

TESTIMONY OF RANDY IWASE  
CHAIR, PUBLIC UTILITIES COMMISSION  
STATE OF HAWAII  
TO THE  
HOUSE COMMITTEE ON  
FINANCE

APRIL 2, 2015  
2:00 p.m.

**MEASURE:** S.B. No. 1280, S.D. 2, H.D. 2

**TITLE:** Relating to Transportation Network Companies

Chair Luke, Vice Chair Nishimoto and Members of the Committee:

**DESCRIPTION:**

This measure would add a new chapter to Hawaii Revised Statutes (“HRS”) to require the Public Utilities Commission (“Commission”) to issue a permit to each applicant that meets the requirements for a Transportation Network Company (“TNC”) and pays an annual permit fee. This measure does not explicitly provide the Commission with any enforcement authority after the initial permit has been issued.

**POSITION:**

The Commission offers the following comments for the Committee’s consideration.

**COMMENTS:**

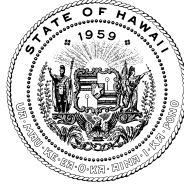
It appears that TNCs and their drivers engage in similar activities and provide similar services as taxicabs. The Commission notes that taxicabs are exempt from Commission motor carrier regulations pursuant to HRS § 271-5(3) and are presently regulated under the authority given to the counties pursuant to HRS § 46-16.5(c). Therefore, it may be appropriate to give similar regulatory authority over TNCs and their drivers to the counties.

However, if it is the will of the Legislature to place the requirements of this chapter under the Commission’s jurisdiction, then the Commission raises a concern with the limited regulatory framework contemplated by this measure. The proposed chapter only authorizes the Commission to “issue a permit to each applicant that meets the requirements for a transportation network company[.]” After the initial permit has been

issued by the Commission it is not clear how the Commission is expected to enforce this chapter. There are no provisions authorizing the Commission to revoke the initial permit, levy fines, assess penalties, issue citations, etc.

Given that this measure has yet to specify the nature of the expected regulatory activity beyond the issuance of an initial permit, the Commission cannot comment on its capacity to actually engage in such regulatory activity. This is further complicated by the fact that TNCs conduct much of their operations in cyberspace, unlike anything the Commission currently oversees. Meaningful regulation of TNCs may require significant Commission resources.

Thank you for the opportunity to provide comments on this measure.



DAVID Y. IGE  
GOVERNOR  
SHAN S. TSUTSUI  
LT. GOVERNOR

STATE OF HAWAII  
OFFICE OF THE DIRECTOR  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
335 MERCHANT STREET, ROOM 310  
P.O. Box 541  
HONOLULU, HAWAII 96809  
Phone Number: 586-2850  
Fax Number: 586-2856  
cca.hawaii.gov

CATHERINE P. AWAKUNI COLÓN  
DIRECTOR  
JO ANN M. UCHIDA TAKEUCHI  
DEPUTY DIRECTOR

TO THE HOUSE COMMITTEE ON FINANCE  
THE TWENTY-EIGHTH LEGISLATURE  
REGULAR SESSION OF 2015

Date: Thursday, April 2, 2015  
Time: 2:00 p.m.  
Conference Room: 308

**TESTIMONY ON SENATE BILL NO. 1280, SD2, HD2  
RELATING TO TRANSPORTATION NETWORK COMPANIES**

**WRITTEN COMMENTS ONLY**

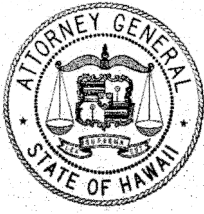
TO THE HONORABLE SYLVIA LUKE, AND MEMBERS OF THE COMMITTEE:

Thank you for the opportunity to provide written comments on this measure. The Business Registration Division (“BREG”) of the Department of Commerce and Consumer Affairs offers technical comments relating solely to the language in Section 1 of the bill on page 3 (§5 Business Registration).

§ \_\_-5, relating to business registration, requires transportation network company (“TNC”) drivers to register as a business entity with BREG. BREG, however, registers entities such as corporations and partnerships, as well as tradenames, but does not register sole proprietorships. If a large percentage of TNC drivers are sole proprietorships, this requirement may be problematic, as sole proprietors will not be able to comply, unless they operate through a tradename.

Business Registration Division  
April 2, 2015  
FIN Committee  
SB 1280, SD2, HD2  
Pg. 2 of 2

Thank you for the opportunity to offer these comments on Senate Bill No. 1280,  
SD2, HD2.



**TESTIMONY OF  
THE DEPARTMENT OF THE ATTORNEY GENERAL  
TWENTY-EIGHTH LEGISLATURE, 2015**

---

**ON THE FOLLOWING MEASURE:**

S.B. NO. 1280, S.D. 2, H.D. 2, RELATING TO TRANSPORTATION NETWORK COMPANIES.

**BEFORE THE:**

HOUSE COMMITTEE ON FINANCE

**DATE:** Thursday, April 2, 2015

**TIME:** 2:00 p.m.

**LOCATION:** State Capitol, Room 308

**TESTIFIER(S):** Douglas S. Chin, Attorney General, or  
Rodney I. Kimura, Deputy Attorney General

---

Chair Luke and Members of the Committee:

The Attorney General submits comments on this bill.

The purpose of this bill is to establish a framework to regulate transportation network companies and transportation network company drivers.

Generally speaking, the regulatory framework in the bill is limited, covering matters such as a permit requirement, the dimensions of transportation network service, insurance requirements, safety mandates, etc.

It is not clear, however, what the Legislature envisions should occur where issues surface after the permit has been issued. For example, the current structure of the bill does not address the rights of the holder of a permit. More importantly, the bill does not address the duties and enforcement power of the Public Utilities Commission, including the power to: (i) suspend, change, transfer, or revoke a permit; (ii) discipline a permittee and impose fines; (iii) address unlawful operations; or (iv) hold hearings, etc.

If the legislative intent is to empower the Commission to fully regulate transportation network companies as well as impose requirements on drivers for transportation network companies, then such typical regulatory provisions need to be added. We are available to work with the Commission or the Legislature's staff on proposed language if the Legislature requests our assistance.

Thank for the opportunity to testify on this matter.



April 2, 2015

**TESTIMONY BEFORE THE HOUSE COMMITTEE ON FINANCE  
ON SB1280 SD2 HD2 RELATING TO TRANSPORTATION NETWORK COMPANIES**

Thank you Chair Luke, and committee members. I am Gareth Sakakida, Managing Director of the Hawaii Transportation Association (HTA) with over 400 transportation related members throughout the state of Hawaii.

HTA supports regulation for all entities who engage in the transportation of passengers for compensation.

Common carriers must abide by the Public Utilities Commission's regulations on service and rates, and taxi operators must do the same via the County's Taxi Control.

Any entity offering the same service to the general public must comply with regulations promulgated to protect that general public.

Thank you.



Pauahi Tower, Suite 2010  
1003 Bishop Street  
Honolulu, Hawaii 96813  
Telephone (808) 525-5877

**Alison H. Ueoka**  
Executive Director

## TESTIMONY OF MICHAEL ONOFRIETTI

---

COMMITTEE ON FINANCE  
Representative Sylvia Luke, Chair  
Representative Scott Y. Nishimoto, Vice Chair

Thursday, April 2, 2015  
2:00 p.m.

### **SB 1280, SD 2, HD 2**

Chair Luke, Vice Chair Nishimoto, and members of the Committee on Finance, my name is Michael Onofrietti, President of the Hawaii Insurers Council, a non-profit trade association of property and casualty insurance companies licensed to do business in Hawaii. Member companies underwrite approximately thirty-six percent of all property and casualty insurance premiums in the state.

The Hawaii Insurers Council **supports** SB 1280, SD 2, HD 2, which (1) requires the Public Utilities Commission to regulate “transportation network companies” and “transportation network company drivers”; (2) establishes motor vehicle insurance requirements for the transportation network company industry; (3) establishes minimum qualifications for transportation network company drivers; and (4) appropriates funds for the Public Utilities Commission to carry out the regulation of transportation network companies and their drivers.

The Hawaii Insurers Council still firmly believes that the general public would be best served, and the law would most fairly treat all carriers for hire, if SB 1280, SD 2, HD 2 were to require that transportation network company drivers maintain commercial motor vehicle insurance **at all times** and at higher mandated limits, rather than only during “transportation network company activity.” However, in the interest of moving this Bill

forward, the Hawaii Insurers Council is willing to accept the two-stage insurance model set forth in § -9 of SB 1280, SD 2, HD 2, rather than no regulation at all.

Under this two-stage insurance model, SB 1280, SD 2, HD 2 requires the following insurance limits under a primary motor vehicle insurance policy during “transportation network company activity”: \$100,000 per person and \$200,000 per accident for bodily injury liability; \$50,000 per accident for property damage liability; uninsured and underinsured motorist coverages equal to the bodily injury liability limits; and other coverages comparable to the personal automobile insurance policy maintained by the vehicle’s owner.

The Hawaii Insurers Council supports § -9(c) of SB 1280, SD 2, HD 2, which provides that the insurance requirements may be satisfied by (1) a motor vehicle insurance policy maintained by the transportation network company driver, but only if the transportation network company “verifies” that the policy is in effect and “is specifically written to cover” the driver’s use of the vehicle during transportation network company activity; (2) a motor vehicle insurance policy maintained by the transportation network company; or (3) a combination of the above.

The Hawaii Insurers Council also strongly supports § -9(g) of SB 1280, SD 2, HD 2, which specifies (1) that “[n]othing in this section shall be construed to require a personal automobile insurance policy to provide primary or excess coverage during transportation network company activity”; and (2) that the personal automobile insurance policy has no obligation to provide coverage, a defense, or indemnity, unless that policy, an amendment, or an endorsement expressly provides otherwise. The Hawaii Insurers Council similarly supports § -9(h), which allows personal automobile insurers to innovate, providing that personal automobile insurers do have the discretion, if they wish, to offer a personal automobile policy, an amendment, or an endorsement that provide coverage for accidents occurring during “transportation network company activity.”



The Hawaii Insurers Council also strongly supports § -16 of SB 1280, SD 2, HD 2, which requires transportation network companies (1) to maintain records for at least five years, and (2) to make readily available those records for purposes of a claims coverage investigation or for resolving other disputes no later than ten days after receipt of a written request for such records.

However, despite its support of SB 1280, SD 2, HD 2, the Hawaii Insurers Council shares the concerns of the Attorney General and the Public Utilities Commission, as echoed by the Committee on Transportation in Stand. Com. Rep. No. 966, that SB 1280, SD 2, HD 2 lacks a specific framework under which the Public Utilities Commission will be able to administer, regulate, and enforce the provisions of the new law.

The Committee on Transportation correctly noted, in Stand. Com. Rep. No. 966, that “although a transportation network company may operate under a different business model for connecting customers with drivers, their primary service is that of transporting passengers or property for compensation which is a commercial activity virtually indistinguishable from that of a traditional motor carrier.” Section 271-1 of the Hawaii Revised Statutes, already sets forth the Legislature’s “declaration of policy” with respect to the Motor Carrier Law, Chapter 271:

**§271-1 Declaration of policy.** The legislature of this State recognizes and declares that the transportation of persons and of property, for commercial purposes, over the public highways of this State constitutes a business affected with the public interest. It is intended by this chapter to provide for fair and impartial regulation of such transportation in the interest of preserving for the public the full benefit and use of the highways consistent with the public safety and the needs of commerce; to promote safe, adequate, economical, and efficient service and foster sound economic conditions in transportation and among the several carriers, to encourage the establishment and maintenance of reasonable rates and charges for transportation and related accessorial service, without unjust discrimination, undue preference or advantage, or unfair or destructive competitive practices. This chapter shall be administered and enforced with a view to carrying out the above declaration of policy.

Accordingly, since the Motor Carrier Law, Chapter 271, already provides an existing regulatory and enforcement framework for motor carriers, and transportation network companies and their drivers engage in “a commercial activity virtually indistinguishable from that of a traditional motor carrier,” the Hawaii Insurers Council would support an amendment that inserts regulation of transportation network companies and their drivers into the Motor Carrier Law, Chapter 271.

Finally, the Hawaii Insurers Council supports the imposition of additional fees on transportation network companies to provide the Public Utilities Commission with the means by which to administer and enforce the new provisions in the law – which provide for insurance verification, driver background checks, proper recordkeeping, and access to records – all for the benefit of the consumers.

Therefore, the Hawaii Insurers Council supports the purposes, intent, and two-staged insurance system set forth in SB 1280, SD 2, HD 2, but requests that your respective Committees consider placing the administration, regulation, and enforcement of transportation network companies and transportation network company drivers under the Motor Carrier Law, Chapter 271, and make the date effective upon approval.

Thank you for the opportunity to testify.



To: The Honorable Sylvia Luke, Chair  
The Honorable Scott Y. Nishimoto, Vice Chair  
House Committee on Finance

From: Mark Sektnan, Vice President

Re: **SB 1280 SD2 HD2 – Relating to Transportation Network Companies**  
**PCI Position: SUPPORT**

Date: Thursday, April 2, 2015  
Agenda #1 - 2:00 p.m.; Room 308

Aloha Chair Luke, Vice Chair Nishimoto and Members of the Committee:

The Property Casualty Insurers Association of America (PCI) is pleased to support SB 1280 SD2 HD2 which sets up a regulatory structure for this new type of passenger transportation. This bill seeks to close the insurance gaps for transportation network companies (TNCs), such as Uber and Lyft, which provide commercial ridesharing services. SB 1280 SD2 HD2 was significantly amended in the Senate Committee on Commerce and Consumer Protection to help ensure that TNCs and their drivers have consumer protections in place, including appropriate insurance coverage.

In Hawaii, PCI member companies write approximately 42.2 percent of all property casualty insurance written in Hawaii. PCI member companies write 43.2 percent of all personal automobile insurance, 65.2 percent of all commercial automobile insurance and 75 percent of the workers' compensation insurance in Hawaii.

PCI supports the provisions of SB 1280 SD2 HD2 which places the responsibility for regulating TNCs with the Public Utilities Commission. This bill also encourages development of new insurance products to meet the needs of the growing commercial ridesharing services. Insurers are responding to the new market by designing new products and making them available in the states that are enacting common sense sound regulatory structures for TNC services.

