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HOUSE BILL NO. 1539

Offered January 10, 2020

A *BILL to amend and reenact §§ 38.2-2204, 46.2-711, 46.2-908.3, 58.1-1735, 59.1-207.29, 59.1-207.31, and 59.1-207.32 of the Code of Virginia and to amend the Code of Virginia by adding in Chapter 14 of Title 46.2 an article numbered 2, consisting of sections numbered 46.2-1408 through 46.2-1415, and by adding in Chapter 17 of Title 58.1 an article numbered 12, consisting of sections numbered 58.1-1745 through 58.1-1748, relating to peer-to-peer vehicle sharing platforms.*

Patron—Jones

Referred to Committee on Labor and Commerce

Be it enacted by the General Assembly of Virginia:

1. That §§ 38.2-2204, 46.2-711, 46.2-908.3, 58.1-1735, 59.1-207.29, 59.1-207.31, and 59.1-207.32 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Chapter 14 of Title 46.2 an article numbered 2, consisting of sections numbered 46.2-1408 through 46.2-1415, and by adding in Chapter 17 of Title 58.1 an article numbered 12, consisting of sections numbered 58.1-1745 through 58.1-1748, as follows:

§ 38.2-2204. **Liability insurance on motor vehicles, aircraft and watercraft; standard provisions; "omnibus clause."**

A. No policy or contract of bodily injury or property damage liability insurance, covering liability arising from the ownership, maintenance, or use of any motor vehicle, aircraft, or private pleasure watercraft, shall be issued or delivered in this Commonwealth to the owner of such vehicle, aircraft or watercraft, or shall be issued or delivered by any insurer licensed in this Commonwealth upon any motor vehicle, aircraft, or private pleasure watercraft that is principally garaged, docked, or used in this Commonwealth, unless the policy contains a provision insuring the named insured, and any other person using or responsible for the use of the motor vehicle, aircraft, or private pleasure watercraft with the expressed or implied consent of the named insured, against liability for death or injury sustained, or loss or damage incurred within the coverage of the policy or contract as a result of negligence in the operation or use of such vehicle, aircraft, or watercraft by the named insured or by any such person; however, nothing contained in this section shall be deemed to prohibit an insurer from limiting its liability under any one policy for bodily injury or property damage resulting from any one accident or occurrence to the liability limits for such coverage set forth in the policy for any such accident or occurrence or for any one person, regardless of the number of insureds under that policy. Provided that, when one accident or occurrence involves more than one defendant who is covered by the policy, the plaintiff may recover the per person limit of the policy against each such defendant, subject to the per accident or occurrence limit of the policy. Each such policy or contract of liability insurance, or endorsement to the policy or contract, insuring private passenger automobiles, aircraft, or private pleasure watercraft principally garaged, docked, or used in this Commonwealth, that has as the named insured an individual or husband and wife and that includes, with respect to any liability insurance provided by the policy, contract or endorsement for use of a nonowned automobile, aircraft or private pleasure watercraft, any provision requiring permission or consent of the owner of such automobile, aircraft, or private pleasure watercraft for the insurance to apply, shall be construed to include permission or consent of the custodian in the provision requiring permission or consent of the owner.

B. Notwithstanding any requirements in this section to the contrary, an insurer may exclude any person from coverage under a personal umbrella or excess policy, if the exclusion is requested in writing by the first named insured and is acknowledged in writing by the excluded driver.

C. For aircraft liability insurance, such policy or contract may contain the exclusions listed in § 38.2-2227. Notwithstanding the provisions of this section or any other provisions of law, no policy or contract shall require pilot experience greater than that prescribed by the Federal Aviation Administration, except for pilots operating air taxis, or pilots operating aircraft applying chemicals, seed, or fertilizer.

