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# Wisconsin Legislative Council

## AMENDMENT MEMO

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**2023 Senate Bill 386**

**Senate Amendment 1**

### **2023 SENATE BILL 386 AND SENATE AMENDMENT 1**

2023 Senate Bill 386 regulates peer-to-peer motor vehicle sharing programs. In such a program, the owner of a vehicle uses a program’s business platform to rent the vehicle to a driver for a specified duration.

Among other aspects of the peer-to-peer motor vehicle sharing program business, the bill addresses the following: (1) the qualifications of a driver; (2) the types and amounts of liability that a program must assume; and (3) the types and amounts of liability insurance that must be carried by the owner and driver.

#### **Driver Qualifications**

##### **Bill**

Under the bill, a program may not enter into an agreement with a driver unless the individual holds a driver’s license authorizing operation of the correct class of vehicle. In the case of a nonresident of Wisconsin, the individual must be at least 18 years old.

##### **Amendment**

The amendment requires that drivers who are Wisconsin residents (in addition to nonresidents) must be at least 18 years old.

#### **Assumption of Liability by the Program**

##### **Bill**

With some exceptions, the bill requires that a program assume liability of an owner for bodily injury and property damage to third parties, uninsured motorist, underinsured motorist, or personal injury protection losses in amounts no less than required by Wisconsin’s mandatory motor vehicle liability insurance statute.

##### **Amendment**

With regard to program assumption of liability, the amendment:

- Removes “underinsured motorist” coverage from the list of liability assumed.
- Clarifies that the program must assume liability for all listed types of liability (by replacing disjunctive “or” with conjunctive “and”).
- Specifies the amount of minimum liability assumption for uninsured motorist (because the mandatory motor vehicle liability insurance statute, cross-referenced by the bill, specifies minimum

coverage amounts for bodily injury or death and property damage to third parties, but not for uninsured motorist.)

- Clarifies that an insurer that writes a policy with respect to a program must comply with the current law requirement that the insurer inform the insured of the availability of underinsured motorist coverage.

## **Insurance Requirements for the Owner and Driver**

### **Bill**

Under the bill, a program must ensure that each owner and driver are insured under a motor vehicle liability insurance policy that provides minimum coverage in the amounts specified in Wisconsin's mandatory motor vehicle liability insurance statute (which, as mentioned above, specifies minimum coverage amounts for bodily injury or death and property damage to third parties).

### **Amendment**

The amendment clarifies that a program must ensure that each owner and driver also has the statutory minimum uninsured motorist coverage and medical payments coverage. It also requires that a program ensure that each owner and driver is aware of the availability of underinsured motorist coverage.

## **BILL HISTORY**

Senator Stafsholt offered Senate Amendment 1 on January 24, 2024. On February 21, 2024, the Senate Committee on Insurance and Small Business recommended adoption of the amendment on a vote of Ayes, 4; Noes, 1. The committee then recommended passage of the bill, as amended, on a vote of Ayes, 3; Noes, 2.

For a full history of the bill, visit the Legislature's [bill history page](#).

MSK:jal