SB 1280 SD2 HD2 is a step in the right direction for drivers, passengers and the Aloha state's consumers because it protects Hawaii drivers from subsidizing the insurance costs of TNCs by clearly stating that the personal motor vehicle insurance policy does not cover this commercial activity. It also provides important protections for the passenger, the public and the driver.

For these reasons, PCI respectfully requests that the committee pass this bill.

Hawaii State Legislature  
House Committee on Finance  
Hawaii State Capitol  
415 South Beretania Street  
Honolulu, HI 96813

April 1, 2015

*Filed via electronic testimony submission system*

**RE: SB 1280 SD2, HD2, TNC – NAMIC’s Written Testimony for Committee Hearing**

Dear Representative Luke, Chair; Representative Nishimoto, Vice Chair; and members of the House Committee on Finance:

Thank you for providing the National Association of Mutual Insurance Companies (NAMIC) an opportunity to submit written testimony to your committee for the April 2, 2015, public hearing. Unfortunately, I will not be able to attend the public hearing, because of a previously scheduled professional obligation.

NAMIC is the largest property/casualty insurance trade association in the country, serving regional and local mutual insurance companies on main streets across America as well as many of the country’s largest national insurers.

The 1,400 NAMIC member companies serve more than 135 million auto, home and business policyholders and write more than \$196 billion in annual premiums, accounting for 50 percent of the automobile/homeowners market and 31 percent of the business insurance market. NAMIC has 69 members who write property/casualty and workers’ compensation insurance in the State of Hawaii, which represents 30% of the insurance marketplace.

Through our advocacy programs we promote public policy solutions that benefit NAMIC companies and the consumers we serve. Our educational programs enable us to become better leaders in our companies and the insurance industry for the benefit of our policyholders.

NAMIC’s members appreciate the importance of business innovation and we support the development and growth of transportation network companies (TNCs) and other “sharing-economy” business endeavors.

NAMIC believes that TNCs, like all other business operations, need to take full responsibility for the legal liability exposure and public safety risks posed by their business activities. Since the TNCs are engaged in a new form of commercial transportation, it is reasonable and appropriate for them to be required by state law to be responsible for all the commercial transportation

liability issues created by their business activities. Specifically, NAMIC believes that TNCs should be required to provide insurance coverage protection for TNC drivers, passengers, and the general public in a way that does not create financial burdens for private passenger auto insurance consumers.

NAMIC appreciates the fact that HCR 46, HD1 has passed out of the House Committee on Consumer Protection and Commerce and has been referred to this committee for consideration. NAMIC does not have a position on whether a study is necessary to address pending TNC regulatory issues, but NAMIC is opposed to replacing this necessary and appropriate pro-consumer protection legislation that clearly addresses the TNC insurance coverage requirements with a mere a study of insurance coverage, which would only delay providing citizens of the state with appropriate protection, and TNC drivers and passengers with necessary auto insurance coverage. The practical impact of passing HCR 46, HD 1 in place of SB 1280, SD2, HD2, would be to allow TNCs to continue to operate without adequate consumer protections. SB 1280, SD2, HD2 need not be sacrificed in order to pass a resolution authorizing a study of the TNC regulatory framework, or even a study of insurance coverage issues. In Colorado, the State Legislature passed a law (SB 125) in 2014 to address TNC insurance coverage requires and also at the same time approved a Division of Insurance study of the insurance coverage issue during the interim session.

Consequently, NAMIC **supports** the proposed legislation and respectfully requests that this committee take *affirmative action* to protect consumers by passing SB 1280, SD2, HD2, as opposed to just authorizing an interim study that “kicks important consumer protection down the road” for another year.

Thank you for your time and consideration. Please feel free to contact me at 303.907.0587 or at [crataj@namic.org](mailto:crataj@namic.org), if you would like to discuss NAMIC’s written testimony.

Respectfully,



Christian John Rataj, Esq.  
NAMIC Senior Director – State Affairs, Western Region

**HOUSE COMMITTEE**

**ON**

**FINANCE**

April 2, 2015

Senate Bill 1280, SD2, HD2 Relating to Transportation Network Companies

Chair Luke and members of the House Committee on Finance, I am Rick Tsujimura, representing State Farm Mutual Automobile Insurance Company (State Farm).

State Farm supports Senate Bill 1280, SD2, HD2 Relating to Transportation Network Companies in its current form. Much has been said about the transportation network companies and the regulation and rules to be applied to same. State Farm's interest on behalf of its policyholders is to assign the risks of those who engage in that profession equally. We believe that those drivers who are only using their vehicles for their own use and not for a profit, should not subsidize those who do use their vehicles for both personal use and for a business.

We would respectfully request that the measure be approved by your committee.

Thank you for the opportunity to present this testimony.

**Testimony of  
Gary M. Slovin / Mihoko E. Ito  
on behalf of  
USAA**

DATE: April 1, 2015

TO: Representative Sylvia Luke  
*Submitted Via [FINTestimony@capitol.hawaii.gov](mailto:FINTestimony@capitol.hawaii.gov)*

RE: **S.B. 1280, SD, HD2 - Relating to Transportation Network Companies**  
**Hearing Date: Thursday, April 2, 2015 at 2:00 p.m.**  
**Conference Room: 308**

---

Dear Chair Luke and Members of the Committee on Finance:

We submit this testimony on behalf of USAA, a diversified financial services company. USAA is the leading provider of competitively priced financial planning, insurance, investments, and banking products to members of the U.S. military and their families. USAA has over 82,000 members in Hawaii, the vast majority of which are military-based members.

USAA **supports** S.B. 1280, SD2, HD2 which, among other things, establishes insurance requirements and qualifications for persons who operate or serve as drivers for transportation network companies (“TNCs”).

USAA supports the current insurance requirements in the H.D.2 version of this bill because they reflect key principles that should regulate TNCs, including: 1) requiring TNCs to have primary insurance coverage that specifically covers TNC activity, 2) providing clear guidelines for TNC activity and 3) requiring claims cooperation by TNCs.

We believe that the current language in the bill strikes the balance between allowing innovation in the marketplace, while still providing clear guidelines to regulate TNCs, and preserving insurers’ ability to take rating and underwriting actions for specific populations of insureds.

Thank you very much for the opportunity to provide testimony in support of this bill.

---

Gary M. Slovin  
Mihoko E. Ito  
C. Mike Kido  
Tiffany N. Yajima

999 Bishop Street, Suite 1400  
Honolulu, HI 96813  
(808) 539-0840



April 1, 2015

phone 808 523 7750

fax 808 522 7866

Roberts Hawaii, Inc.  
680 Iwilei Road  
Suite 700

Honolulu, Hawaii 96817

Representative Sylvia Luke, Chair  
Committee on Finance  
House of Representatives

Re: SB 1280, SD2, HD2 (HSCR1217) Relating to Transportation Network Companies  
Committee Hearing  
April 2, 2015 2:00pm  
Conference Room 308

[robertshawaii.com](http://robertshawaii.com)

Dear Chair Luke and Committee Members:

My name is Roy Pfund, Vice President of Roberts Hawaii, Inc., the largest tour and transportation company in Hawaii. I am submitting testimony in support of SB 1280, SD2, HD2 with recommendations to enhance consumer protection, to provide funding support for the PUC for regulation of TNC's and to promote fairness with existing PUC and taxi companies.

SB 1280, SD2, HD2 is seeking to regulate TNC's (Transportation Network Companies) and their drivers by setting up a new HRS chapter. We initially opposed to creating a new HRS chapter for TNC companies, in favor of regulating the TNC drivers under the existing regulations for taxis or PUC vehicles. Recognizing the critical need to establish regulation over this growing segment of transportation services, we now support the new HRS chapter with the following recommendations.

**The proposed legislation should require the PUC to establish regulations over the operations and management of the TNC's that are similar to the PUC's regulations over the existing regulated motor carrier companies.** The following areas should be specifically addressed and added to the proposed legislation:

1. **PUC should approve TNC tariff rate structure** as it now does for PUC motor carriers. For the protection of consumers and to avoid the opportunity for surge pricing by the TNC's, the TNC's should be required to submit a tariff and seek approval by the PUC. If the surge pricing model is approved by the PUC, then it should be applicable to all PUC regulated motor carriers.

2. **The TNC's should be required to file annual financial reports with the PUC**, the same as the regulated motor carriers do. This will allow the PUC and the Legislature to understand the impact of the TNC's on the state's economy. This filing will also allow the state tax office to determine if proper tax forms are being filed and paid.



3. **The TNC's should be required to pay the Public Service Company tax of 4% and the Motor Carrier fee of ¼%,** as do the regulated motor carriers. This fee is used to fund the activities of the PUC and should be used to pay for enforcement of the regulations.
4. **The TNC's should be required to file its annual vehicles under contract inventory with the PUC,** similar to the vehicle lists that regulated motor carriers must file.
5. **The TNC's should be subject to enforcement including fines** and loss of certificate to operate as are the regulated motor carriers.
6. **The TNC's contract drivers should be required to have vehicles identified with the TNC permit number and company name** on the exterior of the vehicle so that customers and enforcement officials would know that it is a TNC vehicle. This is the same requirement for other regulated motor carriers.

There are numerous other PUC rules and regulations in place that govern the operation of motor carriers. Rather than "reinvent the wheel", a simple approach would be to insert a paragraph into the proposed legislation that would allow the PUC to develop the final regulations for the TNC's over any area not specifically covered by this legislation.

Funding for the PUC's costs to regulate the TNC's can come from the fee revenue that is generated by the existing fee structure. According to the PUC annual report for fiscal year end June 30, 2014 (Executive summary page 3), the PUC collected \$22.9 million in fees and only used \$9.4 million returning \$13.5 million to the General Fund. Motor carriers contributed \$1.58 million to this amount based on the ¼% fee that is assessed on gross revenue. Assessing the PUC fee and the 4% public service company tax on TNC revenue as recommended above will increase the State's and PUC revenues which can be used to cover the costs of this proposed regulation, along with the additional benefit of promoting fairness amongst all transportation service providers.

Thank you for allowing me to provide you with my testimony. If you have any comments or questions please contact me at [roy.pfund@robertshawaii.com](mailto:roy.pfund@robertshawaii.com)

Sincerely,



**Roy Pfund**

Vice President



- Government Employees Insurance Company
  - GEICO General Insurance Company
  - GEICO Indemnity Company
  - GEICO Casualty Company
- 

TIMOTHY M. DAYTON, CPCU, GENERAL MANAGER ALASKA & HAWAII  
711 Kapiolani Blvd., Suite 300 ■ Honolulu, HI 96813-5238 ■ Email: [tdayton@geico.com](mailto:tdayton@geico.com)  
Direct: (808) 593-1875 ■ FAX (808) 593-1876 ■ Cell: (808) 341-9252

**House Committee on Finance**  
Room 308 State Capitol  
Thursday, April 2, 2015 2:00 p.m.

SB 1280 SD2, HD2 - **RELATING TO Transportation Network Companies**

Chair Luke, Vice Chair Nishimoto and Members of the Committee:

My name is Timothy Dayton, General Manager for GEICO, Hawaii's largest auto insurer. **GEICO supports Senate Bill Number 1280 SD2, HD2.** GEICO believes that the Bill as drafted is a comprehensive effort to clarify insurance considerations, avoid ambiguity and protect the public.

**We respectfully urge the Committee to pass Senate Bill 1280.**

Sincerely,

  
Timothy M. Dayton, CPCU

## FIN-Jo

---

**From:** Elliott Lugo <elandgiddy1228@gmail.com>  
**Sent:** Tuesday, March 31, 2015 12:20 PM  
**To:** Rep. Sylvia Luke; Rep. Scott Nishimoto; FINTestimony; Attorney General Doug Chin  
**Subject:** Oppose SB1280 - Don't Kill Uber/Lyft in Hawaii

To: Rep. Sylvia Luke, Chair of House Finance Committee; Rep. Scott Nishimoto, Vice Chair; and Doug Chin, Hawaii State Attorney General

Re: Opposition to SB1280

Dear Finance Committee Chair Luke, Vice Chair Nishimoto, and Attorney General Chin,

I urge you to find a solution that will allow rideshare companies like Uber and Lyft to continue to exist in Hawaii.

The rideshare industry has hundreds of local drivers and thousands of loyal riders who love the revolutionary app-based technology, ease of payment and customer service that rideshare provides. Rideshare services are secure, less expensive, reduce the number of cars on the road, and allow local residents and military personnel to make extra money in their spare time by turning their cars into part-time businesses.

... But now big insurance companies are trying to put the most innovative, alternative transportation solutions of our generation out of business. Senate Bill 1280 is a strong-arm attempt by big insurance, in the words of one of their many lobbyists, "to regulate the rideshare industry out of existence." If the state legislature passes this bill and Governor Ige signs it into law, services like Uber and Lyft will be forced to abandon operations in Hawaii.

Insurance companies are asking Legislators to require rideshare drivers to carry the most expensive commercial insurance policies to protect their bottomline, **EVEN AS THEY STRIKE DEALS TO SUPPORT COMPROMISE TNC LANGUAGE IN OTHER PLACES** (<http://www.insurancejournal.com/blogs/right-street/2015/03/24/361971.htm>)

I urge House Finance Chair Sylvia Luke, Hawaii State Insurance Commissioner Gordon Ito, and State Attorney General Douglas Chin to not give in the Insurance industry and figure out a compromise that will keep these companies, their jobs and the transportation innovation and alternatives here in Hawaii.

Yours,  
Elliott Lugo  
1060 Perry Dr.  
Algonquin, IL 60102

---

*This message was sent by the signee using an online tool sponsored by CorShare Hawaii, an independent coalition of riders, drivers, and alternative transportation and innovation enthusiasts. CoreShare is unaffiliated with Uber, Lyft or any other rideshare company.*

From: alex sumberg <asumberg@gmail.com>  
Sent: Tuesday, March 31, 2015 7:20 PM  
To: Rep. Sylvia Luke; Rep. Scott Nishimoto; FINTestimony; Attorney General Doug Chin  
Subject: Oppose SB1280 - Don't Kill Uber/Lyft in Hawaii

To: Rep. Sylvia Luke, Chair of House Finance Committee; Rep. Scott Nishimoto, Vice Chair; and Doug Chin, Hawaii State Attorney General

Re: Opposition to SB1280

Dear Finance Committee Chair Luke, Vice Chair Nishimoto, and Attorney General Chin,

I urge you to find a solution that will allow rideshare companies like Uber and Lyft to continue to exist in Hawaii.