D. No policy or contract of bodily injury or property damage liability insurance relating to the ownership, maintenance, or use of a motor vehicle shall be issued or delivered in this Commonwealth to the owner of such vehicle or shall be issued or delivered by an insurer licensed in this Commonwealth upon any motor vehicle principally garaged or used in this Commonwealth without an endorsement or provision insuring the named insured, and any other person using or responsible for the use of the motor vehicle with the expressed or implied consent of the named insured, against liability for death or injury sustained, or loss or damage incurred within the coverage of the policy or contract as a result of

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negligence in the operation or use of the motor vehicle by the named insured or by any other such person; however, nothing contained in this section shall be deemed to prohibit an insurer from limiting its liability under any one policy for bodily injury or property damage resulting from any one accident or occurrence to the liability limits for such coverage set forth in the policy for any such accident or occurrence or for any one person regardless of the number of insureds under that policy. Provided that, when one accident or occurrence involves more than one defendant who is covered by the policy, the plaintiff may recover the per person limit of the policy against each such defendant, subject to the per accident or occurrence limit of the policy. This provision shall apply notwithstanding the failure or refusal of the named insured or such other person to cooperate with the insurer under the terms of the policy. If the failure or refusal to cooperate prejudices the insurer in the defense of an action for damages arising from the operation or use of such insured motor vehicle, then the endorsement or provision shall be void. If an insurer has actual notice of a motion for judgment or complaint having been served on an insured, the mere failure of the insured to turn the motion or complaint over to the insurer shall not be a defense to the insurer, nor void the endorsement or provision, nor in any way relieve the insurer of its obligations to the insured, provided the insured otherwise cooperates and in no way prejudices the insurer.

Where the insurer has elected to provide a defense to its insured under such circumstances and files responsive pleadings in the name of its insured, the insured shall not be subject to sanctions for failure to comply with discovery pursuant to Part Four of the Rules of the Supreme Court of Virginia unless it can be shown that the suit papers actually reached the insured, and that the insurer has failed after exercising due diligence to locate its insured, and as long as the insurer provides such information in response to discovery as it can without the assistance of the insured.

E. Any endorsement, provision or rider attached to or included in any such policy of insurance which purports or seeks to limit or reduce the coverage afforded by the provisions required by this section shall be void, except an insurer may exclude such coverage as is afforded by this section, where such coverage would inure to the benefit of the United States Government or any agency or subdivision thereof under the provisions of the Federal Tort Claims Act, the Federal Drivers Act and Public Law 86-654 District of Columbia Employee Non-Liability Act, or to the benefit of the Commonwealth under the provisions of the Virginia Tort Claims Act (§ 8.01-195.1 et seq.) and the self-insurance plan established by the Department of General Services pursuant to § 2.2-1837 for any state employee who, in the regular course of his employment, transports patients in his own personal vehicle.

F. An insurer writing a policy of bodily injury or property damage liability motor vehicle insurance, or an endorsement to such policy, may exclude coverage under a motor vehicle policy issued to the owner of a shared vehicle for use of such vehicle on a peer-to-peer vehicle sharing platform during the vehicle sharing period for (i) liability coverage for bodily injury and property damage, (ii) uninsured and underinsured motorist coverage, (iii) medical expense and loss of income benefits coverage, and (iv) collision and other than collision physical damage coverage. Nothing in this article invalidates or limits an exclusion contained in a motor vehicle liability insurance policy, including any insurance policy in use or approved for use, that excludes coverage for motor vehicles used as a public or livery conveyance. For purposes of this subsection, "peer-to-peer vehicle sharing platform," "shared vehicle," and "vehicle sharing period" have the meanings ascribed to those terms in § 46.2-1408.

§ 46.2-711. Furnishing number and design of plates; displaying on vehicles required.

A. The Department shall furnish one license plate for every registered moped, motorcycle, autocycle, tractor truck, semitrailer, or trailer, and two license plates for every other registered motor vehicle, except to licensed motor vehicle dealers and persons delivering unladen vehicles who shall be furnished one license plate. The license plates for trailers, semitrailers, commercial vehicles, and trucks, other than license plates for dealers, may be of such design as to prevent removal without mutilating some part of the indicia forming a part of the license plate, when secured to the bracket.

