



State Senators Jay Hottinger and Matt Dolan
Senate Bill 161 Sponsor Testimony
Senate Transportation, Commerce and Workforce Committee
June 12, 2019

Chairman McColley, Vice-Chairman Uecker, Ranking Member Antonio, and members of the Senate Transportation, Commerce and Workforce Committee, I am here to provide sponsor testimony on Senate Bill 161.

Peer-to-peer car sharing is relatively new to Ohio and for those who are unfamiliar with the concept, it involves a vehicle owner renting out his or her vehicle to a licensed driver through a peer-to-peer car sharing program. This legislation establishes requirements and responsibilities that apply to peer-to-peer car sharing programs; specifically, but not limited to, insurance and sales tax requirements.

Under this bill, peer-to-peer car sharing companies would be required to maintain insurance in an amount of at least \$1 million – much like existing requirements for transportation network companies. Furthermore, this bill would require that peer-to-peer car sharing programs verify that a shared vehicle does not have any outstanding safety recalls before the vehicle is made available for sharing. It would also require that they establish procedures to determine any safety recalls that apply to a shared vehicle after the initial registration of that vehicle. These provisions are for the benefit and safety of all who use the roads.

This bill would also authorize public-use airports to adopt reasonable standards, regulations, procedures, and fees and would require the peer-to-peer car sharing program, shared vehicle owner and shared vehicle driver to comply with them.

As it relates to taxes, this bill specifies that any technology platform facilitating taxable services is considered the vendor and hence, subject to Ohio sales tax. This specifically includes a transportation network company or peer-to-peer car sharing program.

Lastly, this bill makes any violation of the regulations concerning the peer-to-peer car sharing programs subject to the applicable penalties associated with a violation of the Consumer Sales Practices Law.

To be clear, the intention of this legislation is not to stifle an emerging industry, but rather to ensure a level playing field and that appropriate regulations and responsibilities are in place. For these reasons, I urge your favorable consideration on Senate Bill 161.