The rideshare industry has hundreds of local drivers and thousands of loyal riders who love the revolutionary app-based technology, ease of payment and customer service that rideshare provides. Rideshare services are secure, less expensive, reduce the number of cars on the road, and allow local residents and military personnel to make extra money in their spare time by turning their cars into part-time businesses.

... But now big insurance companies are trying to put the most innovative, alternative transportation solutions of our generation out of business. Senate Bill 1280 is a strong- arm attempt by big insurance, in the words of one of their many lobbyists, “to regulate the rideshare industry out of existence.” If the state legislature passes this bill and Governor Ige signs it into law, services like Uber and Lyft will be forced to abandon operations in Hawaii.

Insurance companies are asking Legislators to require rideshare drivers to carry the most expensive commercial insurance policies to protect their bottomline, **EVEN AS THEY STRIKE DEALS TO SUPPORT COMPROMISE TNC LANGUAGE IN OTHER PLACES** (<http://www.insurancejournal.com/blogs/right-street/2015/03/24/361971.htm>)

I urge House Finance Chair Sylvia Luke, Hawaii State Insurance Commissioner Gordon Ito, and State Attorney General Douglas Chin to not give in the Insurance industry and figure out a compromise that will keep these companies, their jobs and the transportation innovation and alternatives here in Hawaii.

Yours,  
alex sumberg  
honolulu, Hi 96815

---

*This message was sent by the signee using an online tool sponsored by CorShare Hawaii, an independent coalition of riders, drivers, and alternative transportation and innovation enthusiasts. CoreShare is unaffiliated with Uber, Lyft or any other rideshare company.*

## FIN-Jo

---

**From:** Roxanne Kahn <rkahn1214@gmail.com>  
**Sent:** Wednesday, April 01, 2015 6:04 AM  
**To:** Rep. Sylvia Luke; Rep. Scott Nishimoto; FINTestimony; Attorney General Doug Chin  
**Subject:** Oppose SB1280 - Don't Kill Uber/Lyft in Hawaii

To: Rep. Sylvia Luke, Chair of House Finance Committee; Rep. Scott Nishimoto, Vice Chair; and Doug Chin, Hawaii State Attorney General

Re: Opposition to SB1280

Dear Finance Committee Chair Luke, Vice Chair Nishimoto, and Attorney General Chin,

I urge you to find a solution that will allow rideshare companies like Uber and Lyft to continue to exist in Hawaii.

The rideshare industry has hundreds of local drivers and thousands of loyal riders who love the revolutionary app-based technology, ease of payment and customer service that rideshare provides. Rideshare services are secure, less expensive, reduce the number of cars on the road, and allow local residents and military personnel to make extra money in their spare time by turning their cars into part-time businesses.

... But now big insurance companies are trying to put the most innovative, alternative transportation solutions of our generation out of business. Senate Bill 1280 is a strong-arm attempt by big insurance, in the words of one of their many lobbyists, "to regulate the rideshare industry out of existence." If the state legislature passes this bill and Governor Ige signs it into law, services like Uber and Lyft will be forced to abandon operations in Hawaii.

Insurance companies are asking Legislators to require rideshare drivers to carry the most expensive commercial insurance policies to protect their bottomline, **EVEN AS THEY STRIKE DEALS TO SUPPORT COMPROMISE TNC LANGUAGE IN OTHER PLACES** (<http://www.insurancejournal.com/blogs/right-street/2015/03/24/361971.htm>)

I urge House Finance Chair Sylvia Luke, Hawaii State Insurance Commissioner Gordon Ito, and State Attorney General Douglas Chin to not give in the Insurance industry and figure out a compromise that will keep these companies, their jobs and the transportation innovation and alternatives here in Hawaii.

Yours,  
Roxanne Kahn  
Austin, TX 78730

---

*This message was sent by the signee using an online tool sponsored by CorShare Hawaii, an independent coalition of riders, drivers, and alternative transportation and innovation enthusiasts. CoreShare is unaffiliated with Uber, Lyft or any other rideshare company.*

## FIN-Jo

---

**From:** Rob Machado <robmachado@me.com>  
**Sent:** Wednesday, April 01, 2015 10:26 AM  
**To:** Rep. Sylvia Luke; Rep. Scott Nishimoto; FINTestimony; Attorney General Doug Chin  
**Subject:** Oppose SB1280 - Don't Kill Uber/Lyft in Hawaii

To: Rep. Sylvia Luke, Chair of House Finance Committee; Rep. Scott Nishimoto, Vice Chair; and Doug Chin, Hawaii State Attorney General

Re: Opposition to SB1280

Dear Finance Committee Chair Luke, Vice Chair Nishimoto, and Attorney General Chin,

I urge you to find a solution that will allow rideshare companies like Uber and Lyft to continue to exist in Hawaii.

The rideshare industry has hundreds of local drivers and thousands of loyal riders who love the revolutionary app-based technology, ease of payment and customer service that rideshare provides. Rideshare services are secure, less expensive, reduce the number of cars on the road, and allow local residents and military personnel to make extra money in their spare time by turning their cars into part-time businesses.

... But now big insurance companies are trying to put the most innovative, alternative transportation solutions of our generation out of business. Senate Bill 1280 is a strong-arm attempt by big insurance, in the words of one of their many lobbyists, "to regulate the rideshare industry out of existence." If the state legislature passes this bill and Governor Ige signs it into law, services like Uber and Lyft will be forced to abandon operations in Hawaii.

Insurance companies are asking Legislators to require rideshare drivers to carry the most expensive commercial insurance policies to protect their bottomline, **EVEN AS THEY STRIKE DEALS TO SUPPORT COMPROMISE TNC LANGUAGE IN OTHER PLACES** (<http://www.insurancejournal.com/blogs/right-street/2015/03/24/361971.htm>)

I urge House Finance Chair Sylvia Luke, Hawaii State Insurance Commissioner Gordon Ito, and State Attorney General Douglas Chin to not give in the Insurance industry and figure out a compromise that will keep these companies, their jobs and the transportation innovation and alternatives here in Hawaii.

If you allow legislation like this, it will put hundreds of people out of work in Hawaii. These are people who desperately need the money to survive in one of the most expensive places in the world to live.

These companies are also providing a service that is keeping additional cars off the road. The companies also give riders, both residents and tourists, another transportation option at an affordable cost.

Please don't pass legislation that will end these operations in Hawaii. The residents of this state need the services for employment and affordable transportation.

Thank you,

Rob Machado  
Honolulu

Yours,  
Rob Machado  
Honolulu, HI 96815

---

*This message was sent by the signee using an online tool sponsored by CorShare Hawaii, an independent coalition of riders, drivers, and alternative transportation and innovation enthusiasts. CoreShare is unaffiliated with Uber, Lyft or any other rideshare company.*

**FIN-Jo**

---

**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Tuesday, March 31, 2015 9:23 PM  
**To:** FINTestimony  
**Cc:** ddebro@hawaii.edu  
**Subject:** Submitted testimony for SB1280 on Apr 2, 2015 14:00PM  
**Attachments:** Legislative Testimony on SB 1280.pages

**SB1280**

Submitted on: 3/31/2015

Testimony for FIN on Apr 2, 2015 14:00PM in Conference Room 308

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Drew Debro	Individual	Oppose	Yes

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)



From: Amber Gomez <waikikiamber@gmail.com>  
Sent: Wednesday, April 01, 2015 9:33 AM  
To: Rep. Sylvia Luke; Rep. Scott Nishimoto; FINTestimony; Attorney General Doug Chin  
Subject: Oppose SB1280 - Don't Kill Uber/Lyft in Hawaii

To: Rep. Sylvia Luke, Chair of House Finance Committee; Rep. Scott Nishimoto, Vice Chair; and Doug Chin, Hawaii State Attorney General

Re: Opposition to SB1280

Dear Finance Committee Chair Luke, Vice Chair Nishimoto, and Attorney General Chin,

I urge you to find a solution that will allow rideshare companies like Uber and Lyft to continue to exist in Hawaii.

The rideshare industry has hundreds of local drivers and thousands of loyal riders who love the revolutionary app-based technology, ease of payment and customer service that rideshare provides. Rideshare services are secure, less expensive, reduce the number of cars on the road, and allow local residents and military personnel to make extra money in their spare time by turning their cars into part-time businesses.

... But now big insurance companies are trying to put the most innovative, alternative transportation solutions of our generation out of business. Senate Bill 1280 is a strong-arm attempt by big insurance, in the words of one of their many lobbyists, "to regulate the rideshare industry out of existence." If the state legislature passes this bill and Governor Ige signs it into law, services like Uber and Lyft will be forced to abandon operations in Hawaii.

Insurance companies are asking Legislators to require rideshare drivers to carry the most expensive commercial insurance policies to protect their bottomline, **EVEN AS THEY STRIKE DEALS TO SUPPORT COMPROMISE TNC LANGUAGE IN OTHER PLACES** (<http://www.insurancejournal.com/blogs/right-street/2015/03/24/361971.htm>)

I urge House Finance Chair Sylvia Luke, Hawaii State Insurance Commissioner Gordon Ito, and State Attorney General Douglas Chin to not give in the Insurance industry and figure out a compromise that will keep these companies, their jobs and the transportation innovation and alternatives here in Hawaii.

Yours,  
Amber Gomez  
Honolulu, HI 96830

---

*This message was sent by the signee using an online tool sponsored by CorShare Hawaii, an independent coalition of riders, drivers, and alternative transportation and innovation enthusiasts. CoreShare is unaffiliated with Uber, Lyft or any other rideshare company.*

From: Greg Shiu <surf888@yahoo.com>  
Sent: Wednesday, April 01, 2015 1:53 PM  
To: Rep. Sylvia Luke; Rep. Scott Nishimoto; FINTestimony; Attorney General Doug Chin  
Subject: Oppose SB1280 - Don't Kill Uber/Lyft in Hawaii

To: Rep. Sylvia Luke, Chair of House Finance Committee; Rep. Scott Nishimoto, Vice Chair; and Doug Chin, Hawaii State Attorney General

Re: Opposition to SB1280

Dear Finance Committee Chair Luke, Vice Chair Nishimoto, and Attorney General Chin,

I urge you to find a solution that will allow rideshare companies like Uber and Lyft to continue to exist in Hawaii.

The rideshare industry has hundreds of local drivers and thousands of loyal riders who love the revolutionary app-based technology, ease of payment and customer service that rideshare provides. Rideshare services are secure, less expensive, reduce the number of cars on the road, and allow local residents and military personnel to make extra money in their spare time by turning their cars into part-time businesses.

... But now big insurance companies are trying to put the most innovative, alternative transportation solutions of our generation out of business. Senate Bill 1280 is a strong- arm attempt by big insurance, in the words of one of their many lobbyists, “to regulate the rideshare industry out of existence.” If the state legislature passes this bill and Governor Ige signs it into law, services like Uber and Lyft will be forced to abandon operations in Hawaii.

Insurance companies are asking Legislators to require rideshare drivers to carry the most expensive commercial insurance policies to protect their bottomline, **EVEN AS THEY STRIKE DEALS TO SUPPORT COMPROMISE TNC LANGUAGE IN OTHER PLACES** (<http://www.insurancejournal.com/blogs/right-street/2015/03/24/361971.htm>)

I urge House Finance Chair Sylvia Luke, Hawaii State Insurance Commissioner Gordon Ito, and State Attorney General Douglas Chin to not give in the Insurance industry and figure out a compromise that will keep these companies, their jobs and the transportation innovation and alternatives here in Hawaii.

Yours,  
Greg Shiu  
honolulu, hi 96814

---

*This message was sent by the signee using an online tool sponsored by CorShare Hawaii, an independent coalition of riders, drivers, and alternative transportation and innovation enthusiasts. CoreShare is unaffiliated with Uber, Lyft or any other rideshare company.*

From: rick <rsimonokc@sbcglobal.net>  
Sent: Wednesday, April 01, 2015 2:47 PM  
To: Rep. Sylvia Luke; Rep. Scott Nishimoto; FINTestimony; Attorney General Doug Chin  
Subject: Oppose SB1280 - Don't Kill Uber/Lyft in Hawaii

To: Rep. Sylvia Luke, Chair of House Finance Committee; Rep. Scott Nishimoto, Vice Chair; and Doug Chin, Hawaii State Attorney General

Re: Opposition to SB1280

Dear Finance Committee Chair Luke, Vice Chair Nishimoto, and Attorney General Chin,

I urge you to find a solution that will allow rideshare companies like Uber and Lyft to continue to exist in Hawaii.

The rideshare industry has hundreds of local drivers and thousands of loyal riders who love the revolutionary app-based technology, ease of payment and customer service that rideshare provides. Rideshare services are secure, less expensive, reduce the number of cars on the road, and allow local residents and military personnel to make extra money in their spare time by turning their cars into part-time businesses.

... But now big insurance companies are trying to put the most innovative, alternative transportation solutions of our generation out of business. Senate Bill 1280 is a strong- arm attempt by big insurance, in the words of one of their many lobbyists, “to regulate the rideshare industry out of existence.” If the state legislature passes this bill and Governor Ige signs it into law, services like Uber and Lyft will be forced to abandon operations in Hawaii.

Insurance companies are asking Legislators to require rideshare drivers to carry the most expensive commercial insurance policies to protect their bottomline, **EVEN AS THEY STRIKE DEALS TO SUPPORT COMPROMISE TNC LANGUAGE IN OTHER PLACES** (<http://www.insurancejournal.com/blogs/right-street/2015/03/24/361971.htm>)

I urge House Finance Chair Sylvia Luke, Hawaii State Insurance Commissioner Gordon Ito, and State Attorney General Douglas Chin to not give in the Insurance industry and figure out a compromise that will keep these companies, their jobs and the transportation innovation and alternatives here in Hawaii.

