STATEMENT**  
**LB446**

---

**Hearing Date:** Monday March 13, 2023  
**Committee On:** Banking, Commerce and Insurance  
**Introducer:** Bostar  
**One Liner:** Adopt the Peer-to-Peer Vehicle Sharing Program Act

---

**Roll Call Vote - Final Committee Action:**  
Advanced to General File with amendment(s)

---

**Vote Results:**  
**Aye:** 8 Senators Aguilar, Ballard, Bostar, Dungan, Jacobson, Kauth, Slama, von Gillern  
**Nay:**  
**Absent:**  
**Present Not Voting:**

---

**Testimony:**

**Proponents:**  
Senator Eliot Bostar  
Kyndell Gaglio

**Representing:**  
Opening Presenter  
TURO

**Opponents:**  
John Fowles

**Representing:**  
NATA

**Neutral:**  
Ryan McIntosh  
Brad Nail

**Representing:**  
Nebraska Bankers Association  
Enterprise Holdings

\* ADA Accommodation Written Testimony

---

**Summary of purpose and/or changes:**

LB446 would adopt the Peer-to-Peer Vehicle Sharing Program Act (Act). The Act provides the regulatory framework for the emerging vehicle sharing economy and determines the priority of insurance liability during a peer-to-peer vehicle sharing period. The bill would provide, section by section, as follows:

Section 1 states the sections that will make up the Act.

Section 2 defines the terms used in the Act.

Section 3 states that unless a specific exception in the section applies, a peer-to-peer vehicle sharing program shall assume financial liability on behalf of an owner for any claim for bodily injury or property damage to third parties or uninsured and underinsured motorist losses during the sharing period in an



amount stated in the agreement. Such amount shall not be less than the amount required in section 60-310.

The section also states what the specific financial liability exceptions are and states that the assumption of financial liability the section applies to bodily injury, property damage, and uninsured and underinsured motorist losses by injured third parties.

Section 4 is a section of the Act dealing with required motorist insurance on vehicles utilized under the Act. It states that a program shall require, during each sharing period, that the owner and driver are insured under a motor vehicle liability insurance policy and provides for what that policy must include. It also provides for how that financial responsibility can be proven to satisfy the Act. The section also states under what conditions the insurer, insurers, or program will assume primary financial responsibility.

The section also provides for what happens in the event of a lapsed or unprovided financial responsibility situation.

The section also states that financial responsibility maintained by the program shall not be dependent on another insurer first denying a claim, nor shall another motor vehicle liability insurance policy be required to first deny a claim.

Finally, the section states that nothing in the Act, limits the liability of a program for any act or omission of the program itself that results in injury or economic loss to any person as a result of the use of a vehicle through the program; or limits the ability of a program, by contract, to seek indemnification from an owner or a driver for economic loss sustained by the program resulting from a breach of the terms and conditions of an agreement by such owner or driver.

Section 5 states that at the time an owner makes a vehicle available for use through a program and immediately prior to each time such owner offers such vehicle for use through such program, the program shall notify the owner that if the vehicle has a lien against it, the use of the vehicle through the program, including such use without physical damage insurance coverage, may violate the terms of the contract with the lienholder.

Section 6 states when and under what conditions an authorized insurer that writes motor vehicle liability insurance in Nebraska may exclude coverage and the duty to defend or indemnify for claims afforded under the owner's motor vehicle liability insurance policy. The section also provides a list of insurance coverage that may be excluded.

The section also states that nothing in the section invalidates, limits, or restricts an insurer's ability under existing law to underwrite any insurance policy and that nothing in the Act invalidates, limits, or restricts an insurer's ability to cancel and non renew insurance policies.

Section 7 provides for the collection and verification of records by the program as pertains to the use of the vehicle. The section also states to whom and when those records may be disclosed. Finally, the section provides for a retention period of not less than four years for said records.

Section 8 states that an insurer that defends or indemnifies a claim arising from the operation of a vehicle that is excluded under the terms of its policy shall have the right to seek recovery against the motor vehicle insurer of the program if the claim is made against the owner or driver for loss or injury



that occurs during the sharing period.

Section 9 states that a program shall have an insurable interest in a vehicle during the sharing period and that nothing in Section 9 shall impose liability on a program to maintain the coverage required by section 3 or 4 of the Act.

Finally, the section states that a program may own and maintain as the named insured one or more policies of motor vehicle liability insurance that provides coverage for liabilities assumed by the program under an agreement, liability of an owner or driver, or damage or loss to a vehicle.

Section 10 states that a program and an owner shall be exempt from vicarious liability in accordance with 49 U.S.C. 30106(a), as such section existed on January 1, 2023, and under any state or local law that imposes liability solely based on vehicle ownership.

Section 11 states what mandatory disclosures must be made to each owner and driver, and what mandatory disclosures must be made to each driver.

Section 12 states that a program shall have sole responsibility for any equipment, such as a global positioning system or other special equipment, that is put in or on a vehicle to monitor or facilitate sharing and shall agree to indemnify and hold harmless the owner for any damage to or theft of such equipment during the sharing period not caused by the owner. The section also states that a program has the right to seek indemnity from a driver for any loss or damage to such equipment that occurs during the sharing period.

Section 13 provides that certain required safety related actions be taken by the program in regards to the vehicle being used in the program.

Section 14 provides the conditions for when a program shall not enter into an agreement with a driver and provides for certain record keeping requirements of the program.

Section 15 states that nothing in the Act shall be construed to limit the powers of an airport authority under Nebraska law.

Section 16 states that the act becomes operative on January 1, 2024.

---

**Explanation of amendments:**

AM 366 amends LB 446 by expanding the definition of vehicle under the Act to also exclude any commercial motor vehicle as defined in Neb. Rev. Stat. 60-465, or any vehicle subject to Neb. Rev. Stat. 75-363.

---

Julie Slama, Chairperson