B. The Department shall issue appropriately designated license plates for:

1. Passenger-carrying vehicles for rent or hire for the transportation of passengers for private trips, other than TNC partner vehicles as defined in § 46.2-2000 and emergency medical services vehicles pursuant to clause (iii) of § 46.2-649.1:1;

2. Taxicabs;

3. Passenger-carrying vehicles operated by common carriers or restricted common carriers;

4. Property-carrying motor vehicles registered pursuant to § 46.2-697 except pickup or panel trucks as defined in § 46.2-100;

5. Applicants, other than TNC partners as defined in § 46.2-2000 and emergency medical services vehicles pursuant to clause (iii) of § 46.2-649.1:1, who operate motor vehicles as passenger carriers for rent or hire;

6. Vehicles operated by nonemergency medical transportation carriers as defined in § 46.2-2000; and

7. Trailers and semitrailers.

C. The Department shall issue appropriately designated license plates for motor vehicles held for

rental as defined in § 58.1-1735.

Ⓓ. The Department shall issue appropriately designated license plates for low-speed vehicles.

Ⓔ. *D.* The Department shall issue appropriately designated license plates for military surplus motor vehicles registered pursuant to § 46.2-730.1.

Ⓕ. *E.* No vehicles shall be operated on the highways in the Commonwealth without displaying the license plates required by this chapter. The provisions of this subsection shall not apply to vehicles used to collect and deliver the United States mail to the extent that their rear license plates may be covered by the "CAUTION, FREQUENT STOPS, U.S. MAIL" sign when the vehicle is engaged in the collection and delivery of the United States mail.

Ⓖ. *F.* For any summons issued for a violation of this section, the court may, in its discretion, dismiss the summons, where proof of compliance with this section is provided to the court on or before the court date.

§ 46.2-908.3. Low-speed vehicles; operation on highways; license required; registration required; safety and emissions inspections not required.

Low-speed vehicles may be operated on public highways where the maximum speed limit is no greater than 35 miles per hour, but this limitation shall not prohibit the operation of low-speed vehicles across intersections with highways whose maximum speed limits are greater than 35 miles per hour. Operation of low-speed vehicles shall be prohibited on any highway where the Department of Transportation or the local governing body of the locality having control of the highway, as the case may be, has prohibited their operation in the interest of safety and such prohibition is indicated by conspicuously posted signs.

Low-speed vehicles shall be operated on public highways only by persons who hold driver's licenses or learner's permits issued as provided in Chapter 3 (§ 46.2-300 et seq.).

Low-speed vehicles shall be titled and registered as provided in Chapter 6 (§ 46.2-600 et seq.) and shall be subject to the same requirements as to insurance applicable to other motor vehicles under that chapter.

On or after October 1, 2013, low-speed vehicles titled and registered as provided in Chapter 6 (§ 46.2-600 et seq.) shall display license plates as provided in subsection Ⓓ C of § 46.2-711.

The operator of any low-speed vehicle being operated on the highways in the Commonwealth shall have in his possession: (i) the registration card issued by the Department or the registration card issued by the state or country in which the low-speed vehicle is registered, and (ii) his driver's license, learner's permit, or temporary driver's permit.

The provisions of Article 22 (§ 46.2-1176 et seq.) of Chapter 10 of this title shall not apply to low-speed vehicles.

CHAPTER 14.

Article 2.

Peer-to-Peer Vehicle Sharing.

§ 46.2-1408. Definitions.

As used in this article, unless the context requires a different meaning:

"Peer-to-peer vehicle sharing" means the authorized use of a shared vehicle by a shared vehicle driver through a peer-to-peer vehicle sharing platform.

"Peer-to-peer vehicle sharing platform" means an online-enabled application, website, or system that connects vehicle owners with drivers to enable the sharing of peer-to-peer vehicles for financial consideration.

"Shared vehicle" means a motor vehicle that has been made available for sharing through a peer-to-peer vehicle sharing platform. "Shared vehicle" does not include a daily rental vehicle as defined in § 58.1-1735.

"Shared vehicle driver" means an individual who has been authorized to operate a shared vehicle by the shared vehicle owner under a vehicle sharing platform agreement.

"Shared vehicle owner" means the registered owner, or a person or entity designated by the registered owner, of a vehicle made available for sharing to shared vehicle drivers through a peer-to-peer vehicle sharing platform.

"Vehicle sharing delivery period" means the period of time beginning when the agent of a peer-to-peer platform takes custody of the shared vehicle and ending when the shared vehicle arrives at the location agreed upon in the governing vehicle sharing platform agreement.

