

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2020-21		FY 2021-22	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB 961 adopts the Peer-to-Peer Vehicle Sharing Program Act. The act:

- Defines terms;
- Clarifies liability and financial responsibility for vehicles within a program;
- Requires notification to vehicle owners regarding liens;
- Addresses insurance coverage for vehicle owners;
- Requires a program to collect and verify records relating to the use of a vehicle;
- Sets out requirements for any agreement between a program and a vehicle owner;
- Clarifies safety recall and verification responsibilities of a program;
- Sets out requirements for any agreement between a program and a driver;
- Clarifies that sharing and the agreement are a consumer transaction for purposes of the Uniform Deceptive Trade Practices Act;
- Provides for notice; and
- Provides for agreements between a program, an owner, or a rental company at the request of an airport or airport authority.

The bill also clarifies that (1) the rental of a vehicle pursuant to the act, which is made through a digital platform or other digital medium, the tax is collected on the rental price by the party facilitating the rental; and (2) that nothing in the act is construed to affect the taxability of sharing pursuant to taxing by the state or any local or municipal taxing authority.

This bill is not estimated to have a fiscal impact to the state. The Department of Revenue estimates no impact to General Fund revenue and no cost to implement the bill. There is no basis to disagree with these estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 961	AM:	AGENCY/POLT. SUB: Nebraska Department of Revenue	
REVIEWED BY: Lucas Martin	DATE: 1/24/2020	PHONE: (402) 471-4181	
COMMENTS: No basis to disagree with the Department of Revenue's assessment of no fiscal impact.			

State Agency Estimate

State Agency Name: Department of Revenue				Date Due LFA:			
Approved by: Tony Fulton				Date Prepared: 1/16/2020		Phone: 471-5896	
	FY 2020-2021		FY 2021-2022		FY 2022-2023		
	<u>Expenditures</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Revenue</u>	
General Funds	\$0	\$0	\$0	\$0	\$0	\$0	
Cash Funds							
Federal Funds							
Other Funds							
Total Funds	\$0	\$0	\$0	\$0	\$0	\$0	

LB961 creates the Peer-to-Peer Vehicle Sharing Program Act (Act).

Section 2: provides definitions.

Section 3: A peer-to-peer vehicle sharing program (Program) assumes the liability of an owner for injury or property damage that happens while a vehicle is being rented through the Program.

Section 4: Programs are responsible for ensuring that financial responsibility for vehicles is provided at no less than the minimum amounts set forth in Neb. Rev. Stat. § 60-310 when rented through the Program for specified vehicle uses and provides additional detail concerning determination of responsibility in various scenarios.

Sections 5, 11, and 17: Establish various notifications that Programs must provide to vehicle owners and drivers.

Section 6: Allows insurers to exclude coverage and duty to defend specified claims under the motor vehicle policy.

Section 7: Requires Programs to retain records for five years and to provide them to an owner, owner’s insurer, or driver to facilitate claim coverage investigations.

Section 8: Provides insurers a right of action to recover from a Program under certain circumstances.

Section 9: Grants Programs a limited, and insurable, property interest in vehicles rented through the program and goes on to clarify the Programs’ rights and responsibilities with respect to liability insurance coverage.

Section 10: Exempts Programs and Owners from vicarious liability in accordance with 49 U.S.C. 30106(a).

Section 12: Relieves vehicle owners of liability for property used by Program to facilitate sharing during any period when vehicle is rented through the Program.

Section 13: Defines obligations of Programs and vehicle owners with respect to safety recalls.

Sections 14 and 19: Define obligations of Programs to confirm that drivers hold valid operator’s license for the class of vehicle they are renting.

Section 15: Establishes that transactions described in the Act are consumer transactions for purposes of Uniform Deceptive Trade Practices Act. Specifically enumerated violations are deemed deceptive practices.

Section 16: States that the Act does not affect taxability of sharing pursuant to Chapter 77 or any local or municipal taxing authority.