Yours,  
rick  
Austin, Te 78741

---

*This message was sent by the signee using an online tool sponsored by CorShare Hawaii, an independent coalition of riders, drivers, and alternative transportation and innovation enthusiasts. CoreShare is unaffiliated with Uber, Lyft or any other rideshare company.*



From: mailinglist@capitol.hawaii.gov  
 Sent: Wednesday, April 01, 2015 3:55 PM  
 To: FINTestimony  
 Cc: djung@ecocabhawaii.com  
 Subject: \*Submitted testimony for SB1280 on Apr 2, 2015 14:00PM\*

**SB1280**

Submitted on: 4/1/2015

Testimony for FIN on Apr 2, 2015 14:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
David H. Jung	EcoCab	Oppose	Yes

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)



From: mailinglist@capitol.hawaii.gov  
Sent: Wednesday, April 01, 2015 5:16 PM  
To: FINTestimony  
Cc: AlexisAPChapman@gmail.com  
Subject: Submitted testimony for SB1280 on Apr 2, 2015 14:00PM

**SB1280**

Submitted on: 4/1/2015

Testimony for FIN on Apr 2, 2015 14:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Alexis Chapman	Individual	Comments Only	No

Comments: Chair Luke, Vice Chair Nishimoto, and Members of the Committee; Rideshare companies are using technology to provide a service to consumers and the success of these businesses would indicate that there is a strong demand for the services they offer. I believe that in order for Hawaii's economy to grow we must find ways to adapt and encourage the use of new technology and innovative business models. I understand the importance of insurance and I hope that you can work with the parties directly affected by this measure to find a compromise that allows rideshares to continue to operate safely in our state. Thank you for the opportunity to testify.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)

From: Mark Tarone <marktarone@gmail.com>  
Sent: Wednesday, April 01, 2015 7:34 PM  
To: Rep. Sylvia Luke; Rep. Scott Nishimoto; FINTestimony; Attorney General Doug Chin  
Subject: Oppose SB1280 - Don't Kill Uber/Lyft in Hawaii

To: Rep. Sylvia Luke, Chair of House Finance Committee; Rep. Scott Nishimoto, Vice Chair; and Doug Chin, Hawaii State Attorney General

Re: Opposition to SB1280

Dear Finance Committee Chair Luke, Vice Chair Nishimoto, and Attorney General Chin,

I urge you to find a solution that will allow rideshare companies like Uber and Lyft to continue to exist in Hawaii.

The rideshare industry has hundreds of local drivers and thousands of loyal riders who love the revolutionary app-based technology, ease of payment and customer service that rideshare provides. Rideshare services are secure, less expensive, reduce the number of cars on the road, and allow local residents and military personnel to make extra money in their spare time by turning their cars into part-time businesses.

... But now big insurance companies are trying to put the most innovative, alternative transportation solutions of our generation out of business. Senate Bill 1280 is a strong-arm attempt by big insurance, in the words of one of their many lobbyists, "to regulate the rideshare industry out of existence." If the state legislature passes this bill and Governor Ige signs it into law, services like Uber and Lyft will be forced to abandon operations in Hawaii.

Insurance companies are asking Legislators to require rideshare drivers to carry the most expensive commercial insurance policies to protect their bottomline, **EVEN AS THEY STRIKE DEALS TO SUPPORT COMPROMISE TNC LANGUAGE IN OTHER PLACES** (<http://www.insurancejournal.com/blogs/right-street/2015/03/24/361971.htm>)

I urge House Finance Chair Sylvia Luke, Hawaii State Insurance Commissioner Gordon Ito, and State Attorney General Douglas Chin to not give in the Insurance industry and figure out a compromise that will keep these companies, their jobs and the transportation innovation and alternatives here in Hawaii.

In order to sustain the quality of life in Honolulu/on Oahu, we must make the urban core a great place to live. Rideshare is critical to accomplishing this important goal. Rideshare reduces parking needs and greatly improves the quality of life in urban environments.

The necessity and urgency of providing residents with a quality urban living experience should be clear. Rail is not enough to make traffic bearable, and we have limited green resources. Further development of open spaces costs the city too much money and places unreasonable burdens on us all. We can't afford to add more commuters to outlying areas. We can't afford to turn open space into concrete.

Rideshare may prove to be even more important and beneficial to Honolulu than rail. It dramatically reduces the total # of cars on-island and the # of miles driven on our roads each day. It makes living in our urban areas a treat and motivates people to live without owning a car. It encourages people to drive less and walk and bike

more. We need rideshare today. More importantly, our children, grandchildren and great grandchildren need us to recognize this opportunity and seize it.

Mahalo for the opportunity to testify.

Yours,  
Mark Tarone  
1559 Nuuanu Avenue  
Honolulu, HI 96817

---

*This message was sent by the signee using an online tool sponsored by CorShare Hawaii, an independent coalition of riders, drivers, and alternative transportation and innovation enthusiasts. CoreShare is unaffiliated with Uber, Lyft or any other rideshare company.*

**LATE**

**TESTIMONY OF BRIAN HUGHES ON BEHALF OF UBER TECHNOLOGIES  
IN OPPOSITION TO S.B. No. 1280 SB2 HD2  
RELATING TO TRANSPORTATION NETWORK COMPANIES**

Wednesday, March 25, 2015

*To: Chairperson Sylvia Luke and Members of the House Committee on Finance:*

Chairmen and Members of the Committee, thank you for the opportunity to give testimony. My name is Brian Hughes from Uber Technologies (Uber) and I am the General Manager here in Hawaii. I am testifying in OPPOSITION of SB1280 SB2 HD2.

Uber supports reasonable requirements for Transportation Network Companies (TNCs) that ensure rider and driver safety. This bill, however, does not accomplish that, and it does not recognize the unique model of ridesharing.

Our smartphone based application connects people – wherever, whenever -- with the nearest, most reliable ride on the road. We do not own any cars or employ any drivers. Rather, the Uber platform provides people the flexibility and freedom to start a small business, and the ability to access reliable, affordable rides at the tap of a button.

There are numerous critical areas within the bill that prevent Uber from supporting it in its current form. Due to the significant number of recommended changes, I will be submitting a separate example draft of compromise language Uber would be able to support.

Regarding definitions, we recommend replacing the language in the bill providing critical definitions such as “Transportation Network Company,” “TNC fare,” “TNC driver,” and “TNC fare” with suggested compromise language. After working closely with the insurance industry to find a middle ground, we believe these recommendations provide a framework that effectively addresses the needs and concerns of Transportation Network Companies, insurance companies, and other constituents.



Uber provides guaranteed end-to-end insurance coverage so that riders are protected from the moment an operator is available to receive a ride request until the moment they safely exit a vehicle. We offer \$1 million of commercial liability coverage from the moment the app connects a driver with a rider until they drop them off. There is also \$1,000,000 of uninsured/underinsured motorist coverage to address accidents that aren't the driver's fault but were the fault of an uninsured motorist or hit and run. Finally, there is also \$50,000 of contingent comprehensive and collision coverage to protect the driver's own vehicle.

Uninsured and underinsured motorist coverage should not be mandatory for TNC drivers as it is not required of other transportation options such as taxicabs, limousine motor carriers, buses, or personal vehicles in Hawaii. While Uber does provide a \$1MM uninsured underinsured policy for all ridesharing trips, it should not be required by law. Under the same principle, collision and comprehensive insurance should not be required. It is extremely unusual to mandate collision and comprehensive insurance, and it does not affect public safety. It only creates considerable costs for those doing business.

Ridesharing, like other industries in the Shared Economy, increases the efficiency of an underutilized resource. The Shared Economy departs from the clear-cut boundaries of personal use and commercial use. When a driver has the app on, but has not yet accepted a ride, they may be driving to the grocery store, on the way to the bank, or parked in a shopping center. There is no reason why insurance cannot be similarly scaled to make sure appropriate coverage is in effect at the appropriate time.

During the period when the driver has the app on but before they have accepted a ride request from a passenger, an insurance policy with \$50,000/\$100,000/\$25,000 coverage is in effect. This coverage is two and a half times greater than the state minimum of personal liability motor vehicle insurance. With our recommended language, this coverage provided by either the TNC or the TNC driver is also primary, still allowing the insurance industry the opportunity to provide specifically tailored ridesharing insurance policies. It's important to remember that at this time, there is no passenger in the car and no money is changing hands.

The attached recommended changes to the bill also establish compromise language around surplus lines, disclosure, and the ability of personal line insurers to exclude coverage for TNC activities. This compromise language is currently being pursued across multiple markets in the U.S. with the endorsement of leading auto insurance organizations and Uber.

Beyond the central issues of insurance and defining key terms in this new industry, there are a number of other obstacles within the bill that would preclude the state from enjoying a healthy ridesharing ecosystem.

Requiring TNC drivers to register with the Business Registration Division (BREG) of the Department of Commerce and Consumer Affairs (DCCA) is an unnecessary and cumbersome step. In the bill's current form, Section 5 of SB1280 HD1 requires all TNC drivers to independently register. Uber Technologies is already registered with the Department of Commerce and Consumer Affairs (file number: 48179 F1). It is sensible and appropriate to require TNCs to register with the DCCA; however, most drivers are sole proprietors, and sole proprietorships are not required to register with the DCCA, BREG.

The Business Registration Division (BREG) of the Department of Commerce and Consumer Affairs (DCCA) is responsible for processing and maintaining for public access, registrations of corporations, general and limited partnerships, limited liability partnerships, limited liability companies, trade names, trademarks, service marks and publicity name rights. This provision is technically incorrect and should not be applicable to drivers.

As well intentioned as it may be, a physical examination of every driver is an undue burden as only licensed drivers are able to apply as a TNC driver. Each individual who is issued a Hawaii state license is already deemed by the state to be physically capable of operating a motor vehicle. A vision test is required of every licensed driver in the state of Hawaii. Uber only allows drivers with Hawaii state licenses to drive on the Uber platform. These are all drivers who are already on the road, actively operating motor vehicles with or without an additional form. Interjecting a layer of bureaucracy simply places another obstacle upon the individual Hawaii resident that hopes to earn an income as well as the TNC. As the average TNC driver only drives part-time, this is a significant burden and will often prevent the individual from proceeding through the

application process, bringing a loss of income and fewer transportation options for riders when they need it most.

Furthermore, requiring one year of Hawaii driving experience discriminates against those who may have recently moved to Hawaii with one or several years of safe driving experience in other states. This cohort of individuals includes military spouses, veterans, students, and others who are looking for opportunities to overcome the high cost of living in the state. These are often the same people who cannot rely on a multi-generational home for housing because they have come to Hawaii for an opportunity or service obligation that is far from family. Requiring one year of driving experience is a reasonable expectation that ensures public safety; mandating that experience must be within the state of Hawaii simply goes too far.

Safety is Uber's top priority. Uber uses a third party background check investigation service that performs local county, multi-state, and federal criminal background checks going back seven years for every potential driver. Uber already practices background checks that far exceed the scope current practices of other transportation alternatives in the state. Our process examines county judicial records, the National Criminal Locator Database (NATCRIM) database, the Federal Public Access to Court Electronic Records (PACER) database, the National Sex Offender Registry, and the Global Terrorist Watch list – coupled with several layers of identity verification. Whether an individual has been arrested or has only received a notice to appear in judicial proceedings anywhere in the country, these databases allow Uber to make an informed evaluation of a potential driver's records. We also use a Social Security trace and review motor vehicle records across past and current residences.

If one were to compare TNC safety procedures with those of the Hawaii taxi industry, it becomes clear that TNC procedures are far superior. Honolulu County only conducts a local two-year background check for taxicab drivers, while Maui County does not conduct a background check for those applying for a taxicab operator permit.

Our background check process utilizes the court systems, where data flows through in real time. These systems are updated with the most recent charges - whether added or dropped, and they

are the best source of information for all violations and their outcomes. We're comparing the complete court records instead of a simple proof of arrest via fingerprints. Therefore, we ask that the fingerprint requirement be struck from SD 1280 HD1.

The requirement to “use only a hands free device” is also problematic in its phrasing though we support what we believe is its intent. As written, it could be interpreted that a TNC driver cannot use any devices that require use of their hands at any point. Hawaii law already clearly defines and outlaws the use of a mobile device while operating a motor vehicle. To repeat such language here, even if done clearly, is redundant. Driver-partners are already advised to comply with existing distracted driving laws. Drivers mount the device that runs the Uber application and provides audible directions for a hands-free experience during navigation.

It is not appropriate to have an industry-specific personally identifiable information requirement. Other companies that do web search, e-commerce, and email provision similarly collect personal information, and TNCs should be subject to the same standard set of rules as every other company.

Because driver partners can set any type of schedule they prefer, we are offering entrepreneurial opportunities for thousands of people with flexible hours: parents whose kids are in school, people in between jobs, entrepreneurs saving up while they work on their dream, as well as veterans and military spouses. We ask the legislature to consider the positive impact of this bill upon not only these individuals' economic opportunities but also the infrastructure and economy of the state.

SB 1280 in its current form does not support consumers or innovation, and I urge a NO vote on the bill unless each of the aforementioned substantial changes can be made.

Thank you.



Hawai'i Convention Center  
1801 Kalākāua Avenue, Honolulu, Hawai'i 96815  
**kelepona** tel 808 973 2255  
**kelepa'i** fax 808 973 2253  
**kahua pa'a** web [hawaii-tourism-authority.org](http://hawaii-tourism-authority.org)

**David Y. Ige**  
*Governor*

**Ronald Williams**  
*Chief Executive Officer*

Testimony of  
**Ronald Williams**  
President and Chief Executive Officer  
Hawai'i Tourism Authority  
on  
**S.B. No. 1280, S.D.2, H.D.2**  
**Relating to Transportation Network Companies**  
House Committee on Finance  
Thursday, April 2, 2015  
2:00 p.m.  
Conference Room 308



The Hawai'i Tourism Authority (HTA) supports S.B. 1280, S.D.2, H.D.2, which provides for the regulation of transportation network companies (TNCs).

The common carriers, which transport our visitors, are an important component of our visitor industry. Hawaii's Motor Carrier Law provides for the certification and regulation of "...any person which holds itself out to the general public to engage in the transportation by motor vehicle of passengers or property or any class or classes thereof for compensation." The law and the regulatory structure established by the law exists to provide for the safety, comfort, and convenience of the passengers, including our visitors. It is important, therefore, that any entity operating to engage in the transportation by motor vehicle of passengers, be similarly regulated.

S.B. 1280, S.D.2, H.D.2, establishes a new chapter for the regulation of transportation network companies. It is important that the requirements for TNCs be no less stringent than the requirements for our common carriers. Whether this is necessary by establishing a new chapter or under the current laws, with some revision, the key is enforceability. It is important that the Public Utilities Commission be able to enforce the laws and regulations that are established for TNCs.

For these reasons, we support S.B. 1280, S.D.2, H.D.2.

Mahalo for the opportunity to present these comments.