"Vehicle sharing period" means the period of time that commences with the vehicle sharing delivery period or, if there is no vehicle sharing delivery period, that commences when the vehicle sharing start time occurs and ends at the vehicle sharing termination time.

"Vehicle sharing platform agreement" means the terms and conditions applicable to a shared vehicle owner and a shared vehicle driver that govern the use of a shared vehicle through a peer-to-peer vehicle sharing platform.

182 "Vehicle sharing start time" means the time when the shared vehicle becomes subject to the control
183 of the shared vehicle driver at or after the sharing of a shared vehicle is scheduled to begin as
184 documented in the records of a peer-to-peer vehicle sharing platform.

185 "Vehicle sharing termination time" means the earliest of the following events:

186 1. When the shared vehicle is delivered to the location agreed upon in the vehicle sharing platform
187 agreement on or after the expiration of the agreed upon period of time established for the use of a
188 shared vehicle according to the terms of the vehicle sharing platform agreement;

189 2. When the shared vehicle is returned to a location as alternatively agreed upon by the shared
190 vehicle owner and shared vehicle driver within the agreed upon period of time as communicated
191 through a peer-to-peer vehicle sharing platform; or

192 3. When the shared vehicle owner, or the shared vehicle owner's authorized designee, takes
193 possession and control of the shared vehicle.

194 **§ 46.2-1409. Peer-to-peer insurance coverage.**

195 A. A peer-to-peer vehicle sharing platform shall ensure that at all times during each vehicle sharing
196 period the shared vehicle owner and the shared vehicle driver are insured under a motor vehicle
197 liability insurance policy that provides uninsured motorist coverage and bodily injury and property
198 damage liability coverage and that provides primary insurance coverage in an amount not less than the
199 applicable financial responsibility limits set forth in this title and in § 38.2-2206 and:

200 1. Contains written recognition that the shared vehicle insured under the policy is made available
201 and used through a peer-to-peer vehicle sharing platform; or

202 2. Does not exclude use of a shared vehicle by a shared vehicle driver.

203 B. A peer-to-peer vehicle sharing platform shall assume the liability, except as provided in subsection
204 C, of a shared vehicle owner for bodily injury and property damage to third parties and uninsured
205 motorist losses during the vehicle sharing period in an amount stated in the vehicle sharing platform
206 agreement, which amount may not be less than the applicable financial responsibility limits set forth in
207 this title and in § 38.2-2206.

208 C. The assumption of liability under subsection B does not apply to any shared vehicle owner when
209 such shared vehicle owner:

210 1. Performs an act, practice, or omission that constitutes fraud or makes an intentional
211 misrepresentation of material fact to the peer-to-peer vehicle sharing platform before the vehicle sharing
212 period in which the loss occurred; or

213 2. Acts in concert with a shared vehicle driver who fails to return the shared vehicle pursuant to the
214 terms of the vehicle sharing platform agreement.

215 D. The insurance described under subsection A may be satisfied by motor vehicle liability insurance
216 maintained by:

217 1. A shared vehicle owner;

218 2. A shared vehicle driver;

219 3. A peer-to-peer vehicle sharing platform; or

220 4. Any combination of a shared vehicle owner, a shared vehicle driver, and a peer-to-peer vehicle
221 sharing platform.

222 E. The peer-to-peer vehicle sharing platform shall assume primary liability for a claim when it is in
223 whole or in part providing the insurance required pursuant to this section and:

224 1. A dispute exists as to who was in control of the shared vehicle at the time of the loss; and

225 2. The peer-to-peer vehicle sharing platform does not have available, did not retain, or fails to
226 provide the information required by § 46.2-1413.

227 F. The vehicle owner's insurer shall indemnify the vehicle sharing platform to the extent of its
228 obligation under the applicable insurance policy, if it is determined that the shared vehicle's owner or
229 his designee was in control of the shared vehicle at the time of the loss.

230 If any insurer providing insurance coverage under subsection D pays a claim that it was not
231 obligated to pay, such insurer shall be entitled to indemnification from the insurer of the party that had
232 the obligation to pay the claim.

