



Sen. Napoleon Harris, III

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10200SB2403sam002

LRB102 15877 RAM 25391 a

1 AMENDMENT TO SENATE BILL 2403

2 AMENDMENT NO. _____. Amend Senate Bill 2403, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 1. Short title. This Act may be cited as the
6 Car-Sharing Program Act.

7 Section 5. Definitions. As used in this Act:

8 "Peer-to-peer car sharing" means the authorized use of a
9 vehicle by an individual other than the vehicle's owner
10 through a car-sharing program. "Peer-to-peer car sharing" does
11 not include "rent a motor vehicle to another" within the
12 meaning of in Section 6-305 of the Illinois Vehicle Code; a
13 transaction involving a "rental agreement" as defined in
14 Section 10 of the Renter's Financial Responsibility and
15 Protection Act; or "renting" as defined in Section 2 of the
16 Automobile Renting Occupation and Use Tax Act.

1 "Car-sharing agreement" means the terms and conditions
2 applicable to a shared-vehicle owner and a shared-vehicle
3 driver that govern the use of a shared vehicle through a
4 car-sharing program. "Car-sharing agreement" does not include
5 a "rental agreement" as defined in Section 10 of the Renter's
6 Financial Responsibility and Protection Act, a "rental
7 agreement" within the meaning of Section 6-305.2 of the
8 Illinois Vehicle Code, or a "rental agreement" as defined in
9 Section 6-305.3 of the Illinois Vehicle Code.

10 "Car-sharing period" means the period that commences with
11 the delivery period, or, if there is no delivery period, that
12 commences with the car-sharing start time and in either case
13 ends at the car-sharing termination time.

14 "Car-sharing program" means a business platform that
15 connects vehicle owners with drivers to enable the sharing of
16 vehicles for financial consideration. "Car-sharing program"
17 does not include a "rental company" as defined in Section 10 of
18 the Renter's Financial Responsibility and Protection Act;
19 "rentor" as defined in Section 2 of the Automobile Renting
20 Occupation and Use Tax Act; a person or entity whose business
21 is to "rent a motor vehicle" to another person within the
22 meaning of Section 6-305 or 6-305.2 of the Illinois Vehicle
23 Code; or a "rental car company" as that term is used in Section
24 6-305 of the Illinois Vehicle Code. A "car-sharing program" is
25 not "engaged in the business of renting automobiles" within
26 the meaning of Section 5-1032 of the Counties Code or Section

1 8-11-7 of the Illinois Municipal Code.

2 "Car-sharing start time" means the time when the shared
3 vehicle becomes subject to the control of the shared-vehicle
4 driver at or after the time the reservation of a shared vehicle
5 is scheduled to begin as documented in the records of a
6 car-sharing program.

7 "Car-sharing termination time" means the earliest of the
8 following events:

9 (1) the expiration of the agreed-upon period
10 established for the use of a shared vehicle according to
11 the terms of the car-sharing agreement if the shared
12 vehicle is delivered to the location agreed upon in the
13 car-sharing agreement;

14 (2) the time the shared vehicle is returned to a
15 location as alternatively agreed upon by the
16 shared-vehicle owner and shared-vehicle driver as
17 communicated through a car-sharing program, which
18 alternatively agreed upon location shall be incorporated
19 into the car-sharing agreement; or

20 (3) the time the shared-vehicle owner or the
21 shared-vehicle owner's authorized designee takes
22 possession and control of the shared vehicle.

23 "Delivery period" means the period during which a shared
24 vehicle is being delivered to the location of the car-sharing
25 start time, if applicable, as documented by the governing
26 car-sharing agreement.

1 "Shared vehicle" means a vehicle that is available for
2 sharing through a car-sharing program. "Shared vehicle" does
3 not include a rental vehicle within the meaning of Section
4 6-305.2 of the Illinois Vehicle Code.

5 "Shared-vehicle driver" means an individual who has been
6 authorized to drive the shared vehicle by the shared-vehicle
7 owner under a car-sharing agreement.

8 "Shared-vehicle owner" means the registered owner, or a
9 person or entity designated by the registered owner, of a
10 vehicle made available for sharing to shared-vehicle drivers
11 through a car-sharing program. "Shared-vehicle owner" does not
12 include a "rental company" as defined in Section 10 of the
13 Renter's Financial Responsibility and Protection Act; a
14 "rentor" as defined in Section 2 of the Automobile Renting
15 Occupation and Use Tax Act; a person or entity whose business
16 is to "rent a motor vehicle" to another person within the
17 meaning of Section 6-305 or 6-305.2 of the Illinois Vehicle
18 Code; or a "rental car company" as that term is used in Section
19 6-305 of the Illinois Vehicle Code. A "shared-vehicle owner"
20 is not "engaged in the business of renting automobiles" within
21 the meaning of Section 5-1032 of the Counties Code or Section
22 8-11-7 of the Illinois Municipal Code.