Mr. Dale A. Krupa  
Honolulu Taxi Driver under contract with The Cab/Signature Cab Holdings  
Committee on Finance  
April 2, 2015 2:00 pm  
MEASURE SB 1280, SD2, HD2 (HSCR1217)



Distinguished Chair and Committee members:

I am a Honolulu Taxi driver for 23 years. I vehemently oppose bill SB1280, SD2, HD2 for the following reasons:

- 1) The definition TNC “Transportation Network Companies” is nothing more than a synonym for a “Taxi Company” or, Taxi Dispatch Company”  
Transportation = Taxi  
Network = dispatching/Taxi fleet  
Company = Company  
You appear to be falling for their made up lingo. They do the same thing as traditional Taxis. I twice heard Uber declare at the City Council hearing that they said they were not a Taxi Co. but a Dispatch service. The definition of a Taxi Co. and dispatch service are the same according to The Regulation of Common Carriers, HRS Chapter 12 Article 1 section 12-1.1  
Also, their term “ride share” does not mean anything and is another new term they created to get around Taxi Laws. “ride share” would probably mean hitch hiking to most people.
- 2) I agree with the testimony of Randy Iwase, Chair P.U.C. Dated March 25, 2015. SB1280 HD1 TESTIMONY CPC-JUD 03-25-15. The regulation of “TNC's” lie with the Honolulu City Council and not the P.U.C.. These TNC's transport individuals from point A to B at the passengers direction for a fee. Exactly as legal Taxi's do. Their unique method of payment does not matter. HRS Chapter 12 Article 1 Taxicabs does not specify payment form. Our Taxi Company “The Cab” dispatches through a computer and also through cell phone towers in a similar fashion, TNC's are not unique they just claim they are to get around Cities Taxi Rules to make a large profit. Uber Co. is worth billions. And, in my opinion are duping State Legislatures.
- 3) Uber won't disclose how many driver's they have. How can they be regulated when they won't even tell you how many there are. This bill SB1280 appears to be wrote by Uber. Look at the Uber website and see the Driver/Uber agreement it reads exactly like 90% of this bill. Like Mr. Iwase P.U.C. Chair stated this bill is not enforceable, comes with no penalties, and actually is deregulation of a made of industry. This bill uses the “trust us” approach and allows Uber to handle it all and does not have to answer to anyone. Please send this back to Honolulu City and County for enforcement of HRS Chapter 12 Article 1 Taxicabs.
- 4) Furthermore, does this mean that TNC's can operate statewide if SB1280 is passed? TNC's have decreased Taxi business about 30% in Honolulu. Maui and Hilo and Kona have many Taxi's. If passed it will put them out of business. Having a TNC on Lanai may sound like a good idea because they have no public transportation. But, remember bill SB1280 allows them to vary their rates “throttle them up” whenever they choose. Major price gouging will occur and Tourists and others will be forced to pay outrageous prices. They is why City/County approved meter and rates are they way to go. It is fair for competing companies and passengers both. I believe there has been zero input from neighbor island Taxi Companies and are unaware that

they will be affected. I have a Taxi Cab certificate from the City and County of Honolulu not a blanket one for the whole State, tell me that is fair?

- 5) If this bill is passed when all the amendments are added it may closely resemble HRS Chapter 12 Article 1 Taxicabs. So, why not just leave it up to each County like it is now and where it belongs.
- 6) At a City Council meeting Uber brought in a female single mom and a college student to hear how they were able to make some extra money driving for Uber and gave us a sympathy plea. Taxi Companies can beat that ten-fold. The majority of taxi driver's are un-educated emigrates with very poor reading and writing skills. And can do one of three things, drive a taxi, work in an ethnic restaurant, or sit on their rump and collect welfare. This is not an exaggeration. These Uber single mom's and College students can do something else they cannot. That is why I am the only Taxi driver giving opposition, I have spoke to dozens of drivers over the last year and they all share my thoughts. TNC's have an unfair advantage and are not unique enough to warrant special legislation. I respectfully ask that this bill SB1280 is not passed and this dilemma is give back to Honolulu City Council so they can enforce HRS Chapter 12 Article 1 (Taxicabs). TNC's or whatever you call them have operated for nearly one year without being told to cease and desist. Honolulu City Council told them they were operating illegally, now it is your turn.
- 7) Furthermore, current legal taxi driver's are self-employed independent contractors. What are Uber drivers? They sound like employees but Uber tells them they are independent contractors. This is something for The U.S. Dept. of Labor to decide. Uber imposes many rules for their driver's to follow, simply because they can work their own hours does not qualify them as independent contractors, neither does the contract Uber has them agree to. According to the Dept. of Labor it is the way you are treated and not the contract they have you sign that determines your status. This opens up all sort of other issues. And, should be considered one more factor.
- 8) I respectfully ask for a motion to force Uber and all TNC's to cease and desist immediately in The State of Hawaii.
- 9) They are welcome to start new Taxi Companies under HRS Chapter 12 Article 1 Taxicabs in Honolulu County without complaints from myself or Taxi companies. We don't mind competition but they must not be allowed an unfair advantage or price gouging of the public.

Sincerely,

Dale A. Krupa

Taxi driver/Honolulu resident

April 2, 2015 7:00am



From: mailinglist@capitol.hawaii.gov  
 Sent: Wednesday, April 01, 2015 8:43 PM  
 To: FINTestimony  
 Cc: geraldhugh@gmail.com  
 Subject: Submitted testimony for SB1280 on Apr 2, 2015 14:00PM

**SB1280**

Submitted on: 4/1/2015

Testimony for FIN on Apr 2, 2015 14:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Gerald de Heer	Individual	Oppose	No

Comments: Chairperson Luke and Members of the House Finance Committee: Thank you for this opportunity to testify against passage of SB 1280. Transportation service consumers now have lower-priced alternatives, TNC's Lyft and Uber. Those firms provide safe, inexpensive, and reliable service. Their pricing is based on supply and demand. Even with 'surge' pricing, fares are usually less expensive than taxi services. So, what are the incumbents doing when faced with strong competition? Running to the Legislature to force the new TNC's out of business. Rather than legislate out competition let's encourage competition, let the public decide. Thank you for this opportunity to share my views with you. R/ Gerald de Heer

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)



From: Kevin Hart <VetsChangingAmerica@Gmail.com>  
Sent: Wednesday, April 01, 2015 9:22 PM  
To: Rep. Sylvia Luke; Rep. Scott Nishimoto; FINTestimony; Attorney General Doug Chin  
Subject: Oppose SB1280 - Don't Kill Uber/Lyft in Hawaii

To: Rep. Sylvia Luke, Chair of House Finance Committee; Rep. Scott Nishimoto, Vice Chair; and Doug Chin, Hawaii State Attorney General

Re: Opposition to SB1280

Dear Finance Committee Chair Luke, Vice Chair Nishimoto, and Attorney General Chin,

I urge you to find a solution that will allow rideshare companies like Uber and Lyft to continue to exist in Hawaii.

The rideshare industry has hundreds of local drivers and thousands of loyal riders who love the revolutionary app-based technology, ease of payment and customer service that rideshare provides. Rideshare services are secure, less expensive, reduce the number of cars on the road, and allow local residents and military personnel to make extra money in their spare time by turning their cars into part-time businesses.

... But now big insurance companies are trying to put the most innovative, alternative transportation solutions of our generation out of business. Senate Bill 1280 is a strong-arm attempt by big insurance, in the words of one of their many lobbyists, "to regulate the rideshare industry out of existence." If the state legislature passes this bill and Governor Ige signs it into law, services like Uber and Lyft will be forced to abandon operations in Hawaii.

Insurance companies are asking Legislators to require rideshare drivers to carry the most expensive commercial insurance policies to protect their bottomline, **EVEN AS THEY STRIKE DEALS TO SUPPORT COMPROMISE TNC LANGUAGE IN OTHER PLACES** (<http://www.insurancejournal.com/blogs/right-street/2015/03/24/361971.htm>)

I urge House Finance Chair Sylvia Luke, Hawaii State Insurance Commissioner Gordon Ito, and State Attorney General Douglas Chin to not give in the Insurance industry and figure out a compromise that will keep these companies, their jobs and the transportation innovation and alternatives here in Hawaii.

Systems like Uber and Lyft create a new type of Responsible Driver and makes it easier to become a Responsible Non-Drink & Driver. These services will save many lives!

Yours,  
Kevin Hart  
935 Dillingham  
Honolulu, HI 96813

---

*This message was sent by the signee using an online tool sponsored by CorShare Hawaii, an independent coalition of riders, drivers, and alternative transportation and innovation enthusiasts. CoreShare is unaffiliated with Uber, Lyft or any other rideshare company.*

**LATE**

From: Michael Golojuch Jr. <mgolojuch@hotmail.com>  
Sent: Thursday, April 02, 2015 6:15 AM  
To: Rep. Sylvia Luke; Rep. Scott Nishimoto; FINTestimony; Attorney General Doug Chin  
Subject: Oppose SB1280 - Don't Kill Uber/Lyft in Hawaii

To: Rep. Sylvia Luke, Chair of House Finance Committee; Rep. Scott Nishimoto, Vice Chair; and Doug Chin, Hawaii State Attorney General

Re: Opposition to SB1280

Dear Finance Committee Chair Luke, Vice Chair Nishimoto, and Attorney General Chin,

I urge you to find a solution that will allow rideshare companies like Uber and Lyft to continue to exist in Hawaii.

The rideshare industry has hundreds of local drivers and thousands of loyal riders who love the revolutionary app-based technology, ease of payment and customer service that rideshare provides. Rideshare services are secure, less expensive, reduce the number of cars on the road, and allow local residents and military personnel to make extra money in their spare time by turning their cars into part-time businesses.

... But now big insurance companies are trying to put the most innovative, alternative transportation solutions of our generation out of business. Senate Bill 1280 is a strong-arm attempt by big insurance, in the words of one of their many lobbyists, "to regulate the rideshare industry out of existence." If the state legislature passes this bill and Governor Ige signs it into law, services like Uber and Lyft will be forced to abandon operations in Hawaii.

Insurance companies are asking Legislators to require rideshare drivers to carry the most expensive commercial insurance policies to protect their bottomline, **EVEN AS THEY STRIKE DEALS TO SUPPORT COMPROMISE TNC LANGUAGE IN OTHER PLACES** (<http://www.insurancejournal.com/blogs/right-street/2015/03/24/361971.htm>)

I urge House Finance Chair Sylvia Luke, Hawaii State Insurance Commissioner Gordon Ito, and State Attorney General Douglas Chin to not give in the Insurance industry and figure out a compromise that will keep these companies, their jobs and the transportation innovation and alternatives here in Hawaii.

Yours,  
Michael Golojuch Jr.  
92-954 Makakilo Dr. #71  
Kapolei, HI 96707

---

*This message was sent by the signee using an online tool sponsored by CorShare Hawaii, an independent coalition of riders, drivers, and alternative transportation and innovation enthusiasts. CoreShare is unaffiliated with Uber, Lyft or any other rideshare company.*

**LATE**

finance1-Kim

From: Lane Lowman <lowmanlane@gmail.com>  
Sent: Thursday, April 02, 2015 6:01 AM  
To: Rep. Sylvia Luke; Rep. Scott Nishimoto; FINTestimony; Attorney General Doug Chin  
Subject: Oppose SB1280 - Don't Kill Uber/Lyft in Hawaii

To: Rep. Sylvia Luke, Chair of House Finance Committee; Rep. Scott Nishimoto, Vice Chair; and Doug Chin, Hawaii State Attorney General

Re: Opposition to SB1280

Dear Finance Committee Chair Luke, Vice Chair Nishimoto, and Attorney General Chin,

I urge you to find a solution that will allow rideshare companies like Uber and Lyft to continue to exist in Hawaii.

The rideshare industry has hundreds of local drivers and thousands of loyal riders who love the revolutionary app-based technology, ease of payment and customer service that rideshare provides. Rideshare services are secure, less expensive, reduce the number of cars on the road, and allow local residents and military personnel to make extra money in their spare time by turning their cars into part-time businesses.

... But now big insurance companies are trying to put the most innovative, alternative transportation solutions of our generation out of business. Senate Bill 1280 is a strong- arm attempt by big insurance, in the words of one of their many lobbyists, “to regulate the rideshare industry out of existence.” If the state legislature passes this bill and Governor Ige signs it into law, services like Uber and Lyft will be forced to abandon operations in Hawaii.

Insurance companies are asking Legislators to require rideshare drivers to carry the most expensive commercial insurance policies to protect their bottomline, **EVEN AS THEY STRIKE DEALS TO SUPPORT COMPROMISE TNC LANGUAGE IN OTHER PLACES** (<http://www.insurancejournal.com/blogs/right-street/2015/03/24/361971.htm>)

I urge House Finance Chair Sylvia Luke, Hawaii State Insurance Commissioner Gordon Ito, and State Attorney General Douglas Chin to not give in the Insurance industry and figure out a compromise that will keep these companies, their jobs and the transportation innovation and alternatives here in Hawaii.

Yours,  
Lane Lowman  
1210 palolo ave apt d  
honolulu, hi 96816

---

*This message was sent by the signee using an online tool sponsored by CorShare Hawaii, an independent coalition of riders, drivers, and alternative transportation and innovation enthusiasts. CoreShare is unaffiliated with Uber, Lyft or any other rideshare company.*



From: mailinglist@capitol.hawaii.gov  
Sent: Thursday, April 02, 2015 10:03 AM  
To: FINTestimony  
Cc: cab580@operamail.com  
Subject: Submitted testimony for SB1280 on Apr 2, 2015 14:00PM

**SB1280**

Submitted on: 4/2/2015

Testimony for FIN on Apr 2, 2015 14:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Dale Krupa	Individual	Comments Only	No

Comments: If TNC's operate on neighbor islands they will drive traditional Taxi's completely out of business by offering way lower rates and then when they're gone they will jack their rates back up to what the old regular Taxi's charged or above. Please stop this unfairness and recklessness. Variable rates cannot be allowed. Please ban TNC's in the State of Hawaii. Sincerley, Dale A. Krupa

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)

Testimony of Dale Evans, President, CHARLEY'S TAXI & LIMOUSINE  
In Support of SB1280 SD2 HD2 Relating to Transportation Network Companies  
House Finance Committee, Hearing 4.02.15 @ 2 pm, Rm. 308, State Capitol

Honorable Chair Luke, Honorable Vice Chair Nishimoto and Members of the Committee:

Thank you for this opportunity to testify in support of SB1280 SD2 HD2.