233 G. If insurance maintained by a shared vehicle owner or shared vehicle driver in accordance with
234 subsection D has lapsed, been canceled, or does not provide the required coverage, the insurer
235 providing the insurance maintained by a peer-to-peer vehicle sharing platform shall provide coverage
236 pursuant to subsection A beginning with the first dollar of a claim and shall have the duty to defend
237 such claim except under circumstances set forth in subsection C.

238 H. Coverage under a motor vehicle liability insurance policy maintained by the peer-to-peer vehicle
239 sharing platform shall not be dependent on another automobile insurer's first denying a claim, nor shall
240 another motor vehicle insurance policy be required to first deny a claim.

241 I. Nothing in this article:

242 1. Limits the liability of the peer-to-peer vehicle sharing platform for any act or omission of the
243 peer-to-peer vehicle sharing platform itself that results in injury to any person as a result of the use of

a shared vehicle through a peer-to-peer vehicle sharing platform; or

2. Limits the ability of the peer-to-peer vehicle sharing platform to, by contract, seek indemnification from the shared vehicle owner or the shared vehicle driver for economic loss sustained by the peer-to-peer vehicle sharing platform resulting from a breach of the terms and conditions of the vehicle sharing platform agreement.

J. A peer-to-peer vehicle sharing platform shall either provide or offer for sale to the shared vehicle owner or shared vehicle driver collision and other than collision coverage for physical loss to the shared vehicle during the vehicle sharing period. Such coverage shall be in an amount not less than the actual cash value of the shared vehicle.

K. Any insurer providing coverage under subsection D, or an individual who suffers a loss arising from the use of a shared vehicle or their attorney, or a personal representative of the estate of a decedent who died as a result of a motor vehicle accident involving a shared vehicle if not represented by counsel, and who provides the peer-to-peer vehicle sharing platform with the date, approximate time, and location of the accident, and, if available, the name of the shared vehicle owner, and, if available, the accident report, may request in writing from the peer-to-peer sharing platform the identity of any insurer that may have provided coverage and the limits of liability, regardless of whether the insurer contests the applicability of the policy to the claim, and whether, at the approximate time of the accident, the shared vehicle was in a vehicle sharing period. The peer-to-peer vehicle sharing platform shall respond within 30 days with the requested information if such information is in the peer-to-peer sharing platform's possession. Any further exchange of information shall be covered pursuant to § 8.01-417.

§ 46.2-1410. Exemption: vicarious liability

A peer-to-peer vehicle sharing platform and a shared vehicle owner shall be exempt from vicarious liability in accordance with 49 U.S.C. § 30106 and under any state or local law that imposes liability solely based on vehicle ownership for any offense that occurs during a vehicle sharing period.

§ 46.2-1411. Notification of implications of lien

At the time when a vehicle owner registers as a shared vehicle owner on a peer-to-peer vehicle sharing platform and prior to when the shared vehicle owner makes a shared vehicle available for vehicle sharing on the peer-to-peer vehicle sharing platform, the peer-to-peer vehicle sharing platform shall notify the shared vehicle owner that, if the shared vehicle has a lien against it, the use of the shared vehicle through a peer-to-peer sharing platform, including use without physical damage coverage, may violate the terms of the contract with the lienholder.

§ 46.2-1412. Insurable interest

A. Notwithstanding any provision law to the contrary, a peer-to-peer vehicle sharing platform shall have an insurable interest in a shared vehicle during the vehicle sharing period.

B. A peer-to-peer vehicle sharing platform may own and maintain as the named insured one or more policies of motor vehicle liability insurance that provides coverage for:

1. Liabilities assumed by the peer-to-peer vehicle sharing platform under a vehicle sharing platform agreement;

2. Any liability of the shared vehicle owner;

3. Damage or loss to the shared vehicle; or

4. Any liability of the shared vehicle driver.

§ 46.2-1413. Recordkeeping: use of vehicle in vehicle sharing.

A peer-to-peer vehicle sharing platform shall collect and verify records pertaining to the use of a vehicle, including a record of the identity of the shared vehicle driver, times used, fees paid by the shared vehicle driver, and revenues received by the shared vehicle owner, and provide such records upon request to the shared vehicle owner, the shared vehicle owner's insurer, or the shared vehicle driver's insurer to facilitate a claim coverage investigation. The peer-to-peer vehicle sharing platform shall retain the records for at least five years.

§ 46.2-1414. Consumer protections; disclosures.