23 Section 10. Insurance coverage during car-sharing period.

24 (a) Except as provided in subsection (b), a car-sharing
25 program shall assume liability of a shared-vehicle owner for

1 bodily injury or property damage to third parties or uninsured
2 and underinsured motorist or personal injury protection losses
3 during the car-sharing period in an amount stated in the
4 car-sharing agreement, which amount may not be less the
5 amounts set forth in subsection (d) with respect to
6 shared-vehicle owners.

7 (b) Notwithstanding the definition of "car-sharing
8 termination time" set forth in Section 5, the assumption of
9 liability under subsection (a) does not apply to any
10 shared-vehicle owner when:

11 (1) the shared-vehicle owner makes an intentional or
12 fraudulent material misrepresentation or omission to the
13 car-sharing program before the car-sharing period in which
14 the loss occurred; or

15 (2) the shared-vehicle owner acts in concert with a
16 shared-vehicle driver who fails to return the shared
17 vehicle pursuant to the terms of car-sharing agreement.

18 (c) Notwithstanding the definition of "car-sharing
19 termination time" set forth in Section 5, the assumption of
20 liability under subsection (a) applies to bodily injury,
21 property damage, and uninsured and underinsured motorist or
22 personal injury protection losses by damaged third parties
23 required by Section 7-601 of the Illinois Vehicle Code.

24 (d) A car-sharing program shall ensure that, during each
25 car-sharing period, the shared-vehicle owner and the
26 shared-vehicle driver are insured under a motor vehicle

1 liability insurance policy that provides insurance coverage in
2 amounts that for the shared-vehicle driver, are equal to 2
3 times, and for the shared-vehicle owner, are equal to 3 times,
4 the minimum amounts set forth in Section 7-601 of the Illinois
5 Vehicle Code and:

6 (1) recognizes that the shared vehicle insured under
7 the policy is made available and used through a
8 car-sharing program; or

9 (2) does not exclude use of a shared vehicle by a
10 shared-vehicle driver.

11 (e) The insurance described under subsection (d) may be
12 satisfied by motor vehicle liability insurance maintained by:

13 (1) a shared-vehicle owner;

14 (2) a shared-vehicle driver;

15 (3) a car-sharing program; or

16 (4) a combination of a shared-vehicle owner, a
17 shared-vehicle driver, and a car-sharing program.

18 (f) The insurance described in subsection (e) that is
19 satisfying the insurance requirement of subsection (d) shall
20 be primary during each car-sharing period, and if a claim
21 occurs in another state with minimum financial responsibility
22 limits higher than those set forth in Section 7-601 of the
23 Illinois Vehicle Code during the car-sharing period, the
24 coverage maintained under subsection (e) shall satisfy the
25 difference in minimum coverage amounts up to the applicable
26 policy limits.

1 (g) The insurer, insurers, or car-sharing program shall
2 assume primary liability for a claim if it is in whole or in
3 part providing the insurance required under subsections (d)
4 and (e) and:

5 (1) a dispute exists regarding who was in control of
6 the shared vehicle at the time of the loss and the
7 car-sharing program does not have available, did not
8 retain, or fails to provide the information required by
9 Section 25; or

10 (2) a dispute exists as to whether the shared vehicle
11 was returned to the alternatively agreed-upon location
12 referenced in Section 5.

13 (h) If insurance maintained by a shared-vehicle owner or
14 shared-vehicle driver in accordance with subsection (e) has
15 lapsed or does not provide the required coverage, insurance
16 maintained by a car-sharing program shall provide the coverage
17 required by subsection (d) beginning with the first dollar of
18 a claim and shall have the duty to defend the claim except
19 under circumstances as set forth in subsection (b).

20 (i) An insurance policy maintained by the car-sharing
21 program shall not make the coverage dependent on another
22 automobile insurer or policy first denying a claim.