- Charley's Taxi has been serving the residents and visitors to Honolulu since 1938, 24/7, with premium transportation services.
- Our company owns no taxicabs and our affiliated licensed taxicab owners and drivers are all independent contractors. A number are part time drivers who own or rent their taxicabs.
- Our taxicab owners and drivers uphold and voluntarily comply with federal, state and county laws and regulations pertinent to commercial transportation operations.
- Local taxi companies use sophisticated dispatch technology that is similar and/or superior to TNC technology.
- Honolulu is an "open entry" city for licenses to operate as PUC and/or taxi, no artificial numerical limits. Here is the easiest place to enter the ground transportation business. The regulations set qualifications, standards and service guidelines.

We support this bill because we oppose further delay of equal and fair regulation of TNCs who have been operating 'extralegal' about 4 years (Uber) and 1 year (Lyft) in Honolulu.

REQUEST AMENDMENT: Any exemptions for TNCs should likewise be afforded to licensed commercial operators. We advocate TNCs follow the same regulations for public safety and security, consumer protections, fares and charges, taxes and fees, anti-discrimination laws, driver certifications and other service standards.

REQUEST AMENDMENT: Penalty provisions

For operating without license and non-compliance with insurance, registration, inspections and examinations: Fines of \$5000 per day per violation; impoundment of vehicles; and revocation of TNC driver's license after 3<sup>rd</sup> violation. *NOTE: The state and county are missing out on collecting substantial fines and penalties on TNCs, until meaningful enforcement measures are spelled out.*

### **Our USA is a Nation of Laws**

The laws governing commercial transportation are more and higher than for regular motorists.

- Example: Commercial operators are forbidden to use cellphones during driving. NTSB (National Transportation Safety Board) recommends full ban of using cellphones while driving. <sup>1</sup> TNC drivers actively use the cellphones while driving.
- Example: Worldwide, taximeters are required to calculate distance and time fares accurately. TNCs use the smartphones for "Surge Pricing". In the taxi business, TNCs are engaged in "Meter Rigging".

- Example: Taxi drivers are forbidden to refuse trips. In Honolulu, the drivers must respond to calls within 2 miles of the driver's location. The TNC APP discriminates against cash customers. TNC drivers' ranking of passengers allows them to "cherry pick" their trips — short trips, poor tippers are ranked low and those customers typically wait longer for pick-ups, if they ever get picked up. "Surge Pricing" encourages TNC drivers to chase the zones where they can make the most money in the least amount of time. TNCs boast that their drivers typically work 15 hours a week.

**The TNC way of doing business is SECRECY, ARBITRARILY, EVASIVELY.**

TNCs pretend to 'self regulate' their businesses when, in fact, they operate '*Sub Rosa*'<sup>2</sup> — without accountability, transparency and oversight.

- TNCs evade commercial insurance costs and proof of financial responsibility — Uber's insurance policy should be publicly disclosed for terms and conditions of coverage.
- Avoids official screening of drivers' physical condition and criminal background checks through fingerprinting and other biometric tests
- Examination to test drivers' knowledge of pertinent transportation laws and prohibited activities.

TNCs derive competitive economic advantages by

1. imposing charges not allowed to commercial operators;
2. nonpayment of taxes and fees paid by licensed commercial operators; and
3. avoid compliance with laws, bans and court orders.

(1) WHEREAS, PUC licensees are required to file tariffs that are open to the public at least 30-days in advance of any increase, licensed taxicab are subject to regulated taxicab meter fares, Honolulu's taxi ordinance requires taxicab drivers to charge fares calculated by inspected (annually), certified and sealed taxicab meters. Taxicab drivers are prohibited from charges not specifically authorized by the Ordinance.

TNC PROFITEERING: TNCs and their drivers are charging consumers that are not allowed for taxicab operators.

- TNC's distance and time charges are arbitrarily, secretly calculated by the app on a smartphones — the smartphone is not an approved Weights & Measures commercial device regulated by the National Institute of Science & Technology as required by federal and state laws.
- 'Surge Pricing' when demand exceeds supply of TNC own drivers — typically 1.5 to 3 or more times than the regular fares
- Mandatory 20% tips or Prime Time Tips
- Booking fee
- Safe Ride fee
- Cleaning charges

Representative Sylvia Luke, Chair  
Representative Scott Nishimoto, Vice Chair  
Finance Committee  
April 2, 2015  
Page 3 of 4

(2) WHEREAS, Honolulu's taxicab drivers are prohibited from passing on these state taxes and fees:

- General Excise Taxes on the gross fares charged to customers
- \$5 trip fee or 7% pre-arranged fee at Honolulu International Airport,
- \$10 fee at Nuuanu Pali lookout,
- \$12 Diamond Head Crater
- \$12 Aloha Stadium parking fee

TNC Evasion of Taxes and Fees: We question whether Uber and Lyft drivers

- have registered for General Excise Tax books and
- pay Hawaii Excise Tax on the gross fares charged to their customers.
- Pay airport fees of \$5 per trip or 7% of gross fares charged
- Pay fees imposed on commercial operators at Diamond Head, Nuuanu Pali Lookout, Aloha Stadium.

(3) WHEREAS local licensed small transportation businesses voluntarily comply with state and county laws and regulations governing their operations:

TNC History of Non-Compliance and Scandals: TNC Uber in particular is notorious in national and international news for 'controversial' tactics. <sup>3</sup>

In many jurisdictions, TNCs are reputed to pay for the fines, impound fees, court costs imposed on TNC drivers. For TNCs, money is no deterrent as venture capitalist-funded Uber is reportedly valued for \$41 billion. TNC's appear unashamed to flaunt laws, defy court orders: their controversial business model is a national and worldwide scandal. <sup>4</sup>

SAFE, LEGAL, FAIR: Hawaii's residents and visitors depend upon reliable transportation services and a healthy and stable business climate that ultimately benefits consumers.

Respectfully submitted,  
Dale Evans, President, Charley's Taxi  
eMail: [dale@charleystaxi.com](mailto:dale@charleystaxi.com)

---

<sup>1</sup> [NTSB recommends full ban on use of cellphones while driving](#). Mike M. Ahlers, CNN, 12.14.11.

<sup>2</sup> confidentially, secretly, privately

<sup>3</sup> [Uber Punishes New York Manager Accused of Privacy Violations](#). David Murphy, PC, 11.30.14

[Uber's Moral Compass Needs Recalibration](#). Tech Crunch, Jon Russell, 11.19.14

[Is This The final Straw? Uber's Android Application – "Literally Malware"](#). Ben Kepes, Forbes, 11.26.14  
**Uber Sought To Hire Opposition Researcher to "Weaponize Facts" SOURCE: BuzzFeed DATE: Nov. 20, 2014**

[Uber Scandal Highlights Silicon Valley's Grown-Up Problem](#), NYTimes, 11.19.14

What all these incidents have in common is that they offer a portrait of a company without adults in charge. From the top executive ranks to individual operational units around the world, the mentality seems to be one in which sheer belief in the rightness of their cause overwhelms what to an outsider seems at best questionable and at worst immoral practices.

<sup>4</sup> TNC DEFY LAWS, COURT ORDERS: WORLDWIDE

Representative Sylvia Luke, Chair  
Representative Scott Nishimoto, Vice Chair  
Finance Committee  
April 2, 2015  
Page 4 of 4

---

**Uber Battles Multiply Around the World.** LCT Mag, 1.09.15 (INFOGRAPHIC)  
Germany, Netherlands, Thailand, India

**Why has Uber been banned from these places?** Shruti Tripathi Chopra, London Loves Business,  
12.10.14



Testimony of Lloyd Nishina, Controller, CHARLEY'S TAXI & LIMOUSINE  
In Support of SB1280 Relating to Transportation Network Companies  
House Finance Committee, Hearing 4.02.15 @ 2 pm, Rm. 308, State Capitol

Honorable Representatives:

Thank you for this opportunity to testify in support of SB1280. I stand by the testimony presented to the committee by Dale Evans, President of Charley's Taxi & Limousine and would like to add my testimony regarding the financial aspects or consequences regarding SB1280.

- 1) Both the TNC entities and the independent drivers must respectively register and obtain the proper General Excise Tax License and pay to the State of Hawaii their correct share of income received from transportation activities. This will lead to proper reporting and filing to the State of Hawaii their annual incomes on the Corporation and Individual Tax Returns.
- 2) Hawaii Income taxes, State Airport and Harbor, plus other Honolulu City & County regulated charges and fees are being lost forever, unless enforcement of major penalties and fines are administered against the TNC entity and TNC individual drivers.

In Summary – The TNCs must be regulated in Hawaii to conform with the transportation industry's rules and regulations to enable the State and City & County of Honolulu to receive proper revenues. Whether the Public Utilities Commission or the City & County Taxi Commission assumes jurisdiction over the TNCs, immediate enforcement of laws and regulations must be complied with. Unless they follow the rules, harsh fines and penalties must be imposed on the TNC entity and their individual drivers to provide a deterrent to cease transportation operations. If the TNCs continue their lack of fiscal responsibilities, this "non-compliance" attitude will soon permeate throughout Hawaii via small businesses and other independent contractors and individuals. Thank you.



# LATE TESTIMONY

Testimony of Dale Evans, President, CHARLEY'S TAXI & LIMOUSINE  
In Support of SB1280 Relating to Transportation Network Companies  
House Finance Committee, Hearing 4.02.15 @ 2 pm, Rm. 308, State Capitol

Honorable Representatives:

Thank you for this opportunity to testify in support of SB1280.

- Charley's Taxi has been serving the residents and visitors to Honolulu since 1938, 24/7, with premium transportation services.
- Our company owns no taxicabs and our affiliated licensed taxicab owners and drivers are all independent contractors. A number are part time drivers who own or rent their taxicabs.
- Our taxicab owners and drivers uphold and voluntarily comply with federal, state and county laws and regulations pertinent to commercial transportation operations.
- Local taxi companies use sophisticated dispatch technology that is similar and/or superior to TNC technology.
- Honolulu is an "open entry" city for licenses to operate as PUC and/or taxi, no artificial numerical limits. Here is the easiest place to enter the ground transportation business. The regulations set qualifications, standards and service guidelines.

We support this bill because we oppose further delay of equal and fair regulation of TNCs who have been operating 'extralegal' about 4 years (Uber) and 1 year (Lyft) in Honolulu.

REQUEST AMENDMENT: Any exemptions for TNCs should likewise be afforded to licensed commercial operators. We advocate TNCs follow the same regulations for public safety and security, consumer protections, fares and charges, taxes and fees, anti-discrimination laws, driver certifications and other service standards.

REQUEST AMENDMENT: Penalty provisions  
For operating without license and non-compliance with insurance, registration, inspections and examinations: Fines of \$5000 per day per violation; impoundment of vehicles; and revocation of TNC driver's license after 3<sup>rd</sup> violation. *NOTE: The state and county are missing out on collecting substantial fines and penalties on TNCs, until meaningful enforcement measures are spelled out.*

## USA is a Nation of Laws

The laws governing commercial transportation are more and higher than for regular motorists.

- Example: Commercial operators are forbidden to use cellphones during driving. NTSB (National Transportation Safety Board) recommends full ban of using cellphones while driving. <sup>1</sup> TNC drivers actively use the cellphones while driving.

- Example: Worldwide, taximeters are required to calculate distance and time fares accurately. TNCs use the smartphones for “Surge Pricing”. In the taxi business, TNCs are engaged in “Meter Rigging”.
- Example: Taxi drivers are forbidden to refuse trips. In Honolulu, the drivers must respond to calls within 2 miles of the driver’s location. The TNC APP discriminates against cash customers. TNC drivers’ ranking of passengers allows them to “cherry pick” their trips — short trips, poor tippers are ranked low and those customers typically wait longer for pick-ups, if they ever get picked up. “Surge Pricing” encourages TNC drivers to chase the zones where they can make the most money in the least amount of time. TNCs boast that their drivers typically work 15 hours a week.

**The TNC way of doing business is SECRECY, ARBITRARILY, EVASIVELY.**

TNCs pretend to ‘self regulate’ their businesses when, in fact, they operate ‘*Sub Rosa*’<sup>2</sup> — without accountability, transparency and oversight.

- TNCs evade commercial insurance costs and proof of financial responsibility — Uber’s insurance policy should be publicly disclosed for terms and conditions of coverage.
- Avoids official screening of drivers’ physical condition and criminal background checks through fingerprinting and other biometric tests
- Examination to test drivers’ knowledge of pertinent transportation laws and prohibited activities.

TNCs derive competitive economic advantages by

1. imposing charges not allowed to commercial operators;
2. nonpayment of taxes and fees paid by licensed commercial operators; and
3. avoid compliance with laws, bans and court orders.

(1) WHEREAS, PUC licensees are required to file tariffs that are open to the public at least 30-days in advance of any increase, licensed taxicab are subject to regulated taxicab meter fares, Honolulu’s taxi ordinance requires taxicab drivers to charge fares calculated by inspected (annually), certified and sealed taxicab meters. Taxicab drivers are prohibited from charges not specifically authorized by the Ordinance.

**TNC PROFITEERING:** TNCs and their drivers are charging consumers that are not allowed for taxicab operators.

- TNC’s distance and time charges are arbitrarily, secretly calculated by the app on a smartphones — the smartphone is not an approved Weights & Measures commercial device regulated by the National Institute of Science & Technology as required by federal and state laws.
- ‘Surge Pricing’ when demand exceeds supply of TNC own drivers — typically 1.5 to 3 or more times than the regular fares
- Mandatory 20% tips or Prime Time Tips
- Booking fee
- Safe Ride fee

- Cleaning charges

(2) WHEREAS, Honolulu's taxicab drivers are prohibited from passing on these state taxes and fees:

- General Excise Taxes on the gross fares charged to customers
- \$5 trip fee or 7% pre-arranged fee at Honolulu International Airport,
- \$10 fee at Nuuanu Pali lookout,
- \$12 Diamond Head Crater
- \$12 Aloha Stadium parking fee

TNC Evasion of Taxes and Fees: We question whether Uber and Lyft drivers

- have registered for General Excise Tax books and
- pay Hawaii Excise Tax on the gross fares charged to their customers.
- Pay airport fees of \$5 per trip or 7% of gross fares charged
- Pay fees imposed on commercial operators at Diamond Head, Nuuanu Pali Lookout, Aloha Stadium.