Each vehicle sharing platform agreement shall disclose to the shared vehicle owner and the shared vehicle driver:

1. Any right of the peer-to-peer vehicle sharing platform to seek indemnification from the shared vehicle owner or the shared vehicle driver for economic loss sustained by the peer-to-peer vehicle sharing platform resulting from a breach of terms and conditions of the vehicle sharing platform agreement;

2. That a motor vehicle liability insurance policy provided by the platform to the shared vehicle owner for the shared vehicle or to the shared vehicle driver does not provide a defense or indemnification for any claim asserted by the peer-to-peer vehicle sharing platform;

3. That the peer-to-peer vehicle sharing platform's insurance coverage on the shared vehicle owner and the shared vehicle driver is in effect only during each vehicle sharing period and that for any use

305 of the shared vehicle by the shared vehicle driver after the vehicle sharing termination time, the shared
306 vehicle driver and the shared vehicle owner may not have insurance coverage;

307 4. The daily rate, fees, taxes, and, if applicable, any insurance or protection package costs that are
308 charged to the shared vehicle owner or the shared vehicle driver;

309 5. That the shared vehicle owner's motor vehicle liability insurance may not provide coverage for a
310 shared vehicle;

311 6. An emergency telephone number to personnel capable of fielding roadside assistance and other
312 customer service inquiries;

313 7. That any financial responsibility requirements imposed on the shared vehicle driver as a condition
314 of maintaining a driver's license remain in effect during the use of a shared vehicle;

315 8. That the use of the shared vehicle through a peer-to-peer vehicle sharing platform without
316 physical damage coverage may violate the terms of the contract with the lienholder; and

317 9. That there may not be physical damage coverage under the shared vehicle owner's policy.
318 However, if the physical damage coverage is purchased from or provided by the peer-to-peer vehicle
319 sharing platform, no such disclosure is required.

320 **§ 46.2-1415. Automobile safety recalls.**

321 A. When a vehicle owner registers as a shared vehicle owner on a peer-to-peer vehicle sharing
322 platform and prior to when the shared vehicle owner makes a shared vehicle available for vehicle
323 sharing on the peer-to-peer vehicle sharing platform, the peer-to-peer vehicle sharing platform shall:

324 1. Verify that the shared vehicle does not have any safety recalls on the vehicle for which the repairs
325 have not been made; and

326 2. Notify the shared vehicle owner of the requirements under subsection B.

327 B. 1. If the shared vehicle owner has received an actual notice of a safety recall on the vehicle, a
328 shared vehicle owner may not make a vehicle available as a shared vehicle on a peer-to-peer vehicle
329 sharing platform until the safety recall repair has been made.

330 2. If a shared vehicle owner receives an actual notice of a safety recall on a peer-to-peer shared
331 vehicle while the shared vehicle has already been made available on the peer-to-peer vehicle sharing
332 platform, the shared vehicle owner shall remove the shared vehicle from the peer-to-peer vehicle sharing
333 platform as soon as practicably possible after receiving the notice of the safety recall, and such vehicle
334 shall remain off of the peer-to-peer vehicle sharing platform until the safety recall repair has been
335 made.

336 3. If a shared vehicle owner receives an actual notice of a safety recall during a vehicle sharing
337 period, such owner shall, as soon as practicably possible after receiving the notice of the safety recall,
338 notify the peer-to-peer vehicle sharing platform about the safety recall so that the shared vehicle owner
339 may address the safety recall repair.

340 **§ 58.1-1735. Definitions.**

341 As used in this article, unless the context requires a different meaning:

342 "Daily rental vehicle" means a motor vehicle, ~~except a motorcycle or a manufactured home as~~
343 ~~defined in § 46.2-100~~, used for rental as defined in this section and for the transportation of persons or
344 property, whether on its own structure or by drawing another vehicle or vehicles, ~~except (i) a motorcycle~~
345 ~~or a manufactured home as defined in § 46.2-100 or (ii) a peer-to-peer shared vehicle as defined in~~
346 ~~§ 46.2-1408.~~

347 "Gross proceeds" means the charges made or voluntary contributions received for the rental of a
348 motor vehicle where the rental or lease agreement is for a period of less than 12 months. The term
349 "gross proceeds" shall not include:

350 1. Cash discounts allowed and actually taken on a rental contract;

351 2. Finance charges, carrying charges, service charges, or interest from credit given on a rental
352 contract;

353 3. Charges for motor fuels;

354 4. Charges for optional accidental death insurance;

355 5. Taxes or fees levied or imposed pursuant to Chapter 24 (§ 58.1-2400 et seq.);

356 6. Any violations, citations, or fines and related penalties and fees;

357 7. Delivery charges, pickup charges, recovery charges, or drop charges;

358 8. Pass-through charges;

359 9. Transportation charges;

360 10. Third-party service charges; or

361 11. Refueling surcharges.

362 "Mobile office" means an industrialized building unit not subject to federal regulation, which may be
363 constructed on a chassis for the purpose of towing to the point of use and designed to be used with or
364 without a permanent foundation, for commercial use and not for residential use; or two or more such
365 units separately towable but designed to be joined together at the point of use to form a single
366 commercial structure, and which may be designed for removal to, and installation or erection on, other

sites.

"Motor vehicle" means every vehicle, except for a mobile office as herein defined, that is self-propelled or designed for self-propulsion and every vehicle drawn by or designed to be drawn by a motor vehicle, including manufactured homes as defined in § 46.2-100 and every device in, upon, and by which any person or property is, or can be, transported or drawn upon a highway, but excepting devices moved by human or animal power, devices used exclusively upon stationary rails or tracks, and vehicles, other than manufactured homes, used in the Commonwealth but not required to be licensed by the Commonwealth.

"Rental" means the transfer of the possession or use of a motor vehicle, whether or not the motor vehicle is required to be licensed by the Commonwealth, by a person for a consideration, without the transfer of the ownership of such motor vehicle, for a period of less than 12 months. Any fee arrangement between the holder of a permit issued by the Department of Motor Vehicles for taxicab services and the driver or drivers of such taxicabs shall not be deemed a rental under this section. Any fee arrangement between a licensed driver training school and a student in that school, whereby the student may use a vehicle owned or leased by the school to perform a road skills test administered by the Department of Motor Vehicles, shall not be deemed a rental under this section.

"Rental in the Commonwealth" means any rental where a person received delivery of a motor vehicle within the Commonwealth. The term "Commonwealth" shall include all land or interest in land within the Commonwealth owned by or conveyed to the United States of America.

"Rentor" means a person engaged in the rental of motor vehicles for consideration as defined in this section.

Article 12.

Peer-to-Peer Vehicle Sharing Tax.

§ 58.1-1745. Levy of peer-to-peer vehicle sharing tax.

A. The definitions in § 46.2-1408 shall apply, *mutatis mutandis*, to this article.

B. There is hereby levied, in addition to all other taxes and fees of every kind now imposed by law, a tax upon peer-to-peer vehicle sharing, without regard to whether a shared vehicle is required to be licensed by the Commonwealth. The tax shall be imposed at a rate of six percent of the gross proceeds from the peer-to-peer vehicle sharing in the Commonwealth of any motor vehicle.

§ 58.1-1746. Administration of the peer-to-peer vehicle sharing tax.

The tax on the sharing of a motor vehicle shall be paid by the shared vehicle driver. The tax levied by § 58.1-1745 shall be collectible from all persons, including peer-to-peer vehicle sharing platforms that have sufficient contact with the Commonwealth. A person shall be deemed to have sufficient contact with the Commonwealth by meeting any of the requirements of subsection C of § 58.1-612, *mutatis mutandis*.

The tax shall be remitted to the Tax Commissioner on or before the twentieth day of the month following the month in which the gross proceeds from such sharing were due. The tax on peer-to-peer vehicle sharing in the Commonwealth shall apply regardless of the state for which a certificate of title for a shared vehicle is required.

The provisions of Chapter 6 (§ 58.1-600 et seq.) shall apply to this article, *mutatis mutandis*, except as herein provided.

§ 58.1-1747. Forwarding of tax information to law-enforcement officials.

The Tax Commissioner may, in his discretion, upon request duly received from the official charged with the duty of enforcement of motor vehicle tax laws of any other state, forward to such official any information that he may have in his possession relative to the registration and payment of any tax collected pursuant to this article.

