

Iowa HSB 602, The Peer-to-Peer Car Sharing Program Act

TESTIMONY IN SUPPORT

February 10, 2026

Iowa House of Representatives House Commerce Committee

Dear Chair Young, Vice Chair Blom, Ranking Member Judge, and other distinguished members of the Committee:

NetChoice is a trade association of leading internet businesses that promotes free speech and free enterprise online. In line with this mission, we write in support of House Study Bill (HSB) 602. While there are many different policies that can help foster business creation, economic growth, and consumer benefits, perhaps nothing is more potent than policies which convey certainty. When entrepreneurs and enterprises alike are able to devote the majority of their time to the day-to-day functions of their business rather than navigating complex and evolving regulatory regimes, consumers reap the rewards. HSB 602 is a policy that lends to this dynamic.

HSB 602, titled the "Peer-to-Peer Car Sharing Program Act," establishes a modern and robust legal framework that brings welcome regulatory certainty to Iowa's evolving transportation economy. The legislation eliminates legal ambiguity around peer-to-peer (P2P) car sharing and allows platforms and vehicle owners to operate with confidence. It provides a secure foundation for the industry by mandating clear insurance coverage hierarchies and defining the specific circumstances under which programs assume liability, ensuring that both vehicle owners and drivers are protected. Furthermore, the bill enhances consumer trust and safety through rigorous requirements for safety recall verifications and transparent disclosures within program agreements.

Beyond the legal framework, HSB 602 fosters a more competitive transportation marketplace that directly benefits the consumer. By formalizing P2P car sharing, the legislation ensures that Iowans are not limited to traditional rental options, which may be geographically constrained or cost-prohibitive. This model introduces a wider variety of vehicle types—from pickup trucks for specific tasks to economy cars for daily errands—while simultaneously driving price competition to make transportation more affordable. Furthermore, P2P sharing often reaches communities that traditional rental agencies overlook, bridging critical transportation gaps in rural or underserved areas.

This legislation also champions the efficient use of resources by addressing the issue of idle capital. The average private vehicle sits idle for approximately 95 percent of its life, representing a depreciating asset

that takes up space without generating value.¹ P2P car sharing transforms these idle assets into active resources, facilitating a system where existing inventory is utilized more fully. This promotes a smarter, more sustainable model of consumption where vehicles are put to work for the community rather than sitting parked in a driveway.

Perhaps most importantly for Iowa families, this bill recognizes P2P car sharing as a vital tool for financial independence. In an economic environment where affordability is top of mind, the price of vehicle ownership is a significant burden for many households. By sharing their vehicles, owners can generate supplemental income to help offset monthly car payments, insurance premiums, and maintenance costs. This dynamic empowers families by turning a vehicle from a pure liability into an income-generating asset, providing a financial cushion that contributes to overall household stability.

Ultimately, HSB 602 encourages innovation by creating a predictable environment where the rights, responsibilities, and coverage limits of all participants are clearly defined. By doing so, it expands consumers' options, enhances competition, and provides families with opportunities to earn crucial extra income. For these reasons, we hope you will support HSB 602, the Peer-to-Peer Car Sharing Program Act.

Sincerely,

Patrick Hedger
Director of Policy, NetChoice²

NetChoice is a trade association that works to protect free expression and promote free enterprise online.

¹ "Household Vehicles Were Parked 95% on a Typical Day in 2022," US Department of Energy, Aug. 19, 2024. <https://www.energy.gov/eere/vehicles/articles/fotw-1356-august-19-2024-household-vehicles-were-parked-95-typical-day-2022>

² The views of NetChoice expressed here do not necessarily represent the views of all NetChoice members.