(3) WHEREAS local licensed small transportation businesses voluntarily comply with state and county laws and regulations governing their operations:

TNC History of Non-Compliance and Scandals: TNC Uber in particular is notorious in national and international news for 'controversial' tactics.<sup>3</sup>

In many jurisdictions, TNCs are reputed to pay for the fines, impound fees, court costs imposed on TNC drivers. For TNCs, money is no deterrent as venture capitalist-funded Uber is reportedly valued for \$41 billion. TNC's appear unashamed to flaunt laws, defy court orders: their controversial business model is a national and worldwide scandal.<sup>4</sup>

SAFE, LEGAL, FAIR: Hawaii's residents and visitors depend upon reliable transportation services and a healthy and stable business climate that ultimately benefits consumers.

Respectfully submitted,  
Dale Evans, President, Charley's Taxi  
eMail: [dale@charleystaxi.com](mailto:dale@charleystaxi.com)  
April 2, 2015

1451 S. King Street, Suite 300, Honolulu, Hawaii 96813 | Tel 808-233-3333

---

<sup>1</sup> **NTSB recommends full ban on use of cellphones while driving.** Mike M. Ahlers, CNN, 12.14.11.

<sup>2</sup> confidentially, secretly, privately

<sup>3</sup> **Uber Punishes New York Manager Accused of Privacy Violations.** David Murphy, PC, 11.30.14

**Uber's Moral Compass Needs Recalibration.** Tech Crunch, Jon Russell, 11.19.14

**Is This The final Straw? Uber's Android Application – "Literally Malware".** Ben Kepes, Forbes, 11.26.14  
**Uber Sought To Hire Opposition Researcher to "Weaponize Facts" □SOURCE: BuzzFeed □DATE: Nov. 20, 2014**

---

**Uber Scandal Highlights Silicon Valley's Grown-Up Problem, NYTimes, 11.19.14**

What all these incidents have in common is that they offer a portrait of a company without adults in charge. From the top executive ranks to individual operational units around the world, the mentality seems to be one in which sheer belief in the rightness of their cause overwhelms what to an outsider seems at best questionable and at worst immoral practices.

**4 TNC DEFY LAWS, COURT ORDERS: WORLDWIDE**

**Uber Battles Multiply Around the World.** LCT Mag, 1.09.15 (INFOGRAPHIC)  
Germany, Netherlands, Thailand, India

**Why has Uber been banned from these places?** Shruti Tripathi Chopra, London Loves Business, 12.10.14

**CANADA**

**Free Uber rides coming to an end.** Kirby Bourne, 12.26.14, Edmonton News

**City of Toronto seeks court injunction against Uber taxi services. Toronto argues the app-based taxi service risks public safety and violates licensing bylaws. It's asking the Superior Court to stop the San Francisco-based company.** Jennifer Pagliaro, Toronto Star, 11.18.14

**FRANCE**

**Uber Drivers Face Fines in Paris** □New York Times, Feb. 22, 2015

Uber has been facing regulatory headaches as it rapidly expands around the globe, and adding to those are new fines in France for drivers viewed as being illegal chauffeurs. After protests and bans against the American ride-booking service in cities like Rome and Rio de Janeiro, Uber had decided to play nice with regulators by working with politicians to find ways for it to operate within the bounds of local laws. But Uber, which allows drivers to connect with passengers through a smartphone app, still has far to go to convince wary French lawmakers that Uber should be allowed to operate in their cities. To read the article, [click here](#). To read the article, [click here](#).

**Uber files second complaint against French law.** Reuters, 2.17.15

**France Plans to Block Uber 'Ride Sharing' Service.** WSJ, Sam Schechner, Into Landauro, WSJ, 12.15.14

**France Says It Will Ban Uber's Low-Cost Service in New Year.** David Jolly, Mark Scott, NYTimes, 12.15.14

**France to ban Uber's low-cost service in 2015.** CBS News, 12.15.14

**Uber tests French tolerance with new car share scheme.** Leila Abboud, Reuters, 11.13.14

**GERMANY**

**Uber Is Banned in Germany...Again.** NY Times, 3.20.15

**Uber Hits Another roadblock in Germany, As Court bans uberPOP service.** German Pulse, 3.18.15

**Uber Must Stop Car Services in Germany's Two Biggest Cities.** Karin Matussek, Bloomberg, 9/26/14

**Court Upholds Ban on Uber in Berlin.** Mark Scott, NYTimes, 9/26/14.

**Uber Ban in Germany Is Lifted by Court.** Mark Scott, Sarah Plass, NYTimes, 9/16/14

**Uber defies German court's countrywide ban.** Robert Anglen, AZ Republic, 9.6.14

**Huge surge in Uber sign-ups following German ban.** Traffic Technology Today, 9/05/14

**As It Flouts Germany-Wide Ban, Uber Touts ~30% Price Cut In Berlin And Munich.** Natasha Lomas, Tech Crunch, 9/04/14

**Uber in Germany Could Be Hit With Fines, Vows To Defy Ban On Its Services.** Ashley Helms, HNGN, 9.3.14

---

**Uber Continues to Operate in Germany, Despite Court Ruling.** Mark Scott, Bits, 9/03/14

**Germany Imposes Nationwide Ban on Uber's Car-Hailing Services. Company Could Be fined Up to \$328,225 Per Trip.** Neetha Mahadevan, WSJ, 9/2/14

**Uber Faces Berlin's Wrath as Car-Sharing App Flouts Ban.** Stefan Nicola, Karin Matussek, Bloomberg Business, 8.14.14

#### **HOLLAND**

**UberPOP set to defy Holland ban.** Bangkok Post, 12.9.14

#### **INDIA**

**New Delhi bans all internet taxi firms after Uber rap claim. India orders country-wide ban on all internet taxi firms.** ABC news, 12.9.14

#### **JAPAN**

**Uber Ordered to Halt Ride-Sharing Pilot Program in Japan,** Jie Ma, Bloomberg Business, 3.3.15

#### **SOUTH KOREA**

**South Korea just charged Uber CEO Travis Kalanick with operating an 'illegal' taxi service.** TruthAbout Uber, 3.20.15

**Uber shuts down UberX in South Korea after talks with regulators.** Circa News, 3.6.15

#### **SPAIN**

**Taxi app Uber defies ban in Spain.** Yahoo, 12.26.14

**Uber defies Spanish ban and tells drivers it will pay to appeal all fines.** David Gilbert, International Business times, 12.11.14

#### **THAILAND**

**Uber's regulatory woes continue, termed "illegal" in Thailand.** Deepanshu Khandelwal, 12.29.14

## **USA NATIONWIDE**

**Uber CEO tells U.S. mayors he's not waiting for regulators to catch up.** Allen Young, Sacramento Business Journal, 9.28.14.

**Here is Where Uber And Lyft Are Facing Regulation Battles In the United States. Uber and Lyft are fighting for the ability to operate in cities across the country. Here are some of the resulting citations, and in some cases, lawsuits the companies are embroiled in.** Johana Bhulyan, BuzzFeedNews, 12.15.14

San Antonio, Los Angeles and San Francisco, Portland OR, Eugene, OR, Boston MA, Nevada, Pennsylvania (except Philadelphia), Philadelphia, Jacksonville, FL, Tampa, FL, Broward County, FL, Orlando FL, Colorado, South Carolina, New York City, Illinois, Fairfield County, Connecticut

**Pimping Your Rude: Uber...Brilliant Model or Just Breaking the Law?** Shari Olefson, Yahoo Finance, 1.26.15

**Uber: What You Need to Know About the Car Service App,** Cathy Rainone, NBC Bay Area, 7/20/14. Banned in Omaha and Lincoln NE, Ann Arbor MI, San Antonio and Austin TX, Miami FL)

#### **ALASKA**

**Uber Quits Anchorage, Sued in Oregon.** Huffington Post, 3.06.15

---

## CALIFORNIA

### **Uber Must Submit CEO Emails.** 1.3.15, Slashdot

Uber has lost its bid in U.S. federal court to avoid disclosing emails from Chief Executive Travis Kalanick in a California lawsuit accusing the popular ride-booking service of deceiving customers about how it shares tips with drivers.

**Uber under pressure as more bans and lawsuits loom. Uber's week of woes is continuing with authorities in San Francisco and Los Angeles taking legal action against the internet based taxi firm.** BBC, 12.10.14

**Lyft Defies Legal threat in Los Angeles With New Carpooling Service.** Douglas MacMillan, WSJ.D, 9/29.14

**The Four Things Uber and Lyft Have to Face When the Ride-Hailing Wars are Over.** Scott Pham, NBC Bay Area, 9/9/14

**Whoa. A LOT of armed cops just busted this Uber driver, apparently for a street-pick up.** Paul Carr, Pando Daily, 8/16/14

**Ride-shares warned by regulators: no airport runs.** Carolyn Said, San Francisco Chronicle, 6.11.14

**Ridesharing Wars: Uber, Regulators, and the "California Compromise".** Mark Scribner, CEI, 6.6.14

**Uber, Lyft and Sidecar Operate at SFO Illegally.** Elyce Kirchner, David Paredes, Scott Pham, NBC Investigative Unit, 6.3.14

**Uber Defiant in face of new legal challenge.** Zach Miners, PCWorld, 2.27.14.

**Lyft and UberX to keep operating in L.A. despite city orders.** Salvador Rodriguez, LA Times, 6.25.13

## DISTRICT OF COLUMBIA

**Is fancy cab service Uber operating illegally? Yes, says D.C.'s taxicab commish.,** 1.11.12

## FLORIDA

**Hillsborough Regulators Seek Support From Courts Against Uber, Lyft.** Tampa Bay Times, Feb. 11, 2015

Even with threats and fines, Hillsborough County hasn't been able to get companies Uber and Lyft off the streets so now it wants a judge to shut them down. The county on Wednesday joined cities such as Las Vegas, Miami and Portland, Ore., in calling for the court system's support in the ongoing battle between regulators and ride-share companies. Board members voted during Wednesday's Public Transportation Commission meeting to pursue injunctive relief against Uber and Lyft after both ride-share companies failed to comply with a cease-and-desist letter issued at the end of December. To read the article,

**Florida County Now Regulates TNCs Like Taxis.** LCT Mag, 2.10.15

**Lawsuit reignites Miami-Dade policy fight over Uber, Lyft.** Miami Herald, 2.10.15

**Will Uber follow Broward laws?** Brittany Wallman, Sun Sentinel, 2.9.15.

**Palm Beach County Commission votes to shut down popular Uber.** Examiner, 1.28.15

**Broward County Commissioners to negotiate with Uber. Commissioners consider legal action against unregulated transportation service.** Peter Burke, Local10.com, 1.13.15

**Uber to customers: Keep us in Broward.** Brittany Wallman, Sun Sentinel, 12.15.14

**Uber challenges Hillsborough Public Transportation Commission tickets.** Caitlin Johnston, Tampa Bay times, 9/08/14

---

**Orlando ticketed Uber drivers and towed their cars.**

Mark Schleub, Orlando Sentinel, 6.26.14

**Miami-Dade escalates penalties against renegade Lyft drivers.** Patricia Mazzei, Miami Herald, 6.6.14

**Tampa Vows to Ticket Lyft, Uber Ridesharing Drivers.** Insurance Journal, 4.30.14

**IDAHO**

**Uber Suspends Boise Service; Cites Proposed City Rules.** Idaho Statesman, Feb. 27, 2015  
Uber announced it had suspended its app-based service in Boise as of noon on Thursday. "Uber is suspending operations in the City of Boise for the foreseeable future due to growing costs and unworkable and onerous regulations being proposed by Mayor (Dave) Bieter and city officials," the company said in a statement. The announcement comes on the heels of a Wednesday meeting in which city officials proposed rules that would regulate Uber much like the taxi industry. To read the article, **[click here](#)**.

**Uber Bows Out Of Boise After Griping About Proposed Rules.** LCT Magazine, 2.26.15

**ILLINOIS**

**Uber blasts latest round of rules in Springfield.** Chicago Business, 5.16.14

**KANSAS**

**Lyft Finds Itself in Legal Limbo Though its Drivers Continue to Pick up Riders.** Kansas City Star, 8/8/14

**LOUISIANA**

**Why New Orleans doesn't have Uber. Jeanie Riess on the city's resistance to alternatives to traditional cabs – and what New Orleans taxi services have to say.** Jeanie Reiss, Best of New Orleans, 2.3.14

In October, Taxicab Bureau Director Malachi Hull issued a letter banning the app from coordinating any rides. "Notice to Cease Unlawful Transportation Operations in the City of New Orleans," it was titled, accusing Uber of "illegally advertising for drivers, advertising for riders, and/or facilitating for hire and courtesy transportation in the City of New Orleans."

**City leader threatens transportation company with arrest, fines if it brings business to NOLA. Cease and desist letter sent to app-based company uber,** 11.21.13 WDSU6

**MARYLAND**

**Uber launches in Annapolis despite uncertain future in state. Rideshare company has threatened to leave Md. If subjected to taxi regulations.** Kevin Rector. The Baltimore Sun, 5.21.14

**MINNESOTA**

**Car-sharing service Lyft plans to defy Minneapolis ban.** Julio Ojeda-Zapata, Twin Cities Pioneer Press, 2.25.14

**MISSOURI**

**Ban Against Lyft Ride Sharing Service Extended in St. Louis.** Insurance Journal.com, 7.16.14

**Google-powered Uber fights taxi companies in St. Louis.** Bizjournals, 9.26.13

**NEVADA**

**Transcript Shows How Transit Officials Built Case Against Uber,** Las Vegas Review-Journal □ Dec. 18, 2014



---

A review of a 105-page transcript of the transit authority's case against contracted Uber driver Anthony Morris gives a snapshot of how regulators are building its case against Uber and how some drivers went into their roles with little idea that they would be caught, compelled to appear before a hearings officer, fined and have their vehicles taken from them.

**Uber challenges court order; drivers still working.** Ann Friedman, Las Vegas Review Journal, 3.22.15

**Uber suspends activities in Nevada after injunction.** Geoffrey Smith, Fortune, 11.28.14

**Uber Suspends Operation in Nevada.** Brian R. Fitzgerald, WSJ.D, 11.28.14

**Judge puts the kibosh on ridesharing Uber in Nevada, for now.** Michelle Rindels, Kimberly Plercell, Las Vegas Sun, 10/24/14

Four cars driven for Uber had been impounded statewide for not being licensed as of midafternoon and faced fines of up to \$10,000, said Teri Williams, a spokeswoman for the Nevada Taxicab Authority. Uber spokeswoman Eva Behrend called the impoundments "unjust" and said the company will have its drivers' backs financially and legally.