§ 58.1-1748. Disposition of revenues.

After the direct costs of administering this article are recovered by the Department of Taxation, the remaining revenues collected hereunder by the Tax Commissioner shall be distributed as follows:

1. An amount equal to a two percent tax on the gross proceeds on peer-to-peer vehicle sharing shall be distributed quarterly to the county, city, or town wherein the vehicle sharing period began pursuant to the vehicle sharing platform agreement;

2. An amount equal to a two percent tax on the gross proceeds on peer-to-peer vehicle sharing shall be distributed to and paid into the state treasury, two-thirds of which shall be paid into the Rail Enhancement Fund established by § 33.2-1601 and one-third of which shall be deposited into the Washington Metropolitan Area Transit Authority Capital Fund pursuant to § 33.2-3401; and

3. An amount equal to a two percent tax on the gross proceeds on peer-to-peer vehicle sharing shall be distributed to pay debt service on the bonds issued by the Virginia Public Building Authority for the Statewide Agencies Radio System (STARS) for the Department of State Police pursuant to the authority granted by the 2004 Session of the General Assembly.

§ 59.1-207.29. Scope.

428 This chapter shall apply to all (i) persons in the business of leasing rental motor vehicles from
429 locations in the Commonwealth under an agreement ~~which~~ *that* imposes upon the lessee an obligation to
430 pay for any damages caused to the leased vehicle *and (ii) to all peer-to-peer vehicle sharing platforms*
431 *in the Commonwealth facilitating peer-to-peer vehicle sharing under a vehicle sharing platform*
432 *agreement that imposes upon the shared vehicle driver an obligation to pay for any damages caused to*
433 *the shared vehicle.* The provisions of this chapter apply solely to the collision damage waiver portion of
434 the rental agreement *or vehicle sharing platform agreement.* The definitions in § 46.2-1408 apply,
435 *mutatis mutandis, to this section.*

436 **§ 59.1-207.31. Required notice.**

437 A. *The definitions in § 46.2-1408 apply, mutatis mutandis, to this section.*

438 B. No lessor *or peer-to-peer vehicle sharing platform* shall sell or offer to sell to a lessee a collision
439 damage waiver as a part of a rental agreement *or vehicle sharing platform agreement* unless the lessor
440 *or peer-to-peer vehicle platform* first provides the lessee *or shared vehicle driver* the following written
441 notice:

442 NOTICE: THIS CONTRACT OFFERS, FOR AN ADDITIONAL CHARGE, A COLLISION
443 DAMAGE WAIVER TO COVER YOUR RESPONSIBILITY FOR DAMAGE TO THE VEHICLE.
444 BEFORE DECIDING WHETHER TO PURCHASE THE COLLISION DAMAGE WAIVER, YOU
445 MAY WISH TO DETERMINE WHETHER YOUR OWN VEHICLE INSURANCE AFFORDS YOU
446 COVERAGE FOR DAMAGE TO THE RENTAL VEHICLE AND THE AMOUNT OF THE
447 DEDUCTIBLE UNDER YOUR OWN INSURANCE COVERAGE. THE PURCHASE OF THIS
448 COLLISION DAMAGE WAIVER IS NOT MANDATORY AND MAY BE WAIVED.

449 B. C. Such notice shall be made on the face of the rental agreement *or vehicle sharing platform*
450 *agreement* either by stamp, label, or as part of the written contract, shall be set apart in boldface type
451 and in no smaller print than ten-point type, and shall include a space for the lessee to acknowledge his
452 receipt of the notice.

453 **§ 59.1-207.32. Prohibited exclusion.**

454 No collision damage waiver subject to this chapter shall contain an exclusion from the waiver for
455 damages caused by the ordinary negligence of the lessee *or shared vehicle driver, as defined in*
456 *§ 46.2-1408.* Any such exclusion in violation of this section shall be void. This section shall not be
457 deemed to prohibit an exclusion from the waiver for damages caused intentionally by the lessee *or*
458 *shared vehicle driver* or as a result of his willful or wanton misconduct or gross negligence, driving
459 while intoxicated or under the influence of any drug or alcohol, or damages caused while engaging in
460 any speed contest.