23 (j) Nothing in this Section:

24 (1) limits the liability of the car-sharing program
25 for any act or omission of the car-sharing program itself
26 that results in injury to any person as a result of the use

1 of a shared vehicle through a car-sharing program; or
2 (2) limits the ability of the car-sharing program to,
3 by contract, seek indemnification from the shared-vehicle
4 owner or the shared-vehicle driver for economic loss
5 sustained by the car-sharing program resulting from a
6 breach of the terms and conditions of the car-sharing
7 agreement.

8 Section 15. Notification of implications of lien. At the
9 time a vehicle owner registers as a shared-vehicle owner on a
10 car-sharing program and before the time when the
11 shared-vehicle owner makes a shared vehicle available for car
12 sharing on the car-sharing program, the car-sharing program
13 shall notify the shared-vehicle owner that, if the shared
14 vehicle has a lien against it, the use of the shared vehicle
15 through a car-sharing program, including use without physical
16 damage coverage, may violate the terms of the contract with
17 the lienholder.

18 Section 20. Exclusions in motor vehicle liability
19 insurance policies.

20 (a) An authorized insurer that writes motor vehicle
21 liability insurance in this State may exclude any coverage and
22 the duty to defend or indemnify for any claim afforded under a
23 shared-vehicle owner's motor vehicle liability insurance
24 policy, including, but not limited to:

- 1 (1) liability coverage for bodily injury and property
2 damage;
- 3 (2) uninsured and underinsured motorist coverage;
- 4 (3) medical payments coverage;
- 5 (4) comprehensive physical damage coverage; and
- 6 (5) collision physical damage coverage.

7 (b) Nothing in this Act invalidates or limits an exclusion
8 contained in a motor vehicle liability insurance policy,
9 including any insurance policy in use or approved for use that
10 excludes coverage for motor vehicles made available for rent,
11 sharing, or hire, or for any business use.

12 (c) Nothing in this Act invalidates, limits, or restricts
13 an insurer's ability under existing law to underwrite any
14 insurance policy. Nothing in this Act invalidates, limits, or
15 restricts an insurer's ability under existing law to cancel
16 and non-renew policies.

17 Section 25. Recordkeeping; use of vehicle in car sharing.
18 A car-sharing program shall collect and verify records
19 pertaining to the use of a vehicle, including, but not limited
20 to, times used, car-sharing period pick up and drop off
21 locations, fees paid by the shared-vehicle driver, and
22 revenues received by the shared-vehicle owner, and the
23 car-sharing program shall provide that information upon
24 request to the shared-vehicle owner, the shared-vehicle
25 owner's insurer, or the shared-vehicle driver's insurer to

1 facilitate a claim coverage investigation, settlement,
2 negotiation, or litigation. The car-sharing program shall
3 retain the records for a period not less than the applicable
4 personal injury statute of limitations.

5 Section 30. Exemption; vicarious liability. A car-sharing
6 program and a shared-vehicle owner shall be exempt from
7 vicarious liability consistent with 49 U.S.C. 30106 and under
8 any State or local law that imposes liability solely based on
9 vehicle ownership.

10 Section 35. Contribution against indemnification. A motor
11 vehicle insurer that defends or indemnifies a claim against a
12 shared vehicle that is excluded under the terms of its policy
13 shall have the right to seek contribution against the motor
14 vehicle insurer of the car-sharing program if the claim is:

15 (1) made against the shared-vehicle owner or the
16 shared-vehicle driver for loss or injury that occurs
17 during the car-sharing period; and

18 (2) excluded under the terms of its policy.

19 Section 40. Insurable interest.

20 (a) Notwithstanding any other law, statute, rule, or
21 regulation to the contrary, a car-sharing program shall have
22 an insurable interest in a shared vehicle during the
23 car-sharing period and may provide or offer to provide

1 coverage to a shared-vehicle owner or a shared-vehicle driver
2 under the policy of insurance described in subsection (c).

3 (b) Nothing in this Section shall be construed as
4 modifying the obligations of the car sharing program pursuant
5 to Section 10.

6 (c) A car-sharing program may own and maintain, as the
7 named insured, one or more policies of motor vehicle liability
8 insurance that separately or in combination provides coverage
9 for:

10 (1) liabilities assumed by the car-sharing program
11 under a car-sharing agreement;

12 (2) any liability of the shared-vehicle owner;

13 (3) damage or loss to the shared vehicle; or

14 (4) any liability of the shared-vehicle driver.

15 Section 45. Consumer protection disclosures. Each
16 car-sharing agreement made in this State shall disclose to the
17 shared-vehicle owner and the shared-vehicle driver:

18 (1) Any right of the car-sharing program to seek
19 indemnification from the shared-vehicle owner or the
20 shared-vehicle driver for economic loss sustained by the
21 car-sharing program resulting from a breach of the terms
22 and conditions of the car-sharing agreement.