#### **NEW JERSEY**

**Hoboken Cracking Down On Uber Car Services.** Tamara Laine, My9nj.com, 8/29/14

"The driver's vehicle will not be covered. The driver either has to lie to the insurance company and say they were not doing a ride-share application or take the chances and be honest and lose the coverage for that accident. They'll have no coverage and then you and I have to pay for that through the uninsured motorist fund. They are unregulated, unlicensed and they are skirting the law," he said.

#### **NEW MEXICO**

**Ridesharing service defies New Mexico order to stop operating.** News Tribune, 3.23.14

#### **NEW YORK**

**More Uber Cars Than Yellow Taxis on the Road in NYC.** New York Post, March 17, 2015

Uber has overtaken the yellow-cab industry in total cars on the streets in less than four years of operation in New York, according to new TLC data. The company has 14,088 black and luxury cars affiliated with it operating in the five boroughs, compared to 13,587 medallion cabs, according to the Taxi and Limousine Commission. Uber has been active in the city only since May 2011, but its competitive rates and higher pay have quickly lured drivers and customers away from traditional taxi service.

To read the article, [click here](#).

**Lyft hit with restraining orders from NY attorney general, Taxi Commission.** Josh Lowensohn, 7.11.14, The Verge

#### **OREGON**

**Uber refuses to pay \$2000 fine for operating illegally in Eugene: Uber vs. Portland roundup.** TheOregonian, 12/11/14.

**City of Portland sues Uber in bid to shut taxi service down.** Dominic Rushe, The Guardian, 12.9.14

#### **PENNSYLVANIA**

**Uber presents testimony before Pennsylvania PUC judges.** Kim Lyons, Pittsburgh Post Gazette, 8/19/14

**Uber Will Continue to Operate in Pittsburgh Despite a Court Order.** ViewFromTheWing, 7.02.14

#### **TENNESSEE**

**Memphis Creates Task Force to Arrest, Fine Uber and Lyft Drivers.** Barry Donegan, 7.16.14

#### **TEXAS**

**Lyft pulling up stakes unless paid ride rules change.** Dug Begley, Houston Chronicle, 10/29/14  
Many of the rules duplicate what the companies already do, but the procedures are not exactly the same.

---

While the companies use online background checks, Houston requires applicants to use the state's fingerprint-based background check company.

**Houston Sting Catches Uber Drivers Accepting Street Hails.** Peter Fricke, Daily Caller, 7.28.14  
**Police nab uber drivers for cash trips**

**Police: We'll Continue to Seize Cars of LYft Driver.**WOAI, 6.13.14

**Texas police latest to crack down on Uber, Lyft cars.** The impoundments Tuesday came about a month after Police Chief William McManus announced that such enforcement could occur if ride-sharing companies didn't cease operations. Josh Baugh, PoliceOne.com News, 6.12.14

**Uber, Lyft Rolling Forward, but Uncertainty Lingers.** Aman Batheja, Texas Tribune, 6.10.14



**TheCAB**  
**422-2222**

April 2, 2015

Testimony of Howard Higa, CEO , SB 1280  
Signature Cab Holdings, Inc dba TheCab  
738 Kaheka Street Suite 200  
Honolulu, Hawaii 96814

**LATE TESTIMONY**

**Chair and Committee Members:**

My name is Howard Higa and we are representing 875 drivers and employees operating as TheCab on Oahu. We are a legally registered company and have been abiding by the rules and regulations set forth by the State of Hawaii for over 30 years. We are a company in good standing and up-to-date on our taxes to the City, State and Federal government. Our drivers also are operating under the rules and regulations by the City and County of Honolulu for taxis and also under the rules and regulations for the State of Hawaii for the Public Utilities Commission.

We are requesting that the TNCs also abide by those rules and regulations of the City and County as well as the State of Hawaii.

We are requesting that the TNCs be more specific and make available their insurance policy for review.

There are special requirements and prices for taxi insurances and the TNCs should abide by the same rules for insurance. Ultimately it is for the safety of the passengers.

We are requesting that the TNCs should immediately stop their fare gouging. They call it "SURGE PRICING" and in my opinion it's gouging. The Webster dictionary defines gouging as "extortion or swindling"

**For example, TheCab transfers approximately 500 physically challenged residents daily to doctors and hospitals. Assuming we charge a higher fee to our kupunas during the peak travel times to the hospital, doctors or even to the grocery store ; would that be approved by the law makers? If you don't agree with this practice then you cannot allow Uber to continue to do business in this State.**

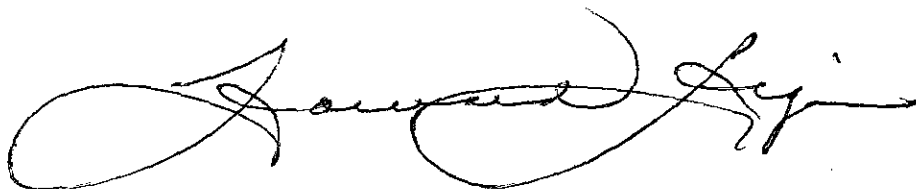
**We cannot allow this very sophisticated taxi system that we have in Hawaii go back to the Wild West behavior with no regards for the safety of the general public and make it a free for all.**

**In summary, I strongly suggest the law makers stop Uber and other TNCs from operating in this state until further notice. At present, the industry feels that the TNCs are operating illegally and until there is firm confirmation that they can abide by the laws of the industry and State, and keep the consumers safe they should not be operating. Their payment of taxes (G.E.T. And Hawaii State tax should be evaluated by the FINANCE COMMISSION TO VERIFY THEIR LEGAL TAX POSITION.)**

**THE CAB EMPLOYS APPROXIMATELY 875 HAWAII CITIZENS FULL TIME. WE CANNOT ALLOW UBER USING PART TIME WORKERS (NOT ABIDING BY THE HAWAII STATUE LAWS ) TAKING INCOME FROM THE FULL TIME, LAW ABIDING WORKERS.**

**DO WE WANT TO SEE THE HARD WORKING DRIVERS ON THE UNEMPLOYMENT LINE OR ON WELFARE DUE TO THE TNCS THAT REFUSES TO OPERATE UNDER OUR HAWAII LAWS AND ARE SO ARROGANT TO CONTINUE TO OPERATE ILLEGALLY AND SMIRK AT THE LAW, LAW MAKERS, AND THE BUSINESS OWNERS THAT ABIDE BY THE LAWS?**

**IN MY OPINION, THIS IS A SAD STATE OF AFFAIRS WHEN LAW MAKERS PONDER OVER LAW BREAKERS AND DISREGARD THE LAW ABIDING CITIZENS THAT FOLLOW THEIR RULES AND REGULATIONS,**

A handwritten signature in black ink, appearing to read "Howard Higa", with a large, stylized flourish at the end.

**Howard Higa**



**TheCAB**  
**422-2222**

**LATE TESTIMONY**

April 2, 2015

Testimony of Dorothy T. Requilman

Signature Cab Holdings, Inc dba TheCAB  
738 Kaheka Street Suite 200  
Honolulu, HI 96814

Chair, Vice Chair and Committee members:

My name is Dorothy Requilman and I work for 8 years in the admin of TheCAB known as 422-2222. Ever since I worked in the taxi business, I liked the system the State of Hawaii has in place that puts order for taxi and other transport service companies. I support bill SB 1280 with added changes, such as:

-TNCs should pay taxes (GET and State Tax) to Hawaii like TheCAB does. I thought that if you do business in this state, whether local or foreign, should be responsible to pay the applicable city and state taxes.

-There should be requirements for TNC drivers to be identified by the public when they do their business. For example, a dome or any sign informing the public that they are in business.

-On Section 3 of SB 1280. This Act shall take effect on July 1, 2112.  
Is the date correct? It seemed too long for this process to take effect.

I have been attending hearings and I support Mr. Howard Higa's testimony that TNCs should immediately stop their fare gouging or what they call "SURGE PRICING". It is a corrupt system that can take advantage of the customers who have no choice but to pay at a higher price when they need transportation at difficult times. I also



**TheCAB**  
**422-2222**

believed what Mr. Higa of TheCAB and Ms. Dale Evans of Charley's Taxi had mentioned on previous hearings that we already have a "sophisticated taxi system here in Hawaii". If we follow the TNCs ways, we would make it "free-for-all" for drivers to just get into business without even following rules and regulations.

For the safety of riding public, the state should allow only **commercial licensed** vehicles and driven by drivers that are licensed to operate a vehicle engaged in public transportation. If you need a medical service, you do not allow an unlicensed doctor to treat you. Right?

Please **stop** UBER and other TNCs from operation **immediately**, until the state decides that they can operate.

Thank you.



From: Emily Bustard <ebustard@middlebury.edu>  
Sent: Thursday, April 02, 2015 3:54 PM  
To: Rep. Sylvia Luke; Rep. Scott Nishimoto; FINTestimony; Attorney General Doug Chin  
Subject: Oppose SB1280 - Don't Kill Uber/Lyft in Hawaii

To: Rep. Sylvia Luke, Chair of House Finance Committee; Rep. Scott Nishimoto, Vice Chair; and Doug Chin, Hawaii State Attorney General

Re: Opposition to SB1280

Dear Finance Committee Chair Luke, Vice Chair Nishimoto, and Attorney General Chin,

I urge you to find a solution that will allow rideshare companies like Uber and Lyft to continue to exist in Hawaii.

The rideshare industry has hundreds of local drivers and thousands of loyal riders who love the revolutionary app-based technology, ease of payment and customer service that rideshare provides. Rideshare services are secure, less expensive, reduce the number of cars on the road, and allow local residents and military personnel to make extra money in their spare time by turning their cars into part-time businesses.

... But now big insurance companies are trying to put the most innovative, alternative transportation solutions of our generation out of business. Senate Bill 1280 is a strong- arm attempt by big insurance, in the words of one of their many lobbyists, “to regulate the rideshare industry out of existence.” If the state legislature passes this bill and Governor Ige signs it into law, services like Uber and Lyft will be forced to abandon operations in Hawaii.

Insurance companies are asking Legislators to require rideshare drivers to carry the most expensive commercial insurance policies to protect their bottomline, **EVEN AS THEY STRIKE DEALS TO SUPPORT COMPROMISE TNC LANGUAGE IN OTHER PLACES** (<http://www.insurancejournal.com/blogs/right-street/2015/03/24/361971.htm>)

I urge House Finance Chair Sylvia Luke, Hawaii State Insurance Commissioner Gordon Ito, and State Attorney General Douglas Chin to not give in the Insurance industry and figure out a compromise that will keep these companies, their jobs and the transportation innovation and alternatives here in Hawaii.

Yours,  
Emily Bustard  
3837 Lurline Dr.  
Honolulu, HI 96816

---

*This message was sent by the signee using an online tool sponsored by CorShare Hawaii, an independent coalition of riders, drivers, and alternative transportation and innovation enthusiasts. CoreShare is unaffiliated with Uber, Lyft or any other rideshare company.*

From: Elif Beall <elif.beall@gmail.com>  
Sent: Thursday, April 02, 2015 4:35 PM  
To: Rep. Sylvia Luke; Rep. Scott Nishimoto; FINTestimony; Attorney General Doug Chin  
Subject: Oppose SB1280 - Don't Kill Uber/Lyft in Hawaii

To: Rep. Sylvia Luke, Chair of House Finance Committee; Rep. Scott Nishimoto, Vice Chair; and Doug Chin, Hawaii State Attorney General

Re: Opposition to SB1280

Dear Finance Committee Chair Luke, Vice Chair Nishimoto, and Attorney General Chin,

I urge you to find a solution that will allow rideshare companies like Uber and Lyft to continue to exist in Hawaii.

The rideshare industry has hundreds of local drivers and thousands of loyal riders who love the revolutionary app-based technology, ease of payment and customer service that rideshare provides. Rideshare services are secure, less expensive, reduce the number of cars on the road, and allow local residents and military personnel to make extra money in their spare time by turning their cars into part-time businesses.

... But now big insurance companies are trying to put the most innovative, alternative transportation solutions of our generation out of business. Senate Bill 1280 is a strong-arm attempt by big insurance, in the words of one of their many lobbyists, "to regulate the rideshare industry out of existence." If the state legislature passes this bill and Governor Ige signs it into law, services like Uber and Lyft will be forced to abandon operations in Hawaii.

Insurance companies are asking Legislators to require rideshare drivers to carry the most expensive commercial insurance policies to protect their bottomline, **EVEN AS THEY STRIKE DEALS TO SUPPORT COMPROMISE TNC LANGUAGE IN OTHER PLACES** (<http://www.insurancejournal.com/blogs/right-street/2015/03/24/361971.htm>)

I urge House Finance Chair Sylvia Luke, Hawaii State Insurance Commissioner Gordon Ito, and State Attorney General Douglas Chin to not give in the Insurance industry and figure out a compromise that will keep these companies, their jobs and the transportation innovation and alternatives here in Hawaii.

Hawaii needs to welcome and find ways to allow and regulate new forms of transportation, including rideshare. I value the choice that Uber provides in Hawaii!

Yours,  
Elif Beall  
5-461 Kuhio Hwy  
Kilauea, HI 96754

---

*This message was sent by the signee using an online tool sponsored by CorShare Hawaii, an independent coalition of riders, drivers, and alternative transportation and innovation enthusiasts. CoreShare is unaffiliated with Uber, Lyft or any other rideshare company.*



To: State of Hawaii, House of Representative

Finance and Judiciary Committee

Plamen  
Re: Ramal Charou, Bai Gario, LLC

Re: SB1280 SB1280

Date: 4-2-2015

**LATE TESTIMONY**

I oppose Uber and Lyft doing business in Hawaii until they are properly registered and regulated as a commercial transportation company.

~~They~~ They should immediately cease their operations until properly

- Registered as commercial vehicles
- obtain commercial insurance
- ~~pass~~ pass physical exam
- ~~FBI~~ FBI Fingerprint background check
- cease unfair and unethical surge pricing that hurts the poor & elderly in need.

Plamen Ramal Charou ~~Plamen~~  
Bai Gario, LLC