23 (2) That a motor vehicle liability insurance policy
24 issued to the shared-vehicle owner for the shared vehicle
25 or to the shared-vehicle driver does not provide a defense

1 or indemnification for any claim asserted by the
2 car-sharing program.

3 (3) That the car-sharing program's insurance coverage
4 on the shared-vehicle owner and the shared-vehicle driver
5 is in effect only during each car-sharing period and that,
6 for any use of the shared vehicle by the shared-vehicle
7 driver after the car-sharing termination time, the
8 shared-vehicle driver and the shared-vehicle owner may not
9 have insurance coverage.

10 (4) The daily rate, fees, and, if applicable, any
11 insurance or protection package costs that are charged to
12 the shared-vehicle owner or the shared-vehicle driver.

13 (5) That the shared-vehicle owner's motor vehicle
14 liability insurance may not provide coverage for a shared
15 vehicle.

16 (6) An emergency telephone number for personnel
17 capable of fielding roadside assistance and other customer
18 service inquiries.

19 (7) If there are conditions under which a
20 shared-vehicle driver shall maintain a personal automobile
21 insurance policy with certain applicable coverage limits
22 on a primary basis in order to book a shared vehicle.

23 Section 50. Driver's license verification and data
24 retention.

25 (a) A car-sharing program may not enter into a car-sharing

1 agreement with a driver unless the driver who will operate the
2 shared vehicle:

3 (1) holds a driver's license issued under the laws of
4 this State that authorizes the driver to operate vehicles
5 of the class of the shared vehicle; or

6 (2) is a nonresident who:

7 (i) has a driver's license issued by the state or
8 country of the driver's residence that authorizes the
9 driver in that state or country to drive vehicles of
10 the class of the shared vehicle; and

11 (ii) is at least the same age as that required of a
12 resident to drive; or

13 (3) otherwise is specifically authorized under the
14 laws of this State to drive vehicles of the class of the
15 shared vehicle.

16 (b) A car-sharing program shall keep a record of:

17 (1) the name and address of the shared-vehicle driver;

18 (2) the number of the driver's license of the
19 shared-vehicle driver and each other person, if any, who
20 will operate the shared vehicle; and

21 (3) the place of issuance of the driver's license.

22 Section 55. Responsibility for equipment. A car-sharing
23 program shall have sole responsibility for any equipment, such
24 as a GPS system or other special equipment, that is put in or
25 on the vehicle to monitor or facilitate the car-sharing

1 transaction, and shall agree to indemnify and hold harmless
2 the vehicle owner for any damage to or theft of such equipment
3 during the car-sharing period not caused by the vehicle owner.
4 The car-sharing program has the right to seek recovery from
5 the shared-vehicle driver for any loss or damage to such
6 equipment that occurs during the car-sharing period.

7 Section 60. Automobile safety recalls.

8 (a) At the time a vehicle owner registers as a
9 shared-vehicle owner on a car-sharing program and before the
10 time the shared-vehicle owner makes a shared vehicle available
11 for car sharing on the car-sharing program, the car-sharing
12 program shall:

13 (1) verify that the shared vehicle does not have any
14 safety recalls on the vehicle for which the repairs have
15 not been made; and

16 (2) notify the shared-vehicle owner of the
17 requirements under subsection (b).

18 (b) (1) If the shared-vehicle owner has received an actual
19 notice of a safety recall on the vehicle, a shared-vehicle
20 owner may not make a vehicle available as a shared vehicle on a
21 car-sharing program until the safety recall repair has been
22 made.

23 (2) If a shared-vehicle owner receives an actual notice of
24 a safety recall on a shared vehicle while the shared vehicle is
25 made available on the car-sharing program, the shared-vehicle

1 owner shall remove the shared vehicle from availability on the
2 car-sharing program, as soon as practicably possible after
3 receiving the notice of the safety recall and until the safety
4 recall repair has been made.

5 (3) If a shared-vehicle owner receives an actual notice of
6 a safety recall while the shared vehicle is being used in the
7 possession of a shared-vehicle driver, as soon as practicably
8 possible after receiving the notice of the safety recall, the
9 shared-vehicle owner shall notify the car-sharing program
10 about the safety recall so that the shared-vehicle owner may
11 address the safety recall repair.

12 Section 99. Effective date. This Act takes effect January
13 1, 2022."